



PRESS RELEASE

TSX symbol: BX

BIOX ANNOUNCES 2011 FIRST QUARTER RESULTS

TORONTO, February 4, 2011 - BIOX Corporation (BIOX) (TSX: BX), a renewable energy company that designs, builds, owns and operates biodiesel production facilities, today announced its fiscal 2011 first quarter (Q1 2011) financial results for the three-month period ended December 31, 2010.

Highlights

- Production of methyl esters was 14.7 million litres in Q1 2011 compared to 11.9 million litres in the first quarter of 2010 (Q1 2010)
- Sales were \$26,989,000 in Q1 2011, compared to \$11,565,000 in Q1 2010
- Operating income was \$2,291,000 in Q1 2011 compared to a loss of \$765,000 in Q1 2010
- Operating income prior to non-cash items⁽¹⁾ was \$3,399,000 in Q1 2011 compared to \$278,000 in Q1 2010
- Net income was \$1,764,000 in Q1 2011 compared to loss of \$1,071,000 in Q1 2010
- Earnings per share were \$0.04 in Q1 2011 compared to loss of \$0.05 in Q1 2010
- On December 17, 2010, the U.S. biodiesel tax incentive was reinstated through to December 31, 2011 and retroactive to January 1, 2010

"Q1 was a very strong quarter as we continue to see improving fundamentals in the biodiesel market. The combined impact of the RFS2 in the U.S., which has positively impacted the value of RINs, and the retroactive reinstatement of the biodiesel tax incentive have enabled us to deliver our strongest quarterly performance to date, with approximately \$27 million in sales and positive net income," said Tim Haig, President and CEO of BIOX Corporation. "The market is developing as we expected and with these improved market conditions, we are moving forward with our expansion plans for a second plant in Canada or the U.S."

Financial Highlights

Sales were \$27.0 million for the three-month period ended December 31, 2010 compared with \$11.6 million for the corresponding period last year. BIOX sold 20.9 million litres of biodiesel during the period, including 4.9 million litres acquired from third parties. The increase in sales volume was primarily the result of the implementation of a produce and store strategy implemented by BIOX during the third quarter of fiscal 2010, which resulted in higher levels of inventory available for sale in the first quarter of fiscal 2011. Sales for the three-month period ended December 31, 2010 were positively impacted by increased sales of inventory, the retroactive reinstatement of the U.S. biodiesel tax incentive, which resulted in an additional \$3.5 million of sales recognized during the period, and the aforementioned sale of biodiesel purchased from third parties.

Direct expenses were \$21.8 million for the three-month period ended December 31, 2010 compared with \$10.1 million for the corresponding period in 2009. The increase in direct expenses was primarily a result of higher sales volumes and higher cost per litre sold for the three-month period ended December 31, 2010 compared with the same period last year.

General and administrative expenses were \$1.7 million for the three-month period ended December 31, 2010 compared with \$1.2 million for the same period last year. Higher costs were due in part to additional administrative costs and professional fees as a result of BIOX becoming a public company on March 1, 2010.

Operating income was \$2.3 million for the three-month period ended December 31, 2010 compared with an operating loss of \$0.8 million for the same period last year. The increase in operating income was primarily due to higher sales partially offset by increased direct cost of sales per litre of biodiesel.

Operating income prior to non-cash items⁽¹⁾ was \$3.4 million for the three-month period ended December 31, 2010 compared with \$0.3 million for the same period last year. The increase in operating income prior to non-cash items was primarily due to higher sales partially offset by increased direct cost of sales per litre of biodiesel.

Operating income prior to non-cash items⁽¹⁾ for BIOX Canada Limited (BIOX Canada) was \$5.1 million for the three-month period ended December 31, 2010 compared with \$1.2 million for the same period last year. The increase in operating income prior to non-cash items was primarily due to higher sales partially offset by increased direct cost of sales per litre of biodiesel.

Net income and comprehensive income was \$1.8 million or \$0.04 per common share for the three-month period ended December 31, 2010 compared with a net loss and comprehensive loss of \$1.1 million or \$0.05 per share for the same period last year.

