



ANNUAL INFORMATION FORM

For Fiscal Year Ended December 31, 2002

May 15, 2003

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GLOSSARY

This glossary contains general terms used in the discussion of the biopharmaceutical industry, as well as specific technical terms used in the descriptions of the Corporation's technologies.

AOAC – Association of Official Analytical Chemists. Organization for the development, use, and harmonization of validated analytical methods and laboratory quality assurance programs and services. Responsible in the United States for the independent review and publication of testing methods.

CBCA – The "*Canada Business Corporations Act*".

CFIA – The "*Canadian Food Inspection Agency*".

Clinical trial – Organized studies, with human volunteers or patients, designed to provide statistically relevant clinical data for determining the efficacy and safety of new therapeutic agents, diagnostics and medical devices.

Medical Device – An item, other than a drug, that has application in medical therapy, the diagnosis, treatment, investigation or prevention of a disease or disorder in human beings or animals.

Diagnostic – A test or procedure that can be either qualitative or quantitative and is designed to reveal the occurrence or amount of a specific substance, thus indicating the presence or severity of a disease or other pathological condition.

DNA – "Deoxyribonucleic acid" – The chemical basis for heredity and the carrier of genetic information for most forms of life.

Enabling technology – A technology that offers the potential to develop a range of new products or provides a tool useful for the development of multiple products.

Food and Drug Administration ("FDA") – The government agency which regulates the manufacture, safety, use and efficacy of biologicals, drugs and cosmetics, medical devices, food (except meat and poultry) in the United States.

GMO's – Genetically Modified Organisms. Organisms in which a foreign gene has been inserted through biotechnology, to improve a specific characteristic.

Good Laboratory Practices ("GLP") and Good Clinical Practices ("GCP") – Requirements of quality systems published by the FDA and TPD so as to ensure adequate quality control procedures for pre-clinical laboratory research and clinical trial protocols.

Good Manufacturing Practices ("GMP") – Requirements of quality system that must be met by manufacturers and others involved in the production and sale of products controlled by the FDA.

HACCP - Hazard Analysis and Critical Control Points – Quality management system in the agri-food industry that aims at ensuring the quality of a product through the monitoring of specific critical points in the production process.

Immunoassay or Immunodiagnostic – An assay method for diagnostic tests that uses antibodies to detect and quantify proteins, bacteria or other biological molecules.

Low Density Arrays ("LDA") – Plastic microplates with 96 wells containing all the chemistry required to carry out the detection of pathogens or molecular bar codes.

MFLP – Microbiological Food Laboratory Procedure. Method of analysis for a specific pathogen that has been validated in at least one governmental laboratory and has been presented to the MMC for a thorough evaluation based on strict statistical analysis.

MMC – Microbiological Methods Committee. Committee that reviews and approves new microbiological testing methods in Canada for inclusion in the Compendium of Methods.

Molecular bar codes – DNA molecules of approximately 80 nucleotides (A, C, G, T) long on which specific information is encoded via the genetic code, such as the name of a supplier, a product or a lot number. The molecular bar codes can be added at any step of a manufacturing process to insure the complete traceability of a product.

Molecular beacons – DNA molecules that give a pre-determined signal upon the detection of the target DNA in a diagnostic test. Can also be used for quantification.

Molecular markers – DNA sequences specific to an organism or a group of organisms.

Polymerase Chain Reaction ("PCR") – In vitro biochemical reaction that multiplies specific DNA sequences such as Molecular Markers.

Pathogens – Bacterial, viral or fungal microorganisms capable of causing disease or death.

Platform Technology – A technology that has broad applicability in terms of its potential uses.

Protein – A molecule made up of one or more chains of amino acids that serves regulatory (hormones), protective (antibodies), structural (muscle) or storage functions.

QBIC – Québec Biotechnology Innovation Center – Biotechnology incubator in Laval (Québec) for companies in an early stage of development.

SGF – Société Générale de Financement – Investment fund of the Quebec Government.

Therapeutics Product Directorate ("TPD") – Part of the Canadian Department of Health, the government agency which regulates the manufacture, safety, efficacy and sale of human diagnostic and therapeutic products in Canada.

