



November 22, 2011

Dear Shareholders,

After a difficult start to Fiscal 2011, due to a down-turn in orders from major diagnostic manufacturers, we were pleased to see improvements in the third quarter and an even better fourth quarter.

Despite the decline in sales in the first half, we pushed forward with two important initiatives to strengthen the business:

- We installed a new freeze dryer (also known as a lyophilizer) which will more than double our capacity to produce heparinase-containing diagnostic device components for the customers who incorporate these disposables in their diagnostic devices. This project is now complete and ready for operation.
- We also expanded our assay development capability with the addition of four new staff (scientists and technicians). The result of their efforts have been seen in the improvements made to our existing arthritis ELISA's (i.e. diagnostic kits), and the development of several new ELISA's which will be introduced over the coming months.

In the fourth quarter we also saw significant improvements in the balance sheet as working capital, cash, cash equivalents, and marketable securities increased in the last quarter versus the previous quarter.

We look forward to an even better year in Fiscal 2012 and thank you for your support.

Regards,

A handwritten signature in black ink, appearing to read 'Paul Baehr'.

Paul Baehr
Chairman

Safe Harbor Statement

All of the statements contained in this letter, 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.

IBEX Technologies Inc.