As at December 31, 2010, BIOX's available cash position amounted to \$19.1 million, which consisted of cash and cash equivalents and short-term investments, compared with \$21.5 million on September 30, 2010. BIOX's working capital balance at December 31, 2010 was \$34.5 million compared with \$32.3 million at September 30, 2010. The increase in working capital was due to positive operating income earned during the three-month period ended December 31, 2010.

As at December 31, 2010, BIOX had 45,748,690 common shares outstanding, as well as options to purchase 525,000 common shares, and share purchase warrants to acquire up to 1,982,143 common shares.

Outlook

Expansion Plans

As previously announced, BIOX received notice from Natural Resources Canada ("NRCan") that BIOX's ecoENERGY for Biofuels program application for a second 67 million litre per annum nameplate capacity biodiesel facility in Hamilton, Ontario met all requirements to be accepted for incentive funding, subject to funding becoming available under the program. However, the ecoENERGY program is unable to fund all eight biodiesel projects that met the requirements due to insufficient funding. The funding envelope is insufficient to fund the Hamilton project at this time. BIOX continues to pursue further discussions with the Canadian federal government to determine if additional funding can be made available in a timely manner to provide incentive payments for a second Hamilton facility. Based on the status of BIOX's applications to NRCan in respect of future plants, BIOX is currently re-evaluating the options available to it in both Canada and the U.S. regarding the location of its next production facility.

BIOX's current estimate of capital expenditures to be incurred by the Company, including commissioning costs, required for future 67 million litre nameplate capacity plants is approximately \$29 million in today's dollars. BIOX's current estimate of the total cost of each facility, including storage, terminal services and utilities services is approximately \$53 million. Since submitting its ecoENERGY applications in March 2010, BIOX has continued to optimize its design plans to reduce the capital required for its next facility. As part of its expansion plans,

BIOX is evaluating potential locations for its second production facility considering a number of criteria including availability of infrastructure and service providers, potential strategic partnerships, logistics and other market factors.

U.S. Renewable Fuels Standard

The U.S. Environmental Protection Agency (EPA) implemented the expanded RFS2 as of July 1, 2010. RFS2 requires the use of a minimum 800 million U.S. gallons of Biomass-based diesel in 2011, increasing to 1 billion U.S. gallons in 2012. From 2012 through 2022, a minimum of 1 billion U.S. gallons annually must be used domestically, and the Administrator of the EPA has the authority to increase the minimum volume requirement. In November 2010, the EPA confirmed 2011 overall minimum use volumes, including a minimum 1.35 billion U.S. gallons of Advanced Biofuels which must include a minimum 800 million U.S. gallons of Biomass-based diesel in U.S. diesel fuel. RFS2 has shifted the market in the U.S. from a voluntary market to an obligated market. Obligated parties can purchase biodiesel to meet their blending requirements or, alternatively, can purchase RINs on a standalone basis in the open market.

BIOX believes that the implementation of the expanded RFS2 has had, and will continue to have, a positive impact on the demand for biodiesel in the U.S, which has had a positive impact on pricing since July 1, 2010. As a result, the produce and store strategy that BIOX implemented in fiscal Q3 2010 has been successful. By taking an opportunistic sales approach BIOX has benefited from a rise in heating oil prices and RIN values. BIOX believes RFS2 and the confirmation of minimum use requirements for 2011 are very important steps toward the evolution of a sustainable biodiesel industry.

U.S. Federal Excise Tax Incentive

On December 17, 2010 the U.S. biodiesel tax incentive was reinstated through to December 31, 2011 and is also retroactive to January 1, 2010. The reinstatement of this tax incentive allowed BIOX to invoice \$3.5 million in sales to its customers related to biodiesel sold during fiscal 2010. All of the \$3.5 million has been collected from its customers subsequent to December 31, 2010. The retroactive reinstatement and extension of the biodiesel tax incentive through to the end of 2011 also provides producers, refiners and importers with clarity on an issue which had previously created pricing uncertainty within the biodiesel market. This action by the U.S. government is significant for BIOX as it continues to sell into a U.S. market that requires the blending of a minimum 800 million U.S. gallons of biomass based diesel into the petroleum pool in 2011.

