



IBEX Technologies Inc.
5485 Paré, Montréal, Québec, Canada H4P 1P7
Tél : (514) 344-4004 Fax : (514) 344-8827
Website : www.ibex.ca

IBEX REPORTS SECOND QUARTER FISCAL 2010 RESULTS

Net Earning Increase 47% vs. Year Ago

MONTREAL, Quebec, March 10, 2010 – IBEX Technologies Inc. (TSX Venture: IBT), today reported its financial results for the second quarter ended January 31, 2010.

HIGHLIGHTS FOR THE QUARTER:

- Quarterly net earnings increased 47% vs. year ago;
- EPS double vs. year ago;
- Working capital increased 43% vs. year ago (and 17% vs. previous quarter).

“Year to date results are in line with expectations, notwithstanding the quarter to quarter variability”, said Paul Baehr, IBEX CEO. “Second half results are expected to be softer, given that certain customers are feathering back inventories. Cash and working capital continue to increase significantly, as the results from prior years hedges begin to flow in”.

FINANCIAL RESULTS FOR THE SECOND QUARTER

In USD sales IBEX recorded its highest quarterly sales since going public, with total sales for this quarter reaching USD\$838,297, up from USD\$790,428 in same period a year ago, an increase of 6%.

Reported sales (CAD) for the quarter ended January 31, 2010 totaled \$871,037 a decrease of 13% as compared to \$995,557 to the same period in the prior year, but representing an increase of 35% vs. the previous quarter.

This decrease of 13% in CAD sales is due to the translation of current USD sales into Canadian sales. A higher value of the Canadian dollar negatively impacts the current USD sales by translating them into a lower Canadian amount. During the second quarter of fiscal year 2009, the average USD currency rate reached \$1.2125 but dropped to an average of \$1.0563 in the second quarter ended January 31, 2010.

Excluding the currency impact, sales of enzymes increased by 6% vs. the previous year, and by 55% vs. the previous quarter, tracing to continued strong demand for the point of care disposables sold by IBEX customers. Sales of arthritis assays increased by 6% vs. year ago, and increased 27% vs. the previous quarter.

Net earnings for the quarter ended January 31, 2010 were \$424,993 or \$0.02 per share, compared to net earnings of \$289,110, or \$0.01 per share, for the same period year ago, representing an increase of 47%. This can be mainly attributable to a gain of \$129,673 in foreign exchange recorded in this quarter versus a loss of \$43,002 recorded in the previous fiscal year.



Expenses during the quarter decreased by 37% vs. year-ago and also decreased by 22% vs. the previous quarter. This reduction in expenses is mainly attributable to foreign exchange impact, a higher inventory allocation and occupancy cost reduction. Expenses excluding foreign exchange impact were \$575,717 vs. \$663,445 year ago.

Cash, cash equivalents, and marketable securities increased 9% during the quarter to \$2,904,889.

The Company's working capital was \$3,433,285 as at the end of the second quarter ended January 31, 2010 and up from \$2,390,884 at the end of the prior year's quarter ending January 31, 2009.

Financial Summary for the quarters ending

	January 31, 2010	January 31, 2009
Revenues	\$871,037	\$995,557
Earning Before Interests, Tax, Depreciation & Amortization	\$457,130	\$300,698
Depreciation & Amortization	\$34,974	\$16,818
Net Earnings	\$424,993	\$289,110
Net Earnings per Share	\$0.02	\$0.01
Cash, Cash Equivalents & Marketable Securities	\$2,904,889	\$1,848,396
Net Working Capital	\$3,433,285	\$2,390,884
Outstanding shares at report date (Common Shares)	24,703,244	24,703,244

LOOKING FORWARD

IBEX has been successful in bringing its existing business to profitability and is now turning its attention to pursuing growth opportunities, including further growing its base business, and maximizing shareholder value through strategic initiatives with companies where increased market strength and synergies might be obtained.

ABOUT IBEX

The Company manufactures and markets a series of proprietary enzymes (heparinases and chondroitinases) for use in pharmaceutical research by our customers, as well Heparinase I, which is used in many leading hemostasis monitoring devices.



IBEX also manufactures and markets a series of arthritis assays which are widely used in pharmaceutical research by our customers. These assays are based on the discovery and increasing role of a number of specific molecular biomarkers associated with collagen synthesis and degradation.