1. CORPORATE STRUCTURE

Warnex Inc., ("Warnex" or the "Corporation") was incorporated as Warnex Pharma Inc. by a Certificate of Incorporation issued pursuant to the provisions of the CBCA on January 4, 1996. The Articles of the Corporation were amended by a Certificate of Amendment issued on April 26, 1996 to increase the minimum number of Directors and to remove the private company provisions and the restrictions on share transfer. On June 14, 2001, the Corporation's Articles were amended to change the name of the Corporation from Warnex Pharma Inc. to its current name and to change the location of the registered office of the Corporation from Calgary, Alberta to Montreal, Quebec.

Warnex's head office, principal place of business and laboratories are located at 3885 Industriel Blvd., Laval, Quebec, H7L 4S3. The Corporation's telephone number is (450) 663-6724 and its facsimile number is (450) 669-2784. Warnex's website is located at www.warnex.ca.

As of December 31, 2002 the Corporation's subsidiaries were as follows:

Name	Jurisdiction of Incorporation	% of Vote
Warnex Analytical Services Inc. ("W-Analytical") ⁽¹⁾	Canada	100%
Laboratoires d'analyses et de diagnostics Norscience Inc. (« Norscience ») ⁽¹⁾	Canada	100%
Warnex Bioanalytical Services Inc. ("W-Bioanalytical")	Canada	100%
Warnex Research Inc. ("W-Research")	Canada	100%
Warnex Diagnostics Inc. ("W-Diagnostics")	Canada	100%

(1) On January 1st, 2003 W-Analytical amalgamated with Norscience and the companies continued operating as W-Analytical.

2. GENERAL DESCRIPTION OF THE BUSINESS

OVERVIEW

Warnex completed its junior capital pool offering in June 1996 with the objective to acquire and develop businesses in the pharmaceutical sector. In May 1998, the Corporation acquired the assets of Les Laboratoires Biopharm Inc. and this transaction was considered the major transaction of the Corporation pursuant to the rules of the Alberta Stock Exchange (now, the TSX Venture Exchange).

Warnex is focused on quality control for the pharmaceutical, agri-food and environmental markets and is organized around two areas of operation: analytical services and research and development. The main focus of the Corporation is centered on Genevision™, a platform technology for quality control and production management in the pharmaceutical, agri-food and environmental industries. Using DNA markers, this leading-edge technology is a robust, rapid, accurate and automated system that can be readily deployed in large manufacturing facilities.

Warnex provides funds and operational support to its subsidiaries in order to enhance their operations and, in the case of W-Research, to continue the research and development of the Genevision technology.

THREE-YEAR HISTORY

In June 2000, the Corporation completed the acquisition of all the issued and outstanding shares of Norscience and Groupe d'Investigations Techniques et d'Expertises (G.I.T.E.) Inc. ("GITE") and issued 675,000 common shares and paid an amount of \$20,100 to the vendors in consideration for those acquisitions. On the same date, and as part of the aforementioned acquisitions, Warnex also announced the acquisition of the Genevision technology and issued 3,500,000 common shares of W-Research to 9066-2032 Québec Inc., a company controlled by Dr. Archambault, as consideration for the acquisition of the said technology.

In August 2000, Warnex completed a private placement of 3,125,000 common shares, which resulted in gross proceeds of \$1,250,000.

In November 2000, W-Analytical commenced the operations of its bioanalytical laboratory.

In February 2001, the Corporation completed additional private placements, which resulted in gross proceeds of \$2,500,000.

In May 2001, the Corporation's subsidiary, W-Research, filed with the US Patent Office a first patent covering its unique molecular bar code technology.

In October 2001, the Corporation entered into a letter of intent with Desjardins Securities Inc. ("Desjardins") whereby Desjardins would act as agent for Warnex to raise up to \$6,000,000 on a best efforts basis.

In October 2001, SGF Soquia Inc., a subsidiary of the SGF, signed a memorandum of understanding with Warnex to evaluate the potential investment by SGF Soquia Inc. into the commercialisation of Warnex's Genevision technology.

In November 2001, Warnex launched its first commercial product, the Sclerotest™, in conjunction with the Canadian Forestry Services. Sclerotest is a DNA-based diagnostic system for the detection of the Scleroderris canker, a disease that affects commercial forests, more particularly the seedlings grown in nurseries for reforestation.

In December 2001, the Corporation completed additional private placements, which resulted in gross proceeds of \$2,310,000. Desjardins acted as agent for this transaction.

In December 2001, the Corporation's common shares became eligible for substitution purposes in the Quebec Stock Savings Plan.

In February 2002, the Corporation announced that it had filed a price reservation form with the TSX Venture Exchange with respect to a proposed private placement to proceed on a best efforts basis with Desjardins, as agent, for a total amount of up to \$3,885,000.

