U.S. SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-KSB

(Mark One)
[X] ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2002

[ ] TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____

Commission file number 0-27239

GENEMAX CORP.

(Exact name of small business issuer as specified in its charter)

NEVADA	88-0277072
(State or other jurisdiction of incorporation of organization)	(I.R.S. Employer Identification No.)

435 Martin Street, Suite 2000
Blaine, Washington 98230
(Address of Principal Executive Offices)

(360) 332-7734
(Issuer's telephone number)

N/A
(Former name, former address and former fiscal year, if changed since last report)

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 here if there is no disclosure of delinquent filers in response to Item 405 of Regulation S-B contained in this Form, and no disclosure will be contained, to the best of Registrant'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]

State the issuer's revenues for its more recent fiscal year (ending December 31, 2002): $-0-.

State the aggregate market value of the voting and non-voting common equity held by non-affiliates computed by reference to the price at which the common equity was sold, or the average bid and asked prices of such common equity, as of February 28, 2003: $10,405,574.

State the number of shares outstanding of each of the issuer's classes of common equity, as of the most practicable date:

Class	Outstanding as of March 31, 2003
Common Stock, $.001 par value	16,813,519

PART I

ITEM 1. DESCRIPTION OF BUSINESS

BUSINESS HISTORY AND DEVELOPMENT

GeneMax Corp., formerly known as Eduverse.com, is a Nevada corporation which currently trades on the OTC Bulletin Board under the symbol "GMXX" and is referred to in this Form 10-KSB as the "Company". The Company is also listed for trading on the Frankfurt Stock Exchange (FWB) under the symbol "GX1". The Company is a product-focused biotechnology company specializing in the application of the latest discoveries in cellular immunology and cancer biology to the development of proprietary therapeutics aimed at the treatment and eradication of cancer and therapies for infectious diseases, autoimmune disorders and transplant tissue rejection. The Company's operating subsidiaries are GeneMax Pharmaceuticals Inc., a Delaware corporation ("GeneMax Pharmaceuticals"), and the subsidiary of GeneMax Pharmaceuticals named GeneMax Pharmaceuticals Canada Inc., which is a corporation organized under the laws of British Columbia.

The Company's principal place of business is located at 435 Martin Street, Suite 2000, Blaine, Washington 98230. Its telephone number is 360.332.7734 and its facsimile number is 360.332.1643.

SHARE EXCHANGE AGREEMENT

During fiscal year ended December 31, 2002, the Company consummated and finalized the acquisition of GeneMax Pharmaceuticals and its subsidiary interests. On May 9, 2002 and effective July 15, 2002, Eduverse.com (now known as GeneMax Corp.), GeneMax Pharmaceuticals, the shareholders of GeneMax Pharmaceuticals (the "GeneMax Shareholders"), and Investor Communications International, Inc., a Washington corporation ("ICI") entered into a share exchange agreement (the "Share Exchange Agreement"). In accordance with the terms of the Share Exchange Agreement and the securities laws of Canada, a Directors' Circular dated July 15, 2002 (the "Directors' Circular") was distributed to certain management, insiders and directors of GeneMax Pharmaceuticals, and other Canadian shareholders (the "Canadian GeneMax Shareholders").

Pursuant to the terms of the Share Exchange Agreement, the Directors' Circular and related settlements, the Company acquired from the GeneMax Shareholders and the Canadian GeneMax Shareholders one hundred percent (100%) of the issued and outstanding shares of common stock of GeneMax Pharmaceuticals and its subsidiary interests. In accordance with the terms of the Share Exchange Agreement, the Directors' Circular and related settlement agreements, the Company issued shares of its restricted common stock as follows: (i) approximately 6,571,304 shares of restricted common stock to the GeneMax Shareholders in proportion to their respective holdings in GeneMax Pharmaceuticals; (ii) approximately 4,479,001 shares of restricted common stock to the Canadian GeneMax Shareholders pursuant to the terms of the Directors' Circular; (iii) 181,660 shares of restricted common stock to certain creditors of GeneMax Pharmaceuticals at $0.75 per share for settlement of an aggregate debt in the amount of $136,245; (iv) 188,154 shares of its restricted common stock to certain creditors of GeneMax Pharmaceuticals at $1.00 per share for settlement of an aggregate debt in the amount of $188,154; and (v) 200,000 shares of restricted common stock to a third party.