For more information, please visit the Company's web site at www.ibex.ca.

The TSX Venture Exchange does not accept responsibility for the adequacy or accuracy of this release

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Safe Harbor Statement

All of the statements contained in this news release, other than statements of fact that are independently verifiable at the date hereof, are forward-looking statements. Such statements, based as they are on the current expectations of management, inherently involve numerous risks and uncertainties, known and unknown. Some examples of known risks are: the impact of general economic conditions, general conditions in the pharmaceutical industry, changes in the regulatory environment in the jurisdictions in which IBEX does business, stock market volatility, fluctuations in costs, and changes to the competitive environment due to consolidation or otherwise. Consequently, actual future results may differ materially from the anticipated results expressed in the forward-looking statements. IBEX disclaims any intention or obligation to update these statements.

Contact:

Paul Baehr
President & CEO
IBEX Technologies Inc.
514-344-4004 x 143



CONSOLIDATED BALANCE SHEETS

UNAUDITED	January 31 , 2010 \$	July 31, 2009 \$
ASSETS		
Current assets		
Cash and cash equivalents	2,904,890	2,260,344
Accounts receivable	516,320	996,830
Inventories	364,373	321,922
Prepaid expenses	9,902	63,258
Sub-total current assets	3,795,485	3,642,354
Long term deposit	8,650	8,650
Property and equipment	544,705	530,544
Total assets	4,348,840	4,181,548
LIABILITIES		
Current liabilities		
Accounts payable and accrued liabilities	370,850	761,208
Total liabilities	370,850	761,208
SHAREHOLDERS' EQUITY		
Capital stock	52,660,078	52,660,078
Contributed surplus	462,333	401,553
Deficit	(49,144,421)	(49,641,291)
Total shareholders' equity	3,977,990	3,420,340
Total liabilities and shareholders' equity	4,348,840	4,181,548

CONSOLIDATED STATEMENTS OF DEFICIT

	January 31, 2010 \$	January 31, 2009 \$
Balance - Beginning of period	(49,641,291)	(50,985,029)
Net earnings for the period	496,870	626,525
Balance - End of period	(49,144,421)	(50,358,504)



CONSOLIDATED STATEMENTS OF EARNING AND COMPREHENSIVE INCOME

UNAUDITED

	Three months ended		Six months ended	
	January 31st		January 31st	
	2010	2009	2010	2009
	\$	\$	\$	\$
Revenue	871,037	995,557	1,517,693	1,607,988
Operating expenses				
Selling, general and administrative expenses and cost of goods sold	(540,414)	(648,009)	(1,035,539)	(1,136,919)
Amortization of property and equipment	(34,974)	(16,818)	(67,741)	(32,018)
Other interest and bank charges	(3,166)	(8,133)	(6,635)	(11,211)
Foreign exchange gain (loss)	129,673	(43,002)	84,960	168,617
Gain on sale of assets	-	4,285	-	10,389
Investment income	2,837	5,230	4,132	19,679
Total operating expenses	(446,044)	(706,447)	(1,020,823)	(981,463)
Net earnings and other comprehensive income	424,993	289,110	496,870	626,525
Net earnings and other comprehensive income per share				
Basic and diluted	\$ 0.02	\$ 0.01	\$ 0.02	\$ 0.03

