

WARNEX INC.
3885 Boulevard Industriel
Laval, Quebec
H7L 4S3

INFORMATION CIRCULAR

PURPOSE OF SOLICITATION

THIS MANAGEMENT INFORMATION CIRCULAR (THE "INFORMATION CIRCULAR") IS FURNISHED IN CONNECTION WITH THE SOLICITATION OF PROXIES BY THE MANAGEMENT OF WARNEX INC. (THE "CORPORATION") FOR USE AT THE ANNUAL MEETING OF SHAREHOLDERS OF THE CORPORATION TO BE HELD AT THE MOUNT ROYAL CENTRE, 2200 MANSFIELD STREET, MONTREAL, QUEBEC, ON MONDAY, THE 3rd DAY OF JUNE, 2002, AT THE HOUR OF 11:00 O'CLOCK A.M., MONTREAL TIME, AND AT ANY ADJOURNMENTS THEREOF FOR THE PURPOSES SET OUT IN THE ACCOMPANYING NOTICE OF MEETING. Although it is expected that the solicitation of proxies will be primarily by mail, regular employees of the Corporation may also solicit proxies personally or by telephone. Pursuant to National Policy Statement #41 (Shareholder communication), arrangements have been made with clearing agencies, brokerage houses and other financial intermediaries to forward proxy solicitation material to the beneficial owners of the Common Shares. The cost of any such solicitation will be borne by the Corporation.

VOTING OF PROXIES

All Common Shares represented at the meeting by properly executed proxies will be voted and where a choice with respect to any matter to be acted upon has been specified in the instrument of proxy, the Common Shares represented by the proxy will be voted in accordance with such specifications. **IN THE ABSENCE OF ANY SUCH SPECIFICATIONS, THE MANAGEMENT DESIGNEES, IF NAMED AS PROXY, WILL VOTE IN FAVOUR OF ALL THE MATTERS SET OUT HEREIN.**

THE ENCLOSED INSTRUMENT OF PROXY CONFERS DISCRETIONARY AUTHORITY UPON THE MANAGEMENT DESIGNEES, OR OTHER PERSONS NAMED AS PROXY, WITH RESPECT TO AMENDMENTS TO OR VARIATIONS OF MATTERS IDENTIFIED IN THE NOTICE OF MEETING AND ANY OTHER MATTERS WHICH MAY PROPERLY COME BEFORE THE MEETING. AT THE DATE OF THIS INFORMATION CIRCULAR, THE CORPORATION IS NOT AWARE OF ANY AMENDMENTS TO, OR VARIATIONS OF, OR OTHER MATTERS, WHICH MAY COME BEFORE THE MEETING. IN THE EVENT THAT OTHER MATTERS COME BEFORE THE MEETING, THEN THE MANAGEMENT DESIGNEES INTEND TO VOTE IN ACCORDANCE WITH THE JUDGEMENT OF THE MANAGEMENT OF THE CORPORATION.

Proxies, to be valid, must be deposited at the offices of the registrar and transfer agent of the Corporation, Computershare Trust Company of Canada, 6th Fl., 1800 McGill College, Montreal, Québec H3A 3K9, not less than 48 hours, excluding Saturdays, Sundays and statutory holidays, preceding the meeting or an adjournment of the meeting.

APPOINTMENT OF PROXY

A SHAREHOLDER HAS THE RIGHT TO DESIGNATE A PERSON (WHO NEED NOT BE A SHAREHOLDER OF THE CORPORATION) OTHER THAN MARK J. BUSGANG AND RICHARD LAFERRIÈRE, THE MANAGEMENT DESIGNEES, TO ATTEND AND ACT FOR HIM AT THE MEETING. Such right may be exercised by inserting in the blank space provided, the name of the person to be designated and deleting therefrom the names of the management designees or by completing another proper instrument of proxy and, in either case, depositing the instrument of proxy at the offices of the registrar and transfer agent of the Corporation, Computershare Trust Company of Canada, 6th Fl., 1800 McGill College, Montreal, Québec H3A 3K9, not less than 48 hours, excluding Saturdays, Sundays and statutory holidays, preceding the meeting or adjournment of the meeting.

REVOCATION OF PROXIES

A shareholder who has given a proxy may revoke it as to any matter upon which a vote has not already been cast pursuant to the authority conferred by the proxy.

A shareholder may revoke a proxy by depositing an instrument in writing, executed by him or his attorney authorized in writing:

- (1) At the offices of the registrar and transfer agent of the Corporation, Computershare Trust Company of Canada, 6th Floor, 1800 McGill College, Montreal, Québec H3A 3K9, at any time, not less than 48 hours, excluding Saturdays, Sundays and statutory holidays, preceding the meeting or adjournment of the meeting at which the proxy is to be used; or
- (2) At the registered office of the Corporation, 3885 Industriel Blvd, Laval, Québec H7L 4S3 at any time up to and including the last business day preceding the day of the meeting at which the proxy is to be used; or
- (3) With the Chairman of the meeting on the day of the meeting or an adjournment of the meeting.

