CORGENIX MEDICAL CORP/CO
Form 10KSB
October 14, 2003

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 10-KSB

|X| ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended June 30, 2003

|_| TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from to

Commission File Number 000-24541

CORGENIX MEDICAL CORPORATION
(Name of Small Business Issuer in its charter)

Nevada	93-1223466
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

12061 Tejon Street, Westminster, Colorado 80234
(Address of principal executive offices, including zip code)

(303) 457-4345 (Issuer's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:
Securities registered pursuant to Section 12(g) of the Act: Common Stock, $.001 Par Value

Check whether the issuer: (1) filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the past 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes |X| No |_|

Check if no disclosure of delinquent filers in response to Item 405 of Regulation S-B is contained in this form, and no disclosure will be contained, to the best of the issuer's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-KSB or any amendment to this Form 10-KSB. |X|

The issuer's revenues for its most recent fiscal year were: $5,023,669 The aggregate market value of the voting stock held by non-affiliates of the issuer was $1,040,586 as of June 30, 2003.

The number of shares of Common Stock outstanding was 5,299,671 as of October10, 2003.

Indicate by check mark whether the registrant is an accelerated filer (as defined in Rule 12b-2 of the Act) Yes|_| No |X|

Transitional Small Business Disclosure Format. Yes |_| No |X|

PART I

Item 1. Description of Business.

Certain terms used herein are defined in the Glossary that follows at the end of Part I.

Company Overview

Corgenix Medical Corporation ("Corgenix" or the "Company") is engaged in the research, development, manufacture, and marketing of in vitro (outside the body) diagnostic products for use in disease detection and prevention (the "Diagnostics Products Business"). We currently sell 142 Diagnostic Products (the "Diagnostic Products") on a worldwide basis to hospitals, clinical laboratories, commercial reference laboratories, and research institutions.

Our corporate headquarters is located in Westminster, Colorado. We have two wholly-owned operating subsidiaries:

- Corgenix, Inc., ("Corgenix, Inc.") (formerly REAADS), established in 1990 and located in Westminster, Colorado. Corgenix, Inc. is responsible for sales and marketing activities for North America and Japan, and also conducts product development, product support, regulatory affairs and product manufacturing of the Diagnostic Products.

- Corgenix (UK) Ltd., ("Corgenix UK"), formerly incorporated in the United Kingdom in 1996 as REAADS Bio-Medical Products (UK) Limited, and is located in Peterborough, England. Corgenix UK manages the Diagnostic Business' international sales and marketing activities except for distribution in North America and Japan which is under the responsibility of Corgenix, Inc.

On August 5, 2003, the Company entered into a letter of intent to merge with Genesis Bioventures, Inc. ("Genesis" or "GBI") a biomedical development company focused on the development of diagnostic tests. Under the terms of the letter of intent, Genesis will issue 14,000,000 Genesis shares in exchange for 100% of Corgenix outstanding shares. The terms of the letter of intent also provide that Corgenix's current management team will assume the responsibility of managing the combined entity, which will be known as Genesis Bioventures, Inc. The parties are seeking to complete a definitive agreement on or before October 31, 2003 and to close the transaction by no later than January 31, 2004.

The proposed merger is subject to the satisfaction of a number of contingencies, including satisfactory due diligence investigations by each company, negotiation and execution of mutually acceptable definitive merger documentation, approval by both company's boards of directors and shareholders, and customary closing conditions. The merger

is subject to GBI advancing to Corgenix $500,000 out of an equity capital raise of at least $3,000,000 by September 30, 2003 as a condition to signing a definitive merger agreement. Under the terms of the letter of intent, GBI and Corgenix have agreed to raise a minimum of $3,000,000 of additional capital by January 31, 2004 to provide the combined companies with sufficient funding with which to continue to develop and further commercialize their respective technologies and product lines. The foregoing amounts of these provisions may be waived at the discretion of Corgenix.

The Diagnostics Products Business

Introduction

Our Diagnostics Products Business is managed by Corgenix, Inc. and Corgenix UK, and includes the research, development, manufacture, and marketing of in vitro diagnostic products for use in disease detection and prevention. We sell 142 Diagnostics Products on a worldwide basis to hospitals, clinical laboratories, commercial reference laboratories, and research institutions. Some of these are products which we have developed and which we manufacture at our Colorado facility, and others are products which we purchase from other healthcare manufacturers ("OEM Products"). All of these products are used in clinical laboratories for the diagnosis and/or monitoring of five important areas of health care:

- Autoimmune disease and Antiphospholipid antibody testing (diseases in which an individual creates antibodies to one's self, for example systemic lupus erythematosus ("SLE") and rheumatoid arthritis ("RA");

- Vascular disease (diseases associated with certain types of thrombosis or clot formation, for example antiphospholipid syndrome, deep vein thrombosis, stroke and coronary occlusion);

- Infectious diseases (diseases caused by certain bacterial and other microorganisms, for example gonorrhea, mononucleosis and herpes);

- Liver diseases (cirrhosis and transplanted organ rejection); and

- Miscellaneous testing (pregnancy, fecal occult blood and related products).

In addition to our current Diagnostic Products, we are actively developing new laboratory tests in other important diagnostic testing areas. See "-- Other Strategic Relationships." We manufacture and market to clinical laboratories and other testing sites worldwide. Our customers include large and emerging health care companies such as Instrumentation Laboratories, Helena Laboratories, Cambridge Life Sciences plc, and Diagnostic Grifols, S.A.

Most of our products are based on our patented and proprietary application of Enzyme Linked ImmunoSorbent Assay ("ELISA") technology, a clinical testing methodology commonly used worldwide. All of our current products are based on this platform technology in a delivery format convenient for clinical testing laboratories. The delivery format ("Microplate") allows the testing of up to 96 samples per plate, and is one of the most commonly used formats, employing conventional testing equipment found in virtually all clinical laboratories. The availability and broad acceptance of ELISA Microplate products reduces entry

barriers worldwide for our new products that employ this technology and delivery format. Our products are sold as "tests" that include all of the materials required to perform the test except for routine laboratory chemicals and instrumentation. A test using ELISA technology involves a series of reagent additions into the Microplate triggering a complex immunological reaction in which a resulting color occurs. The amount of color developed in the final step of the test is directly proportional to the amount of the specific marker being tested for in the patient or unknown sample. The amount of color is measured and the results calculated using laboratory instrumentation. Our technology specifies a process by which biological materials are attached to the fixed surface of a diagnostic test platform. Products developed using this unique attachment method typically demonstrate a more uniform and stable molecular configuration, providing a longer average shelf life, increased accuracy and superior specificity than the products of our competitors.

Some of the OEM products which we obtain from other manufacturers and sell through our distribution network utilize technologies other than our patented and proprietary ELISA technology.

Our diagnostic tests are intended to aid in the identification of the causes of illness and disease, enabling a physician to select appropriate patient therapy. Internally and through collaborative arrangements, we are developing additional products that are intended to broaden the range of applications for our existing products and to result in the introduction of new products.

Since 1990, our sales force and distribution partners have sold over 12 million tests worldwide under the REAADS and Corgenix labels, as well as OEM products. An integral part of our strategy is to work with corporate partners to develop market opportunities and access important resources. We believe that our relationships with current and potential partners will enable us to enhance our menu of diagnostic products and accelerate our ability to penetrate the worldwide markets for new products.

We currently use the REAADS trademarks and tradenames in the sale of the products which we manufacture. These products constitute the majority of our product sales.

Industry Overview

In vitro diagnostic ("IVD") testing is the process of analyzing the components of a wide variety of body fluids outside of the body to identify the presence of markers for diseases or other human health conditions. The worldwide human health IVD market consists of reference laboratory and hospital laboratory testing, testing in physician offices and the emerging over-the-counter ("OTC") market, in which testing is done at home by the consumer.

Traditionally, diagnostic testing has been performed in large, high-volume commercial or hospital-based laboratories using instruments operated by skilled technicians. Our products in a Microplate format are designed for such instrumentation and are marketed to these types of laboratories. The instrumentation and supportive equipment required to use our ELISA tests is relatively simple, and typically is used by a laboratory for many different products.

The IVD industry has undergone major consolidation over the last few years. As a result, the industry is characterized by a small number of large companies or divisions of large companies that manufacture and sell numerous

diagnostic products incorporating a variety of technologies. In addition, there are many small diagnostic companies, which generally have limited resources to commercialize new products. As a result of technological fragmentation and customer support requirements, we believe that there may be a substantial competitive advantage for companies with unique and differentiated technologies that can be used to generate a broad menu of diagnostic products and that have developed successful customer support systems.

Strategy

Our primary objective is to apply our proprietary ELISA technology to the development and commercialization of products for use in a variety of markets. Our strategies for achieving this objective include the following:

Apply our ELISA Technology to Additional Diagnostic Markets. We have focused our resources on development of highly accurate tests in the Microplate format for sale to clinical testing laboratories. We believe we can expand our market focus with the addition of new tests complementary to the current product line.

Leverage Sales and Marketing Resources. We maintain a small marketing and sales organization, which is experienced in selling diagnostic tests into the laboratory market. We plan to expand this sales organization, adding distribution channels where appropriate. We will also seek to expand our product menu with more high value, quality products through internal development, acquisition or in licensing of complementary products and technologies.

Continue to Develop Strategic Alliances to Leverage Company Resources. We have developed, and will continue to pursue, strategic alliances to access complementary resources (such as proprietary markers, funding, marketing expertise and research and development assistance), to leverage our technology, expand our product menu and maximize the use of our sales force.

Pursue Synergistic Product and/or Technology Acquisitions. We intend to proactively evaluate strategic acquisitions of companies, technologies and product lines where we identify a strategic opportunity to expand our core business while increasing revenues and earnings from these new technologies.

Expand into Additional Market Segments for Existing Products. We intend to investigate additional market opportunities for both clinical and research applications of our existing products.

Products and Markets

We currently sell ELISA tests in major markets worldwide. To date, our sales force and distribution partners have sold over 12 million tests since we first received product marketing clearance from the United States Food and Drug Administration (the "FDA") for the first anti-cardiolipin antibody ("aCL") test in 1990. Many peer reviewed medical publications, abstracts and symposia have been presented on the favorable technical differentiation of our tests over competitive products.

To extend the product offering for current product lines, and to complement our premium-priced, existing assays, we plan to add products from

strategic partners. Our current product menu, commercialized under the trademarks "REAADS" and "Corgenix" includes the following:

Autoimmune Disease Products

Our ELISA Autoimmune Disease Product line consists of fifteen products, including tests for: antinuclear antibodies (ANA) screening, dsDNA, Sm, SM/RNP, SSA, SSB, Jo-1, Scl-70, Histones, Centromere, Mitochondria, MPO, PR3, Thyroglobulin and thyroid peroxidase.

We manufacture one of these products; the remainder are manufactured for us by other companies. The products are used for the diagnosis and monitoring of autoimmune diseases including RA, SLE, Mixed Connective Tissue Disease, Sjogren's Syndrome, Dermatopolymyositis and Scleroderma.

These autoimmune disease products are formatted in the ELISA Microplate format, and are differentiated from the competition by their user convenience. Historically, diagnostic tests utilized antiquated technologies that presented significant limitations for the clinical laboratory environment, including greater labor requirements and the need for a subjective interpretation of the results. These ELISA autoimmune tests overcome these technology shortfalls, permitting a clinical laboratory to automate its tests, lowering the laboratory's labor costs as well as providing objectivity to test result interpretation.

Antiphospholipid Antibody Testing Products

We manufacture and market eleven products for antiphospholipid antibody testing, which in the fiscal year ended June 30, 2003 represented approximately 50.2% of our total product sales. These include: aCL IgG, aCL IgA, aCL IgM; anti-phosphatidylserine ("aPS") IgG, aPS IgA, aPS IgM; anti-(beta)2-Glycoprotein I ("a(beta)2GPI") IgG, a(beta)2GPI IgA, and a(beta)2GPI IgM; and anti-Prothrombin ("aPT") IgG and IgM.

These tests are used in the diagnosis of SLE, antiphospholipid syndrome and thrombosis. Antiphospholipid antibodies are measured in clinical laboratories primarily using ELISA technology with cardiolipin as the most commonly used antigen. High levels of these antibodies are seen in venous and arterial thrombosis, thrombocytopenia and/or recurrent abortion, now considered the main clinical criteria for the diagnosis of a clinical entity referred to as the antiphospholipid syndrome. The antiphospholipid syndrome may be seen in association with an underlying disease (i.e. autoimmune such as SLE or SLE-like disease), or may be seen in patients without any obvious or apparent disease. When high serum levels of antiphospholipid antibodies are found in individuals without any clinical manifestations, it is regarded as an important risk factor for the development of antiphospholipid syndrome.

The importance of the antiphospholipid syndrome resides in its association with serious clinical manifestations such as chronic and recurrent venous (deep vein) thrombosis, as well as arterial thromboembolic disease including heart attacks, strokes and pulmonary embolism. Thrombocytopenia has been attributed to the temporary removal of platelets from circulation during a thrombotic episode (clot formation).

Vascular Disease Products

We market seven tests for vascular diseases. We manufacture four products, and three others are manufactured for us by other companies. Protein C Antigen ELISA, Protein S Antigen ELISA, Monoclonal Free Protein S ELISA, von Willebrand Factor Antigen ELISA, abp von Willebrand Factor Activity Test; GTI Platelet Factor 4 Test and abp Ristocetin.

These products are useful in the diagnosis of certain clotting and bleeding disorders including von Willebrand's Disease (Hemophilia B).

Hemostasis (the normal stable condition in which there is neither excessive bleeding nor excessive clotting) is maintained in the body by the complex interaction of the endothelial cells of blood vessels, coagulation cells such as platelets, coagulation factors, lipids (cholesterol) and antibodies (autoantibodies). All play important roles in maintaining this hemostasis. In clinical situations in which an individual demonstrates excessive clotting or bleeding, a group of laboratory tests is typically performed to assess the source of the disorder using the tests that we market.

Liver Disease Products

We manufacture a test to quantitate hyaluronic acid ("Hyaluronic Acid" or "HA") in a Microplate format. The product has been distributed through the Chugai distribution network in Japan under the Chugai Diagnostic Sciences label since 1996, and through our United Kingdom subsidiary in the United Kingdom since 1998. On June 30, 2001, we signed a license agreement with CDS whereby we have the exclusive rights to manufacture and market the HA product worldwide except for Japan. See "-- Chugai Strategic Relationship."

Hyaluronic Acid is a component of the matrix of connective tissues, found in synovial fluid of the joints where it acts as a lubricant and for water retention. It is produced in the synovial membrane and leaks into the circulation via the lymphatic system where it is quickly removed by specific receptors located in the liver. Increased serum levels of HA have been described in patients with rheumatoid arthritis due to increased production from synovial inflammation, and in patients with liver disease due to interference with the removal mechanism. Patients with cirrhosis will have the highest serum HA levels, which correlate with the degree of liver involvement.

Miscellaneous Products

We market products for the detection and diagnosis of certain infectious disease organisms and other clinical laboratory tests. These products are mainly sold by us in the United Kingdom, and all of the products are manufactured for us by other companies. These products include test tests for: adenovirus, helicobacter pylori (the bacteria suspected of causing ulcers), group A streptococcus, herpes, gonorrhea, mycobacterium tuberculosis (the causative agent of tuberculosis), syphilis, cryptococcal antigen, toxoplasma, mononucleosis, cytomegalovirus, varicella zoster, Epstein Barr virus, mumps, measles and Stat-Crit (for measurement of hemoglobin and hematocrit).

Technology

Our ELISA application technology was developed to provide the clinical laboratory with a more sensitive, specific, and objective technology to measure clinically relevant antibodies in patient serum samples. High levels of these antibodies are frequently found in individuals suffering from various immunological diseases, and their serologic determination is useful not only for specific diagnosis but also for assessing disease activity and/or response to treatment. To accomplish these objectives, our current product line applies the

ELISA technology in a 96-Microplate format as a delivery system. ELISA provides a solid surface to which purified antigens are attached, allowing their interaction with specific autoantibodies during incubation. This antigen-antibody interaction is then objectively measured by reading the intensity of color generated by an enzyme-conjugated secondary antibody and a chemical substrate added to the system.

Our technology overcomes two basic problems seen in many other ELISA systems. First, the material coated onto the plate can be consistently coated without causing significant alteration of the molecular structure (which ensures maintenance of immunologic reactivity), and the stability of these coated antigens on the surface can be maintained (which provides a product shelf life acceptable for commercial purposes). Our proprietary immunoassay technology is useful in the manufacture of ELISA test tests for the detection of many analytes for the diagnosis and management of immunological diseases.

Our technology results in products generally demonstrating performance characteristics that exceed those of competitive testing procedures. Many testing laboratories worldwide subscribe to external quality control systems or programs conducted by independent, third-party organizations. These programs typically involve the laboratory receiving unknown test samples on a routine basis, performing certain diagnostic tests on the samples, and providing results of their testing to the third party. Reports are then provided by the third party that tells the testing laboratory how it compares to other testing laboratories in the program. Several of our products are included in a third-party survey periodically conducted by an unaffiliated entity, and our products routinely demonstrate the best performance and/or reproducibility when compared to other manufacturers included in such survey.

Our products typically require less hands-on time by laboratory personnel and provide an objective, quantitative or semi-quantitative interpretation to improve and standardize the clinical significance of results. We believe that our proprietary technology will continue to be the mainstay for future diagnostic products. Most of the products in development will incorporate our basic technology.

Additional technologies may be required for some of the newly identified tests, particularly for the POC business. We believe that, in additional to internal expertise, most technology and delivery system requirements are available through joint venture or licensing arrangements or through acquisition.

Delivery Systems

Most of our current products employ the Microplate delivery system using ELISA technology. This format is universally accepted in clinical laboratory testing and requires routine equipment currently available in most clinical labs.

Sales and Marketing

We currently market and sell our diagnostic products to the traditional clinical laboratory market, both hospital based and free standing laboratories. We utilize a diverse distribution program for our products. Our labeled products are sold directly to testing laboratories in the United States through contract sales representatives.