See accompanying notes



CONSOLIDATED CASH FLOW STATEMENTS

UNAUDITED

	Three months ended January 31st		Six months ended January 31st	
	2010	2009	2010	2009
	\$	\$	\$	\$
Cash flows provided by (used in):				
Operating activities				
Net profit for the period	424,993	289,110	496,870	626,525
Items not affecting cash -				
Amortization of property and equipment	34,974	16,818	67,741	32,018
Stock-based compensation costs	60,780	2,605	60,780	4,952
Gain on disposal of property and equipment	-	(4,285)	-	(10,389)
Cash flow relating to operating activities	520,747	304,248	625,391	653,106
Net changes in non-cash working capital items -				
Decrease (increase) in accounts receivable	170,123	(174,022)	480,511	(448,049)
Increase in inventories	(67,136)	(60,837)	(42,451)	(35,954)
Decrease (increase) in prepaid expenses	33,450	(16,430)	53,356	24,480
(Decrease) increase in accounts payable and accrued liabilities	(395,446)	196,320	(390,360)	182,804
Net changes in non-cash working capital balances relating to operations	(259,009)	(54,969)	101,056	(276,719)
Cash flow relating to operating activities	261,738	249,279	726,447	376,387
Investing activities				
Additions to marketable securities	-	-	-	(209,207)
Proceeds on disposal of marketable securities	-	1,199,912	-	1,404,375
Additions to property and equipment	(18,415)	(80,663)	(81,902)	(105,104)
Proceeds on disposal of property and equipment	-	4,285	-	10,389
Cash flow relating to financing activities	(18,415)	1,123,534	(81,902)	1,100,453
Increase in cash and cash equivalents during the quarter	243,323	1,372,813	644,545	717,617
Cash and cash equivalents - Beginning of period	2,661,567	476,123	2,260,345	348,752
Cash and cash equivalents - End of period	2,904,890	1,848,936	2,904,890	1,066,369



IBEX Technologies Inc.

Notes to Consolidated Financial Statements

For the six months ended January 31, 2010 and 2009 (unaudited)

1. Interim financial information

These interim consolidated financial statements do not conform in all respects to the disclosure requirements of Canadian generally accepted accounting principles for annual financial statements and as such the consolidated interim financial statements should be read in conjunction with the annual consolidated financial statements for the years ended July 31, 2009 and 2008, which do conform to the disclosure requirements. These consolidated interim financial statements have been prepared using the same accounting policies as outlined in note 2 to the consolidated financial statements for the years ended July 31, 2009 and 2008 except as outlined in Note 2 below.

The consolidated interim financial statements for the six months ended January 31, 2010 and for the six months ended January 31, 2009 are unaudited and have not been reviewed by the company's auditors. The results of operations for this period are not necessarily indicative of the trends of the operating results for the full year.

2. Significant accounting policies

Financial instruments

During the year ended July 31, 2008, the Company adopted the Canadian Institute of Chartered Accountants ("CICA") Handbook Section 1530, "Comprehensive Income"; Section 3251, "Equity"; Section 3855, "Financial Instruments – Recognition and Measurement"; Section 3862, "Financial Instruments – Disclosures"; Section 3863, "Financial Instruments – Presentation"; and Section 3865, "Hedges". These standards provide accounting guidelines for the recognition, measurement, disclosure and presentation of financial assets, financial liabilities and non-financial derivatives, as well as the introduction of a new statement of comprehensive income. Section 3865 did not have an impact on the Company as it does not use hedge accounting. The Company elected to early adopt Sections 3862 and 3863, as permitted by the standards.

The Company's adoption of these new financial instrument standards resulted in changes in the accounting for financial instruments, as well as the recognition of certain transitional adjustments that have been recorded in opening deficit as described below. The principal changes in the accounting for financial instruments due to the adoption of these accounting standards are as follows.

a) Comprehensive income (loss)

Comprehensive income (loss) is defined as the change in equity from transactions and other events and circumstances from sources other than shareholders, and is composed of the Company's net earnings (loss) and other comprehensive income (loss). Other comprehensive income (loss) refers to revenues, expenses, gains and losses that are recognized in comprehensive income (loss) but excluded from net earnings (loss). The Company does not have any components that qualify as other comprehensive income (loss).

b) Financial assets and financial liabilities

Financial assets and financial liabilities, including derivatives, are recognized on the consolidated balance sheet when the Company becomes a party to the contractual provisions of the financial instrument or non-financial derivative contract. Financial instruments are initially recognized at fair value and are classified into one of five categories: held for trading, held to maturity, available for sale, loans and receivables, or other financial liabilities. They are subsequently accounted for based on their classification as described below. The classification depends on the purpose for which the financial instruments were acquired and their characteristics. Except in very limited circumstances, the classification is not changed subsequent to initial recognition. Transaction costs are expensed as incurred.

Held for trading

Financial instruments classified as held for trading are carried at fair value at each balance sheet date with the changes in fair value recorded in net earnings (loss) in the period in which the changes arise.