In March 2002, the Corporation completed a private placement, which resulted in gross proceeds of \$2,205,000.

In July 2002, the Corporation completed a financing with SGF Soquia Inc. for an amount totalling \$12,000,000. Out of this amount \$9,000,000 were used for the subscription of 8,571,428 common shares and 2,142,857 common share purchase warrants and \$3,000,000 in convertible debentures. The Corporation also completed a private placement, which resulted in additional gross proceeds of \$1,500,000. Concurrently with the financing Warnex acquired the 35% interest of the shares of W-Research held by 9066-2032 Quebec Inc. a company controlled by Dr. Archambault for a total consideration of \$7,350,000. The consideration was paid by the issuance of 7,000,000 common shares of Warnex and 1,750,000 common share purchase warrants.

In August 2002, the Corporation incorporated W-Diagnostics to commercialize the Genevision technology.

In October 2002, Warnex signed an agreement with the CFIA whereby the CFIA would evaluate the Genevision technology and provide Warnex with data to submit to the various regulatory authorities.

In November 2002, the Corporation announced that it would close down its subsidiary GITE in order to focus on developing the Genevision technology and on its analytical services business.

In December 2002, Warnex announced that it closed a private placement of 1,521,740 common shares at a price of \$1.15 per common share for an aggregate amount of \$1,750,001.

In February 2003, Warnex announced that the common shares of the Corporation have been approved for listing on the Toronto Stock Exchange. They began trading on the Toronto Stock Exchange under the stock symbol "WNX" at the market opening on February 3, 2003.

In March 2003, Warnex announced that the evaluation of the independent validation of its proprietary food safety test for the detection of *Salmonella* had been completed and that it had been granted MFLP status in Canada.

In May 2003, Warnex announced that the evaluation of the independent validation of its proprietary food safety test for the detection of *Listera monocytogenes* had been completed and that it had been granted MFLP status in Canada.

3. NARRATIVE DESCRIPTION OF THE BUSINESS

GENERAL

Warnex is a diversified genomics-based biotechnology company whose main focus is on Genevision, a platform technology for quality control and production management in the pharmaceutical, agri-food and environmental industries. Warnex also has operations providing analytical and bioanalytical services.

Warnex has been building value for its shareholders by acquiring and successfully developing and managing its intellectual property and operating companies. With additional support from its operating divisions, which provide cash flow and expertise, the Corporation has been able to inject capital directly into its research and development program. The planned progressive deployment of the technology from environmental to agri-food to pharmaceutical applications will allow Warnex to avoid lengthy and costly processes associated with developing products for use with humans.

ANALYTICAL SERVICES

The analytical services division consists of two wholly owned subsidiaries, W-Analytical and W-Bioanalytical.

W-Analytical provides consulting and analytical services to over seventy (70) clients in the pharmaceutical and agri-food industries covering a diverse range of products.

The team of highly trained scientists working with state-of-the-art equipment carries out a wide variety of chemical and microbiological testing. Their tasks range from determining the physical, chemical and microbiological properties of raw materials to the verification of the active ingredients in a finished product.

W-Analytical also offers to its clients the facilities and trained personnel to manage both long-term and accelerated stability studies, to develop and validate new analytical methods and to revalidate existing ones to ensure compliance with current regulatory requirements.

W-Analytical's team of scientists are constantly solicited by the pharmaceutical and agrifood industries for their expertise in providing advice on regulatory matters, assisting in factory audits, and developing new standards for testing and monitoring of products. W-Analytical is accredited as a testing site by the Standards Council of Canada, the FDA, the TPP and is ISO 9002 accredited.

W-Bioanalytical provides services to pharmaceutical and biotechnology companies principally in Canada and the United States.

Experienced and knowledgeable scientists use state-of-the-art equipment and the latest techniques to develop highly exacting analytical methods that are validated in accordance with the highest standards imposed by both the FDA and the TPD.

W-Bioanalytical applies these methods to analyse samples in support of the drug development programs of pharmaceutical companies by carrying out analyses generated throughout the program beginning with pre-clinical studies in animals and proceeding with evaluation of the drug in human clinical trials. Support to the generic drug industry is provided by analysing physiological fluid samples obtained from studies in humans to determine whether the new formulations are bioequivalent to the marketed product.