Internationally, our labeled products are sold through established diagnostic companies in Argentina, Australia, Austria, Belgium, Brazil, Canada, Chile, Denmark, Egypt, Finland, France, Germany, Greece, Guatemala, Hong Kong, Hungary, India, Ireland, Israel, Italy, Japan, Korea, Kuwait, Lebanon, Malaysia, Mexico, The Netherlands, Norway, Paraguay, Peru, Portugal, Saudi Arabia, Singapore, South Africa, South Korea, Spain, Sweden, Switzerland, Thailand, Turkey, the United Kingdom, and Uruguay. Discussions are underway that are expected to provide access to additional markets worldwide. Our agreements with international distribution partners are on terms that are generally terminable by us if the distributor fails to achieve certain sales targets. We have also established private label product agreements with several United States and European companies. We have international distribution headquarters in the United Kingdom and will add direct commercialization and distribution in selected additional countries as appropriate.

We have an active marketing and promotion program for our diagnostic testing products. We publish technical and marketing promotional materials, which we distribute to current and potential customers. We attend major industry trade shows and conferences, and our scientific staff actively publishes articles and technical abstracts in peer review journals.

Manufacturing

Our manufacturing process for our products utilizes a semi-automated production line for the manufacturing, assembly and packaging of our ELISA Microplate products. Our current production capacity is 20,000 tests per day with a single eight-hour shift. Since 1990, we have successfully produced over 12 million tests in our Westminster, Colorado facility, and we expect that current manufacturing facilities will be sufficient to meet expected customer demand for the foreseeable future.

Our manufacturing operations are fully integrated and consist of raw material purification, reagent and Microplate processing, filling, labeling, packaging and distribution. We have considerable experience in manufacturing our products using our proprietary technology. We expect increases in the demand for our products and have prepared plans to increase our manufacturing capability while remaining in compliance with regulatory requirements at acceptable costs to meet that increased demand, and are in the process of implementation. We also maintain an ongoing investigation of scale-up opportunities for manufacturing to meet future requirements. We anticipate that production costs will decline as more products are added to the product menu in the future, permitting us to achieve greater economies of scale as higher volumes are attained. We have registered our facility with the FDA and we operate in compliance with the FDA Quality System Regulations ("QSR") requirements for our products.

In April 1999, we received ISO 9001: 1994 certification from TUV Product Service GmbH, a world leader in medical device testing and certification. ISO 9001 represents the international standard for quality management systems developed by the International Organization for Standardization (ISO) to facilitate global commerce. To ensure continued compliance with the rigorous standards of ISO 9001, companies must undergo regularly scheduled assessments and re-certification every year. The ISO 9001 initiative is an important component in our commitment to maintain excellence. We received re-certification in November 1999 and 2000, and in July 2002 received EN ISO 9001:1996, and EN ISO 13485:2000 certification through TUV Rhineland of North America.

Our manufacturing process starts with the qualification of raw materials.

The microplates are then coated and bulk solutions prepared. The components and the microplates are checked for ability to meet pre-established specifications by our quality control department. If required, adjustments in the bulk solutions are made to provide optimal performance and lot-to-lot consistency. The bulk solutions are then dispensed and packaged into planned component configurations. The final packaging step in the manufacturing process includes kit assembly, where all materials are packaged into finished product. The finished kit undergoes one final performance test by our quality control department. Before product release for sale, our Quality Assurance department must verify that all quality control testing and manufacturing processes have been completed, documented and have met all performance specifications.

The majority of raw materials and purchased components used to manufacture our products are readily available. We have established good working relationships with primary vendors, particularly those that supply unique or critical components for our products. We mitigate the risk of a loss of supply by maintaining a sufficient supply of antibodies and critical components to ensure an uninterrupted supply for at least three months. We have also qualified second vendors for all critical raw materials and believe that we can substitute a new supplier with regard to any of these components in a timely manner. However, there can be no assurances that we will be able to substitute a new supplier in a timely manner, and failure to do so could have a material adverse effect on our business, financial condition and results of operations.

A significant percentage of our product revenues are derived from sales outside of the United States. International regulatory bodies often establish varying regulations governing product standards, packaging and labeling requirements, import restrictions, tariff regulations, duties and tax requirements. As a result of our sales in Europe, we have obtained ISO certification and expect to receive a "CE" mark certification, an international symbol of quality and compliance with applicable European medical device directives for certain of our products once the European directive for in vitro diagnostic products has been finalized.

Since 1990, we have entered into several contract manufacturing agreements with other companies whereby we manufacture specific products for the partner company. We expect to continue investigating and evaluating opportunities for additional agreements.

Chugai (Fujirebio) Strategic Relationship

Chugai Diagnostics Science, Co. Ltd., formerly a wholly owned subsidiary of Chugai Pharmaceutical Co., Ltd., a Tokyo based pharmaceutical company, was merged into Fujirebio, Inc, ("Fujirebio") in September 2002 Tokyo, Japan, a large Japanese Diagnostics company and a leader in the field of immunoserology. The relationship between Corgenix and Chugai was established in June 1993. Currently, except for the on going HA License Agreement described below, there are no sales to or operations related to Fujirebio. We are currently in discussions with Fujirebio regarding the potential contract manufacturing of certain reagents for them. The former relationship was a multifaceted strategic affiliation that can be summarized as follows:

Equity Ownership. In 1993, Chugai Pharma purchased common stock of REAADS, and at September 20, 2003, owned approximately 3.6% of the common stock of the Company. Under the terms of the September 1, 1993 stock purchase agreement, Chugai has certain rights, including antidilution rights and rights to a board seat on the Corgenix Board of Directors. Said rights were never exercised by Chugai.

Distribution of Corgenix Products. In 1993, Corgenix and Chugai executed a distribution agreement (the "Japanese Distribution Agreement") whereby Corgenix granted to Chugai certain distribution rights in Japan of Corgenix products. It expired August 26, 2001.

Joint Development of Corgenix Products. In 1993, Corgenix and Chugai established a joint product development program whereby Corgenix, in collaboration with Chugai, developed a unique second generation immunodiagnostic assay for the measurement of HA. The product replaced a first generation HA product that was being manufactured and distributed in Japan by Chugai. This product is used to measure HA in serum to aid in the diagnosis of certain liver diseases and the monitoring of rheumatoid arthritis patients. In 1997, Corgenix and Chugai executed a contract research agreement whereby Corgenix and Chugai made certain technical improvements to the HA product, and Chugai provided certain financial support.

Manufacturing of Corgenix Products. In 1994, Corgenix and Chugai executed a manufacturing agreement (the "HA Manufacturing Agreement") whereby Corgenix was granted the exclusive right to manufacture the HA product for Chugai for sale in Japan. Corgenix began the manufacture of the HA product in 1995 and the product launched in Japan by Chugai. The HA Manufacturing Agreement has been amended several times.

No Future Orders for HA from Fujirebio for Japan. Fujirebio has not placed nor forecast any orders for HA for Japan since November 2002 and we are currently not projecting any future orders by them for HA.

HA Product Distribution. In 1997, Corgenix and Chugai executed a distribution agreement (the "UK Agreement") whereby Corgenix was granted exclusive distribution rights for the Chugai HA product in the United Kingdom. The UK Agreement was initially for a two-year period which expired November 17, 1999, with one-year extension rights. The UK Agreement was amended on January 3, 2000, and expired on June 30, 2001 with the execution of the HA License Agreement (defined below).

HA License Agreement. On June 30, 2001, Corgenix and Chugai executed a license agreement (the "HA License Agreement") whereby Corgenix was granted exclusive worldwide rights to manufacture and market the HA product (except for Japan). The HA License Agreement is initially for a five-year period with certain extension rights. The HA License Agreement establishes certain performance requirements for Corgenix, and provides early cancellation of exclusivity if we do not meet those performance goals. The HA License Agreement is the only international distribution right currently granted by Chugai to the Company, and was formally assumed by Fujirebio.

Other Strategic Relationships

In addition to the Chugai strategic relationship, an integral part of our strategy has been and will continue to be entering into other strategic alliances as a means of accessing unique technologies or resources or developing specific markets. The primary aspects of our corporate partnering strategy with Chugai and other strategic affiliations include:

- Companies that are interested in co-developing diagnostic tests that use our technology;
- Companies with complementary technologies;

- Companies with complementary products and novel disease markers; and/or

- Companies with access to distribution channels that supplement our existing distribution channels.

In furtherance of the foregoing strategies, we have established revenue-producing strategic relationships with the following companies:

Genesis Bioventures, Inc. In June 2002 the Company entered into a letter of intent with Genesis Bioventures, Inc., ("GBI"), a publicly held company headquartered in Vancouver, British Columbia, to develop, in ELISA format, products from GBI's patented Mammastatin Serum Assay ("MSA") for breast cancer risk assessment. This collaboration, although potentially very significant to the Company, has been temporarily deferred until the completion of the announced merger with GBI.

Cambridge Life Sciences. Cambridge, a division of Byk Gulden and located in Cambridge, United Kingdom, is a leading manufacturer of immunology and microbiology diagnostic tests. In 1993, we entered into an agreement with Cambridge by which we provide to Cambridge certain products that are sold worldwide under the Cambridge label. These products are primarily sold in the United Kingdom, and in the remainder of Europe. We also distribute several products manufactured by Cambridge through our distribution network.

Helena Laboratories Corporation. Helena, a privately held company located in Beaumont, Texas, is one of the world market leaders in clinical electrophoresis instrumentation and technology. In 1993, we entered into a development and manufacturing agreement with Helena pursuant to which we developed a series of vascular disease products for joint distribution. Three of these received FDA clearance in 1997 and one in 1999. We manufacture these products for worldwide distribution through both the Helena network and our network. Pursuant to the agreement, Helena has the right to incorporate several of our current products and technology (both those jointly developed and also other of our products) into a proprietary Helena instrumentation for sale to hospitals and clinical laboratories.

American Biochemical & Pharmaceutical Corporation. abp is a privately held company located in Marlton, New Jersey that sells a line of diagnostic products in coagulation and vascular medicine. In June 1998, we became a non-exclusive distributor of abp's von Willebrand Factor Activity in the United States. We distribute this product under our label through our distribution network, primarily in the United States. This product complements our expanding line of vascular disease products. The initial term of the distribution arrangement with abp expired in June 2001 and has been continuously extended for additional one-year terms, most currently to June 30, 2004. abp also sells this test under our label through its distribution network. Under the terms of a separate distribution agreement, abp sells our von Willebrand Factor Antigen, Protein C, Protein S and Monoclonal Free Protein S products worldwide under the Corgenix label through their distribution network.

GTI, Inc. GTI is a privately held company located in Brookfield, Wisconsin that manufactures ELISA diagnostic products. In April 1998, we signed an agreement with GTI by which we became a non-exclusive distributor of GTI's Platelet Factor 4 ELISA test kit in the United States. The initial term of the agreement was one year and has been renewed at our option. This product is also

part of our vascular disease product strategy.

RhiGene, Inc. RhiGene is a Des Plaines, Illinois based company which is a wholly owned subsidiary of Medical & Biological Laboratories Company, Ltd., ("MBL") of Nagoya, Japan. In March 2002 we signed a distribution agreement with RhiGene which grants us exclusive rights to distribute RhiGene's complete diagnostic line of autoimmune testing products in North and South America. The arrangement also provides us with rights to certain other international markets. In July 2002, MBL made a $500,000 strategic investment in the Common Stock of our Company. As part of the investment agreement, MBL has warrants to purchase additional shares of our Common Stock for a total potential investment of $1,000,000.

We have established OEM agreements with several international diagnostic companies. Under these agreements, we manufacture selected products under the partner's label for worldwide distribution.

Research and Development

We direct our research and development efforts towards development of new products on our proprietary platform ELISA technology in the Microplate format, as well as applying our technology to automated laboratory testing systems and to a rapid test format to address operator ease-of-use and expand our market opportunities. In that regard, we have organized our research and development effort into three major areas: (i) new product development, (ii) technology assessment, and (iii) technical and product support.

Our technical staff evaluates the performance of reagents (prepared internally or purchased commercially), creates working prototypes of potential products, performs internal studies, participates in clinical trials, produces pilot lots of new products, produces a validated method that can be consistently manufactured, creates documentation required for manufacturing and testing of new products, and works closely with our quality assurance department to satisfy regulatory requirements and support regulatory clearance. They are responsible for assessing the performance of new technologies along with determining the technical feasibility of market introduction, and investigating the patent / license issues associated with new technologies.

Our technical staff is responsible for supporting current products on the market through scientific investigation, and are responsible for design transfer to manufacturing of all new products developed. They assess the performance and validate all externally-sourced products.

The technical staff includes individuals skilled in immunology, assay development, protein biochemistry, biochemistry and basic sciences. We maintain facilities to support our development efforts at the Westminster, Colorado headquarters. This group includes individuals skilled in immunology, assay development, protein biochemistry, biochemistry and basic sciences. Group leaders are also skilled in planning and project management under FDA-mandated design control. See "-- Regulation."

During fiscal 2003 and 2002, we spent $859,000 and $566,000, respectively,

for research and development. The increase was primarily attributable to increased payroll-related costs and purchases related to additional research and development contract work. We expect research and development spending to increase during 2004. Research and development contract revenue amounted to $555,813 and $270,103 for the 2003 and 2002 fiscal years ended June 30.

Products and Technology in Development

We intend to expand our product menu through internal development, development in collaboration with strategic partners and acquisition and/or licensing of new products and technologies. We are currently working with partners to develop additional tests to supplement the existing product lines and have fifteen contract research projects as of September 2003. The following summarizes our current product and technology development programs:

Vascular Disease Testing Products

We are one of the market leaders in development of innovative tests in the antiphospholipid market, and expect to continue developing products in this area to ensure our ongoing strong market position. In the fiscal year ended June 30, 1999, we developed three new antiphospholipid products which are more specific for thrombosis and the antiphospholipid syndrome when incorporated with the conventional aCL and aPS tests, and are configured for sale to hospital based and free-standing independent laboratories. Filing of the 510(k) applications for the new tests was completed and one of the products, anti-phosphatidylserine IgA, was cleared by the FDA in April 2000. Two additional products in this area, IgG anti-Prothrombin and IgM anti-Prothrombin (aPT), were cleared by the FDA in April 2001. Four additional products in this area and three products in the coagulation area are in various stages of development, and we expect to file applications with the FDA in 2003-2004. See "-- Regulation."

Automated Laboratory Testing Systems

We believe that the application of our proprietary ELISA technology to automated laboratory-testing systems will significantly expand the hospital and specialized laboratory market opportunity through OEM partnerships and direct sales to high volume testing laboratories. We have several such development programs pending with strategic partners.

Competition

Competition in the human medical diagnostics industry is significant. Our competitors range from development stage diagnostics companies to major domestic and international pharmaceutical companies. Many of these companies have financial, technical, marketing, sales, manufacturing, distribution and other resources significantly greater than we do. In addition, many of these companies have name recognition, established positions in the market and long standing relationships with customers and distributors. The diagnostics industry continues to experience significant consolidation in which many of the large domestic and international healthcare companies have been acquiring mid-sized diagnostics companies, further increasing the concentration of resources. However, competition in diagnostic medicine is highly fragmented, with no company holding a dominant position in autoimmune or vascular diseases. There can be no assurance that new, superior technologies will not be introduced that could be directly competitive with or superior to our technologies.

Our competitors include Inova Diagnostics, Inc., DIASORIN, Diagnostica

Stago, American Bioproducts, Helena Laboratories Corporation (an existing licensee of Corgenix technology), Organon Teknika, Helix Diagnostic Hemagen Diagnostics, Sigma Diagnostics, The Binding Site and IVAX Diagnostics. We compete against these companies on the basis of product performance and customer service.

Patents, Trade Secrets and Trademarks

We have built a strong patent and intellectual property position around our proprietary application of ELISA technology. We hold two United States patents that expire in 2004 and 2010 respectively. We have no pending patent applications. The Hyaluronic Acid product is protected by U.S., Japanese and European patents held by Chugai. As part of the agreements with Chugai, we have a license to use the Chugai patents to manufacture this product for worldwide distribution, and marketing rights worldwide except Japan. See "-- Chugai Strategic Relationship."

Patent applications in the United States are maintained in secrecy until patents are issued. There can be no assurance that our patents, and any patents that may be issued to us in the future, will afford protection against competitors with similar technology. In addition, no assurances can be given that patents issued to us will not be infringed upon or designed around by others or that others will not obtain patents that we would need to license or design around. If the courts uphold existing or future patents containing broad claims over technology used by us, the holders of such patents could require us to obtain licenses to use such technology. In fiscal 2002 the Company did not incur any costs to defend our patents. See "Part II. Item 6. Management's Discussion and Analysis -- Forward-Looking Statements and Risk Factors -- Uncertainty of Protection of Patents, Trade Secrets and Trademarks."

We have registered our trademark "REAADS" on the principal federal trademark register and with the trademark registries in many countries of the world. This trademark is eligible for renewal in 2006 and will expire in 2007. The trademark "Corgenix" was approved in September 2000.

Where appropriate, we intend to obtain patent protection for our products and processes. We also rely on trade secrets and proprietary know-how in our manufacturing processes. We require each of our employees, consultants and advisors to execute a confidentiality agreement upon the commencement of any employment, consulting or advisory relationship with us. Each agreement provides that all confidential information developed or made known to the individual during the course of the relationship will be kept confidential and not be disclosed to third parties except in specified circumstances. In the case of employees, the agreements provide that all inventions conceived of by an employee shall be the exclusive property of the Company.

The majority of our product sales, approximately 85% for the fiscal year end June 30, 2003 and 81% in fiscal 2002, were products that utilized our proprietary technology.

Regulation

The testing, manufacturing and sale of our products are subject to regulation by numerous governmental authorities, principally the FDA and foreign regulatory agencies. The FDA regulates the clinical testing, manufacture, labeling, distribution and promotion of medical devices, which includes diagnostic products. We are restricted from marketing or selling diagnostic products in the United States until clearance is received from the FDA. In addition, various foreign countries in which our products are or may be sold impose local regulatory requirements. The preparation and filing of documentation for FDA and foreign regulatory review can be a lengthy, expensive and uncertain process.

In the United States, medical devices are classified by the FDA into one of three classes (Class I, II or III) on the basis of the controls deemed necessary by the FDA to ensure their safety and effectiveness in a reasonable manner. Class I devices are subject to general controls (e.g., labeling, pre-market notification and adherence to QSR requirements). Class II devices are subject to general and special controls (e.g., performance standards, post-market surveillance, patient registries and FDA guidelines). Generally, Class III devices are those that must receive pre-market approval by the FDA to ensure their safety and effectiveness (e.g., life-sustaining, life-supporting and implantable devices or new devices that have been found not to be substantially equivalent to legally marketed devices). All of our current products and products under development are or are expected to be classified as Class II or Class III devices.