The Company issued an aggregate of 11,620,119 shares of its restricted common stock under the Share Exchange Agreement and Directors' Circular and related settlement agreements. Certain warrant instruments were issued in accordance with the terms and provisions of warrant agreements pursuant to which the holder thereof has the right to convert such warrant into shares of common stock on a one-to-one basis at either the rate of $2.50 per share, $0.75 per share or $1.00 per share. Pursuant to the Share Exchange Agreement and Directors' Circular and related settlement agreements, there were an aggregate of 744,494 warrant instruments issued, of which 110,334 warrants were issued convertible into 110,334 shares of common stock at the rate of $2.50 per share expiring on September 1, 2002. The 110,334 warrants were not converted by the holders thereof into shares of common stock and expired on their terms. Thus, as of the date of this Annual Report, there are an aggregate of 634,160 warrant instruments issued comprised of the following: (i) 277,500 warrants issued and outstanding which may be converted into 277,500 shares of common stock at the rate of $1.00 per share expiring December 1, 2005; (ii) 175,000 warrants issued and outstanding which may be converted into 175,000 shares of common stock at the rate of $1.00 per share expiring May 1, 2006; and (iii) 181,660 warrants issued and outstanding which may be converted into 181,660 shares of common stock at the rate of $0.75 per share expiring May 1, 2006. See "Part I. Item 5. Market for Registrant's Common Equity and Related Stockholder Matters".

Voluntary Pooling Agreement

The Company and GeneMax Pharmaceuticals desire to provide for and maintain an orderly trading market and stable price for the Company's shares of Common Stock. Therefore, the Company, certain shareholders of GeneMax Pharmaceuticals and of the Company, and Global Securities Transfer Inc., the Company's transfer agent ("Global Securities"), entered into a voluntary pooling agreement dated May 9, 2002 and effective July 15, 2002 (the "Pooling Agreement"). Pursuant to the terms and provisions of the Pooling Agreement, certain shareholders of GeneMax Pharmaceuticals and certain shareholders of the Company (the "Pooled Shareholders") representing up to an aggregate of 9,166,980 shares of common stock, respectively (the "Pooled Shares"), generally agreed that the Pooled Shares are subject to a contractual restrictive holding period. The Pooled Shareholders further agreed that that the Pooled Shares may not be traded and currently become available for trading and released and sold in the following manner: (i) an initial ten percent (10%) of the Pooled Shares will be released to the Pooled Shareholders on the date which is one calendar year from the closing date of the Share Exchange Agreement (the "First Release Date"); and (ii) a further ten percent (10%) will be released to the Pooled Shareholders on each of the dates which are every three (3) calendar months from the First Release Date in accordance with each Pooled Shareholder's respective shareholdings.

Secured and Convertible Loan Agreement

As a condition to entering into and in accordance with the Share Purchase Agreement, the Company and ICI agreed to advance to GeneMax Pharmaceuticals the aggregate principal sum of not less than $250,000 within five (5) business days of ICI raising an aggregate of $700,000. As a result of the acquisition, the Loan became an intercompany account between the Company, as parent, and GeneMax Pharmaceuticals, as subsidiary.

CURRENT BUSINESS OPERATIONS

GENERAL

The Company is a product-focused biotechnology company specializing in the application of the latest discoveries in cellular immunology and cancer biology to the development of proprietary therapeutics aimed at the treatment and eradication of cancer and therapies for infectious diseases, autoimmune disorders and transplant tissue rejection. The Company's technologies are based on an understanding of the function of a protein "pump" within cells that is essential in the processing of tumor antigens, known as Transporters associated with Antigen Processing ("TAP").

Cancer is a disease in which cells become abnormal and fail to respond to the body's normal control mechanisms. As a result, the cancerous cells proliferate in an uncontrolled manner, invade nearby tissues and often spread to other parts of the body. Ultimately, if the cancer is not controlled, it will result in failure of body functions and death. Cancers are characterized by defects in the cellular antigen presentation pathway, which result in the cancer becoming invisible to the immune system. This allows the cancer to continue to proliferate and eventually spread.

The current standard therapies for cancer treatment include surgery, radiation therapy and chemotherapy. However, management of the Company believes that these treatments are not specific in targeting just cancerous cells and often fail to remove or destroy all of the cancer, and can negatively affect other cells and cause significantly detrimental side effects. The remaining cancer cells then grow into new tumors, which are often resistant to further chemotherapy or radiation, resulting in a high mortality rate. In the United States, statistics reflect that cancer is the second leading cause of death with an estimated 550,000 deaths from cancer annually.