Canadian Renewable Fuel Content Regulations

In August 2010, the Canadian federal government enacted regulations that require an average renewable fuel content to be blended into gasoline, diesel fuel and heating oil. The first compliance period for the 5% renewable content in gasoline requirement is December 15, 2010 to December 31, 2012. Biodiesel qualifies as renewable content and therefore can be used to comply with the 5% requirement. BIOX Canada is now registered under the Canadian Environmental Protection Act as a renewable fuel producer and therefore its production qualifies as renewable content under the program. The commencement of the 2% renewable diesel requirement is expected to be implemented in 2011, subject to technical feasibility through an amendment to the regulations.

Notice of Conference Call

BIOX will hold a conference call today, February 4, 2011, at 9:00 a.m. ET hosted by Mr. Tim Haig, President and Chief Executive Officer and Mr. Chris Clinning, Chief Financial Officer, to discuss BIOX's financial results and corporate developments. To access the conference call by telephone, dial (647) 427-7450 or (888) 231-8191. To access the telephone replay, dial (416)

849-0833 or (800) 642-1687 and enter reservation number 40773460. A live audio webcast of the call will be available at www.bioxcorp.com. The webcast will be archived for 90 days.

¹⁾ Note: Non-GAAP Measures. Operating income prior to non-cash items is defined as operating income or loss less production facility depreciation and amortization, and less amortization of furniture, equipment and intangibles. Management uses this measurement to monitor the operating cash flow of BIOX's business and believes this information is useful supplemental information to a reader of financial statements. This measurement may not be comparable to similar measures presented by other issuers. Investors are cautioned that operating income (loss) prior to non-cash items should not be construed as an alternative to operating income (loss) determined in accordance with Canadian generally accepted accounting principles as an indicator of BIOX's performance.

Reconciliation of Non-GAAP Measures

The following table presents a reconciliation of operating income (loss) prior to non-cash items to operating income (loss) for the three months and twelve months ended September 30, 2010 and 2009:

	For the three months ended December 31,	
	2010	2009
Operating income before non-cash items	\$3,399	\$278
Production facility depreciation and amortization	\$(1,025)	\$(962)
Amortization of furniture, equipment and intangibles	\$(83)	\$(81)
Operating income (loss)	\$2,291	(\$765)

About BIOX Corporation

BIOX is a renewable energy company that designs, builds, owns and operates biodiesel production facilities. BIOX currently owns and operates a biodiesel production facility in Hamilton, Ontario, Canada with a nameplate capacity of 67 million litres per year. BIOX has an innovative, proprietary and patented production process that is capable of producing the highest quality, renewable, clean burning and biodegradable biodiesel fuel utilizing a variety of feedstocks - from pure seed oils to animal fats to recovered vegetable oils with no change to the production process. BIOX's high quality biodiesel fuel meets both North American (ASTM D-6751) and European (EN 14214) quality standards. BIOX is Canada's largest biodiesel producer and is focused on building, owning and operating a network of commercial scale biodiesel production facilities in jurisdictions where clearly defined renewable fuel standards policies exist.

Forward-looking Statements

Certain statements in this press release constitute "forward-looking" statements that involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance, objectives or achievements of BIOX, or industry results, to be materially different from any future results, performance, objectives or achievements expressed or implied by such forward-looking statements. These statements

reflect BIOX's current views regarding future events and operating performance are based on information currently available to BIOX, and speak only as of the date of this press release. These forward-looking statements involve a number of risks, uncertainties and assumptions and should not be read as guarantees of future performance or results, and will not necessarily be accurate indications of whether or not such performance or results will be achieved. Those assumptions and risks include, but are not limited to, the fact that BIOX's results of operations and business outlook are highly dependent on a mix of legislation and producer payment programs and tax credits, including inclusion of BIOX's second production plant in the ecoENERGY for Biofuels Program; and upon commodity prices, which are subject to significant volatility and uncertainty. Many factors could cause the actual results, performance or achievements of BIOX to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements, including factors described in this press release and those discussed in BIOX's publicly available disclosure documents, as filed by BIOX on SEDAR (www.sedar.com). Should one or more of these risks or uncertainties materialize, or should assumptions underlying the forward-looking statements prove incorrect, actual results may vary materially from those described in this press release as intended, planned, anticipated, believed, estimated or expected. Unless required by applicable securities law, BIOX does not intend and does not assume any obligation to update these forward-looking statements.