In addition, a proxy may be revoked by the shareholder executing another form of proxy bearing a later date and depositing same at the offices of the registrar and transfer agent of the Corporation within the time period set out under the heading "VOTING OF PROXIES", or by the shareholder personally attending the meeting and voting his shares.

ADVICE TO BENEFICIAL HOLDERS OF COMMON SHARES ON VOTING COMMON SHARES

The information set forth in this section is of significant importance to many shareholders of the Corporation, as a substantial number of shareholders do not hold Common Shares of the Corporation (the "Common Shares") in their own name. Shareholders who do not hold their shares in their own name (referred to in this Information Circular as "Beneficial Shareholders") should note that only proxies deposited by shareholders whose names appear on the records of the Corporation as the registered holders of Common Shares can be recognized and acted upon at the Meeting. If Common Shares are listed in an account statement provided to a shareholder by a broker, then, in almost all cases, those Common Shares will not be registered in the shareholder's name on the records of the Corporation. Such Common Shares are likely to be registered under the name of the shareholder's broker or an agent of that broker. In Canada, the majority of such shares are registered under the name of CDS & Co. (the nominee of The Canadian Depository for Securities, which acts as depository for many Canadian brokerage firms). Common Shares held by brokers or their agents or nominees can only be voted (for or against resolutions) upon the instructions of the Beneficial Shareholder. Without specific instructions, a broker and its agents and nominees are prohibited from voting shares for the broker's clients.

Therefore, Beneficial Shareholders should ensure that instructions respecting the voting of their Common Shares are communicated to the appropriate person.

Applicable regulatory rules require intermediaries/brokers to seek voting instructions from Beneficial Shareholders in advance of shareholders' meetings. Every intermediary/broker has its own mailing procedures and provides its own return instructions to clients, which should be carefully followed by Beneficial Shareholders in order to ensure that their Common Shares are voted at the Meeting. Often, the form of proxy supplied to a Beneficial Shareholder by its broker (or the agent of the broker) is identical to the form of proxy provided to registered shareholders. However, its purpose is limited to instructing the registered shareholder (the broker or agent of the broker) how to vote on behalf of the Beneficial Shareholder. The majority of brokers now delegate responsibility for obtaining instructions from clients to Independent Investor Communications Corporation ("IICC"). IICC typically applies a special sticker to the proxy forms, mails those forms to the Beneficial Shareholders and asks Beneficial Shareholders to return the proxy forms to IICC. IICC then tabulates the results of all instructions received and provides appropriate instructions respecting the voting of shares to be represented at a meeting. **A Beneficial Shareholder receiving a proxy with an IICC sticker on it cannot use that proxy to vote Common Shares directly at the Meeting. The proxy must be returned to IICC well in advance of the Meeting in order to have the Common Shares voted at the Meeting.**

Although a Beneficial Shareholder may not be recognized directly at the Meeting for the purposes of voting Common Shares registered in the name of his or her broker (or an agent of the broker), a Beneficial Shareholder may attend at the Meeting as proxyholder for the registered shareholder and vote the Common Shares in that capacity. Beneficial Shareholders who wish to attend the Meeting and indirectly vote their Common Shares as proxy holder for the registered shareholder, should enter their own names in the blank space on the form of proxy provided to them and return the same to their broker (or the broker's agent) in accordance with the instructions provided by such broker (or agent), well in advance of the Meeting.

In addition, a proxy may be revoked by the Shareholder executing another form of proxy bearing a later date and depositing same at the offices of the registrar and transfer agent of the Corporation or at the registered office of the Corporation, within the time period set out under the heading "Voting of Proxies", or by the shareholder personally attending the Meeting and voting his shares.

VOTING SHARES AND PRINCIPAL HOLDERS THEREOF

The Corporation is authorized to issue an unlimited number of Common Shares, without nominal or par value, of which 24,534,550 Common Shares were issued and outstanding as of April 19, 2002, and entitled to vote at the meeting on the basis of one vote for each Common Share held.

The holders of Common Shares of record at the close of business on the record date, set by the directors of the Corporation to be April 29, 2001, are entitled to vote such Common Shares at the meeting, except to the extent that:

- (1) Such person transfers his shares after the record date; and
- (2) The transferee of those shares produces properly endorsed share certificates or otherwise establishes his ownership to the shares;

and makes a demand to the registrar and transfer agent of the Corporation, not later than 10 days before the meeting, that his name be included on the shareholders' list.

The by-laws of the Corporation provide that two (2) persons present and representing in person or by proxy not less than 10% of the issued shares entitled to vote at the meeting constitute a quorum for the meeting.

To the knowledge of the directors and officers of the Corporation, the only persons who beneficially own, directly or indirectly, Common Shares carrying more than 10% of the voting rights of the outstanding Common Shares of the Corporation are:

Name	Type of Ownership	Number of Common Shares	Percentage of the Class Outstanding
Mark J. Busgang Montreal, Quebec	Indirect ⁽¹⁾	5,445,000	22.0%

Note:

(1) These Common Shares are owned by Samaloy Holding Inc., a private company controlled by Mark J. Busgang.