Before a new device can be introduced in the market, we must obtain FDA clearance or approval through either clearance of a 510(k) pre-market notification or approval of a product marketing approval ("PMA") application, which is a more extensive and costly application. All of our products have been cleared using a 510(k) application, and we expect that most, if not all, future products will also qualify for clearance using a 510(k) application (as described in Section 510(k) of the Medical Device Amendments to the F D & C Act of 1938.

It generally takes up to 90 days from submission to obtain 510(k) pre-market clearance but may take longer. The FDA may determine that a proposed device is not substantially equivalent to a legally marketed device or that additional information is needed before a substantial equivalence determination can be made. A "not substantially equivalent" determination, or a request for additional information, could prevent or delay the market introduction of new products that fall into this category. For any devices that are cleared through the 510(k) process, modifications or enhancements that could significantly affect safety or effectiveness, or constitute a major change in the intended use of the device, will require new 510(k) submissions. There can be no assurance that we will be able to obtain necessary regulatory approvals or clearances for our products on a timely basis, if at all, and delays in receipt of or failure to receive such approvals or clearances, the loss of previously received approvals or clearances, limitations on intended use imposed as a condition of such approvals or clearances, or failure to comply with existing or future regulatory requirements could have a material adverse effect on our business, financial condition and results of operations. See "Part II. Item 6. Management's Discussion and Analysis -- Forward-Looking Statements and Risk Factors -- Governmental Regulation of Diagnostic Products."

Our customers using diagnostic tests for clinical purposes in the United States are also regulated under the Clinical Laboratory Information Act of 1988 (the "CLIA"). The CLIA is intended to ensure the quality and reliability of all medical testing in laboratories in the United States by requiring that any health care facility in which testing is performed meets specified standards in the areas of personnel qualification, administration, participation in proficiency testing, patient test management, quality control, quality assurance and inspections. The regulations have established three levels of regulatory control based on test complexity: "waived," "moderately complex" and "highly complex." Our current ELISA tests are categorized as "moderately complex" tests for clinical use in the United States. Under the CLIA regulations, all laboratories performing high or moderately complex tests are required to obtain either a registration certificate or certification of accreditation from the

"Centers for Medicare and Medicaid Services" ("CMS"), formerly the United States Health Care Financing Administration ("HCFA"). There can be no assurance that the CLIA regulations and future administrative interpretations of CLIA will not have an adverse impact on the potential market for our future products.

We are subject to numerous federal, state and local laws relating to such matters as safe working conditions, manufacturing practices, environmental protection, fire hazard control and disposal of hazardous or potentially hazardous substances. There can be no assurance that we will not incur significant costs to comply with laws and regulations in the future or that such laws or regulations will not have a material adverse effect upon our business, financial condition and results of operations.

Reimbursement

Currently our largest market segment is the hospital-based and free standing independent laboratory market in the United States. Payment for testing in this segment is largely based on third-party payor reimbursement. The laboratory that performs the test will submit an invoice to the patient's insurance provider (or the patient if not covered by a program). Each diagnostic procedure (and in some instances, specific technologies) is assigned a current procedural terminology ("CPT") code by the American Medical Association. Each CPT code is then assigned a reimbursement level by CMS. Third party insurance payors typically establish a specific fee to be paid for each code submitted. Third party payor reimbursement policies are generally determined with reference to the reimbursement for CPT codes for Medicare patients, which themselves are determined on a national basis by CMS.

Employees (for Consolidated Entity)

As of October 10, 2003, we employed 38 employees, 37 full-time and one part-time. Of these, six hold advanced scientific or medical degrees. None of Corgenix's employees are covered by a collective bargaining agreement. We believe that the Company maintains good relations with our employees.

Item 2. Description of Property.

We currently lease approximately 15,600 square feet of space in two close-by buildings in Westminster, Colorado, which are used for our administrative offices, research and development facilities and manufacturing operations. The leases expires August 31, 2006. We also lease approximately 1,400 square feet of office space in Peterborough, Cambridgeshire, United Kingdom under a lease that expires October 6, 2006 and is intended to be renewed. We believe that suitable additional or alternative space will be available on commercially reasonable terms as needed, and that our existing facilities will be sufficient for our operational purposes through the end of the leases.

Item 3. Legal Proceedings

We are not a party to any material litigation or legal proceedings.

Item 4. Submission of Matters to a Vote of Security-Holders.

There were no matters submitted during the fourth quarter of the fiscal year covered by this Report to a vote of stockholders, through the solicitation of proxies, or otherwise.

GLOSSARY

antibody -- a protein produced by the body in response to contact with an antigen, and having the specific capacity of neutralizing, hence creating immunity to, the antigen.

anti-cardiolipin antibodies (aCL) -- a class of antiphospholipid antibody which reacts with a negatively-charged phospholipid called cardiolipin or a phospholipid-cofactor complex; frequently found in patients with SLE and other autoimmune diseases; also reported to be significantly associated with the presence of both arterial and venous thrombosis, thrombocytopenia, and recurrent fetal loss.

antigen -- an enzyme, toxin, or other substance, usually of high molecular weight, to which the body reacts by producing antibodies.

anti-phosphatidylserine antibodies (aPS) -- a class of antiphospholipid antibody which reacts to phosphatidylserine; similar to aCL; believed to be more specific for thrombosis.

antiphospholipid antibodies -- a family of autoantibodies with specificity against negatively charged phospholipids, that are frequently associated with recurrent venous or arterial thrombosis, thrombocytopenia, or spontaneous fetal abortion in individuals with SLE or other autoimmune disease.

antiphospholipid syndrome -- a clinical condition characterized by venous or arterial thrombosis, thrombocytopenia, or spontaneous fetal abortion, in association with elevated levels of antiphospholipid antibodies and/or lupus anticoagulant.

assay-- a laboratory test; to examine or subject to analysis.

autoantibody -- an antibody with specific reactivity against a component substance of the body in which it is produced; a disease marker.

autoimmune diseases -- a group of diseases resulting from reaction of the immune system against self components.

beta 2 glycoprotein I ((beta)2GPI) -- a serum protein (cofactor) that participates in the binding of antiphospholipid antibodies.

coagulation-- the process by which blood clots.

cofactor -- a serum protein that participates in the binding of antiphospholipid antibodies, for example (beta)2GPI.

delivery format -- the configuration of the product. Current Corgenix products utilize a 96-well microplate system for its delivery format.

hemostasis -- mechanisms in the body to maintain the normal liquid state of blood; a balance between clotting and bleeding.

hyaluronic acid (HA) -- a polysaccharide found in synovial fluid, serum and other body fluids and tissues, elevated in certain rheumatological and hepatic (liver) disorders.

HDL cholesterol -- high density lipoprotein associated with cholesterol.

immunoassay -- a technique for analyzing and measuring the concentration of disease markers using antibodies; for example, ELISA.

immunoglobulin -- a globulin protein that participates in the immune reaction as the antibody for a specific antigen.

immunology -- the branch of medicine dealing with (a) antigens and antibodies, esp. immunity to disease, and (b) hypersensitive biological reactions (such as allergies), the rejection of foreign tissues, etc.

in vitro -- isolated from the living organism and artificially maintained, as in a test tube.

in vivo-- occurring within the living organism.

lipids -- a group of organic compounds consisting of the fats and other substances of similar properties.

platelets -- small cells in the blood which play an integral role in coagulation (blood clotting).

platform technology -- the basic technology in use for a majority of the Company's products, in essence the "platform" for new products. In the case of Corgenix, the platform technology is ELISA (enzyme linked immunosorbent assay).

phospholipids -- a group of fatty compounds found in animal and plant cells which are complex triglyceride esters containing long chain fatty acids, phosphoric acid and nitrogenous bases.

protein C -- normal blood protein that regulates hemostasis; decreased levels lead to thrombosis.

protein S -- normal blood protein that regulates hemostasis; decreased levels lead to thrombosis.

rheumatic diseases -- a group of diseases of the connective tissue, of uncertain cause and including rheumatoid arthritis (RA), rheumatic fever, etc., usually characterized by inflammation, pain and swelling of the joints and/or muscles.

serum -- the clear yellowish fluid which separates from a blood clot after coagulation and centrifugation.

systemic lupus erythematosus (SLE) -- a usually chronic disease of unknown cause, characterized by red, scaly patches on the skin that tend to produce scars, frequently affecting connective tissue and involving the kidneys, spleen, etc.

thrombin -- the enzyme of the blood, formed from prothrombin, that causes clotting by converting fibrinogen to fibrin.

thrombocytopenia -- a condition in which there is an abnormally small number of platelets in the circulating blood.

thromboembolism -- the obstruction or occlusion of a blood vessel by a thrombus.

thrombosis -- coagulation of the blood within a blood vessel of any organ, forming a blood clot.

tumor markers --- serum proteins or molecules found in high concentrations in patients with selected cancers.

vascular-- of or pertaining to blood vessels.

von Willebrand's Factor (vWF) -- normal blood protein that regulates hemostasis; decreased levels lead to abnormal bleeding and increased levels may produce thrombosis.

PART II

Item 5. Market for Common Equity and Related Stockholder Matters.

Our Common Stock is traded on the OTC Bulletin Board (R) under the symbol "CONX". On October 10, 2003, the last bid price of our Common Stock on the OTC Bulletin Board (R) as reported by the OTC Bulletin Board (R) was $0.85.

The following table sets forth, for the periods indicated, the high and low bid prices of our Common Stock as reported on the OTC Bulletin Board (R). The following quotations reflect inter-dealer prices, without retail mark-up, markdown or commissions, and may not represent actual transactions.

Stock Price Dates	Stock Price Ranges High	Low
Fiscal Year 2003		
Quarter Ended:		
September 30, 2002	$0.80	$0.29
December 31, 2002	$0.65	$0.32
March 31, 2003	$0.60	$0.22
June 30, 2003	$0.38	$0.22
Fiscal Year 2002		
Quarter Ended:		
September 30, 2001	$0.31	$0.16
December 31, 2001	$0.25	$0.09
March 31, 2002	$0.16	$0.125
June 30, 2002	$0.35	$0.13

On October 9, 2003 there were approximately 173 holders of record of our Common Stock.

To date, we have not paid any dividends on our Common Stock, and the Board of Directors of the Company does not currently intend to declare cash dividends on our Common Stock. We instead intend to retain earnings, if any, to support the growth of the Company's business. Any future cash dividends would depend on future earnings, capital requirements and the Company's financial condition and other factors deemed relevant by the Board of Directors. We are restricted from paying dividends on our Common Stock under the terms of a promissory note to Vectra Bank ("Vectra") without the consent of Vectra.

Stock Issuance

On July 1, 2002, the Company entered into an agreement ("MBL

Agreement") with Medical & Biological Laboratories Co., Ltd. ("MBL"), a strategic partner and manufacturer of autoimmune diagnostic kits located in Nagoya, Japan, under which the Company sold 880,282 shares, on a redeemable basis, of its $.001 par value common stock to MBL for gross proceeds of $500,000. Net proceeds to the Company after issuance costs were $484,746. Under the MBL Agreement, MBL was also granted a put option which could cause the Company to repurchase, at a future date, the common stock sold to MBL under the MBL Agreement. Thus, the common stock sold has been designated "redeemable common stock." The put option requires the stock to be repurchased at the original purchase price, payable in either a lump-sum purchase or financed over a six-month period. The put option is exercisable by MBL any time after the termination or expiration of the distribution agreement between the Company and RhiGene, MBL's U.S. subsidiary, upon any merger or consolidation of the Company with another corporation wherein the Company's stockholders own less than 50% of the surviving corporation or upon any sale or other disposition of all or substantially all of the Company's assets. The present distribution agreement with RhiGene expires on March 31, 2005, though the distribution agreement may be renewed or extended prior to that time.

Pursuant to the agreement with MBL, as long as MBL holds at least 50% of the common stock purchased under the MBL agreement, MBL must give its written consent with respect to the payment of any dividend, the repurchase of any of the Company's equity securities, the liquidation or dissolution of the Company or the amendment of any provision of the Company's Articles of Incorporation or Bylaws which would adversely affect the rights of MBL under the stock purchase transaction documents. MBL was granted standard anti-dilution rights with respect to stock issuances not registered under the Securities Act. MBL also received standard piggyback registration rights along with certain demand registration rights.

Issuance of Warrants

As part of the MBL Agreement and for no additional consideration, MBL was issued warrants to purchase an additional 880,282 shares of Common Stock at a price of $.568 per share, which is equal to an aggregate amount of $500,000. These warrants expire on July 3, 2007 and may be exercised in whole or in part at any time prior to their expiration. The estimated fair value of the warrant upon issuance was calculated as $401,809 using the Black-Scholes model with the following assumptions: no expected dividend yield, 143% volatility, risk free interest rate of 4.2% and an expected life of five years. The gross proceeds of $500,000 were allocated $277,221 to redeemable common stock and $222,779 to the related warrants based on the relative fair values of the respective instruments to the fair value of the aggregate transaction. Issuance costs and the discount attributed to the warrants upon issuance are being accreted on the interest method over the 33-month period prior to the presently expected first date on which the put option may be exercised, which is the present expiration date of the distribution agreement between the Company and RhiGene.

Forward-Looking Statements

This Form 10-KSB includes statements that are not purely historical and are "forward-looking statements" within the meaning of Section 21E of the Securities Act of 1934, as amended, including statements regarding our expectations, beliefs, intentions or strategies regarding the future. All statements other than historical fact contained in this Form 10-KSB, including, without limitation, statements regarding future product developments, statements regarding our intent to develop the Consumer Products Business, acquisition strategies, strategic partnership expectations, technological developments, the availability of necessary components, research and development programs and distribution plans, are forward-looking statements. All forward-looking

statements included in this Form 10-KSB are based on information available to us on the date hereof, and we assume no obligation to update such forward-looking statements. Although we believe that the assumptions and expectations reflected in such forward-looking statements are reasonable, we can give no assurance that such expectations will prove to have been correct or that we will take any actions that may presently be planned.

Item 6. Management's Discussion and Analysis or Plan of Operation.

The following discussion should be read in conjunction with the financial statements and accompanying notes included elsewhere herein.

General

Since the Company's inception, we have been primarily involved in the research, development, manufacturing and marketing/distribution of diagnostic tests for sale to clinical laboratories. We currently market 142 products covering autoimmune disorders, vascular diseases, infectious diseases and liver disease. Our products are sold in the United States, the UK and other countries through our marketing and sales organization that includes contract sales representatives, internationally through an extensive distributor network, and to several significant OEM partners.

We manufacture products for inventory based upon expected sales demand, shipping products to customers, usually within 24 hours of receipt of orders if in stock. Accordingly, we do not operate with a customer order backlog.

Except for the fiscal year ending June 30, 1997, we have experienced revenue growth since our inception, primarily from sales of products and contract revenues from strategic partners. Contract revenues consist of service fees, licensing fees, milestone payments, and royalty payments from research and development agreements with strategic partners. We have not in recent years, nor do we expect in the foreseeable future to receive licensing fees, royalties or milestone payments.

Beginning in fiscal year 1996, we began adding third-party OEM licensed products to our diagnostic product line. Currently we sell 128 products licensed from or manufactured by third party manufacturers. We expect to expand our relationships with other companies in the future to gain access to additional products.

Although we have experienced growth in revenues every year since 1990, except for 1997, there can be no assurance that, in the future, we will sustain revenue growth, current revenue levels, or achieve or maintain profitability. Our results of operations may fluctuate significantly from period-to-period as the result of several factors, including: (i) whether and when new products are successfully developed and introduced, (ii) market acceptance of current or new products, (iii) seasonal customer demand, (iv) whether and when we receive R&D milestone payments and license fees from strategic partners, (v) changes in reimbursement policies for the products that we sell, (vi) competitive pressures on average selling prices for the products that we sell, and (vii) changes in the mix of products that we sell.

Critical Accounting Policies

The Company's consolidated financial statements are prepared in accordance with accounting principles generally accepted in the United States ("GAAP") and our significant accounting policies are summarized in Note 1 to the accompanying consolidated financial statements. The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect reported amounts of assets, liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of

revenues and expenses during the reporting period. Actual result could differ significantly from those estimates.

The Company maintains an allowance for doubtful accounts based on its historical experience and provides for any specific collection issues that are identified. Such allowances have historically been adequate to provide for our doubtful accounts but involve a significant degree of management judgment and estimation. Worse than expected future economic conditions, unknown customer credit problems and other factors may require additional allowances for doubtful accounts to provided for in future periods. Equipment and software are recorded at cost. Equipment under capital leases is recorded initially at the present value of the minimum lease payments. Depreciation and amortization is calculated primarily using the straight-line method over the estimated useful lives of the respective assets which range from 3 to 7 years. The internal and external costs of developing and enhancing software costs related to website development, other than initial design and other costs incurred during the preliminary project stage, are capitalized until the software has been completed. Such capitalized amounts will be amortized commencing when the website is placed in service on a straight-line basis over a three-year period. When assets are sold, retired or otherwise disposed of, the cost and related accumulated depreciation are eliminated from the accounts and a gain or loss is recognized. Repair and maintenance costs are expensed as incurred. We evaluate the realizability of our long-lived assets, including property and equipment, whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Revenue from sale of products is recognized upon shipment of products. Revenue from research and development contracts represents amounts earned pursuant to agreements to perform research and development activities for third parties and is recognized as earned under the respective agreement. Because research and development services are provided evenly over the contract period, revenue is recognized ratably over the contract period. Research and development agreements in effect in 2003 and 2002 provided for fixed monthly fees to the Company in exchange for performing specified research and development functions. Research and development and advertising costs are expensed when incurred. Inventories are recorded at the lower of cost or market, using the first-in, first-out method.

Results of Operations

Year Ended June 30, 2003 compared to 2002

Net sales. Net sales for the year ended June 30, 2003 were approximately $5,024,000, a 3.4% increase from approximately $4,858,000 in 2002. Product sales increased in most categories. Domestic sales increased 5.9% while sales to international distributors decreased 4.1% from year to year. Offsetting the overall sales increases was a 37.5% decrease in sales of Hyaluronic Acid Test Kits ("HA"), primarily as a result of the loss of Fujirebio (formerly Chugai) in November 2002 as the principal HA customer for distribution in Japan. Chugai had been the Company's largest customer, representing approximately 4.9% and 15.1% of sales in fiscal 2003 and 2002, respectively. Fujirebio has not placed nor forecasted any orders for HA product after November 2002 and we are not projecting any future orders by Fujirebio of HA. The Company expects that the loss of HA sales to Fujirebio will be made up via international sales of HA in other areas of the world. The Company's moderate sales increase for the current fiscal year was accompanied by lower unit volume (which decreased approximately 7%) which was more than offset by an increase in average price per unit sold of HA. This was mainly attributable to increased sales of HA to customers other than Fujirebio (which generally are sold at higher unit prices). Sales of products manufactured for us by other companies while still relatively small, are expected to continue to increase during fiscal 2004.