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Available for sale

Financial instruments classified as available for sale are carried at fair value at each balance sheet date with the changes in fair value recorded in other comprehensive income (loss) in the period in which the changes arise. Securities that are classified as available for sale and do not have a readily available market value are recorded at cost. Available-for-sale securities are adjusted to fair value through earnings (loss) whenever it is necessary to reflect other than temporary impairment. Upon derecognition, all cumulative gains or losses are then recognized in net earnings (loss).

Held to maturity, loans and receivables, and other financial liabilities

Financial instruments classified as held to maturity, loans and receivables, and other financial liabilities are carried at amortized cost using the effective interest method, and interest income or expense is included in net earnings (loss) over the expected life of the instrument.

Management has selected the following classifications and bases of accounting for the Company's financial instruments:

Asset/Liability	Classification	Basis of accounting
Cash and cash equivalents	Held for trading	Fair value
Marketable securities	Held to maturity	Amortized cost
Accounts receivable	Loans and receivable	Amortized cost
Accounts payable and accrued liabilities	Other financial liabilities	Amortized cost

c) Embedded derivatives

All derivative instruments are recorded in the consolidated balance sheet at fair value at each balance sheet date. Derivatives may be embedded in other financial instruments (the "host instrument"). Prior to the adoption of the new standards, such embedded derivatives were not accounted for separately from the host instrument. Under the new standards, embedded derivatives are treated as separate derivatives if their economic characteristics and risks are not clearly and closely related to those of the host instrument, the terms of the embedded derivative are the same as those of a stand-alone derivative, and the combined contract is not held for trading or designated at fair value. These embedded derivatives are measured at fair value at each balance sheet date with subsequent changes recognized in net earnings (loss) in the period in which the changes arise. The Company selected August 1, 2002 as its transition date for embedded derivatives, which is the latest date allowed by the accounting standard.

The Company enters into certain contracts for the sale of non-financial items that are denominated in currencies other than the Canadian dollar, the Company's functional currency. In cases where the foreign exchange component is not leveraged, does not contain an option feature and the contract is either denominated in the functional currency of the counterparty, the non-financial item is routinely denominated in the currency of the contract or the currency of the contract is commonly used in the economic environment in which the transaction takes place, the embedded derivative is considered to be closely related and is not accounted for separately. The fair value of financial instruments is determined using recognized valuation models using observable market-based inputs.

Embedded foreign currency derivatives gave rise to a transitional adjustment for the cumulative impact of adopting these new standards for prior years, which was recognized as an adjustment directly to opening



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deficit of fiscal 2008. No other transitional adjustments were recorded as a result of the adoption of the new standards. The impact of the adoption was a one-time increase of \$4,711 to deficit and accounts payable and accrued liabilities.

During the six months ended January 31, 2010, the impact of the change in the fair value of the derivatives related to sales contracts is recorded in foreign exchange loss and the offset of \$140,496 as at January 31, 2010 is recorded in accrued liabilities. (2009; gain of \$162,776).

Capital disclosures

During the year ended July 31, 2008, the Company early adopted CICA Handbook Section 1535, "Capital Disclosures", as permitted by the standard. The standard requires the disclosure of both qualitative and quantitative information that enables the users of the financial statements to evaluate the Company's objectives, policies and processes for managing capital.

The adoption of this Section did not have an impact on the Company's financial position, earnings or cash flows; however, it did result in expanded disclosure.

Inventories

On August 1st, 2008, the Company adopted CICA Handbook section 3031 "Inventories", which provides guidance on the determination of costs and their subsequent recognition as an expense and provide guidance on the determination of cost, including the allocation of fixed and variable overheads; narrows the permitted costs formulas; and expands the disclosure requirements to increase transparency.

Inventories are composed of work in process and finished goods, which are valued at the lower of cost and net realizable value determined on a first-in, first-out basis. Inventory cost includes materials, direct labour and attributable overhead. During the six months ended January 31, 2010 the Company recognized an expense of \$463,849 in cost of products sold.

	January 31, 2010	July 31, 2009
	\$	\$
Inventories		
Assay kits	29,985	55,991
Enzymes	285,752	189,475
Work in process – enzymes	48,636	76,456
Total inventory	<u>364,373</u>	<u>321,922</u>

Goodwill and Intangible Assets

Section 3064 replaces the existing Section 3062, "Goodwill and Other Intangible Assets", and Section 3450, "Research and Development Costs". The standard provides guidance on the recognition, measurement and disclosures of goodwill and intangible assets. Management does not expect this Section to have a significant impact on its financial position, earnings or cash flows.