PARTICULARS OF MATTERS TO BE ACTED UPON

To the knowledge of the Corporation's directors, the only matters to be placed before the meeting are those matters set forth in the accompanying notice of meeting relating to the receipt of the annual report and the financial statements, the election of directors and the appointment of auditors.

I. ELECTION OF DIRECTORS

The board of directors currently consists of ten (10) directors, all of whom are elected annually. It is proposed that the number of directors for the ensuing year to be fixed at ten (10). Each of the directors shall retire from office at the annual meeting of the Corporation, but shall retain office until the dissolution of the meeting at which his successor is elected. It is proposed that the persons named below will be nominated at the meeting. **IT IS THE INTENTION OF THE MANAGEMENT DESIGNEES, IF NAMED AS PROXY, TO VOTE FOR THE ELECTION OF SAID PERSONS TO THE BOARD OF DIRECTORS. MANAGEMENT DOES NOT CONTEMPLATE THAT ANY OF SUCH NOMINEES WILL BE UNABLE TO SERVE AS DIRECTORS, HOWEVER, IF, FOR ANY REASON, ANY OF THE PROPOSED NOMINEES DO NOT STAND FOR ELECTION OR ARE UNABLE TO SERVE AS SUCH, PROXIES IN FAVOUR OF MANAGEMENT DESIGNEES WILL BE VOTED FOR ANOTHER NOMINEE AT THEIR DISCRETION UNLESS THE SHAREHOLDER HAS SPECIFIED IN HIS PROXY THAT HIS SHARES ARE TO BE WITHHELD FROM VOTING IN THE ELECTION OF DIRECTORS.** Each director elected will hold office until the next annual meeting of shareholders or until his successor is duly elected or appointed pursuant to the by-laws of the Corporation.

Name of Proposed Nominees and Proposed Positions with the Corporation	Principal Occupation for Previous Five Years	Director Since	Common Shares Beneficially Owned ⁽¹⁾
Mark J. Busgang ⁽²⁾ Montreal, Quebec President, Chief Executive Officer and Director	President and Chief Executive Officer of the Corporation since February 1998. President of Busgang Investments Inc., a private company, since 1996. From 1993 to 1996, President and Chief Executive Officer of Pharmetics Ltd. and Vice-President of Operations of Theratechnologies Inc.	May 19, 1998	5,445,000 ⁽⁷⁾
Richard Laferrière ^{(2) (5)} Saint Lambert, Quebec Chairman of the Board and Director	President and Chief Executive Officer of Fiberoptic One Inc. since April 2001. President and Chief Executive Officer of French Riviera Capital Inc. since December 1998. President and Chief Executive Officer of Coscient Group Inc. from 1989 to December 1995. From December 1995 to May 1999, President and Chief Operating Officer of Coscient, a public company whose shares were listed on the Toronto Stock Exchange until the acquisition of this company by TVA Acquisition Inc. Member of the Young Presidents Organization and of the Board of Directors of Conseil des	Feb. 26, 1996	843,100 ⁽⁸⁾

Name of Proposed Nominees and Proposed Positions with the Corporation	Principal Occupation for Previous Five Years	Director Since	Common Shares Beneficially Owned ⁽¹⁾
	Arts du Canada. Member of the Board of Directors of HR Strategies Inc.		
Terrance Mailloux ^{(3) (5)} Montreal, Quebec Director	Chairman and Chief Executive Officer of Glucogenics Pharmaceuticals Inc. since 1997. Chairman and Chief Executive Officer of Theratechnologies Inc. from 1994 to 1996.	May 19, 1998	Nil
Warren H. Haber ⁽⁴⁾ New York, New York Director	Chairman of the Board and Chief Executive Officer of Founders Equity Inc. and its affiliates. Currently on the Board of Directors of CoStar Group Inc. (CSGP – NASDAQ), PK Operations Inc., (dba Papaya King) and First Home Brokerage LLC. Director and interim CEO of BatteriesBatteries Inc. (now called Wireless Xcessories Group, Inc.) from 1995 to 1998, a public company whose shares are listed on the NASDAQ.	June 5, 1998	212,500
Louis Lacasse ^{(3) (4)} Montreal, Quebec Director	President of Genechem Management Inc., the management arm of Genechem Technologies Venture Fund L.P. since May 1997. From 1987 to May 1997, Vice-President, Healthcare and Biotechnology, of Sofinov, Société financière d'innovation inc., an investment subsidiary of the Caisse de dépôt et placement du Québec. Currently a Director of several private and public companies including Biochem Pharma Inc., Metrowerks Inc. and Axcan Pharma Inc.	June 5, 1998	Nil
Christian Archambault ⁽²⁾ Laval, Quebec Executive Vice-President and Director	Executive Vice-President of the Corporation, President of Genevision Inc. and President of Biopharm (1998) Inc. since June 2000. From 1997 to 1999, Founder and President of Groupe d'Investigations Techniques et d'Expertises Inc. and of Laboratoires d'analyses et de diagnostics Norscience Inc.	June 19, 2000	885,000 ⁽⁹⁾
Hubert Marleau ⁽⁴⁾ Montreal, Quebec Director	President of Palos Capital Corporation since May 1998. From July 1990 to December 1997, Chief Executive Officer of Marleau Lemire Securities Inc. Currently a Director of several companies listed on the Toronto Stock Exchange.	June 19, 2000	15,600 ⁽¹⁰⁾
Barry Schwartz ⁽³⁾ Montreal, Quebec Director	Chairman and Chief Executive Officer of Sonomax Hearing Healthcare Inc. since February 2001, a company whose shares are listed on CDNX. President of Two Roads Investments Inc. since July 1992. President of James-Barry Inc. from November 1991 to May 1997. Sr. Vice-President of CEMP Investments Limited from August 1980 until 1984, at which time he became Sr. Vice-President of its successor entity, Claridge Investments Inc., as well as President and Chief Operating Officer of Claridge Properties Ltd., both until November 1991.	June 19, 2000	25,000 ⁽¹¹⁾
Jacques Gagné ^{(5) (6)} Montreal, Quebec Director	Consultant for several companies since April 2001. Director of the Frosst Healthcare Foundation from March 1999 to March 2001. From 1996 to 1997, Chairman of the Board of LAB International Holdings Inc. Executive Director of the IRPI Institute for Research in Industriel Pharmacy Inc. from 1990 to 1996. From 1982 to 1990, Dean of the Faculty of	Mar. 19, 2001	Nil