Immunotherapy for Cancer

Management of the Company believes that there is a critical need for more effective cancer therapies. Management further believes that the global market for effective cancer treatments is large, and that immunotherapies representing potential treatments for metastatic cancer is an unmet need in the area of oncology.

It has been known for several years that the human immune systems has the potential to clear cancers from the body based on clinical observations that some tumors spontaneously regress when the immune system is activated. Previously, it was discovered that most cancers are not very "immunogenic", meaning that the cancers were not able to cause an immune response because they no longer expressed key immune proteins on their cell surface (known as "MHC Class I". In healthy cells, these proteins provide the information to the immune system that defines whether the cell is healthy or, in the case of cancer or viral infection, abnormal. If the MHC Class I proteins signal that the cells are abnormal, then the immune system T-cells are activated to attack and kill the infected or malignant cell.

Generally, the steps in the cellular antigen presentation pathway are as follows:

1. abnormal or foreign proteins from the cytoplasm of a cell are broken down into peptides by an enzyme complex;

2. the TAP protein then assists in transporting these antigen peptides into the endoplasmic reticulum, which is a cellular compartment where the MHC Class I proteins are assembled (the "ER");

3. in the ER, the antigen peptides are attached to the MHC Class I proteins and then transferred to the cell surface where they signal the immune system that the cell should be destroyed; and

4. the immune system then recognizes the complex and activates T cells to attack and kill the infected or cancerous cells.

It was recently discovered that the TAP protein is often disabled in cancers, leading to low expression of cancer antigen peptides on the cell surface. In many solid tumors, the TAP protein does not function and, therefore, the immune system is not stimulated to attack the cancer. Management of the Company believes that although a number of cancer therapies have been developed that stimulate the immune system, these approaches have generally proven ineffective because the cancers remain invisible to the immune system due to the lack of the TAP protein. See "Part I. Item 1. Description of Business - Products".

Therapeutic Cancer Vaccines

A "cancer vaccine" is a therapy that stimulates the immune system to attack tumors. Management of the Company believes that most cancer vaccines of other companies under development contain either cancer-specific proteins that directly activate the immune system or contain genetic information (DNA) that codes for these cancer-specific proteins. There are, however, a number of key conditions that must be met before a cancer vaccine can be effective in generating a therapeutic immune response: (i) the cancer antigen peptide delivered by the vaccine has to be recognized by the immune system as "foreign" in order to generate a strong and specific T-cell response; (ii) exactly the same cancer antigen peptide has to be displayed on the surface of the cancer cells in association with the MHC Class I proteins; and (iii) these cancer antigen peptides then have to be sufficiently different from normal proteins in order to generate a strong anti-tumor response.

If these conditions are all met, then the cancer vaccine should generate a sufficiently strong immune response to kill the cancer cells. Management of the Company believes, however, that the identification of suitable cancer-specific antigen proteins to use in these therapeutic vaccines has proven extremely complex. The MHC Class I proteins are highly variable (over 100 different types in humans) and, as a result, any one cancer antigen peptide will not produce an immune response for all individuals. Management of the Company further believes that cancers are "genetically unstable" and their proteins are highly variable, so that the selected cancer antigen protein may result in the immune system only attacking a small subset of the cancerous cells. Management of the Company believes that the Company's TAP Cancer Vaccine overcomes many of the problems associated with the current cancer vaccines discussed above (see "TAP Cancer Vaccine" section below).

PRODUCTS

The Company's strategic vision is to be a product-driven biotechnology company, focusing primarily on use of its patented TAP technology to restore the TAP function within cancerous cells, thus making them immunogenic. As a result, the MHC Class I proteins can signal the immune system to attack the cancer. The Company intends to develop the TAP technology as a therapeutic cancer vaccine that will restore the normal immune recognition. Management believes that its cancer vaccine is the only therapeutic approach that addresses this problem of "non-immunogenicity" of cancer. Management believes that this therapy will have a strong competitive advantage over other cancer therapies, since restoring the TAP protein will direct the immune system to specifically target the cancerous cells without damaging healthy tissue.

TAP Cancer Vaccine

The Company has developed a patented therapeutic cancer vaccine to restore the TAP protein (the "TAP Cancer Vaccine"). The TAP Cancer Vaccine is targeted at those cancers that are deficient in the TAP protein, which include commonly occurring breast cancer, prostate cancer, lung cancer, liver cancer, melanoma, renal cancer and colorectal cancer.