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BIOX Corporation

Consolidated statements of operations and comprehensive income (loss)

(Unaudited)

(All dollar amounts are expressed in thousands, except share and per share amounts)

	Three months ended	
	December 31	
	2010	2009
	\$	\$
Sales	26,989	11,565
Cost of sales		
Direct expenses	21,841	10,070
Production facility depreciation and amortization	1,025	962
	22,866	11,032
Gross margin	4,123	533
Operating expenses		
General and administrative	1,749	1,217
Amortization of furniture, equipment and intangible assets	83	81
	1,832	1,298
Operating income (loss)	2,291	(765)
Other expenses		
Stock-based compensation	60	-
Interest and fees on loans	168	181
Financing and accretion	10	10
Expansion planning and development	134	-
Disposal of property, plant and equipment	-	42
Loss on foreign exchange	195	79
	567	312
Net income (loss) before interest income	1,724	(1,077)
Interest income	40	6
Net income (loss) and comprehensive income (loss) for the period	1,764	(1,071)
Basic and diluted income (loss) per common share	0.04	(0.05)
Weighted average number of common shares	45,748,690	21,747,073

BIOX Corporation

Consolidated statements of deficit

(Unaudited)

(All dollar amounts are expressed in thousands)

	Three months ended	
	December 31	
	2010	2009
	\$	\$
Deficit, beginning of period	(91,343)	(75,337)
Net income (loss) for the period	1,764	(1,071)
Deficit, end of period	(89,579)	(76,408)

BIOX Corporation

Consolidated balance sheets

(Unaudited)

(All dollar amounts are expressed in thousands)

	At December 31 2010 \$	At September 30 2010 \$
Assets		
Current		
Cash and cash equivalents	19,125	21,470
Accounts receivable	12,322	3,475
Prepaid expenses and sundry assets	767	984
Inventory	11,939	13,752
	44,153	39,681
Restricted cash	1,173	1,173
Property, plant and equipment, net	57,103	57,758
Intangible assets, net	1,275	1,308
	103,704	99,920
Liabilities		
Current		
Accounts payable and accrued liabilities	8,268	6,024
Current portion of long-term debt	1,380	1,380
	9,648	7,404
Long-term debt	9,331	9,666
Asset retirement obligation	2,110	2,059
	21,089	19,129
Shareholders' equity		
Capital stock	167,787	167,787
Warrants	3,151	3,151
Contributed surplus	1,256	1,196
Deficit	(89,579)	(91,343)
	82,615	80,791
	103,704	99,920

BIOX Corporation

Consolidated statements of cash flows

(Unaudited)

(All dollar amounts are expressed in thousands, except share and per share amounts)

	Three months ended	
	December 31	
	2010	2009
	\$	\$
Cash provided by (used in):		
Operating activities		
Net income (loss) for the period	1,764	(1,071)
Add items not involving cash		
Amortization of property, plant and equipment and intangible assets	1,108	1,043
Amortization of deferred financing charges	10	10
Unrealized foreign exchange (gain) loss	7	(25)
Stock-based compensation	60	
Accretion of asset retirement obligation	51	47
Non-cash disposal of property, plant and equipment	-	42
	3,000	46
Net change in non-cash working capital balances related to operations	(4,382)	1,031
	(1,382)	1,077
Investing activities		
Purchase of property, plant and equipment, net	(611)	(229)
	(611)	(229)
Financing activities		
Repayment of debt financing	(345)	(345)
Proceeds from demand loan	-	25
	(345)	(320)
Effect of exchange rate changes on cash held in foreign currency	(7)	25
Net (decrease) increase in cash and cash equivalents during the period	(2,345)	553
Cash and cash equivalents, beginning of period	21,470	202
Cash and cash equivalents, end of period	19,125	755
Supplemental cash flow information		
Interest paid	166	164