Name of Proposed Nominees and Proposed Positions with the Corporation	Principal Occupation for Previous Five Years	Director Since	Common Shares Beneficially Owned ⁽¹⁾
Marc Lussier ⁽⁶⁾ Montreal, Quebec Director	<p>Pharmacy at the Université de Montréal. Chairman of the Board of URRMA Biopharma Inc., of Genomics One Corporation and Quantis Formulation Inc. and a Director of the CQIB, Laval Technopole and several other companies. Member of the Advisory Board of the Health Research Foundation of Canada's Research-based Pharmaceutical Companies. President of Prix Galien Canada and Chairman of the Editorial Board of l'Actualité Pharmaceutique.</p> <p>Vice-President, Operations at HemaX Genome Inc. and President and CEO at Anagenis Inc., two Montreal genomics companies. From 1998 to 2001, co-founder and Director of Scientific Operations of Mycota Biosciences Inc. He worked as postdoctoral fellow in the Biology Department of McGill University from 1990 to 1995 where he later became Projects Director/Research Associate in functional genomics. He also serves as consultant to the biotechnology and biopharmaceutical industries.</p>	Jan. 28, 2002	Nil

Notes:

- (1) Does not include Common Shares that may be acquired upon exercise of stock options.
- (2) Member or proposed member of the Executive Committee of the Corporation.
- (3) Member or proposed member of the Audit Committee of the Corporation.
- (4) Member or proposed member of the Human Resources and Remuneration Committee of the Corporation.
- (5) Member or proposed member of the Corporate Governance Committee of the Corporation.
- (6) Member or proposed member of the Research and Development Committee of the Corporation.
- (7) The Common Shares are owned by Samaloy Holding Inc., a private company controlled by Mark J. Busgang.
- (8) Of these Common Shares, 833,300 are owned by Gestion Catriaalex Inc., a private company controlled by Richard Laferrière.
- (9) Of these Common Shares, 625,000 are owned by 9089-1102 Québec Inc. and 260,000 are owned by 9066-2032 Québec Inc., private companies controlled by Christian Archambault.
- (10) These Common Shares are owned by Benevest Inc., a private company controlled by Hubert Marleau.
- (11) These Common Shares are owned by Two Roads Investments Inc., a private company controlled by Barry Schwartz.

The directors, officers and insiders of the Corporation as a group currently control 7,479,300 of the outstanding Common Shares, representing 30.5% of the issued and outstanding Common Shares.

The information as to the number of Common Shares beneficially owned or over which control is exercised, not being within the knowledge of the Corporation, has been provided by each nominee.

II. APPOINTMENT OF AUDITORS

THE MANAGEMENT DESIGNEES, IF NAMED AS PROXY, INTEND TO VOTE THE COMMON SHARES REPRESENTED BY ANY SUCH PROXY FOR THE APPOINTMENT OF FRIEDMAN & FRIEDMAN, CHARTERED ACCOUNTANTS, AS AUDITORS OF THE CORPORATION AT A REMUNERATION TO BE FIXED BY THE BOARD OF DIRECTORS UNLESS THE SHAREHOLDER HAS SPECIFIED IN HIS PROXY THAT HIS SHARES ARE TO BE WITHHELD FROM VOTING IN THE ELECTION OF AUDITORS. Friedman & Friedman, Chartered Accountants have been the auditors of the Corporation since May 19, 1998.

STATEMENT OF CORPORATE GOVERNANCE PRACTICES

The Toronto Stock Exchange provides a series of guidelines (the “Guidelines”) for effective corporate governance as a requirement for all listed companies incorporated in Canada. The Guidelines require disclosure in this Management Proxy Circular of the Corporation’s system of corporate governance with reference to the Guidelines. The following statement of the Corporation’s governance practices responds to the Guidelines.