Cost of sales. Gross profit, as a percentage of sales, increased to 66.2% in 2003 from 63.6% in 2002 primarily due to increased sales of HA to customers other than Fujirebio. Said sales were made at a higher margin then that formerly

sold to Fujirebio.

Selling and marketing. Selling and marketing expenses increased 41.1% to approximately $1,498,000 in 2003 from approximately $1,062,000 in 2002 primarily due to increases in advertising expense-$42,800, consulting expense-$50,000, payroll-related costs (new employees, raises and employee benefits)-$283,300, license fees-$25,100, samples and product testing-$18,200, trade show and travel-related costs-$32,300. These increases were attributable to the Company's strategy of attempting to maintain and/or increase the market share of its various products. The remaining fluctuation is due to individually minor changes in other selling and marketing expenses.

Research and development. Research and development expenses increased 51.8% to approximately $859,000 in 2003 from approximately $566,000 in 2002. Most of this increase came as a result of an increase of $190,600 in labor-related costs and increased purchases and development costs totaling $18,800 related to two joint proof-of-principle development projects. The remaining fluctuation is due to individually minor changes in other research and development expenses. The joint proof-of-principle projects involve modifying certain of our test kits in order to make the test kits compatible with our strategic partner's automated ELISA testing platform in order to enable laboratories to easily run multiple assays simultaneously on a single blood sample.

General and administrative. General and administrative expenses decreased $8,000 or .7% to approximately $1,198,000 in 2003 from approximately $1,205,000 in 2002, primarily due to increases in payroll-related costs (employee benefits and raises) of $164,000. The remaining fluctuation is due to individually minor changes in other general and administrative expenses.

Interest expense. Interest expense decreased 39.6% to approximately $87,000 in 2003 from approximately $144,000 in 2002 due primarily to a decrease in interest-bearing debt in addition to lower interest rates.

Expenses related to consumer healthcare business. The results of Ho.com's operations were included in continuing operations in the consolidated statements of operations for the fiscal year ended June 30, 2002. Since some of the employees and office space of Ho.com have been redeployed into the Company's core business, only those Ho.com expenses which were not expected to recur are shown separately in the consolidated statements of operations for the fiscal year ended June 30, 2002. The operating expenses of the consumer healthcare business not expected to recur were $210,311 during that twelve-month period. There were no such expenses for the current year. The expenses not expected to recur consisted primarily of amortization of previously capitalized software costs and costs associated with advertising and promotion of the consumer healthcare products. Net sales related to the consumer healthcare business were $10,388 during the twelve months ended June 30, 2002.

Liquidity and Capital Resources

Cash provided by operating activities was $19,887 for the current fiscal year compared to cash used by operating activities of $197,784 during the prior fiscal year. The cash provided by operations resulted primarily from increases in accounts payable, accrued payroll and related liabilities and other accrued liabilities. The Company believes that uncollectible accounts receivable will not have a significant effect on future liquidity, as a significant portion of its accounts receivable are due from enterprises with substantial financial resources.

Net cash used by investing activities, the purchase of equipment, was $68,883 in fiscal 2003 compared to $125,911 for fiscal 2002. The decrease was mainly attributable to reduced spending on internally developed software.

Net cash provided by financing activities amounted to $267,474 during fiscal 2003 compared to $164,271 in the prior fiscal year. This increase in cash provided over the comparable prior year was primarily due to the private sale of redeemable common stock and common stock warrants, offset by payments on notes payable and capital lease obligations.

Historically, we have financed our operations primarily through long-term debt and by sales of common and preferred stock. In fiscal 2003 we raised $500,000 before offering costs (see "Stock Issuance" above) and in fiscal 2002, $208,160 before offering expenses through a private sale of common stock.

We have also received financing for operations from sales of diagnostic products and agreements with strategic partners. Accounts receivable decreased 9.5% to $628,717 from $694,394 in 2002 because of a concerted collection effort. In 2003, our accounts payable increased 11.8% to $618,934 from $553,505 in 2002 primarily as a result of slightly slower payment to vendors due to overall cash-flow constraints.

Our future capital requirements will depend on a number of factors, including our profitability or lack thereof, the rate at which we grow our business and our investment in proprietary research activities, the ability of our current and future strategic partners to fund outside research and development activities, our success in increasing sales of both existing and new products and collaborations, expenses associated with unforeseen litigation, regulatory changes, competition, technological developments, general economic conditions and potential future merger and acquisition activity. Our principal sources of liquidity have been cash provided from operating and financing activities, cash raised from the private sale of common stock mentioned above, and long- term debt financing. We believe that we will continue investigating new debt agreements and may sell additional equity securities in fiscal year 2004 to develop the markets and obtain the regulatory approvals for the HA products (see above), and to pursue all of our strategic objectives. We believe that our current availability of cash, working capital, future proceeds from the issuance of common stock and cash flow from operations will be adequate to meet our ongoing needs for at least the next twelve months. At June 30, 2003, cash on hand amounted to $342,377 compared to $164,378 at June 30, 2002. At June 30, 2003, the Company's available borrowings under its $400,000 bank line of credit amounted to approximately $94,000. The available borrowings at June 30, 2003 were limited to a maximum of $279,500 based upon the calculation of the borrowing base. This estimate of our future capital requirements is a forward-looking statement that is based on assumptions that involve varying risks and uncertainties. Actual results may differ significantly from our estimates.

Recently Issued Accounting Pronouncements

In July 2002, the FASB issued SFAS No. 146, "Accounting for Costs Associated with Exit or Disposal Activities," (effective January 1, 2003) which replaces Emerging Issues Task Force (EITF) Issue No. 94-3 "Liability Recognition for Certain Employee Termination Benefits and Other Costs to Exit an Activity (including Certain Costs Incurred in a Restructuring)." SFAS No. 146 requires that a liability for a cost associated with an exit or disposal activity be recognized when the liability is incurred and states that an entity's commitment to an exit plan, by itself, does not create a present obligation that meets the definition of a liability. SFAS No. 146 also establishes that fair value is the objective for initial measurement of the liability. The adoption of SFAS 146 has not had a material effect on the Company for fiscal 2003.

In November 2002, the Financial Accounting Standards Board issued Interpretation No. 45, Guarantor's Accounting and Disclosure Requirements for

Guarantees, Including Indirect Guarantees of Indebtedness of Others (the Interpretation), which addresses the disclosure to be made by a guarantor in its interim and annual financial statements about its obligations under guarantees. The Interpretation also requires the recognition of a liability by a guarantor at the inception of certain guarantees. The Interpretation requires the guarantor to recognize a liability for the non-contingent component of the guarantee, this is the obligation to stand ready to perform in the event that specified triggering events or conditions occur. The initial measurement of this liability is the fair value of the guarantee at inception. The recognition of the liability is required even if it is not probable that payments will be required under the guarantee or if the guarantee was issued with a premium payment or as part of a transaction with multiple elements. The Company is required to adopt the disclosure provisions of the Interpretation beginning with its fiscal 2003 consolidated financial statements, and will apply the recognition and measurement provisions for all guarantees entered into or modified after December 31, 2002. As the Company has not guaranteed any indebtedness of others, the impact of the adoption does not have any impact on the Company's consolidated financial statements for the fiscal years ended June 30, 2003 and 2002.

In December 2002, the FASB issued SFAS No. 148, "Accounting for Stock-Based Compensation--Transition and Disclosure." This statement amends FASB Statement No. 123 "Accounting for Stock-Based Compensation," to provide alternative methods of transition for a voluntary change to the fair value based method of accounting for stock-based employee compensation. This statement also amends the disclosure requirements of Statement 123 to require prominent disclosures in both annual and interim financial statements about the method of accounting for stock-based employee compensation and the effect of the method used on reported results. The provisions of this statement relating to alternative transition methods and annual disclosure requirements are effective for the year ending June 30, 2003. The provisions of this statement relating to interim financial information were effective for the quarter ending December 31, 2002. The transitional provisions will not have an impact on the Company's financial statements unless it elects to change from the intrinsic value method to the fair value method. The provisions relating to annual and interim disclosures changed the manner in which we disclose information regarding stock-based compensation.

In January 2003, the Financial Accounting Standards Board issued FASB Interpretation No. 46, "Consolidation of Variable Interest Entities" (FIN No. 46"). This interpretation clarifies existing accounting principles related to the preparation of consolidated financial statements when the equity investors in an entity do not have the characteristics of a controlling financial interest or when the equity at risk is not sufficient for the entity to finance its activities without additional subordinated financial support from other parties. FIN No. 46 requires a company to evaluate all existing arrangements to identify situations where a company has a "variable interest" (commonly evidenced by a guarantee arrangement or other commitment to provide financial support) in a "variable interest entity" (commonly a thinly capitalized entity) and further determine when such variable interests require a company to consolidate the variable interest entities' financial statement with its own. The Company is required to perform this assessment by December 31, 2003 and consolidate any variable interest entities for which it will absorb a majority of the entities' expected losses or receive a majority of the expected residual gains. The Company does not have variable interest entities that it may be required to consolidate.

In April 2003, the FASB issued SFAS No. 149, Amendment of Statement No. 133 on Derivative Instruments and Hedging Activities (SFAS No. 149). The statement is effective for contracts entered into or modified after June 30, 2003 and for hedging relationships designated after June 30, 2003. This statement amends and clarifies financial accounting and reporting for derivative

instruments, including certain derivative instruments embedded in other contracts and for hedging activities. This statement amends Statement 133 for decisions made as part of the Derivatives Implementation Group process that effectively required amendments to Statement 133, in connection with other Board projects dealing with financial instruments and in connection with implementation issues raised in relation to the application of the definition of a derivative. Management does not expect the adoption of SFAS No.149 to have an impact on its financial condition, results of operations or cash flows.

In May 2003 the FASB issued SFAS No. 150, "Accounting for Certain Financial Instruments with Characteristics of Both Liabilities and Equity" (SFAS No. 150). This statement establishes standards for how an entity classifies and measures certain financial instruments with characteristics of both liabilities and equity. This statement applies specifically to a number of financial instruments that companies have historically presented within their financial statements either as equity or between the liabilities section and the equity section, rather than as liabilities. This statement is effective for financial instruments entered into or modified after May 31, 2003, and is otherwise effective at the beginning of the first interim period beginning after June 15, 2003. Management does not expect the adoption of SFAS No. 150 to have a material impact on its financial condition, results of operations or cash flows.

Risk Factors

Certain factors that could cause actual results to differ materially from those expected include the following:

Losses Incurred; Future Capital Needs; Risks Relating to the Diagnostic Products Business; Uncertainty of Additional Funding

We have incurred operating losses and negative cash flow from operations for most of our history. Net losses incurred since our inception have aggregated $4,665,934 and there can be no assurance that we will be able to generate positive cash flows to fund our operations in the future or to pursue our strategic objectives. We believe that we will have sufficient cash and borrowing availability to satisfy our operating needs for at least the next year. If we are not able to operate profitably and generate positive cash flows sufficient for both the diagnostic business and the consumer products business, we may need to raise additional capital to fund our operations. If we need additional financing to meet our requirements, there can be no assurance that we will be able to obtain such financing on terms satisfactory to us, if at all. Alternatively, any additional equity financing may be dilutive to existing stockholders, and debt financing, if available, may include restrictive covenants. If adequate funds are not available, we might be required to limit our research and development activities, or our selling and marketing activities, any of which could have a material adverse effect on the future of the business.

Dependence on Collaborative Relationships and Third Parties for Product Development and Commercialization

We have historically entered into licensing and research and development agreements with collaborative partners, from which we derived a significant percentage of our revenues in past years. Pursuant to these agreements, our collaborative partners have specific responsibilities for the costs of development, promotion, regulatory approval and/or sale of our products. We will continue to rely on future collaborative partners for the development of products and technologies. There can be no assurance that we will be able to negotiate such collaborative arrangements on acceptable terms, if at all, or that current or future collaborative arrangements will be successful. To the extent that we are not able to establish such arrangements, we could experience increased capital requirements or be forced to undertake such activities at our

own expense. The amount and timing of resources that any of these partners devotes to these activities will generally be based on progress by us in our product development efforts. Usually, collaborative arrangements may be terminated by the partner upon prior notice without cause and there can be no assurance that any of these partners will perform its contractual obligations or that it will not terminate its agreement. With respect to any products manufactured by third parties, there can be no assurance that any third-party manufacturer will perform acceptably or that failures by third parties will not delay clinical trials or the submission of products for regulatory approval or impair our ability to deliver products on a timely basis.

No Assurance of Successful or Timely Development of Additional Products

Our business strategy includes the development of additional diagnostic products both for the diagnostic business and consumer products business. Our success in developing new products will depend on our ability to achieve scientific and technological advances and to translate these advances into commercially competitive products on a timely basis. Development of new products requires significant research, development and testing efforts. We have limited resources to devote to the development of products and, consequently, a delay in the development of one product or the use of resources for product development efforts that prove unsuccessful may delay or jeopardize the development of other products. Any delay in the development, introduction and marketing of future products could result in such products being marketed at a time when their cost and performance characteristics would not enable them to compete effectively in their respective markets. If we are unable, for technological or other reasons, to complete the development and introduction of any new product or if any new product is not approved or cleared for marketing or does not achieve a significant level of market acceptance, our results of operations could be materially and adversely affected.

Competition in the Diagnostics Industry

Competition in the human medical diagnostics industry is, and is expected to remain, significant. Our competitors range from development stage diagnostics companies to major domestic and international pharmaceutical companies. Many of these companies have financial, technical, marketing, sales, manufacturing, distribution and other resources significantly greater than ours. In addition, many of these companies have name recognition, established positions in the market and long standing relationships with customers and distributors. Moreover, the diagnostics industry has recently experienced a period of consolidation, during which many of the large domestic and international pharmaceutical companies have been acquiring mid-sized diagnostics companies, further increasing the concentration of resources. There can be no assurance that technologies will not be introduced that could be directly competitive with or superior to our technologies.

Governmental Regulation of Diagnostics Products

The testing, manufacture and sale of our products is subject to regulation by numerous governmental authorities, principally the FDA and certain foreign regulatory agencies. Pursuant to the Federal Food, Drug, and Cosmetic Act, and the regulations promulgated there under, the FDA regulates the preclinical and clinical testing, manufacture, labeling, distribution and promotion of medical devices. We are not able to commence marketing or commercial sales in the United States of new products under development until we receive clearance from the FDA. The testing for, preparation of and subsequent FDA regulatory review of required filings can be a lengthy, expensive and uncertain process. Noncompliance with applicable requirements can result in, among other consequences, fines, injunctions, civil penalties, recall or seizure of products, repair, replacement or refund of the cost of products, total or

partial suspension of production, failure of the government to grant premarket clearance or premarket approval for devices, withdrawal of marketing clearances or approvals, and criminal prosecution.

There can be no assurance that we will be able to obtain necessary regulatory approvals or clearances for our products on a timely basis, if at all, and delays in receipt of or failure to receive such approvals or clearances, the loss of previously received approvals or clearances, limitations on intended use imposed as a condition of such approvals or clearances or failure to comply with existing or future regulatory requirements could have a material adverse effect on our business.

Dependence on Distribution Partners for Sales of Diagnostic Products in International Markets

We have entered into distribution agreements with collaborative partners in which we have granted distribution rights for certain of our products to these partners within specific international geographic areas. Pursuant to these agreements, our collaborative partners have certain responsibilities for market development, promotion, and sales of the products. If any of these partners fails to perform its contractual obligations or terminates its agreement, this could have a material adverse effect on our business, financial condition and results of operations.

Governmental Regulation of Manufacturing and Other Activities

As a manufacturer of medical devices for marketing in the United States, we are required to adhere to applicable regulations setting forth detailed good manufacturing practice requirements, which include testing, control and documentation requirements. We must also comply with Medical Device Report ("MDR") requirements, which require that a manufacturer report to the FDA any incident in which its product may have caused or contributed to a death or serious injury, or in which its product malfunctioned and, if the malfunction were to recur, it would be likely to cause or contribute to a death or serious injury. We are also subject to routine inspection by the FDA for compliance with QSR requirements, MDR requirements and other applicable regulations. The FDA has recently implemented new QSR requirements, including the addition of design controls that will likely increase the cost of compliance. Labeling and promotional activities are subject to scrutiny by the FDA and, in certain circumstances, by the Federal Trade Commission. We may incur significant costs to comply with laws and regulations in the future, which may have a material adverse effect upon our business, financial condition and results of operations.

Regulation Related to Foreign Markets

Distribution of diagnostic products outside the United States is subject to extensive government regulation. These regulations, including the requirements for approvals or clearance to market, the time required for regulatory review and the sanctions imposed for violations, vary from country to country. We may be required to incur significant costs in obtaining or maintaining foreign regulatory approvals. In addition, the export of certain of our products that have not yet been cleared for domestic commercial distribution may be subject to FDA export restrictions. Failure to obtain necessary regulatory approval or the failure to comply with regulatory requirements could have a material adverse effect on our business, financial condition and results of operations.

Uncertain Availability of Third Party Reimbursement for Diagnostic Products

In the United States, health care providers that purchase diagnostic products, such as hospitals and physicians, generally rely on third party

payors, principally private health insurance plans, federal Medicare and state Medicaid, to reimburse all or part of the cost of the procedure. Third party payors are increasingly scrutinizing and challenging the prices charged for medical products and services and they can affect the pricing or the relative attractiveness of the product. Decreases in reimbursement amounts for tests performed using our diagnostic products, failure by physicians and other users to obtain reimbursement from third party payors, or changes in government and private third party payors' policies regarding reimbursement of tests utilizing diagnostic products, may affect our ability to sell our diagnostic products profitably. Market acceptance of our products in international markets is also dependent, in part, upon the availability of reimbursement within prevailing health care payment systems.