RESEARCH AND DEVELOPMENT

The Corporation conducts the majority of its research and development activities through its own staff and facilities. Warnex's strategy is to finance its research and development activities through cash flow and tax credits. In the fiscal year 2002, \$1,811,525 was allocated for research and development.

GENEVISION TECHNOLOGY

One of the critical issues facing society today is food safety and protection of the environment from a microbiological perspective. According to the "Centers for Diseases Control" 2001 statistics, more than thirteen million of Americans have lost at least a day of work because of food-borne diseases, hundreds have died of these diseases and the agrifood industry has lost billions in record food recalls leading to millions of pounds of chicken and ground beef. Tragedies, like contaminated water in Walkerton, Ontario, mould found in air supply systems or contaminated beef or chicken causing sickness and death, have shown the need to improve the technology used to detect the dangerous organisms that cause these tragic events.

The Genevision technology combines the rapid detection of pathogens and GMO's with the complete traceability of a process or product using molecular bar codes on an LDA.

The Genevision technology focuses on the microbiological aspect of quality control, which involves the detection of pathogens. Traditional techniques take two to five days to yield results while providing only limited information on the type of pathogen. The Genevision technology allows for the simultaneous detection of several pathogens in less than six hours (except for the enrichment periods, if required) at low concentrations using reliable proprietary DNA markers. These markers will detect at both the genus level for contamination assessment and at the species level for establishing the medical incidence of the contamination.

The Corporation believes that its molecular bar codes will revolutionize process and bulk product management in the same way that optical bar codes have transformed the way packaged products are handled. By encoding important information into stabilized DNA molecules that can be read automatically on the same LDA used for pathogen detection, the molecular bar codes will dramatically change the way bulk or expensive goods are authenticated and traced. Traceability is also a key component of government efforts to improve the safety of the food supply and the Corporation is of the opinion that the Genevision technology represents the best technology to track food products until they reach the packaged state.

The Genevision LDA will also allow for the possibility of simultaneous detection of GMO's. The Corporation believes that GMO identification will increase in importance over the coming years under pressure from both the government and consumers to segregate them and to meet labelling requirements. One hundred and forty-seven (147) new GMO's are being developed with the consumers' needs in mind and these will have to be analysed as part of the quality control function.

Genevision will manufacture LDA's according to customer needs and adapt them to specific pathogens, lot structure and traceability requirements. The LDA's will be stable at room temperature and be ready to use. Each LDA can be used to test simultaneously several samples with several pathogens per sample.

Genevision will deliver to the client a turnkey laboratory complete with all the necessary equipment and with validated assays using the LDA's. The client's quality control technician will carry out the detection of the pathogens by preparing the sample and enriching them if necessary, extracting the DNA, and applying the prepared DNA on the LDA that will be put into a PCR for amplification.

MANUFACTURING

The Genevision technology has two major components: the extraction and detection platform and the LDA's which contain the molecular markers, molecular beacons and the chemical and enzymatic components necessary to complete a PCR reaction. Warnex intends to conclude an agreement with various manufacturers to sell the required equipment to equip the molecular diagnostic laboratories at its clients manufacturing sites. Warnex also intends to manufacture in-house the LDA's for pathogen detection, molecular bar codes, and GMO detection.

Following a thorough evaluation of its needs, the Corporation began construction of a manufacturing facility for the LDA's. This facility occupies approximately 2000 sq. ft. in the Warnex facility in Laval. It will allow the Corporation to manufacture approximately 250,000 LDA's per year on a single shift. The construction has been planned so as to allow for additional capacity to be installed as required.

The facility is currently undergoing validation of its air handling and manufacturing equipment. Initial production will commence in late May 2003 and commercial quantities is planned to be manufactured in June 2003.

MARKET FOR THE TECHNOLOGY

The market for pathogen detection in the agri-food industry is substantial. The Corporation estimates that the agrifood market for microbiology tests is worth approximately US\$5 Billion. The testing market for pathogens is influenced by new regulatory requirements for additional testing, the ongoing implementation of HACCP standards, the discovery of new bacteria as well as the testing for specific species and finally by the need for large multinational companies to reduce the risk of recall that could result in damage to a branded product as well as legal and other costs.

Additionally, the use of the Genevision technology, which allows for the automatic detection of multiple organisms at a low cost, will encourage manufacturers to increase the number of bacteria being tested. This would include organisms that may affect the quality of a product as well as potentially beneficial organisms.