Although the Corporation is not a TSE-listed company, it has adopted its guidelines in order to assure its shareholders that the Board and its committees act effectively in safeguarding their interests.

The Guidelines address matters such as the constitution and independence of corporate boards, the functions to be performed by boards and their committees and the effectiveness and education of board members. Although there is no requirement that the Corporation comply with the Guidelines, the Corporation considers the Guidelines to be helpful in monitoring the effectiveness and the evolution of its corporate governance. The Corporation’s current corporate governance practices are designed to reflect fairly the interests of its shareholders and its current stage of development.

TSE CORPORATE GOVERNANCE GUIDELINES	COMMENTS
<i>1. Board should explicitly assume responsibility for stewardship of the Corporation and specifically for:</i>	The Board is responsible for the policy direction of the Corporation through consultation with management and generally oversees the business affairs of the Corporation. The Board meets a minimum of four times during the year to review regular ongoing business of the Corporation. The Board also convenes at times when matters requiring its approval are raised and the timing is such that it is not prudent or possible to wait for a regularly scheduled Board meeting.
<i>a. adoption of a strategic planning process</i>	Annually, the Board and senior management of the Corporation review, assess and adjust, as appropriate, the strategic direction of the Corporation, set goals and objectives and determine the best use of corporate capital and resources.
<i>b. identification of principal risks, and implementation of risk management systems</i>	The principal risks to the Corporation of various strategic decisions are identified and addressed and monitored by the Board through updates at regular Board meetings.
<i>c. succession planning and monitoring of senior management</i>	The Board is involved in monitoring and assessing senior management through its regular contact with the management team, most of whom participate in presentations to the Board at regular scheduled meetings. In addition, the Board assesses the individual performance of the President & Chief Executive Officer and the rest of senior management as part of its compensation review process.
<i>d. communications policy</i>	The Board has delegated the communications policy to senior management. Shareholder communications are handled by the President & Chief Executive Officer of the Corporation.
<i>e. integrity of internal control and</i>	Management is responsible for the maintenance of internal controls and

<i>management information systems</i>	management information systems. The Corporation's internal controls are monitored on a regular basis by the Audit Committee. The Audit Committee is comprised of Louis Lacasse, Terrance Mailloux and Barry Schwartz.
2. <i>Majority of directors should be "unrelated" (independent from management and free from conflicting interest)</i>	The Board is comprised of ten (10) members of which eight (8) are unrelated.
3. <i>Disclose for each director whether he or she is related, and how that conclusion was reached</i>	Messrs. Mark Busgang and Christian Archambault are related directors due to their positions as President & Chief Executive Officer and Executive Vice-President of the Corporation, respectively. The remaining directors of the Corporation are unrelated directors who do not hold office with the Corporation and are not subject to any influence by the Corporation.
4. <i>Appoint a committee responsible for appointment / assessment of directors composed exclusively of non-management directors, the majority of whom are unrelated</i>	The Chairman of the Board, together with the President & Chief Executive Officer, has been involved in identifying and screening Board candidates. Candidates are introduced to and reviewed by the entire Board prior to a decision to add them to the Board.

5. <i>Implement a process for assessing the effectiveness of the Board, its committees and individual directors</i>	The Corporation has established a Corporate Governance Committee comprised of Messrs. Richard Laferrière, Terrance Mailloux and Jacques Gagné. The role of this committee is to review the effectiveness of the Board with a view to improving communication with management, increasing Board involvement with the Corporation and establishing committees necessary to better monitor activities within the Corporation.
6. <i>Provide orientation and education programs for new directors</i>	The Chairman of the Board and senior management provide orientation and education for new Board members, through interviews and tours.
7. <i>Consider reducing size of Board, with a view to improving effectiveness</i>	It is the Corporation's policy to keep the size of its Board relatively small in order to maintain its efficiency and effectiveness. The Board is comprised of ten (10) directors.
8. <i>Review compensation of directors in light of risks and responsibilities</i>	The Corporate Governance Committee reviews and approves the compensation of the directors of the Corporation. The Corporation surveys other industry participants as a guide in establishing compensation for the directors.
9. <i>Committees should generally be composed of non-management directors, a majority of whom should be unrelated</i>	The Audit Committee, the Human Relations & Remuneration Committee, the R&D Committee and the Corporate Governance Committee are composed of non-management and unrelated directors, as described elsewhere in this report.
10. <i>Appoint a committee responsible for approach to corporate governance issues</i>	Corporate governance issues are the responsibility of the Corporate Governance Committee.
11. a. <i>define limits to management's responsibilities by developing mandates for:</i>	
(i) <i>the Board</i>	There is no specific mandate for the Board, since the Board has the statutory obligation to manage the business and affairs of the Corporation. Any responsibility that is not delegated to senior management or a Board committee remains with the full Board.
(ii) <i>the President and Chief Executive Officer</i>	The mandate of the President & Chief Executive Officer and of management from the Board is formalized in the Board's approval of management's goals and objectives as presented annually to the Board. Included in this process is the Board's approval of the annual budget and plan which forms the parameters within which management will operate during the year.
b. <i>Board should approve the President & Chief Executive Officer's corporate objectives</i>	A comprehensive assessment of the performance of the President & Chief Executive Officer of the Corporation is conducted annually.
12. <i>Establish procedures to enable the Board to function independently of management</i>	The Chairman of the Board is not a member of the management of the Corporation. The Chairman ensures that the Board properly discharges its responsibilities.
13. a. <i>establish an Audit Committee with a specifically defined mandate</i>	The Audit Committee monitors audit functions and the preparation of financial statements and meets with outside auditors. The Audit Committee meets following each quarter to review the interim financial reports of the Corporation. The Audit Committee also convenes to review and recommend the Corporation's annual financial statements to the Board for its approval.
b. <i>all members should be non-management directors</i>	All of the members of the Audit Committee are non-management directors.
14. <i>Implement a system to enable individual directors to engage outside advisors, at the Corporation's expense</i>	Individual directors may engage outside advisors with the authorization of the Chairman of the Board.