Uncertainty of Protection of Patents, Trade Secrets and Trademarks

Our success depends, in part, on our ability to obtain patents and license patent rights, to maintain trade secret protection and to operate without infringing on the proprietary rights of others. There can be no assurance that our issued patents will afford meaningful protection against a competitor, or that patents issued to us will not be infringed upon or designed around by others, or that others will not obtain patents that we would need to license or design around. We could incur substantial costs in defending the Company or our licensees in litigation brought by others. Our business could be adversely affected.

Risks Regarding Potential Future Acquisitions

Our growth strategy includes the desire to acquire complementary companies, products or technologies. There is no assurance that we will be able to identify appropriate companies or technologies to be acquired, to negotiate satisfactory terms for such an acquisition, or to obtain sufficient capital to make such acquisitions. Moreover, because of limited cash resources, we will be unable to acquire any significant companies or technologies for cash and our ability to effect acquisitions in exchange for our capital stock may depend upon the market prices for our Common Stock. If we do complete one or more acquisitions, a number of risks arise, such as short-term negative effects on our reported operating results, diversion of management's attention, unanticipated problems or legal liabilities, and difficulties in the integration of potentially dissimilar operations. The occurrence of some or all of these risks could have a material adverse effect on our business, financial condition and results of operations.

Dependence on Suppliers

The components of our products include chemical and packaging supplies that are generally available from several suppliers, except certain antibodies, which we purchases from single suppliers. We mitigate the risk of a loss of supply by maintaining a sufficient supply of such antibodies to ensure an uninterrupted supply for at least three months. We have also qualified second vendors for all critical raw materials and believe that we can substitute a new supplier with respect to any of these components in a timely manner. However, there can be no assurances that we will be able to substitute a new supplier in a timely manner and failure to do so could have a material adverse effect on our business, financial condition and results of operations.

Limited Manufacturing Experience with Certain Products

Although we have manufactured over twelve million diagnostic tests based on our proprietary applications of ELISA technology, certain of our diagnostic products in consideration for future development, incorporate technologies with which we have little manufacturing experience. Assuming successful development and receipt of required regulatory approvals, significant work may be required

to scale up production for each new product prior to such product's commercialization. There can be no assurance that such work can be completed in a timely manner and that such new products can be manufactured cost-effectively, to regulatory standards or in sufficient volume.

Seasonality of Products; Quarterly Fluctuations in Results of Operations

Our revenue and operating results have historically been minimally subject to quarterly fluctuations. There can be no assurance that such seasonality in our results of operations will not have a material adverse effect on our business.

Dependence on Key Personnel

Because of the specialized nature of our business, our success will be highly dependent upon our ability to attract and retain qualified scientific and executive personnel. In particular, we believe our success will depend to a significant extent on the efforts and abilities of Dr. Luis R. Lopez and Douglass T. Simpson, who would be difficult to replace. There can be no assurance that we will be successful in attracting and retaining such skilled personnel, who are generally in high demand by other companies. The loss of, inability to attract, or poor performance by key scientific and executive personnel may have a material adverse effect on our business, financial condition and results of operations.

Product Liability Exposure and Limited Insurance

The testing, manufacturing and marketing of medical diagnostic devices entails an inherent risk of product liability claims. To date, we have experienced no product liability claims, but any such claims arising in the future could have a material adverse effect on our business, financial condition and results of operations. Our product liability insurance coverage is currently limited to $2 million. Potential product liability claims may exceed the amount of our insurance coverage or may be excluded from coverage under the terms of our policy or limited by other claims under our umbrella insurance policy. Additionally, there can be no assurance that our existing insurance can be renewed by us at a cost and level of coverage comparable to that presently in effect, if at all. In the event that we are held liable for a claim against which we are not insured or for damages exceeding the limits of our insurance coverage, such claim could have a material adverse effect on our business, financial condition and results of operations.

Other Risks

Limited Public Market; Possible Volatility in Stock Prices; Penny Stock Rules

There has, to date, been no active public market for our Common Stock, and there can be no assurance that an active public market will develop or be sustained. Although our Common Stock has been traded on the OTC Bulletin Board(R) since February 1998, the trading has been sporadic with insignificant volume.

Moreover, the over-the-counter markets for securities of very small companies historically have experienced extreme price and volume fluctuations during certain periods. These broad market fluctuations and other factors, such as new product developments and trends in our industry and the investment markets and economic conditions generally, as well as quarterly variation in our results of operations, may adversely affect the market price of our Common Stock. In addition, our Common Stock is subject to rules adopted by the Securities and Exchange Commission regulating broker-dealer practices in connection with transactions in "penny stocks." As a result, many brokers are

unwilling to engage in transactions in our Common Stock because of the added disclosure requirements.

Risks Associated with Exchange Rates

Our financial statements are presented in US dollars. At the end of each fiscal quarter and the fiscal year, we convert the financial statements of Corgenix UK, which operates in pounds sterling, into US dollars, and consolidate them with results from Corgenix, Inc. We may, from time to time, also need to exchange currency from income generated by Corgenix UK. Foreign exchange rates are volatile and can change in an unknown and unpredictable fashion. Should the foreign exchange rates change to levels different than anticipated by us, our business, financial condition and results of operations may be materially adversely affected.

Controls and Procedures

Evaluation of disclosure controls and procedures. The Company, under the supervision and with the participation of the Company's management, including its Chief Executive Officer and Chief Financial Officer, carried out an evaluation of the effectiveness of the design and operation of the Company's disclosure controls and procedures (as defined in Rules 240.13a-14c under the Securities Exchange Act of 1934 (the "Exchange Act") as of a date within ninety days before the filing date of this annual report (the "Evaluation Date"). Based upon this evaluation, the Chief Executive Officer and Chief Financial Officer concluded that, as of the Evaluation Date, the Company's disclosure controls and procedures were effective for the purposes of recording, processing, summarizing and timely reporting information required to be disclosed by the Company in the reports that it files under the Securities Exchange Act of 1934 and that such information is accumulated and communicated to the Company's management in order to allow timely decisions regarding required disclosure.

Changes in internal controls. There have been no significant changes in the Company's internal controls or in other factors that could significantly affect the Company's disclosure controls and procedures subsequent to the Evaluation Date, nor were there any significant deficiencies or material weaknesses in the Company's internal controls.

Item 7. Financial Statements.

The financial statements listed in the accompanying index to the consolidated financial statements are filed as part of this Annual Report on Form 10-KSB.

Item 8. Changes In and Disagreements With Accountants on Accounting and Financial Disclosure.

None.

PART III

Item 9. Directors, Executive Officers, Promoters and Control Persons; Compliance With Section 16(a) of the Exchange Act.

Directors and Executive Officers

The following table sets forth certain information with respect to the directors and executive officers of Corgenix as of June 30, 2003:

Name	Age	Position	Director/Officer Since
Luis R. Lopez, M.D.	55	Chief Executive Officer and Chairman	1998
Douglass T. Simpson	55	President and Chief Operating Officer	1998
W. George Fleming, Ph.D.	72	Vice President, International Operations	1996
Ann L Steinbarger	50	Vice President, Sales and Marketing	1996
Taryn G. Reynolds	44	Vice President, Technology	1998
Catherine A. Fink, Ph.D.	38	Vice President, General Manager	1999
William H. Critchfield	57	Vice President and Chief Financial Officer	2000
Wendell J. Gardner	70	Director	2001
Jack W. Payne	73	Director	2001
Jun Sasaki	50	Director	2002

Luis R. Lopez, M.D., Dr. Lopez has served as the Chief Executive Officer and Chairman of the Board of Directors of Corgenix since May 1998 and of Corgenix's operating subsidiary since it was founded in July 1990. From 1987 to 1990, Dr. Lopez was Vice President of Clinical Affairs at BioStar Medical Products, Inc., a Boulder, Colorado diagnostic firm. From 1986 to 1987 he served as Research Associate with the Rheumatology Division of the University of Colorado Health Sciences Center, Denver, Colorado. From 1980 to 1986 he was Professor of Immunology at Cayetano Heredia University School of Medicine in Lima, Peru, during which time he also maintained a medical practice with the Allergy and Clinical Immunology group at Clinica Ricardo Palma in Lima. From 1978 to 1980 Dr. Lopez held a fellowship in Clinical Immunology at the University of Colorado Health Sciences Center. He received his M.D. degree in 1974 from Cayetano Heredia University School of Medicine in Lima, Peru. He is a clinical member of the American College of Rheumatology, and a corresponding member of the American Academy of Allergy, Asthma and Immunology. Dr. Lopez is licensed to practice medicine in Colorado, and is widely published in the areas of immunology and autoimmune disease.

Douglass T. Simpson, Mr. Simpson has been the President of Corgenix since May 1998 and was elected a director in May 1998. Mr. Simpson joined Corgenix's operating subsidiary as Vice President of Business Development in 1992, was promoted to Vice President, General Manager in 1995, to Executive Vice President in 1996 and then to President in February 1998. Prior to joining Corgenix's operating subsidiary, he was a Managing Partner at Venture Marketing Group in Austin, Texas, a health care and biotechnology marketing firm, and in that capacity, served as a consultant to REAADS from 1990 until 1992. From 1984 to 1990 Mr. Simpson was employed by Kallestad Diagnostics, Inc. (now part of BioRad Laboratories, Inc.), one of the largest diagnostic companies in the world, where he served as Vice President of Marketing, in charge of all marketing and business development. Mr. Simpson holds B.S. and M.S. degrees in Biology and Chemistry from Lamar University in Beaumont, Texas.

W. George Fleming, Ph.D., has been the Vice President, International Operations, of Corgenix since May 1998. Dr. Fleming joined Corgenix's operating subsidiary as Director of European Operations in 1992, after serving as a consultant in international distribution to Corgenix from 1990 to 1992. He was promoted to Managing Director, European Operations, and in 1996 to Vice President, International. Prior to joining Corgenix's operating subsidiary, Dr. Fleming was a director of Unilever's Medical Products Group in the UK, a (pound)41 million health care company. He joined Oxoid, a subsidiary of Brooke Bond in 1968, serving in a number of management positions leading to his appointment as Director of Marketing in 1976, managing their growth up to (pound)31 million in 1985, when it was acquired by Unilever. Dr. Fleming received a B.Sc. degree from Queens University, Belfast, Northern Ireland, and a Ph.D. in Business Administration from Fairfax University, Baton Rouge, Louisiana.

Ann L. Steinbarger, has been the Vice President, Sales and Marketing, of Corgenix since May 1998. Ms. Steinbarger joined Corgenix's operating subsidiary in January 1996 as Vice President, Sales and Marketing with responsibility for its worldwide marketing and distribution strategies. Prior to joining Corgenix, Ms. Steinbarger was with Boehringer Mannheim Corporation, Indianapolis, Indiana, a $200 million IVD company. At Boehringer from 1976 to 1996, she served in a series of increasingly important sales management positions. Ms. Steinbarger holds a B.S. degree in Microbiology from Purdue University in West Lafayette, Indiana.

Taryn G. Reynolds, has been a Vice President of Corgenix since May 1998. Mr. Reynolds joined Corgenix's operating subsidiary in 1992, serving first as Director of Administration, then as Managing Director, U.S. Operations. He has served as Vice President, Operations and in 1999, became Vice President, Technology. Prior to joining Corgenix, Mr. Reynolds held executive positions at

Brinker International, MJAR Corporation and M&S Incorporated, all Colorado-based property, operational and financial management firms.

Catherine A. Fink, Ph.D., was elected Vice President, General Manager of the Company on October 7, 1999. She had been Corgenix's Executive Scientific Director since May 1998. Dr. Fink joined Corgenix's operating subsidiary in 1996 as Director of Research and Development with responsibility for product development, and in 1997 was promoted to Executive Scientific Director with additional responsibilities for Quality Control. She chairs Corgenix's technical committee. Prior to joining Corgenix, Dr. Fink was with DDx, Inc., a Denver, Colorado based privately-held biotechnology firm from 1994 until 1996, and from 1993 to 1994 was Product Development Manager at Trinity Biotech plc., an Irish biotechnology company which develops and manufactures rapid saliva and blood based diagnostic tests. From 1990 to 1993, she was with Biosyn Ltd. (Belfast), a manufacturer of diagnostic tests for medical and veterinary applications. Dr. Fink received a B.Sc. (with Honors) from University College Dublin, and a Ph.D. in immunology from the National University at Ireland.

William H. Critchfield, has been Vice President and Chief Financial Officer of the Company since December 2000. Prior to joining Corgenix, Mr. Critchfield was Executive Vice President and Chief Financial Officer of U.S. Medical, Inc., a Denver, Colorado based privately held distributor of new and used capital medical equipment. From May of 1994 through July of 1999, he served as President and Chief Financial Officer of W.L.C. Enterprises, Inc., a retail business holding company. From November 1991 to May 1994, Mr. Critchfield served as Executive Vice President and Chief Financial Officer of Air Methods Corporation, a publicly traded company which is the leading U.S. company in the air medical transportation industry and was the successor company to Cell Technology, Inc., a publicly traded biotechnology company, where he served in a similar capacity from 1987-1991. From 1986 through September 1987 he served as Vice President of Finance and Administration for Biostar Medical Products, Inc., a developer and manufacturer of diagnostic immunoassays. In the past, Mr. Critchfield also served as Vice President of Finance for Nuclear Pharmacy, Inc. (now Syncor, Inc.), a publicly traded company and the world's largest chain of centralized radiopharmacies. Mr. Critchfield is a certified public accountant in Colorado. He graduated magna cum laude from California State University-Northridge with a Bachelor of Science degree in Business Administration and Accounting.

Jack W. Payne, Mr. Payne was appointed as a director of Corgenix in March 2001. Mr. Payne is currently the Chief Executive Officer and a member of the Board of Directors of Pro Bed Medical Technology, Inc., a privately held British Columbia manufacturer of specialty medical beds. Mr. Payne from 1992 until September 2001 was a co-founder, Executive Vice President and a member of the Board of Directors of Sequin Medical Corporation, a privately held, Denver-based medical device manufacturer with manufacturing facilities in Nebraska. From 1989 through 1992 Mr. Payne was founder, President and Chairman of the Board of Designer Labels, Inc., a privately held supplier of personalized paper products. During the 1990's, Mr. Payne served on three publicly held corporate boards: Luther Medical, Inc., a manufacturer of medical devices (1989-1997); First Fidelity Acceptance Corporation (1992-1997), and Marquest Medical, Inc., a manufacturer of medical devices (1993-1998). Mr. Payne began his career with Parke Davis, and proceeded to work for Johnson & Johnson and Baxter International, the latter for 20 years, serving as its Vice President-Canadian operations. Mr. Payne was also a group Vice President with the R.P. Scherer Company, a pharmaceutical, device and consumer products company, where he had worldwide responsibilities for twelve operating companies with sales in excess of $125 million. Subsequent to his service with the R.P. Scherer Company, Mr. Payne became the chief U.S. executive for Terumo Corporation, a Japanese Medical device, lab diagnostic, and pharmaceutical manufacturer. He received a B.S. in Microbiology and Chemistry from De Pauw University and completed the executive management program at the Colgate Darden School at the University of Virginia.

Wendell J. Gardner, Mr. Gardner was elected as a director in December 2001. Mr. Gardner is currently and since 1996 has been a founding member and on the Board of Directors of Foothills Bank in Wheat Ridge, Colorado. From 1968 to 1998 Mr. Gardner served in various capacities for COBE Laboratories, Inc. (Gambro AB) in Lakewood, Colorado, serving as its Chief Financial Officer, Vice President for European Operations, President of COBE Cardiovascular and most recently from 1994 to 1998 as its Corporate Senior Vice President (transition to retirement). Mr. Gardener has served on numerous boards of directors, including Thoratec Laboratories, Inc. (1992-1997), Colorado National Bank Arvada (1983-1993) and Colorado National Bank Lakewood (1990-1993). Mr. Gardner was the Chairman of the Jefferson Economic Council Board of Directors from 1987-1995 and the founding member, president and a member of the Board of Directors of the Colorado Medical Device Association from 1994-1998 and the Commissioner of the Colorado Advanced Technology Institute (CATI) from 1994-1998. Mr. Gardner is a Certified Public Accountant in the State of Colorado. He received his BS degree in Accounting and Finance from Kansas State University in 1961 and completed the Stanford Graduate School of Business Executive Program in General Management in 1975.

Jun Sasaki, Mr. Sasaki was elected as a director in December 2002. Mr. Sasaki has been the Division Officer and General Manager of the International Diagnostic Reagents Division of Medical & Biological Laboratories Co., Ltd. (MBL) since June 1999. From 1993 to 1999, Mr. Sasaki was the General Manager of MBL's Sales and Marketing Department. From 1992 to 1993, he was located in Boston, Massachusetts and was engaged in the establishment of MBL International Corporation, a sales subsidiary of MBL. He joined MBL in 1976 and has been instrumental in the development of a series of autoimmune products. Mr. Sasaki received a B.E. degree from Yamanashi University in Yamanashi prefecture, Japan.

COMPLIANCE WITH SECTION 16 (a) OF THE SECURITIES EXCHANGE ACT OF 1934

Section 16 (a) of the Securities Exchange Act of 1934, as amended, requires the Company's directors and executive officers, as well as persons beneficially owning more than 10% of the Company's outstanding Common Stock, to file reports of ownership and changes in ownership with the Commission within specified time periods. Such officers, directors and stockholders are also required to furnish the Company with copies of all Section 16 (a) forms they file.

Based solely on its review of such forms received by it, or written representations from certain reporting persons, the Company believes that all Section 16 (a) filing requirements applicable to its officers, directors and 10% stockholders were complied with during the fiscal year ended June 30, 2003.

Item 10. Executive Compensation.

The following table shows how much compensation was paid by Corgenix for the last three fiscal years to Corgenix's Chief Executive Officer and each other executive officer whose total annual salary and bonus exceeded $100,000 for services rendered to the subsidiary during such fiscal years (collectively, the "Named Executive Officers").