The potential users of the technology are third party laboratories such as W-Analytical and in-house laboratories located on site at major manufacturers. The Corporation estimates that over eighty per cent (80 %) of all pathogen detection is performed on site and a key element in the success of the marketing effort is the ability of the Genevision technology to be deployed on site and to be used by technicians as opposed to scientific personnel.

The North American food industry is consolidating at a rapid pace. The Corporation estimates that there are approximately 4,000 potential users of the Genevision technology in North America. Since the average plant performs 10,000 to 25,000 tests per year, an average user would require 100 to 200 test kits per month.

The market for the molecular bar codes will range from forensic applications such as labelling of branded products to reduce losses from counterfeiting to the tracing of a food or pharmaceutical product during the production cycle.

COMPETITION

The major competition for the Genevision technology will come from the traditional microbiology market, which represents over 85% of the testing market for pathogens. Newer technologies using DNA are or will become potential competitors for the Corporation. However, while all of these represent advances in the pathogen detection market, the Corporation believes that none offer the versatility and specificity of the Genevision technology.

MARKETING PLAN

The Corporation intends to develop its market by establishing beta test sites at select manufacturing plants in various agrifood sectors. Once these manufacturers have used the technology and have validated the test results, the Corporation believes that the inherent advantages will encourage the users to roll out the technology throughout their organizations.

To accomplish this rollout, W-Diagnostic is building a business development group headed by a Vice President of Sales and Marketing. This group will use trade shows and specialized print media to create product awareness. As well, the Corporation expects that regulatory recognition of the Genevision technology as an official testing method in both Canada and the United States will create significant interest among potential customers. In order to simplify the sales process, the Corporation will install the necessary equipment required to equip a testing laboratory in a potential client plant. The client will be responsible for supplying a room of approximately 150 sq. ft. equipped with standard ventilation, laboratory cabinets and electrical and internet connections. Financing will be available from third party financial institutions. The Corporation will handle all sales of the LDA's directly. Since the LDA's will be manufactured for each customer, all orders will be processed on an as ordered basis and shipped directly to the customer.

Once a customer has adopted the Genevision technology for use in pathogen detection, the business development group will introduce the traceability and GMO detection aspects of the technology. This will enhance the value for the customer since he will be able to add these features for little additional cost while adding significant additional information for quality control management.

INDEPENDENT VALIDATION

Methods of analysis, unlike drugs or medical devices, do not require regulatory approval to be offered for sale. Instead, an independent validation will prove that the performance of a kit meets or exceeds requirements, and the results of those validations are presented to various organisations (MMC, AOAC, ISO) for inclusion of the method in the various Compendia. Fortunately, the independent validation process is relatively simple when compared to the regulatory approval process and Warnex has already obtained MFLP status in Canada for its *Salmonella* and *Listeria monocytogenes* kits and thus appear in the Compendium of Analytical Methods. The decision to grant "Laboratory Procedure" by the MMC, Health Canada, was based on the thorough evaluation of the test and Genevision technology performed by the CFIA. The Corporation plans to file the appropriate documentation to the AOAC in order to obtain "Performance Tested Method" status, which approval should be obtained by the end of 2003, and to the appropriate ISO Technical Committee for inclusion in the ISO Methods of Analysis.

PATENTS AND TRADEMARKS

In May 2001, W-Research filed with the US Patent Office a first patent covering its molecular bar code technology. This patent protects the molecular bar-coding technology used for traceability.

On July 3, 2002, the Canadian Intellectual Property Office issued a certificate stating that the Genevision trademark has been registered.

In October 2002, W-Research filed with the US Patent Office a second patent for its system for genomic detection with integrated authentication. This patent was filed to protect the Virtual Quality Assurance method and software used in conjunction with the Genevision technology to distribute, authenticate and analyse information related to pathogen detection and identification.

In November 2002, W-Research filed with the US Trademark Office an application for the registration of the Genevision trademark in the United States.

Upon receiving regulatory approval for the markers used for pathogen detection, the Corporation intends to file the appropriate patents.

The ownership of any intellectual property is protected through employment agreements with Warnex's employees. These agreements contain clauses that assign patent and invention ownership rights to Warnex and require confidentiality, non-disclosure and non-competition.

FACILITIES

The Corporation leases a 44,000 sq. ft. facility at 3885 Industriel Boulevard in Laval, Québec, which includes its offices and analytical laboratories. The lease expires in June 2006 and the Corporation has an option to renew the lease for five years.

PERSONNEL AND EMPLOYEES

The Corporation currently has 115 full-time employees and consultants. Of these, 50 are employed in the analytical services division, 25 in research and development, 24 in the diagnostic and bioanalytical divisions and 16 in the corporate offices.