STATEMENT OF EXECUTIVE COMPENSATION

For the purpose of this section, “executive officer” means the chairman and any vice-chairman of the board of directors of the Corporation, the president, any Vice-President in charge of a principal business unit such as sales, finance or production, and any officer of the Corporation or of a subsidiary of the Corporation who performs a policy-making function for the Corporation, whether or not such officer is also a director. A “Named Executive Officer” means, collectively, the Chief Executive Officer of the Corporation and the Corporation’s four (4) most highly compensated executive officers other than the Chief Executive Officer who served as executive officers during the most recently completed financial year and whose total salary and bonus exceeded \$100,000.

During the financial year ended December 31, 2001, the Corporation employed five (5) executive officers, whose aggregate cash compensation for services rendered in respect of such positions during such financial year was \$474,590 including salaries, fees (including directors’ fees), commission, bonuses (including bonuses to be paid for services rendered during such financial year and bonuses paid during such financial year for services rendered in a previous financial year) and any deferred compensation.

The following table sets forth information concerning the total compensation paid by the Corporation to its Named Executive Officers for the three (3) most recently completed financial years.

Name and Principal Position	Year Ended Dec.31	Salary (\$)	Bonus (\$)	Other Annual Compensation (\$) ⁽¹⁾	Common Shares Under Options Granted (#) ⁽²⁾	Restricted Shares or Restricted Share Units (\$)	All Other Compensation
Mark Busgang	2001	93,590	-	-	50,000	-	-
President and Chief Executive Officer	2000	94,280	-	-	-	-	-
	1999	94,443	-	-	-	-	-
Christian Archambault ⁽³⁾	2001	115,000	30,000	-	50,000	-	-
Executive Vice-President	2000	50,000	-	-	162,500	-	-
Michael Mancini ⁽⁴⁾	2001	125,000	12,000	-	15,000	-	-
Vice-President Biopharm (1998) Inc.	2000	55,288	-	-	75,000	-	-
Denis Pellerin ⁽⁵⁾	2001	62,500	12,500	-	80,000	-	-
Chief Financial Officer							

Notes:

- (1) The aggregate amount of other annual compensation as defined by applicable securities regulations was no greater than the lesser of \$10,000 and 10 percent of the total annual salary and bonus of each named executive officer in each financial year.
- (2) See “Statement of Executive Compensation – Stock Options and Other Plans”.
- (3) Christian Archambault became Executive Vice-President of the Corporation in June 2000.
- (4) Michael Mancini became Vice-President and General Manager of Biopharm (1998) Inc. in July 2000.
- (5) Denis Pellerin became Chief Financial Officer of the Corporation in June 2001.

Stock Options and Other Plans

All options held by directors, officers, employees and consultants have been granted pursuant to the Corporation’s Stock Option Plan. The Stock Option Plan provides that directors, officers, employees and consultants of the Corporation or its subsidiaries may receive stock options. The number of stock options granted under the Stock Option Plan may not exceed ten percent (10%) of the issued and outstanding Common Shares of the Corporation. In addition, the number of Common Shares reserved for issuance for stock options granted to any one (1) individual may not exceed five percent (5%) of the issued and outstanding Common Shares

of the Corporation. The Stock Option Plan provides that the terms of the options and the option price shall be fixed by the directors subject to the price and other restrictions imposed by the relevant regulatory authorities. The Stock Option Plan also provides that no option shall be granted to any person except upon recommendation of the directors of the Corporation. Stock options granted under the Stock Option Plan may not be for a period longer than five (5) years. The exercise price must be paid in full upon exercise of the options.

During the financial year ended December 31, 2001, the Corporation granted to its executive officers options to acquire an aggregate of 210,000 Common Shares at an exercise price of \$1.00 per share for 135,000 and \$1.25 for 75,000, all with expiry dates five (5) years after the date of grant.