Summary Compensation Table

		Annual Cash Compensation	Long-Term Compensation
			Options Granted
Name and Principal Position	Fiscal Year	Salary and Bonus*	(# of Shares)

Dr. Luis R. Lopez ..	2003	$174,000	41,900
Chairman and Chief	2002	$160,000	-
Executive Officer	2001	$160,000	-
Douglass T.	2003	$152,250	59,072
Simpson	2002	$140,000	-
President, Chief	2001	$140,000	20,328
Operating Officer			
Ann L. Steinbarger .	2003	$135,937	41,519
Vice President,	2002	$125,000	-
Sales and Marketing	2001	$107,292	15,881
William H.	2003	$135,937	34,119
Critchfield	2002	$125,000	-
Vice President and	2001	-	21,881
Chief Financial			
Officer			
Taryn G. Reynolds...	2003	$108,750	35,695
Vice President,	2002	$105,000	-
Technology	2001	-	12,705**
Catherine A Fink,	2003	$108,750	33,695
Ph.D.	2002	$105,000	-
Vice President,	2001	-	12,705
General Manager			

* No bonuses were paid to any officer in any of the three years reported.
** Includes 5,869 warrants

Long-Term Incentive Compensation

Issuances of stock under the Stock Compensation Plan to the Named Executive Officers during the fiscal year ended June 30, 2003 were as follows:

Officer	Issuances of Stock Under Stock Compensation Plan in Fiscal 2003
Dr. Luis R. Lopez	0
Douglass T. Simpson	10,738
Ann L. Steinbarger	0

William H. Critchfield	0
Taryn G. Reynolds	20,069
Catherine A Fink, Ph.D	0

Aggregated Option Exercises in Last Fiscal Year
and Fiscal Year-End Option Values

The following table sets forth information concerning option exercises by the Named Executive Officers during the fiscal year ended June 30, 2003 and outstanding options held by the Named Executive Officers as of June 30, 2003:

Name	Number of Shares Acquired on Exercise	Value Realized($)	Number of Shares Underlying Unexercised Options at FY-End Exercisable/ Unexercisable	Value of In-the-Money Options at FY-End ($) Exercisable/ Unexercisable (1)
Dr. Luis R. Lopez	0	0	17,313/26,867	0/0
Douglass T. Simpson	0	0	32,299/48,981	0/0
Ann L. Steinbarger	0	0	24,535/34,945	0/0
William H. Critchfield	0	0	24,921/31,079	0/0
Catherine A. Fink	0	0	20,617/28,063	0/0
Taryn G. Reynolds	0	0	26,952/23,528	0/0

(i) Based on the price of the Company's common stock at June 30, 2003 of $0.35 per share.

Employment and Consulting Agreements

Corgenix has entered into employment agreements with the following officers as of the respective dates and for the minimum annual salaries as noted opposite each of their names:

- Luis R. Lopez, M.D. - $160,000, dated April 1, 2001
- Douglass T. Simpson - $140,000, dated April 1, 2001,
- William H. Critchfield--$125,000, dated March 1, 2001
- Ann L. Steinbarger - $125,000, dated April 1, 2001
- Taryn G. Reynolds - $100,000, dated April 1, 2001
- Catherine A. Fink, Ph.D. - $100,000, dated April 1, 2001

Each of the above employment agreements is for continuously renewable terms of three years, provides for severance payments equal to twelve month's salary and benefits if the employment of the officer is terminated without cause (as defined in the respective agreements), and an automobile expense reimbursement of $500 per month.

Corgenix has also executed a consulting contract with Wm. George Fleming, Ph.D., Corgenix's Vice President, International Operations, for an annual fee of $125,000.

Compensation Committee Interlocks and Insider Participation

The Compensation Committee of Corgenix is currently composed of the Outside Directors Messrs. Gardner and Payne along with Messrs. Lopez and Simpson. No interlocking relationship exists between any member of the Board or Compensation Committee and any member of the board of directors or compensation committee of any other company, nor has any such interlocking relationship existed in the past.

Item 11. Security Ownership of Certain Beneficial Owners and Management.

The following table sets forth as of June 30, 2003, certain information regarding the ownership of Corgenix's common stock by (i) each person known by Corgenix to be the beneficial owner of more than 5% of the outstanding shares of common stock, (ii) each of Corgenix's directors, (iii) each Named Executive Officer and (iv) all of Corgenix's executive officers and directors as a group. Unless otherwise indicated, the address of each person shown is c/o Corgenix, 12061 Tejon Street, Westminster, CO 80234. Beneficial ownership, for purposes of this table, includes options to purchase common stock that are either currently exercisable or will be exercisable within 60 days of June 30, 2003. Other than Dr. Lopez, no other director or executive officer beneficially owned more than 5% of the common stock. Directors and executive officers as a group beneficially owned 13.1% of the common stock.

	Shares Beneficially Owned	
Name of Beneficial Owner	Number	Percent
Medical & Biological Laboratories Co., Ltd.....	880,282	16.7%
Dr. Luis R. Lopez(1).....	457,866	8.6%
Dallas Marckx.....	288,000	5.5%
Raul Diez Canseco.....	224,645	4.3%
Jana Hartinger Mazzini.....	219,158	4.2%

Jack W. Payne(1)	19,000	*
Douglass T. Simpson (1).....	117,890	2.2%
Ann L. Steinbarger(1).....	54,090	1.0%
William H. Critchfield(1)....	37,961	*
Catherine A. Fink, Ph.D(1)...	37,896	*
Taryn G. Reynolds(1).....	108,380	2.1%
Wendell Gardner(1).....	49,200	*
All current directors and current executive officers as a group (9 persons).....	882,283	16.7%

* Less than 1%

(1) Current director or officer.

Item 12. Certain Relationships and Related Transactions.

On October 1, 2001, the Company entered into a note payable with one of its officers. The note was for 91,797 pounds sterling (approximately $132,000) and is payable by the Company in monthly principal payments of 4,004 pounds sterling (approximately $6,100 at June 30, 2003) plus interest at 8% per annum over twenty-five months. There have not been any other similar transactions, or series of similar transactions, since the beginning of the Company's last fiscal year, or any currently proposed transaction, or series of similar transactions, to which the Company or any of its subsidiaries was or is to be a party, in which the amount involved exceeds $60,000 and in which any director or executive officer of the Company, nominee for election as a director, any five percent security holder or any member of the immediate family of any of the foregoing persons had, or will have, a direct or indirect material interest.

Item 13. Exhibits and Reports on Form 8-K.

a. Index to and Description of Exhibits

Exhibit Number	Description of Exhibit

2.1 Agreement and Plan of Merger dated as of May 12, 1998 by and among Gray Wolf Technologies, Inc., Gray Wolf Acquisition Corp. and REAADS Medical Products, Inc. (filed as Exhibit 2.1 to the Company's Registration Statement on Form 10-SB filed June 29, 1998, and incorporated herein by reference).

2.2 First Amendment to Agreement and Plan of Merger dated as of May 22, 1998 by and among Gray Wolf Technologies, Inc., Gray Wolf Acquisition Corp. and REAADS Medical Products, Inc. (filed as Exhibit 2.2 to the Company's Registration Statement on Form 10-SB filed June 29, 1998, and incorporated herein by reference).

2.3 Second Amendment to Agreement and Plan of Merger dated as of June 17, 1998 by and among the Company and TransGlobal Financial Corporation (filed as Exhibit 2.3 to the Company's Registration Statement on Form 10-SB filed June 29, 1998, and incorporated herein by reference).

3.1 Articles of Incorporation, as amended (filed as Exhibit 3.1 to the Company's Registration Statement on Form 10-SB filed June 29, 1998, and incorporated herein by reference).

3.2 Bylaws (filed as Exhibit 3.2 to the Company's Registration Statement on Form 10-SB filed June 29, 1998, and incorporated herein by reference.

3.3 Articles of Incorporation of health-outfitters.com, Inc. dated November 16, 1999 (filed as Exhibit 3.3 to the Company's filing on Form 10-QSB for the fiscal quarter ended December 31, 1999).

3.4 Bylaws of health-outfitters.com, Inc. dated November 16, 1999 (filed as Exhibit 3.4 to the Company's filing on Form 10-QSB for the fiscal quarter ended December 31, 1999).

10.1 Manufacturing Agreement dated September 1, 1994 between Chugai Pharmaceutical Co., Ltd. and REAADS Medical Products, Inc. (filed as Exhibit 10.1 to the Company's Registration Statement on Form 10-SB filed June 29, 1998, and incorporated herein by reference).

10.2 Amendment to the Manufacturing Agreement dated as of January 17, 1995 between Chugai Pharmaceutical Co., Ltd. and REAADS Medical Products, Inc. (filed as Exhibit 10.2 to the Company's Registration Statement on Form 10-SB filed June 29, 1998, and incorporated herein by reference).

10.3 Amendment to Agreement dated November 17, 1997 between Chugai Diagnostic Science, Co., Ltd. and REAADS Medical Products, Inc. (filed as Exhibit 10.3 to the Company's Registration Statement on Form 10-SB filed June 29, 1998, and incorporated herein by reference).

10.4 License Agreement dated June 30, 2001 between Chugai Diagnostic Science Co., Ltd. and Corgenix Medical Corporation.

10.9 Office Lease dated May 5, 2001 between Crossroads West LLC/Decook Metrotech LLC and Corgenix, Inc.

10.10 Guarantee dated November 1, 1997 between William George Fleming, Douglass Simpson and Geoffrey Vernon Callen (filed as Exhibit 10.10 to the Company's Registration Statement on Form 10-SB filed June 29, 1998, and incorporated herein by reference).

10.11 Employment Agreement dated April 1, 2001 between Luis R. Lopez and the Company.

10.12 Employment Agreement dated April 1, 2001 between Douglass T. Simpson and the Company.

10.13	Employment Agreement dated April 1, 2001 between Ann L. Steinbarger and the Company.
10.14	Employment Agreement dated April 1, 2001 between Taryn G. Reynolds and the Company.
10.15	Employment Agreement dated April 1, 2001 between Catherine (O'Sullivan) Fink and the Company.
10.16	Consulting Contract dated May 22, 1998 between Wm. George Fleming, Bond Bio-Tech, Ltd. and the Company (filed as Exhibit 10.16 to the Company's Registration Statement on Form 10-SB filed June 29, 1998, and incorporated herein by reference).
10.17	Stock Purchase Agreement dated September 1, 1993 between Chugai Pharmaceutical Co., Ltd. and REAADS Medical Products, Inc. (filed as Exhibit 10.17 to the Company's Registration Statement on Form 10-SB filed June 29, 1998, and incorporated herein by reference).
10.19	Note dated January 6, 1997 between REAADS Medical Products, Inc. and Eagle Bank (filed as Exhibit 10.19 to the Company's Registration Statement on Form 10-SB filed June 29, 1998, and incorporated herein by reference).
10.24	Form of Indemnification Agreement between the Company and its directors and officers (filed as Exhibit 10.24 to the Company's Registration Statement on Form 10-SB/A-1 filed September 24, 1998 and incorporated herein by reference).
10.27	Warrant agreement dated June 1, 2000 between the Company and Taryn G. Reynolds.
10.30	Employment Agreement dated March 1, 2001 between William H. Critchfield and the Company (filed as Exhibit 10.30 to the Company's filing on Form 10-QSB for the fiscal quarter ended March 31, 2001).
10.31	Consulting Agreement dated April 10,2001 between Bathgate McColley Capital Group, LLC and the Company.
10.32	Warrant Agreement dated April 10, 2001 between Bathgate McColley Capital Group, LLC and the Company.
10.33	Sales Agent Agreement dated May 7, 2001 between Bathgate McColley Capital Group, LLC and the Company.
10.34	Business Development and Consulting Agreement dated August 27, 2002 between Ascendiant Capital Group, Inc. and the Company.
21.1	Amended Subsidiaries of the Registrant (filed as Exhibit 21.1 to the Company's Registration Statement on Form 10-SB filed June 29, 1998).
21.2	Promissory note dated October 1, 2001 between W.C. Fleming and the Corgenix UK, Ltd.
21.3	Promissory note dated October 1, 2001 between W.C. Fleming and Corgenix UK, Ltd.
21.4	Warrant Agreement dated October 11,2001 between Phillips V. Bradford and the Company.
21.5	Warrant Agreement dated October 11,2001 between Charles F. Ferris and the Company.
21.6	Underlease Agreement dated October 3, 2001 between G.V. Callen, A.G. Pirmohamed and Corgenix UK, Ltd.
21.7	Financial Public Relations Agreement dated March 15, 2002 between the Liolios Group, Inc. and the Company.
21.9	Warrant Agreement dated March 15, 2002 between the Liolios Group, Inc. and the Company.
	21.8 Distribution Agreement and OEM Agreement dated March 14, 2002 between RhiGene, Inc. and the Company.
23.1*	Consent of SR Howell &Co.
23.2*	Consent of KPMG LLP
23.3*	Certification of Periodic Report

* Filed herewith.

(b) Reports on Form 8-K.

None

Consent of Independent Auditors

The Board of Directors
Corgenix Medical Corporation

We consent to incorporation by reference in the annual report on Form 10-KSB of Corgenix Medical Corporation of our report dated August 15, 2003, relating to the balance sheets of Corgenix UK Limited as of June 30, 2003 and 2002, and the related financial statements for each of the years in the two-year period ended June 30, 2003, and all related schedules, which report appears in the June 30, 2003, annual report on Form 10-KSB of Corgenix Medical Corporation.

SR HOWELL & CO

Ramsey, UK
October 10, 2003

CORGENIX UK LIMITED

Auditors' Report to the Shareholders of Corgenix UK Limited

We have audited the financial statements of Corgenix UK Limited for the years ended 30 June 2003 and 2002 on pages 3 to 10. These financial statements have been prepared in accordance with the Financial Reporting Standard for Smaller Entities (effective March 2000), under the historical cost convention and the accounting policies set out on page 5.

Respective responsibilities of Directors and Auditors
As described in the Statement of Directors' Responsibilities on page 1, the company's directors are responsible for the preparation of the financial statements in accordance with applicable law and United Kingdom Accounting Standards.

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and United Kingdom Auditing Standards.

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Director's Report is not consistent with the financial statements, if the company has not kept proper accounting records, if we have not received all the information and explanations

we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed.

We read the Director's Report and consider the implications for our report if we become aware of any apparent misstatement within it.

Basis of opinion
We have audited the financial statements of Corgenix UK Limited for the years ended 30 June 2003 and 2002 on page 3 to 10. We conducted our audit in accordance with auditing standards issued by the Auditing Practices Board and the audit was also performed in accordance with auditing standards generally accepted in the United States of America. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgments made by the Director in the preparation of the financial statements and of whether the accounting policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material missatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion
In our opinion, the financial statements give a true and fair view of the state of the company's affairs at 30 June 2003 and 2002 and of its profit for the years then ended and have been properly prepared in accordance with accounting principles generally accepted in the United States of America and the Companies Act of 1985.

15th August, 2003

SR Howell & Co
Chartered Certified Accountants
& Registered Auditors
88 High Street
Ramsey
Huntington
Cambs PE26 1BS

Consent of Independent Auditors

The Board of Directors
Corgenix Medical Corporation:

We consent to incorporation by reference in the registration statements (Nos.

333-101528, 333-55682 and 333-69775) on Form S-8 of Corgenix Medical Corporation of our report dated August 4, 2003, with respect to the consolidated balance sheets of Corgenix Medical Corporation and subsidiaries as of June 30, 2003 and 2002, and the related consolidated statements of operations and comprehensive loss, stockholders' equity and cash flows for the years then ended, which report appears in the June 30, 2003, annual report on Form 10-KSB of Corgenix Medical Corporation.

As discussed in note 1 (g) to the June 30, 2003 consolidated financial statements of Corgenix Medical Corporation, effective July 1, 2002, the Company changed its method of accounting for goodwill as prescribed by Statement of Financial Accounting Standards No. 142.

KPMG LLP

Denver, Colorado
October 10, 2003

CORGENIX MEDICAL CORPORATION
AND SUBSIDIARIES

Consolidated Financial Statements

June 30, 2003 and 2002

(With Independent Auditors' Report Thereon)

CORGENIX MEDICAL CORPORATION
AND SUBSIDIARIES

Page

Index to Consolidated Financial Statements

Independent Auditors' Report

The Board of Directors and Stockholders
Corgenix Medical Corporation:

We have audited the accompanying consolidated balance sheets of Corgenix Medical Corporation and subsidiaries (Company) as of June 30, 2003 and 2002, and the related consolidated statements of operations and comprehensive loss, stockholders' equity and cash flows for the years then ended. These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We did not audit the financial statements of Corgenix UK Limited, a wholly-owned subsidiary, as of and for the years ended June 30, 2003 and 2002, which statements reflect total assets constituting 18 percent and 14 percent, respectively, and net sales constituting 23 percent and 25 percent, respectively, of the related consolidated totals. Those statements were audited by other auditors whose report has been furnished to us, and our opinion, insofar as it relates to the amounts included for Corgenix UK Limited, is based solely on the report of the other auditors.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits and the report of the other auditors provide a reasonable basis for our opinion.

In our opinion, based on our audits and the report of the other auditors, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Corgenix Medical Corporation and subsidiaries as of June 30, 2003 and 2002, and the results of their operations and their cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States of America.

As discussed in note 1 (g) to the consolidated financial statements, effective

July 1, 2002, the Company changed its method of accounting for goodwill as prescribed by Statement of Financial Accounting Standards No. 142.

KPMG LLP

Denver, Colorado
August 4, 2003

CORGENIX MEDICAL CORPORATON
AND SUBSIDIARIES
Consolidated Balance Sheets
June 30, 2003 and 2002

Assets	2003	2002
Current assets:		
Cash and cash equivalents	$ 342,377	164,378
Accounts receivable, less allowance for doubtful accounts of $13,410 and $30,000	628,717	694,394
Inventories	815,222	665,305
Prepaid expenses	42,788	44,837
Total current assets	1,829,104	1,568,914
Equipment:		
Capitalized software costs	122,855	113,261
Machinery and laboratory equipment	585,935	513,698
Furniture, fixtures and office equipment	503,787	448,743
	1,212,577	1,075,702
Accumulated depreciation and amortization	(789,564)	(642,285)
Net equipment	423,013	433,417
Intangible assets:		
Patents, net of accumulated amortization of $944,978 and $870,482	172,566	247,062
Goodwill, net of accumulated amortization of $44,979	13,677	13,677
	186,243	260,739

Due from officer	12,000	12,000
Other assets	105,356	53,765
Total assets	$ 2,555,716	2,328,835
Liabilities and Stockholders' Equity (Deficit)		
Current liabilities:		
Current portion of notes payable (note 2)	$ 378,683	357,672
Current portion of capital lease obligations	95,881	92,554
Accounts payable	618,934	553,505
Accrued payroll and related liabilities	180,630	118,155
Accrued interest	99,660	98,764
Accrued liabilities	105,392	24,938
Total current liabilities	1,479,180	1,245,588
Notes payable, less current portion (note 2)	373,167	502,611
Capital lease obligation, less current portion	61,504	99,898
Total liabilities	1,913,851	1,848,097
Redeemable common stock, 880,282 shares issued and outstanding at June 30, 2003, aggregate redemption value of $500,000, net of unaccreted discount and issuance costs of $151,474 at June 30, 2003	348,526	--
Stockholders' equity:		
Preferred stock, $0.001 par value. Authorized 5,000,000 shares, none issued or outstanding	--	--
Common stock, $0.001 par value. Authorized 40,000,000 shares; Issued and outstanding 5,271,192 and 4,333,095 shares in 2003 and 2002, respectively	4,391	4,333
Additional paid-in capital	4,930,576	4,695,392
Accumulated deficit	(4,642,297)	(4,250,915)
Accumulated other comprehensive income	669	31,928

Total stockholders' equity	293,339	480,738
Commitments and contingencies		
Total liabilities and stockholders' equity	$ 2,555,716	2,328,835

See accompanying notes to consolidated financial statements.