The W-Analytical employees are represented by a union. The contract expired in April 2003 and the Corporation is in the process of negotiating a new contract. The Corporation believes that it has good relations with its employees and it does not anticipate any significant problems in renewing its contract. The Corporation has not had any labour-related work stoppages during the preceding five years.

The management of the Corporation has experience in the fields of genetics, chemistry and microbiology, finance and administration as well as the management of emerging public growth companies.

Additionally, specialized engineering and marketing consultants have been hired to develop and implement various aspects of the long-term development plan of the Corporation. The Corporation expects to significantly expand its labour force during 2003 as it commences manufacturing operations.

4. SELECTED CONSOLIDATED FINANCIAL INFORMATION

The selected information provided below has been taken from the audited consolidated financial statements of Warnex for the years ended December 31, 2000, 2001 and 2002. The audited consolidated financial statements of the Corporation for the year ended December 31, 2002 are herein incorporated by reference.

The data below should be read together with the consolidated financial statements, notes to the financial statements and with the Management's discussion and analysis, which can be found in the Annual Report of the Corporation.

YEAR-END FINANCIAL INFORMATION

	Year Ended December 31, 2002	Year Ended December 31, 2001	Year Ended December 31, 2000
Total Revenues	\$6,395,570	\$3,511,603	\$2,615,611
Gross Margin	\$3,163,549	\$812,956	\$573,618
Net Loss	\$2,005,130	\$1,966,784	\$1,060,287
Loss per Share	\$0.06	\$0.10	\$0.07
Total Assets	\$28,444,440	\$6,097,384	\$2,871,890
Long-term Liabilities	\$3,700,608	\$727,450	\$190,695
Shareholders' Equity	\$22,993,575	\$3,939,222	\$1,203,066

QUARTERLY FINANCIAL INFORMATION

For the Year ended December 31, 2002

	4th Quarter	3rd Quarter	2nd Quarter	1st Quarter
Total Revenues	\$2,012,822	\$1,611,727	\$1,512,278	\$1,246,743
Net profit (net loss) before Research and Development	\$(368,210)	\$(6,483)	\$164,281	\$16,804
Research and Development	\$510,969	\$534,017	\$427,268	\$339,270
Net Loss	\$879,179	\$540,500	\$262,987	\$322,466
Loss per Share	\$0.02	\$0.02	\$0.01	\$0.01

For the Year ended December 31, 2001

	4th Quarter	3rd Quarter	2nd Quarter	1st Quarter
Total Revenues	\$770,300	\$872,375	\$1,061,170	\$807,769
Net loss before Research and Development	\$499,900	\$214,714	\$177,591	\$89,106
Research and Development	\$328,000	\$250,754	\$234,530	\$172,204
Net Loss	\$827,900	\$465,468	\$412,121	\$261,310
Loss per Share	\$0.04	\$0.02	\$0.02	\$0.02

For the Year ended December 31, 2000

	4th Quarter	3rd Quarter	2nd Quarter	1st Quarter
Total Revenues	\$699,300	\$690,243	\$623,085	\$602,936
Net loss before Research and Development	\$541,800	\$47,227	\$135,383	\$54,449
Research and Development	\$195,500	\$85,902	Nil	Nil
Net Loss	\$737,300	\$133,129	\$135,383	\$54,449
Loss per Share	\$0.04	\$0.01	\$0.01	\$0.01

5. MANAGEMENT DISCUSSION AND ANALYSIS

Please refer to the Management's discussion and analysis section included in the 2002 Annual Report of the Corporation that is incorporated herein by reference.

6. DIVIDEND POLICY

The Corporation has not paid any dividends on its common shares and does not intend to pay any dividends in the immediate future. Any decision to pay dividends in the future will be based on the Corporation's earnings and financial requirements and other factors that the Board of Directors may consider appropriate in the circumstances.

7. MARKET FOR SECURITIES

Since February 3, 2003, the common shares of the Corporation are listed for trading on the Toronto Stock Exchange under the trading symbol "WNX".

8. DIRECTORS AND OFFICERS

The following table sets forth the name, municipality of residence, position and office held with the Corporation, the principal position of each of Warnex's directors and officers, the initial year of nomination as a Director and the number of shares of the Corporation beneficially owned, directly or indirectly, or over which control or direction was exercised by each nominee as at April 15, 2003.