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3. Marketable securities

(a) Marketable securities include the following:

	January 31, 2010	July 31 2009
	\$	\$
Debt Securities – at cost (which approximates market value (note 2(b)))	-	-
	-	-

(b) As at January 31, 2010, cash and cash equivalents totaled \$2,904,889. Of this amount, the Company invested \$2,524,000 in 5 different chartered Canadian banks with interest rates ranging from 0.75% to 2.05%.

4. Capital stock and contributed surplus

(a) As at January 31, 2010, the company's authorized capital stock is as follows:

Unlimited as to number

- Cumulative, redeemable First preferred shares, issuable in series. The first series consisted of 150,000 shares, convertible into common shares at a rate of 188.68 voting common shares for each preferred share.
- Cumulative, redeemable convertible Second preferred shares, issuable in series.
- Third preferred shares, issuable in series.
- Common shares.

(b) Issued

Book value	January 31, 2010	July 31 2009
	\$	\$
24,703,244 Common shares (2009: 24,703,244)	52,660,078	52,660,078

(c) Stock Options

During the six months ended January 31, 2010, the weighted average fair value at grant date of the options which were granted at an exercise price equal to market price are \$57,500.

For the six month period ended January 31, 2010, there was an increase to general and administrative expenses of \$60,780 and a corresponding increase to contributed surplus for stock based compensation amortization.

(d) Under the existing IBEX Technologies Inc. ("IBEX") stock option plan, common shares may be issued to full-time employees of the company, directors and consultants, the terms and conditions of grants there under being contingent upon market values, the discretion of the Board of Directors and regulatory requirements. The number of common shares reserved for issuance under this stock option plan is

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currently 1,592,992. The maximum term permissible under the plan is 10 years which is determined at the date of grant as well as the vesting privileges.

The following table summarizes the IBEX stock option plan:

	January 31, 2010		July 31 2009	
	Number of options	Weighted average exercise price	Number of options	Weighted average exercise price
Beginning balance – July 31	769,385	\$ 0.26	1,279,385	\$ 0.28
Granted	420,000	0.23	-	-
Expired	-	-	-	-
Cancelled	-	-	(510,000)	0.26
Ending balance	1,189,385	0.25	769,385	0.26

The following table summarizes the IBEX stock options outstanding as at January 31, 2010:

	Options outstanding			Options currently exercisable	
	Issued stock options	Weighted average remaining contractual life (years)	Weighted average exercise price	Vested stock options	Weighted average exercise price
Range of exercise prices					
	\$		\$		\$
0.06	25,000	8.37	0.06	25,000	0.06
0.10	280,000	8.66	0.10	280,000	0.10
0.18-0.22	241,500	6.95	0.21	241,500	0.21
0.23-0.24	420,000	9.89	0.23	250,000	0.23
0.33-0.45	57,500	4.16	0.35	57,500	0.35
0.50-0.70	165,385	2.71	0.59	165,385	0.59
	1,189,385	6.06	0.25	1,019,385	0.25

5. Profit (loss) per share

Profit per share is calculated using the weighted average number of shares outstanding of 24,703,244 (2009: 24,703,244). Securities which dilute profit per share are employee options. A total of 796,500 options were in the money as of January 31, 2010.



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6. Currency impact

The US dollar is the Company's principal currency for sales. Accordingly, fluctuations in the US/Canadian exchange rate have a significant impact on the Company's reported results. The Company's net earnings are impacted by changes in both the average and period end rates.

A change in the average rate will significantly impact the current US dollar sales when translating them into Canadian dollar amount.

A change in the period end rate will have an impact on US dollar monetary assets and liabilities which are translated at each balance sheet date with resulting gains and losses recorded in financial expenses.

During this quarter, the Canadian dollar decreased against the US dollar from \$1.0819 to \$1.0693. In comparison to the same quarter last year, the US dollar decreased an average of 13% and based on period ending rates by 14%. The increase of the US dollar during the three months resulted in the Company recording a gain of \$129,673.