CORGENIX MEDICAL CORPORATION
AND SUBSIDIARIES
Consolidated Statements of Operations and Comprehensive Income
Years ended June 30, 2003 and 2002

	2003	2002
Net sales	$ 5,023,669	4,857,682
Cost of sales	1,697,123	1,770,543
Gross profit	3,326,546	3,087,139
Operating expenses:		
Selling and marketing	1,498,033	1,061,615
Research and development	858,892	566,421
General and administrative	1,197,534	1,205,480
Amortization and abandonment of consumer healthcare business assets (note 10)	--	624,145
	3,554,459	3,457,661
Operating loss	(227,913)	(370,522)
Other expense - Interest expense	(76,911)	(143,907)
Net loss	$ (304,824)	(514,429)
Accretion of discount on redeemable common		

stock	86,558	--
Net loss attributable to common stockholders	(391,382)	(514,429)
Net loss per share basic and diluted	$ (0.08)	(0.12)
Weighted average shares outstanding - basic	$ 5,236,309	4,284,997
Weighted average shares outstanding - diluted	$ 5,236,309	4,284,997
Net loss	$ (304,824)	(514,429)
Other comprehensive income (loss) -		
foreign currency translation gain (loss)	(31,259)	3,661
Total comprehensive loss	$ (336,083)	(510,768)

See accompanying notes to consolidated financial statements.

Consolidated Statements of Stockholders' Equity
Years ended June 30, 2003 and 2002

	Common stock, $0.001 Par	Additional Paid-in Capital	Accumulated Deficit	Accumulated Other comprehensive Income	Total stockholders' Equity
Balances at June 30, 2001	$ 4,077	4,475,563	(3,736,486)	28,267	771,421
Issuance of common stock in connection with private placement (net of offering costs of $27,158)	237	180,765	--	--	181,002
Issuance of common stock for services	19	17,601	--	--	17,620
Issuance of warrants for services	--	21,463	--	--	21,463
Foreign currency					

translation	--	--	--	3,661	3,661
Net loss	--	--	(514,429)	--	(514,429)
Balance at June 30, 2002	$ 4,333	4,695,392	(4,250,915)	31,928	480,738
Issuance of warrants	--	222,779	--	--	222,779
Issuance of common stock and stock options for services	58	27,399	--	--	27,457
Cost of equity issuances	--	(14,994)	--	--	(14,994)
Accretion of discount on redeemable common stock	--	--	(86,558)	--	(86,558)
Foreign currency translation	--	--	--	(31,259)	(31,259)
Net loss	--	--	(304,824)	--	(304,824)
Balances at June 30, 2003	$ 4,391	4,930,576	(4,642,297)	669	293,339

See accompanying notes to consolidated financial statements.

F-6

CORGENIX MEDICAL CORPORATION
AND SUBSIDIARIES
Consolidated Statements of Cash Flows
Years ended June 30, 2003 and 2002

	2003	2002
Cash flows from operating activities:		
Net loss	$(304,824)	(514,429)
Adjustments to reconcile loss to net cash provided by (used in) operating activities:		
Depreciation and amortization	221,776	351,387
Equity instruments issued for services	27,463	39,083
Loss on disposal of assets related to consumer healthcare business	--	413,834
Changes in operating assets and liabilities of continuing operations:		
Accounts receivable, net	65,677	(108,690)
Inventories	(149,917)	(108,784)

Prepaid expenses and other assets	(49,542)	(19,811)
Accounts payable	65,429	(193,137)
Accrued payroll and related liabilities	62,475	(23,373)
Accrued liabilities, including accrued interest	81,350	(33,864)
Net cash provided by (used in) operating activities	19,887	(197,784)
Cash flows used in investing activities:		
Additions to equipment	(68,883)	(125,910)
Cash flows from financing activities:		
Proceeds from issuance of common stock, redeemable common stock, warrants and stock options	500,000	208,160
Proceeds from issuance of notes payable	204,100	278,659
Payments on notes payable	(312,533)	(225,744)
Payments on capital lease obligations	(103,059)	(69,646)
Payment for costs of issuance of common stock and redeemable common stock	(30,254)	(27,158)
Net cash provided by financing activities	258,254	164,271
Net increase (decrease) in cash and cash equivalents	209,257	(159,423)
Impact of foreign currency translation adjustment on cash	(31,259)	3,661
Cash and cash equivalents at beginning of year	164,378	320,140
Cash and cash equivalents at end of year	$342,377	164,378
Supplemental cash flow disclosures:		
Cash paid for interest	$ 78,000	101,407
Cash paid for income taxes	$ --	--
Noncash investing and financing activity -		
Equipment acquired under capital leases	$ 68,883	181,534

See accompanying notes to consolidated financial statements.

CORGENIX MEDICAL CORPORATION
AND SUBSIDIARIES

Notes to Consolidated Financial Statements

June 30, 2003 and 2002

(1) Summary of Significant Accounting Policies

(a) Business and Basis of Presentation

Corgenix (formerly known as REAADS Medical Products) develops, manufactures and markets diagnostic products for the serologic diagnosis of certain vascular diseases and autoimmune disorders using proprietary technology. The Company markets its products to hospitals and free-standing laboratories worldwide through a network of sales representatives, distributors and private label (OEM) agreements. The Company's corporate office and manufacturing facility are located in Westminster, Colorado.

On August 5, 2003, the Company announced it had signed a letter of intent to merge with Genesis Bioventures, Inc. ("Genesis"), (see note 11 to financial statements).

The consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries, Corgenix, Inc. and Corgenix (UK) Limited ("Corgenix UK") and health outfitters.com, Inc. ("Ho.com"). Corgenix UK was established as a United Kingdom company during 1996 to market the Company's products in Europe. Transactions are generally denominated in US dollars. Ho.com managed an Internet-based healthcare business. The e-commerce internet site, www.sports-n-fitness.com became operational in the quarter ended June 30, 2001. The site was a consumer-focused interactive site including healthcare-related products available for convenient purchase and delivery and links to numerous other healthcare information sites. In June 2002, the Company determined that its consumer healthcare business and associated operations via consumer websites were not strategic to the Company's ongoing objectives, therefore, the Company decided to discontinue capital and human resource investment in this business. Concurrent with this decision, the Company abandoned the assets related to said consumer healthcare business (see note 10).

(b) Principles of Consolidation

The consolidated financial statements include the financial statements of Corgenix Medical Corporation and its wholly owned subsidiaries. All significant inter-company balances and transactions have been eliminated in consolidation.

(c) Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets

and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ significantly from those estimates.

(d) Cash and Cash Equivalents

The Company considers all highly liquid debt instruments purchased with maturities of three months or less at purchase to be cash equivalents.

CORGENIX MEDICAL CORPORATION
AND SUBSIDIARIES

Notes to Consolidated Financial Statements

June 30, 2003 and 2002

(e) Inventories

Inventories are recorded at the lower of cost or market, using the first-in, first-out method. A provision is recorded to reduce excess and obsolete inventories to their estimated net realizable value, when necessary. No such provision was recorded as of and for the two years ended June 30, 2003. Components of inventories as of June 30, are as follows:

	2003	2002
Raw materials	$ 133,522	179,110
Work-in-process	402,643	223,112
Finished goods	279,057	263,083
	$ 815,222	665,305

(f) Equipment and Software

Equipment and software are recorded at cost. Equipment under capital leases is recorded initially at the present value of the minimum lease payments. Depreciation and amortization expense, which totaled $221,775 and $351,387 for the years ended June 30, 2003 and 2002, respectively, is calculated primarily using the straight-line method over the estimated useful lives of the respective assets which range from 3 to 7 years. In the fourth quarter of fiscal 2001, the Company established an internet based consumer healthcare business which consisted primarily of an e-commerce internet site for selling medical and health products directly to consumers. Direct internal and external costs of developing the software, other than initial design, were capitalized and began to be amortized on the straight-line method over three years starting in fiscal year 2002. Said amortization for the fiscal year 2002 amounted to approximately $182,000. See note below, for a discussion regarding the abandonment and closure of the Company's internet-based consumer healthcare business.

In the quarter ended December 31, 2001, the Company began development of a business-to-business web site (Corgenix On Line) for its core business reference laboratory and hospital customers and potential customers worldwide. The website allows customers to place orders for the Company's diagnostic products, pay for said orders, and track the status of such orders. It also gives full specifications and details on all of the Company's diagnostic test kits. As was the case in the paragraph

above, the direct internal and external costs of developing the related software, other than initial design and other costs incurred during the preliminary project stage, were capitalized until the software was completed in September of 2002. Such capitalized amounts, $122,855 at September 30, 2002, began to be amortized commencing in October of 2002 on a straight-line basis over a three-year period.

(g) Intangible Assets

Intangible assets consist of purchased patents and goodwill. Purchased patents are amortized using the straight-line method over the shorter of 15 years or the remaining life of the patent.

The Company adopted the provisions of FASB Statement No. 142, Goodwill and Other Intangible Assets (SFAS No. 142) on July 1, 2002. Goodwill and certain identifiable intangible assets with indefinite lives are not amortized under SFAS No. 142, but instead are reviewed for impairment at least annually in accordance with the provisions of this statement. Identifiable intangibles with finite lives continue to be amortized over their estimated useful lives.

(h) Advertising Costs

Advertising costs are expensed when incurred. Advertising costs included in selling and marketing expenses totaled $63,294 and $39,779 in fiscal 2003 and 2002, respectively. Advertising costs included in operating expenses of the consumer healthcare business totaled $14,808 in fiscal 2002.

(i) Income Taxes

Income taxes are accounted for under the asset and liability method. Deferred tax assets and liabilities are recognized for net operating loss and other credit carryforwards and the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which the tax effect of transactions are expected to be realized. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the consolidated statements of operations in the period that includes the enactment date.

Deferred tax assets are reduced by a valuation allowance for the portion of such assets for which it is more likely than not the amount will not be realized. Deferred tax assets and liabilities are classified as current or noncurrent based on the classification of the underlying asset or liability giving rise to the temporary difference or the expected date of utilization of the carry forwards.

(j) Revenue Recognition

Revenue is recognized upon shipment of products. Sales discounts and allowances are recorded at the time product sales are recognized and are offset against sales revenue.

(k) Research and Development

Research and development costs and any costs associated with internally developed patents, formulas or other proprietary technology are expensed as incurred. Research and development expense for the years ended June 30, 2003 and 2002 totaled $858,892 and $566,421, respectively. Revenue from research and development contracts represents amounts earned pursuant to agreements to perform research and development activities for third parties and is recognized as earned under the respective agreement. Because research and development services are provided evenly over the contract period, revenue is recognized ratably over the contract period. Research and development agreements in effect in 2003 and 2002 provided for fixed monthly fees to the

Company in exchange for performing specified research and development functions. Contract research and development revenues were $555,813 and $270,540 for the years ended June 30, 2003 and 2002, respectively. Research and development contracts are generally short term with options to extend, and can be cancelled under specific circumstances.

(l) Long-Lived Assets

The Company reviews long-lived assets, including intangibles, for impairment whenever events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. Events relating to recoverability may include significant unfavorable changes in business conditions, recurring losses, or a forecasted inability to achieve break-even operating results over an extended period. The Company evaluates the recoverability of long-lived assets based upon forecasted undiscounted cash flows. Should an impairment in value be indicated, the carrying value of intangible assets will be adjusted, based on estimates of future discounted cash flows resulting from the use and ultimate disposition of the asset.

(m) Stock-Based Compensation

The Company accounts for its stock plans in accordance with the provisions of Accounting Principles Board (APB) Opinion No. 25, Accounting for Stock Issued to Employees, SFAS No.148 and related interpretations. As such, compensation expense is recorded on the date of grant only if the current market price of the underlying stock exceeds the exercise price. Statement of Financial Accounting Standards No. 123 (SFAS No. 123), Accounting for Stock-Based Compensation, permits entities to recognize as expense over the vesting period the fair value of all stock-based awards on the date of grant. Alternatively, SFAS No. 123 also allows entities to continue to apply the provisions of APB Opinion No. 25 and provide pro forma net loss disclosures for employee stock option grants as if the fair-value-based method defined in SFAS No. 123 had been applied. The Company has elected to continue to apply the provisions of APB Opinion No. 25 and provide the pro forma disclosures required by SFAS No. 123.

Had the Company determined compensation cost based on the fair value at

the date of grant for its stock options under SFAS No. 123, the Company's net loss would have been increased to the pro forma amounts indicated as follows:

	2003	2002
Net loss as reported	$ (304,824)	(514,429)
Net loss pro forma	(357,683)	(543,175)
Net loss per share as reported	(0.08)	(0.12)
Net loss per share pro forma	(0.08)	(0.12)

Fair value was determined using the Black Scholes option - pricing model with the following assumptions: no expected dividends, volatility of 141% in fiscal 2003 and 186% in fiscal 2002, risk-free

CORGENIX MEDICAL CORPORATION
AND SUBSIDIARIES

Notes to Consolidated Financial Statements

June 30, 2003 and 2002

interest rate range of 3.31 to 3.48% in fiscal 2003 and 3.29% in fiscal 2002, and expected lives of seven years. The weighted average fair value per option of options granted during the years ended June 30, 2003 and 2002 was $0.40 and $.80, respectively.

(n) Earnings Per Share

Basic earnings (loss) per share is computed by dividing net income by the weighted average number of common shares outstanding. Diluted earnings (loss) attributable to common stockholders per share is computed by dividing net income (loss) to common stockholders by the weighted average number of common shares outstanding increased for potentially dilutive common shares outstanding during the period. The dilutive effect of stock options and their equivalents is calculated using the treasury stock method. In fiscal 2003 and 2002, options to purchase common stock totaling 92,651 and 23,866 shares respectively, are not included in the calculation of weighted average common shares-diluted below as their effect is anti-dilutive.

	2003	2002
Net loss attributable to common stockholders	$ (391,382)	(514,429)
Common and common equivalent shares outstanding:		
Historical common shares outstanding at beginning of year	4,333,095	4,077,290
Weighted average common equivalent shares issued		

during year	903,214	207,707
Weighted average common shares - basic	5,236,309	4,284,997
Weighted average common equivalent shares issued during the year	--	--
Weighted average common shares - diluted	5,236,309	4,284,997
Net (loss) per share - basic and diluted	$ (.08)	(.12)

(o) The Company has recorded contingent stock purchase warrants in accordance with Emerging Issues Task Force Bulletin 96-18: Accounting for Equity Instruments That Are Issued to Other Than Employees for Acquiring, or in Conjunction with Selling, Goods or Services. At the grant date, the minimum number of warrants which may eventually be issued are recorded at their fair value, which is adjusted in subsequent periods for revisions of the minimum number of warrants to be issued and the then current fair value of the warrants.

CORGENIX MEDICAL CORPORATION
AND SUBSIDIARIES

Notes to Consolidated Financial Statements

June 30, 2003 and 2002

(p) Reclassifications

Certain 2002 amounts have been reclassified to conform to the 2003 presentation.

(p) Foreign Currency Transactions

The accounts of the Company's foreign subsidiary are generally measured using the local currency as the functional currency. For those operations, assets and liabilities are translated into U.S. dollars at period-end exchange rates. Income and expense accounts are tanslated at average monthly exchange rates. Net exchange gains or losses resulting from such translation are excluded from results of operations and accumulated as a separate component of stockholders' equity.

(2) Notes Payable

Certain of the notes payable restrict the payment of dividends on the Company's common stock. Notes payable consist of the following at June 30, 2003 and 2002:

	2003	2002

Note payable to a bank, with interest at prime plus 2.75% (6.75% at June 30, 2003), due in monthly installments of principal and interest of $13,046 through January 2007, collateralized by commercial security agreements and a key man life insurance policy.	$ 498,807	615,324
Note payable to an officer, unsecured, with interest at 8%, due in monthly installments of principal and interest of $5,868 through September 2002.	-	17,373
Revolving credit agreement with a bank whereby Corgenix can borrow up to $400,000 based upon a borrowing base of 70% of eligible accounts receivable, collateralized by said eligible accounts receivable, (limited to approximately $279,500 at June 30, 2003) with interest at prime plus 1% with a minimum rate of 5.5% (5.5% at June 30, 2003) maturing March 1, 2004. At June 30, 2003, the Company was in default of certain financial covenants under this revolving credit agreement. See discussion of this default below.	184,965	75,000
Bank overdraft facility entered into by Corgenix UK Limited, secured by two officers of the Company whereby Corgenix UK Limited can borrow up to $26,500 with interest at 3% over the base rate, (6.5% at June 30, 2003) maturing June 30, 2004.	6,304	-
Note payable to an officer, unsecured, with interest at 8%, due in monthly installments of principal and interest of 4,004 pound sterling. The note was repaid in 2003. See discussion of this default below.	-	90,812
Notes payable, unsecured, to former preferred stockholders, with interest at 17%, due on demand. At June 30, 2003, the Company was in default on these notes.	61,774	61,774
	751,850	860,283
Less current portion	(378,683)	(357,672)
Notes payable, excluding current portion	$ 373,167	502,611

Notes to Consolidated Financial Statements

June 30, 2003 and 2002

The revolving line of credit agreement (the Agreement) requires the Company to comply with certain financial covenants including current ratio, debt service coverage ratio and debt to tangible net worth ratio. As of June 30, 2003, the Company was in violation of its debt service coverage ratio and tangible net worth ratio covenants and thus was in default of the Agreement. Upon an event of default, the lender is no longer obligated to loan additional amounts to the Company and may require at any time full repayment of all amounts borrowed under the agreement. Accordingly, the balance due under the agreement has been classified as a current liability. However, the Company was allowed to borrow an additional $70,000 under the Agreement in August and September of 2003.