Name and Municipality of Residence	Position within the Corporation	Principal occupation	Year of nomination as a Director	Number of shares of the Corporation
Mark J. Busgang ⁽¹⁾ Montreal, Quebec	President and Chief Executive Officer and Director	President and Chief Executive Officer, Warnex Inc.	1998	5,740,000
Richard Laferrière ⁽¹⁾⁽⁴⁾ Saint-Lambert, Quebec	President of the Board and Director	President and Chief Executive Officer, FRV Media Inc.	1996	843,100
Dr. Christian Archambault ⁽¹⁾ Montreal, Quebec	Chief Operating Officer, Executive Vice-President and Director	Chief Operating Officer and Executive Vice-President, Warnex Inc.	2000	7,677,072
Terrance Mailloux ⁽²⁾⁽⁴⁾ Montreal, Quebec	Director	Chairman of the Board and Chief Executive Officer, Glucogenics Pharmaceuticals Inc.	1998	Nil
Hubert Carrier ⁽⁴⁾ Montreal, Quebec	Director	Vice-President, Investments, SGF Soquia Inc.	2002	Nil
Denis Huard ⁽³⁾ Montreal, Quebec	Director	President and General Manager of CDMV Inc.	2002	Nil
Warren H. Haber ⁽³⁾ New York, New York	Director	Chairman of the Board and Chief Executive Officer, Founders Equity Inc.	1998	212,500
Louis Lacasse ⁽²⁾⁽³⁾ Montreal, Quebec	Director	President, Genechem Management Inc.	1998	45,000
Hubert Marleau ⁽³⁾ Montreal, Quebec	Director	President, Palos Capital Corporation	2000	47,500

Name and Municipality of Residence	Position within the Corporation	Principal occupation	Year of nomination as a Director	Number of shares of the Corporation
Barry Schwartz ⁽²⁾ Montreal, Quebec	Director	Chairman of the Board and Chief Executive Officer, Sonomax Hearing Healthcare Inc., President, Two Roads Investments Inc.,	2000	25,000
Dr. Jacques Gagne ^{(4) (5)} Montreal, Quebec	Director	Consultant	2001	Nil
Dr. Marc Lussier ⁽⁵⁾ Montreal, Quebec	Director	Vice President, Operations, HemaX Genome Inc., Chief Executive Officer, Estracure Inc.	2002	Nil
Denis Pellerin Laval, Quebec	Chief Financial Officer	Chief Financial Officer, Warnex Inc.	-	13,600
Carolyne Lassonde Mont St-Hilaire, Quebec	Vice-President Legal Affairs and Corporate Secretary	Lawyer	-	44,000

- (1) Member of the Executive Committee
(2) Member of the Audit Committee
(3) Member of the Human Resources and Remuneration Committee
(4) Member of the Corporate Governance Committee
(5) Member of the Research and Development Committee

Following are brief biographies of Warnex Directors and Officers:

Mark J. Busgang – Mr. Busgang has been President and Chief Executive Officer of the Corporation since February 1998. Mr. Busgang is also President of Busgang Investments Inc., a private company, since 1996. From 1993 to 1996, he was President and Chief Executive Officer of Pharmetics Ltd. and Vice President of Operations of Theratechnologies Inc.

Richard Laferrrière – Mr. Laferrrière has been Chairman of the Board of the Corporation since 1996. Since December 1998, Mr. Laferrrière is President and Chief Executive Officer of FRV Media Inc., a company whose shares are listed on the TSX Venture Exchange and he is President and Chief Executive Officer of Fiberoptic One Inc. (TSX Venture Exchange) since April 2001.

Dr. Christian Archambault – Dr. Archambault has been Chief Operating Officer of the Corporation since November 2002 and Executive Vice-President of the Corporation since June 2000. From 1997 to 1999, he was Founder and President of Groupe d'Investigations Techniques et d'Expertises (G.I.T.E.) Inc. and of Laboratoires d'analyses et de diagnostics Norscience Inc.

Terrance Mailloux – Mr. Mailloux has been Chairman and Chief Executive Officer of Glucogenics Pharmaceuticals Inc. since 1997.

Warren H. Haber – Mr. Haber co-founded Founders Equity Inc. in 1969 and has served as its Chairman and Chief Executive Officer since then. He presently serves as a Director of CoStar Group, Inc. (NASDAQ), Fiberoptic One Inc. (TSX Venture Exchange) and several privately held companies and affiliates of Founders Equity. Mr. Haber also serves on the Board of Advisors of Columbia University's Mailman School of Public Health.