The following table sets forth the stock options granted to Named Executive Officers in the financial year ended December 31, 2001:

Name	Securities Under Options Granted (#)	% of Total Options Granted in Financial Year	Exercise Price (\$/Security)	Market Value of Securities Underlying Options on the Date of Grant (\$/Security)⁽¹⁾	Expiration Date
Mark Busgang	50,000	12.4%	\$1.00	\$1.00	Nov. 28, 2006
Christian Archambault	50,000	12.4%	\$1.00	\$1.00	Nov. 28, 2006
Denis Pellerin	75,000	18.6%	\$1.25	\$1.25	May 24, 2006
Denis Pellerin	5,000	1.2%	\$1.00	\$1.00	Nov. 28, 2006
Michael Mancini	15,000	3.7%	\$1.00	\$1.00	Nov. 28, 2006

Note:

- (1) Market value is determined by the closing price of the Common Shares on the Canadian Venture Exchange Inc. on the last trading day prior to the date of the grant.

The following table shows the aggregate number of options exercised by executive officers in the financial year ended December 31, 2001 and the value realized upon exercise of the options, as well as the number of unexercised options held at year-end and the year-end value of the unexercised options for options held by Named Executive Officers.

Name	Securities acquired on Exercise (#)	Aggregate Value Realized (\$)	Unexercised Options at Financial Year-End (#) Exercisable/Unexercisable	Value of Unexercised in the Money Options at Financial Year-End (\$)⁽¹⁾ Exercisable/Unexercisable
Mark Busgang	Nil	Nil	345,000/ -	\$326,650/ -
Richard Laferrière	15,000	\$1,500	160,000/ -	\$158,450/ -
Christian Archambault	Nil	Nil	212,500/ -	\$144,250/ -
Denis Pellerin	Nil	Nil	30,000/50,000	\$1,100 / -
Michael Mancini	Nil	Nil	45,000/45,000	\$27,900/\$36,900

Note:

- (1) For the purpose of calculating the value of the stock options, the exercise price of each stock option was subtracted from the closing trading price of the Common Shares on the Canadian Venture Exchange Inc. on December 31, 2001, the last trading day in the Corporation's financial year ended December 31, 2001, which was \$1.22.

In the financial year ended December 31, 2001, a total of 390,550 stock options were exercised and 2,000 stock options were cancelled.

The Corporation does not have any pension or retirement plans.

Long Term Incentive Plans

Other than the Stock Option Plan, details of which are provided above, the Corporation does not have any plans which provide compensation intended to serve as incentive to executive officers for performance to occur for a period longer than one (1) financial year.

Employment and Consulting Agreements

The Corporation is party to an employment agreement with Mr. Busgang dated May 19, 1998, pursuant to which Mr. Busgang has agreed to provide his services to the Corporation as President and Chief Executive Officer. Mr. Busgang receives annual compensation of \$100,000, not including stock options, in exchange for his services to the Corporation and its subsidiaries.

The Corporation is party to an employment agreement with Dr. Christian Archambault dated June 15, 2000, pursuant to which Dr. Archambault has agreed to provide his services to the Corporation as Executive Vice-President and to the Corporation's wholly-owned subsidiaries, Biopharm (1998) Inc. and Genevision Inc., as President. Dr. Archambault receives annual compensation of \$130,000, not including stock options, in exchange for his services to the Corporation and its subsidiaries.

The Corporation is party to an employment agreement with Dr. Michael Mancini dated June 28, 2000, pursuant to which Dr. Mancini has agreed to provide his services to the Corporation's wholly owned subsidiary, Biopharm (1998) Inc., as Vice-President and General Manager and receives annual compensation of \$130,000, not including stock options.

The Corporation is party to an employment agreement with Mr. Denis Pellerin dated June 4, 2001, pursuant to which Mr. Pellerin has agreed to provide his services to the Corporation as Chief Financial Officer and receives annual compensation of \$125,000, not including stock options.

Termination of Employment or Change of Control

There is no plan or arrangement in respect of compensation received or that may be received by executive officers in the most recently completed financial year with a view to compensating those officers in the event of termination of their employment or a change of responsibilities following a change in control.

Other Compensation

Other than as herein set forth, the Corporation did not pay any additional compensation to its executive officers or directors in the financial year ended December 31, 2001.

REPORT OF THE HUMAN RESOURCES AND REMUNERATION COMMITTEE

As part of its mandate, the Human Resources & Remuneration Committee advises the Board of Directors and management of the Corporation on the compensation of the executives of the Corporation. This committee is

comprised of three directors, all of whom are independent from the management of the Corporation, and meets as required. During the financial year ended December 31, 2001, the Human Relations & Remuneration Committee met four (4) times.

The committee establishes management compensation policies and oversees their general implementation. In addition, the committee monitors management succession planning and conducts periodic reviews of the overall condition and quality of the Corporation's human resources.

The guiding philosophy of the committee in the determination of executive compensation is (i) pay-for-performance, (ii) the need to provide a total compensation package that will, within the context of the market, attract and retain qualified, experienced top-performing executives and (iii) fostering identification with shareholder interests.