As of June 30, 2003, the notes payable to former preferred stockholders, originally at an interest rate of 12%, were in default. As a result of the default, the interest rate increased to 17%. Upon the occurrence of an event of default, the lenders, at their sole and absolute discretion and without notice or demand, may declare the entire unpaid balance of principal plus accrued interest immediately due and payable. No such declaration has been made as of June 30, 2003.

Aggregate maturities of notes payable by year as of June 30, 2003, are as follows:

Years ending June 30:	
2004	$ 378,683
2005	134,723
2006	144,462
2007	93,982
Thereafter	-
	$ 751,850

The carrying values of notes payable approximate fair value based on their terms and floating market based interest rates.

(3) Employee Stock Purchase and Stock Option Plans

Effective January 1, 1999, the Company adopted an Employee Stock Purchase Plan to provide eligible employees an opportunity to purchase shares of its common stock through payroll deductions, up to 10% of eligible compensation. The plan is registered under Section 423 of the Internal Revenue Code of 1986. Each quarter, participant account balances are used to purchase shares of stock at the lesser of 85% of the fair value of shares on the first business day (grant date) and last business day (exercise date) of each quarter. No right to purchase shares shall be granted if, immediately after the grant, the employee would own stock aggregating 5% or more of the total combined voting power or value of all classes of stock. A total of 60,000 common shares were registered with the Securities and Exchange Commission (SEC) for purchase under the plan. There were 16,744 and 24,616 shares issued under the plan during fiscal years 2003 and 2002, respectively. During September 2002, the Company determined that it had inadvertently issued and registered more common stock under this plan than had heretofore been authorized by stockholders of the Company. At the December 2002 annual stockholders meeting, stockholders authorized and approved the Amended and Restated Employee Stock Purchase Plan which rectified the situation and

reserved 200,000 shares of Corgenix common stock for issuance under this plan. Compensation expense is recognized for the fair value of the employee's purchase rights.

CORGENIX MEDICAL CORPORATION
AND SUBSIDIARIES

Notes to Consolidated Financial Statements

June 30, 2003 and 2002

Compensation expense recognized for the 15% discount on shares purchased under this plan amounted to $2,734 and $2,646 in fiscal 2003 and 2002, respectively.

In October 1999 and July 2000 the Company reserved a total of 200,000 shares of its common stock for an incentive stock option plan (Plan) for employees, directors and consultants. Options are granted at the discretion of the board of directors with an exercise price equal to or greater than the market value of the Company's common stock on the grant date. At the December 2002 annual stockholders meeting, the Company and its stockholders adopted the Amended and Restated 1999 Incentive Stock Plan whereby 800,000 shares of Corgenix common stock were reserved for issuance under this plan.

Detail of stock option activity for the two-year period ended June 30, 2003 is as follows:

	Number of shares	Range of exercise prices	Weighted average exercise price
Outstanding at June 30, 2001 (1)	144,249	$ 0.625-3.28	$ 0.878
Granted-at market price	--	--	--
Granted-at greater than market price	--	--	--
Canceled	(38,400)	0.625	0.625
Outstanding at June 30, 2002 (1)	105,849	0.625-3.28	0.97
Granted at market price	358,500	0.35-0.45	0.42
Granted at greater than market price	--	--	--
Granted at lower than market price	26,000	0.001	.001
Exercised	--	--	--
Canceled	--	--	--

Outstanding at June 30, 2003 (1)	490,349	0.509
2003 (1)		
Options exercisable at June 30, 2003	217,185	0.574

(1) Includes 5,869 in warrants granted to an employee in June 2000

The following table summarizes information about stock options issued to employees and directors that are outstanding at June 30, 2003:

CORGENIX MEDICAL CORPORATION
AND SUBSIDIARIES

Notes to Consolidated Financial Statements

June 30, 2003 and 2002

Outstanding options				Exercisable options	
Range of exercise price	Number	Weighted average remaining contractual life (months)	Weighted averag exercise price	Number	Weighted average exercise price
$ 0.001	26,000	77.1	0.001	26,000	0.001
0.625-1.375	102,249	5.2	0.842	76,417	0.857
0.35-0.45	358,500	78.10	0.309	111,168	0.425
3.28	3,600	4.7	3.28	3,600	3.28
	490,349	72.84	0.509	217,185	0.574

(4) Commitments and Contingencies

(a) Leases

The Company is obligated under various noncancellable operating and capital leases primarily for its operating facilities and certain office equipment. The leases generally require the Company to pay related insurance costs, maintenance costs and taxes. Rent expense on operating leases is reflected on a straight-line basis over the lease term. Future minimum lease payments under noncancelable leases, with initial or remaining terms in excess of one year, as of June 30, 2003, are as

follows:

	Capital leases	Operating leases
Years ending June 30:		
2004	$ 107,179	194,787
2005	56,165	199,891
2006	8,665	205,524
2007	--	44,971
2008	--	8,500
Total future minimum capital lease payments	172,009	813,688
Less amounts representing interest	14,624	
Present value of minimum capital lease payments	157,385	
Less current portion	95,881	
Capital lease obligations less current portion	$ 61,504	

CORGENIX MEDICAL CORPORATION
AND SUBSIDIARIES

Notes to Consolidated Financial Statements

June 30, 2003 and 2002

Rent expense totaled $196,000 and $161,000 for the years ended June 30, 2003 and 2002, respectively.

(b) Employment Agreements

The Company has employment agreements with six key employees, certain of whom are also stockholders. In addition to salary and benefit provisions, these agreements include defined commitments by the Company should the employees terminate their employment with or without cause.

(c) Warrants

On April 12, 2001, the Company issued warrants to purchase 225,000 shares of common stock of Corgenix to a consultant to the Company. The warrants were issued in exchange for financial advisory and investment banking services to be provided to the Company. Warrants to purchase 45,000 shares vested ratably over the first year. The remaining 135,000 warrants were to vest only if defined future events occur. The service agreement and the remainder of the warrants were terminated by the Company in October 2001. None of the additional warrants had vested at the time of the termination. The warrants were issued in the form of four separate three-year common stock purchase warrants to purchase an aggregate 180,000 shares of Corgenix common stock at an exercise price of $1.25 per share with customary anti-dilution and "cashless" exercise provisions and certain stock price performance goals. The warrants were issued with a purchase price of $.001 per warrant for aggregate consideration of $900. The warrants may be assigned to third parties by

the consultant with the prior consent of Corgenix.

On July 1, 2002, as part of the Medical & Biological LaboratoriesCo., Ltd. Agreement and for no additional consideration, MBL was issued warrants to purchase an additional 880,282 shares of Common Stock at a price of $.568 per share, which is equal to an aggregate amount of $500,000.
These warrants expire on July 3, 2007 and may be exercised in whole or in part at any time prior to their expiration. The estimated fair value of the warrant upon issuance was calculated as $401,809 using the Black-Scholes option-pricing model with the following assumptions: no expected dividend yield, 143% volatility, risk free interest rate of 4.2% and an expected life of five years. The gross proceeds of $500,000 were allocated $277,221 to redeemable common stock and $222,779 to the related warrants based on the relative fair values of the respective instruments to the fair value of the aggregate transaction. Issuance costs and the discount attributed to the warrants upon issuance are being accreted on the interest method over the 33-month period prior to the presently expected first date on which the put option may be exercised, which is the present expiration date of the distribution agreement between the Company and RhiGene. Furthermore, pursuant to the agreement with MBL, as long as MBL holds at least 50% of the common stock purchased under the MBL agreement, MBL must give its written consent with respect to the payment of any dividend, the repurchase of any of the Company's equity securities, the liquidation or dissolution of the Company or the amendment of any provision of the Company's Articles of Incorporation or Bylaws which would adversely affect the rights of MBL under the stock purchase

transaction documents. MBL was granted standard anti-dilution rights with respect to stock issuances not registered under the Securities Act. MBL also received standard piggyback registration rights along with certain demand registration rights.

All of the above warrants were issued in reliance upon the exemption from the registration requirements of the Securities Act of 1933, as amended, provided by Section 4 (2) of the Securities Act.

(5) Stockholders' Equity

On January 15, 2002, the Company effected a one-for-five reverse stock split of the Company's common stock, effective for stockholders of record as of January 14, 2002. The reverse stock split reduced the number of shares outstanding to 4,327,899 from 35,672,101 for stockholders of record as of January 14, 2002. All share data included in this report has been retroactively restated to reflect the reverse stock split.

(6) Income Taxes
Income tax expense differed from the amounts computed by applying the U.S. federal income tax rate of 35% to pretax income as a result of the following:

	2003	2002

Computed expected tax expense	$ (114,961)	(180,050)
Reduction (increase) in income taxes resulting from:		
Permanent differences	16,587	(13,751)
Impact of foreign loss not deductible in the United States	--	--
Change in valuation allowance	103,454	181,543
Other	(5,080)	12,258
	$ --	--

At June 30, 2003, the Company has a net operating loss carry forward for income tax purposes of approximately $2,000,000 expiring during the period from 2012 to 2023. Research and experimentation tax credit carry forwards approximate $317,000. The future utilization of the operating loss carry forwards or the time period in which the carry forwards may be utilized could be limited if certain historical stockholders of REAADS sell their shares within two years of the purchase of Gray Wolf. The utilization of net operating losses may also be limited due to a change in ownership under Internal Revenue Code Section 382.

As of June 30, 2003, the Company had a gross deferred tax asset of approximately $880,000 relating primarily to the Company's net operating losses and research and experimentation credit carry forwards. A valuation allowance in the amount of the deferred tax asset has been recorded due to management's determination that it is not more likely than not that the tax assets will be utilized.

CORGENIX MEDICAL CORPORATION
AND SUBSIDIARIES

Notes to Consolidated Financial Statements

June 30, 2003 and 2002

(7) Related Party Transactions

Amounts due from an officer are due upon demand, and do not bare interest. Amounts due to an officer, pursuant to a note payable, bare interest at 8% and is described in note 2 above.

(8) Concentration of Credit Risk

The Company's customers are principally located in the United States, although there are a few significant foreign customers. The Company has a distribution agreement with Cambridge Life Sciences plc to distribute the Company's products in Europe. The Company performs periodic credit evaluations of its customers' financial condition but generally does not require collateral for receivables.

Until November 2002 Chugai was the Company's largest customer, representing approximately 4.9% and 15% of sales in the years ended June 30, 2003 and 2002, respectively, and approximately 0% and 8% of accounts receivable at June 30, 2003 and 2002, respectively. Chugai, has since September, 2002, been merged into Fujirebio, Inc, ("Fujirebio") Tokyo, Japan, a large Japanese Diagnostics company and a leader in the field of immunoserology. Subsequent to November 2002 there are no sales to or operations related to Fujirebio.

(9) Reportable Segments

The Company has two segments of business, domestic and international operations. International operations primarily transacts sales with customers in the United Kingdom and Europe, while domestic operations transact all other sales. Sales to Chugai, emanating from the United States, have historically been included in the domestic business segment. The following table sets forth selected financial data for these segments for the years ended June 30, 2003 and 2002.

CORGENIX MEDICAL CORPORATION
AND SUBSIDIARIES

Notes to Consolidated Financial Statements

June 30, 2003 and 2002

	Year ended June 30, 2003		
	Domestic	International	Total
Net sales - external customers	$ 4,610,182	1,142,393	5,752,575
Net sales - intercompany	(728,906	--	(728,906)
Total net sales	$ 3,881,276	1,142,393	5,023,669
Depreciation and amortization	$ 218,626	3,149	221,775
Interest expense	$ 91,314	9,234	100,548
Net income (loss)	$ (526,097)	221,273	(304,824)
Segment assets	$ 2,097,844	457,872	2,555,716

	Year ended June 30, 2002		
	Domestic	International	Total
Net sales - external customers	4,265,167	1,191,544	5,456,711
	$		
Net sales - internal customers	(599,029)	--	(599,029)
Total net sales	$ 3,666,138	1,191,544	4,857,682
Depreciation and amortization	$ 350,251	1,136	351,387
Interest expense	$ 117,483	26,424	143,907
Net income (loss)	$ (839,307)	324,878	(514,429)

Segment assets	$ 2,000,426	328,409	2,328,835

(10) Consumer Healthcare Business

At June 30, 2002, the Company decided to abandon and close its internet-based consumer healthcare business and all related e-commerce sites managed and operated by its wholly owned subsidiary, health-outfitters.com, Inc. ("Ho.com"). The results of Ho.com's operations have been included in continuing operations in the consolidated statements of operations for the fiscal year ended June 30, 2002. Subsequent to June 30, 2002, the Company has redeployed the office space and employees formerly involved in the consumer healthcare business into its core business. The costs of office space, personnel and other recurring costs attributable to Ho.com totaled $188,617 during the year ended June 30, 2002, and are included in operating expenses. As a consequence, the operating expenses of the consumer healthcare business for the fiscal year ended June 30, 2002 contain the following recurring and non-recurring components.

Net sales related to the consumer healthcare business were $10,388 during the year ended June 30, 2002. The operating expenses of the consumer healthcare business that will not recur consist primarily of the amortization of capitalized software costs, and direct advertising and marketing-related costs.

At June 30, 2002 the company abandoned all assets related to Ho.com. Assets abandoned totaled $413,834 and consisted of unamortized capitalized software costs. In addition, amortization of $182,087 was recorded on such assets during the year ended June 30, 2002.

(11) Subsequent Events

On August 5, 2003, the Company entered into a letter of intent to merge with Genesis Bioventures, Inc. ("Genesis" or "GBI") a biomedical development company focused on the development of diagnostic tests. Under the terms of the letter of intent, Genesis will issue 14,000,000 Genesis shares in exchange for 100% of Corgenix outstanding shares. The terms of the letter of intent also provide that Corgenix's current management team will assume the responsibility of managing the combined entity, which will be known as Genesis Bioventures, Inc. The parties are seeking to complete a definitive agreement on or before October 31, 2003 and to close the transaction by no later than January 31, 2004.

The proposed merger is subject to the satisfaction of a number of

contingencies, including satisfactory due diligence investigations by each company, negotiation and execution of mutually acceptable definitive merger documentation, approval by both company's boards of directors and shareholders, and customary closing conditions. The merger is subject to GBI advancing to Corgenix $500,000 out of an equity capital raise of at least $3,000,000 by September 30, 2003 as a condition to signing a definitive merger agreement. Under the terms of the letter of intent, GBI and Corgenix have agreed to raise a minimum of $3,000,000 of additional capital by January 31, 2004. The foregoing amounts of these provisions may be waived at the discretion of Corgenix.

CERTIFICATION OF PERIODIC REPORT

I, Luis R. Lopez, Chief Executive Officer and William H. Critchfield, Chief Financial Officer of Corgenix Medical Corporation, certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, that:

(1) the Annual Report on Form 10-KSB of the Company for the fiscal year ended June 30, 2003 (the "Report") fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m or 78o(d)); and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: October 14, 2003

/S/Luis R. Lopez

Chief Executive Officer

/S/William H. Critchfield

Chief Financial Officer

SIGNATURES

In accordance with Section 13 or 15(d) of the Securities Exchange Act, the Registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized, on this 23rd day of September 2003.

CORGENIX MEDICAL CORPORATION

By: /s/ Luis R. Lopez, M.D.

Luis R. Lopez, M.D.
Chairman and Chief Executive Officer

In accordance with the Exchange Act, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the dates indicated.

Signatures	Title	Date
/s/ Luis R. Lopez, M.D. --- Luis R. Lopez, M.D.	Chairman of the Board, Chief Executive Officer and Director (principal executive officer)	October 14, 2003
/s/ Douglass T. Simpson --- Douglass T. Simpson	President and Director	October 14, 2003
/s/ William H. Critchfield --- 	Vice President and Chief Financial Officer and Accounting Officer	October 14, 2003
/s/ Jack W. Payne --- Jack W. Payne	Director	October 14, 2003
/s/ Wendell J. Gardner --- Wendell J. Gardner	Director	October 14, 2003
/s/ Jun Sasaki --- Jun Sasaki	Director	October 14, 2003

CERTIFICATIONS

I, Luis R. Lopez, Chief Executive Officer, certify that:

1. I have reviewed this annual report on Form 10-KSB of Corgenix Medical Corporation.

2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this annual report.

3. Based on my knowledge, the financial statements, and other financial information included in this annual report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this annual report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and we have:

(a) designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made know to us by others within those entities, particularly during the period in which this annual report is being prepared;
(b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this annual (the "Evaluation Date"); and
(c) presented in this annual report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors:

(a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal control; and
(b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and

6. The registrant's other certifying officers and I have indicated in this annual report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including

any corrective actions with regard to significant deficiencies and material weaknesses.

Date: October 14, 2003

/S/Luis R. Lopez

Chief Executive Officer

I, William H. Critchfield, Chief Financial Officer, certify that:

1. I have reviewed this annual report on Form 10-KSB of Corgenix Medical Corporation.

2. Based on my knowledge, this annual report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this annual report.

3. Based on my knowledge, the financial statements, and other financial information included in this annual report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this annual report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and we have:

(a) designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made know to us by others within those entities, particularly during the period in which this annual report is being prepared;
(b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this annual report (the "Evaluation Date"); and
(c) presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors:

(a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal control; and

(b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and

6. The registrant's other certifying officers and I have indicated in this annual report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: October 14, 2003

/S/William H. Critchfield

Chief Financial Officer

I, Douglass T. Simpson, President, certify that:

1. I have reviewed this annual report on Form 10-KSB of Corgenix Medical Corporation.

2. Based on my knowledge, this annual report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this annual report.

3. Based on my knowledge, the financial statements, and other financial information included in this annual report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;

4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the registrant and we have:

(a) designed such disclosure controls and procedures to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made know to us by others within those entities, particularly during the period in which this annual report is being prepared;

(b) evaluated the effectiveness of the registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this annual report (the "Evaluation Date"); and

(c) presented in this annual report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the registrant's auditors and the audit committee of registrant's board of directors:

(a) all significant deficiencies in the design or operation of internal controls which could adversely affect the registrant's ability to record, process, summarize and report financial data and have identified for the registrant's auditors any material weaknesses in internal control; and

(b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal controls; and

6. The registrant's other certifying officers and I have indicated in this annual report whether or not there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: October 14, 2003

/S/Douglass T. Simpson

President