Louis Lacasse – Mr. Lacasse has been President of Genechem Management Inc., the management arm of Genechem Technologies Venture Fund L.P. since May 1997. Mr. Lacasse is currently a Director of several private and public companies including Metroworks Inc. and Axcan Pharma Inc.

Hubert Marleau – Mr. Marleau has been President of Palos Capital Corporation since May 1998. Mr. Marleau is currently a Director of several companies listed on the Toronto Stock Exchange.

Barry Schwartz –, Mr. Schwartz has been Chairman and Chief Executive Officer of Sonomax Hearing Healthcare Inc. since February 2001, a company whose shares are listed on the TSX Venture Exchange, and he is President of Two Roads Investments Inc. since July 1992.

Hubert Carrier – Mr. Carrier has been Vice-President Investments at SGF Soquia Inc. (an agrifood Quebec-based company) since January 2000. He is President of the Governor's Foundation of the Food Research and Development Centre (FRDC) since 1996 as well as director of the Philippe Pariseau chair on agrifood of the University of Quebec in Montreal since 2000.

Denis Huard – Mr. Huard is President and General Manager of CDMV Inc. since August 2002. From January 1992 to July 2002, he was General Manager of Atlas Cold Storage Inc.

Dr. Jacques Gagné – Dr. Gagné is a consultant for several companies since April 2001. He was a Director of the Frosst Healthcare Foundation from March 1999 to March 2001. From 1996 to 1997, he was Chairman of the Board of LAB International Holdings Inc.

Dr. Marc Lussier – Dr. Lussier is Vice-President, Operations, at HémaX Génome Inc. since May 2001 and Chief Executive Officer of Estracure Inc. since May 2002, two Montreal-based genomics companies. He was also President and Chief Executive Officer of Anagenis Inc. from May 2001 to November 2002. From 1998 to 2001, he was the co-founder and Director of Scientific Operations of Mycota Biosciences Inc. He also serves as consultant to the biotechnology and biopharmaceutical industries.

Denis Pellerin – Mr. Pellerin has been Chief Financial Officer of the Corporation since June 2001. From 1996 to 2001, he was Chief Financial Officer of ACLQ Inc. (formerly Lactel Group Inc).

Carolyne Lassonde – Mrs Lassonde is the Vice-President, Legal Affairs of the Corporation since September 2002 and has been the Corporate Secretary of the Corporation since 1999. She was an associate with the Montreal law firm Brouillette Charpentier Fortin s.e.n.c. ("BCF") since 1998 and a partner of BCF from February to July 2002. Since July 2002, Mrs Lassonde practices under the name of Carolyne Lassonde, advocate. From 1996 to 1998, she was an associate of Allaire & Associés. Mrs Lassonde is also Secretary and a Director of Fiberoptic One Inc., a company whose shares are listed on the TSX Venture Exchange.

The Directors and Senior Officers of the Corporation as a group beneficially own, directly or indirectly or exercise control or direction on 14,647,772 outstanding common shares, being 33.7% of the issued and outstanding common shares of the Corporation.

9. ADDITIONAL INFORMATION

At any time, the Corporation, upon request to the Corporate Secretary of the Corporation, will provide to any person or corporation, (i) one copy of the Annual Information Form of the Corporation, together with one copy of any document or the pertinent pages of any document incorporated by reference in the Annual Information Form, (ii) one copy of the comparative financial statements of the Corporation for its most recently completed financial year for which financial statements have been filed, together with the accompanying report of the auditor and one copy of the most recent interim financial statements of the Corporation that have been filed, if any, for any period after the end of its most recently completed financial year and (iii) one copy of the Management Proxy Circular of the Corporation in respect of its most recent annual meeting of shareholders that involved the election of Directors or one copy of any annual filing prepared instead of that circular, as appropriate, provided that the Corporation may require the payment of a reasonable charge if the request is made by a person or a company who is not a shareholder of the Corporation. The public documents of the Corporation can also be accessed via Internet on the SEDAR site at www.sedar.com.

Additional information, including Directors' and Officers' remuneration and indebtedness, principal holders of the Corporation's securities, options to purchase securities and interests of insiders in material transactions, if applicable, is contained in the Corporation's Management Proxy Circular for its most recent annual meeting of shareholders that

involved the election of Directors. Additional financial information is provided in the Corporation's comparative financial statements for its most recently completed financial year.