The committee recognizes that the nature of the Corporation's business is highly competitive and that the ability to attract and retain dedicated and talented individuals with highly specialized skills and qualifications is critical to the Corporation's success. The committee also recognizes that remuneration in the biotechnology industry is heavily leveraged on stock performance. Salary levels are designed so that the senior executives receive a minimum level of appropriate compensation while stock option grants are designed to provide senior executives with substantially enhanced returns when the Corporation is successful.

In its effort to maintain competitiveness of the Corporation, the committee continually monitors available peer group information. The committee is of the view that the Corporation's general compensation practices and methods are comparable to those in the industry.

Submitted to the Board of Directors: April 19, 2002.

COMPENSATION OF DIRECTORS

Information regarding the compensation received, including options, from the Corporation by Mark J. Busgang and Christian Archambault, who were directors and executive officers of the Corporation during the financial year ended December 31, 2001, may be found under the heading "Statement of Executive Compensation".

Directors' Fees

Other than being reimbursed by the Corporation for their expenses or as otherwise disclosed herein, the aggregate cash compensation paid to the directors of the Corporation for services rendered in their capacities as directors, during the financial year ended December 31, 2001, was nil. Stock options are granted to directors under the same terms as employees.

Directors' Options

The directors listed in the table below, have been granted options pursuant to the Corporation's Stock Option Plan in their capacity as directors during the most recent completed financial year of the Corporation. See "Statement of Executive Compensation – Stock Options and Other Plans" for details of the Stock Option Plan.

Name	Securities Under Options Granted (#)	% of Total Options Granted in Financial Year	Exercise Price (\$/Security)	Market Value of Securities Underlying Options on the Date of Grant (\$/Security) ⁽¹⁾	Expiration Date
Richard Laferrière	15,000	3.7%	\$1.00	\$1.00	Nov.28, 2006
Sylvain Chretien	45,000	11.1%	\$1.50	\$1.50	Mar. 22 2006

Jacques Gagné	45,000	11.1%	\$1.50	\$1.50	Mar. 22 2006
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Note:

- (1) Market value is determined by the closing price of the Common Shares on the Canadian Venture Exchange Inc. on the last trading day prior to the grant.

INDEBTEDNESS OF DIRECTORS AND OFFICERS

No director, proposed director, officer, nor any of their respective associates or affiliates is or has been at any time since the date of incorporation indebted to the Corporation.

DIRECTORS' AND OFFICERS' LIABILITY INSURANCE

The Corporation provides, at its sole cost, liability insurance for its Directors and officers covering them against liability arising while engaged in those capacities by means of policies which also cover the Directors and officers of the Corporation's subsidiaries, if any. During the fiscal year ended December 31, 2001, the policy provided maximum coverage of \$2,000,000 per occurrence and a maximum coverage of \$2,000,000 per each policy period subject to a deductible of \$25,000 per occurrence for the Corporation. The premium paid for the policies was \$12,050. Neither the policies nor the premium paid make any distinction between the liability insurance for the Corporation's Directors and officers, since the coverage is the same for both groups.

MANAGEMENT CONTRACTS

Management functions of the Corporation are performed by the directors and senior officers of the Corporation and are not to any substantial degree performed by any other person or corporation.

INTEREST OF CERTAIN PERSONS IN MATTERS TO BE ACTED UPON

Other than as set forth in this Information Circular, management of the Corporation is not aware of any material interest, direct or indirect, of any director, officer or any associate or affiliate of any of the foregoing persons, in any matter to be acted upon, other than the election of directors.

INTEREST OF INSIDERS IN MATERIAL TRANSACTIONS

Other than as set forth below, management of the Corporation is not aware of any material interest, direct or indirect, of any insider of the Corporation, or any associate or affiliate of any such person in any transaction during the financial year ended December 31, 2001, or in any proposed transaction, that has materially affected or would materially affect the Corporation or any of its subsidiaries.

Brouillette, Charpentier, Fortin, a law firm that Carolyne Lassonde, the Secretary of the Corporation, is a partner of, was paid legal fees for services rendered.

The Corporation has entered into an agreement with Europartners Inc., a company controlled by Richard Laferrière. Europartners Inc. provided consulting services to the Corporation and received consulting fees of \$24,000.

Busgang Realty Inc., a company controlled by Mark Busgang, has entered into a lease with the Corporation for its premises at 3885 Industriel Blvd, Laval, Québec. The lease has a remaining term of 4 ½ years and calls for annual minimum payments of \$165,156.

Busgang Investments Inc., a company controlled by Mark Busgang, has advanced \$250,000 to the Corporation. The loan has no fixed repayment terms and bears interest at eight percent (8%) per annum.

GENERAL

This information is given as of the 19th day of April, 2002.

CERTIFICATE

The foregoing contains no untrue statement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to make a statement not misleading in the light of the circumstances in which it was made.

The contents and the sending of this Management Proxy Circular have been approved by the Directors of the Corporation.



MARK J. BUSGANG
President and Chief Executive Officer



DENIS PELLERIN
Chief Financial Officer