The TAP Cancer Vaccine would deliver the TAP protein and genetic information, thus "turning on" the defective TAP signaling system within the cancer cells. These cancer cells would then transport cancer antigen proteins to the cell surface using the individual's specific MHC Class I proteins. As a result, the immune response would be targeted to the entire repertoire of cancer antigen proteins produced by the cancer cell, rather than just to the single cancer antigen (as delivered by usage of current cancer vaccines). The TAP Cancer Vaccine would allow the immune response to respond to the cancer even if the TAP protein and genetic information is only delivered to a small portion of the cancer cells. In addition, the TAP Cancer Vaccine would generate a strong immune response to any TAP-deficient cancer, regardless of the patient's individual genetic variability either in the MHC Class I proteins or in the cancer-specific proteins.

TAP Cancer Vaccine Development Program

The Company is currently developing the TAP Cancer Vaccine at the University of British Columbia Biomedical Research Centre (the "BRC") under a collaborative research agreement. See "Part I. Item 1. Description of Business - Strategic Alliances".

Management of the Company believes that the key milestone of efficacy in animal models of cancer has been attained and that other scientific research teams have independently validated the experimental data from these animal studies. The proof of principle for TAP as a cancer vaccine was established in research conducted the last ten years in the laboratory at the BRC by Dr. Wilfred Jefferies, a director and executive officer of the Company. The initial studies were conducted using a small-cell lung cancer cell line that was derived from an aggressive, metastatic cancer. These cells have multiple defects in the "antigen presentation pathway" in that they are not detected by the immune system. When the TAP protein was introduced into these cells, antigen presentation was restored. In addition, a series of animal studies have demonstrated the ability of TAP to restore an immune response. This study was published in Nature Biotechnology (Vol. 18, pp. 515-520, May 2000). The TAP Technology was further validated in melanoma.

Pre-Clinical Testing. As of the date of this Annual Report, the TAP Cancer Vaccine is undergoing formal pre-clinical testing, which includes the following: (i) evaluation of several strains of vaccinia and adenovirus vectors for their respective ability to deliver and express the TAP protein and genetic information in tumors; (ii) selection and licensing of the vector and identification and contracting with a good manufacturing practice (GMP) manufacturer for subsequent production of the TAP Cancer Vaccine; and (iii) performance and completion of toxicology studies using the TAP Cancer Vaccine on at least two animal species to confirm its non-toxicity.

Upon completion of the formal pre-clinical testing, the Company intends to compile and summarize the data and submit it to two governmental agencies, the U.S. Federal Drug Administration ("FDA") and the Canadian Health Canada ("HC"), in the form of an investigational new drug application (the "IND"). The IND will include data on the vaccine production, animal studies and toxicology studies, as well as the proposed protocol for the Phase I human clinical trials.

Phase I Human Clinical Trials. Management of the Company believes that the Phase I human clinical trials will be commenced approximately second quarter of 2004 and will be conducted at the British Columbia Cancer Agency in Vancouver, British Columbia. As of the date of this Annual Report, the Company has presented information on the TAP Cancer Vaccine to members of the Department of Advanced Therapeutics. The Phase I trials will generally be designed to provide data on the safety of the TAP Cancer Vaccine when used by humans.

As of the date of this Annual Report, management of the Company estimates that GeneMax Pharmaceuticals previously raised approximately $2,000,000 in funding and the Company has raised $2,538,500 in funding since the May 2002 announcement of the GeneMax Pharmaceuticals acquisition. Management of the Company believes that an estimated $15,000,000 is required over the next three years for payment of expenses associated with the balance of pre-clinical development and commencement of Phase I-II clinical trials for the TAP Cancer Vaccine and for corporate expenses, other expected development initiatives, and acquisitions. See "Part II. Item 6. Management's Discussion and Analysis or Plan of Operation."

Peptide Transfer Assay

The Company is also currently developing potential products that may interrupt the chain of events involved in certain autoimmune diseases. As of the date of this Annual Report, the Company is developing a peptide transfer assay, which is a cell-based assay designed to evaluate compounds and drugs for their ability to stimulate or suppress the immune response (the "Peptide Transfer Assay"). The Peptide Transfer Assay's application will be to identify compounds effective in the treatment of cancer, infectious diseases, and autoimmune diseases. Autoimmune diseases include psoriasis, rheumatoid arthritis, multiple sclerosis, myasthenia gravis and diabetes. T cells and antibodies in the body's immune system normally identify and destroy foreign substances and cancerous cells. Autoimmune diseases are generally caused by the abnormal destruction of healthy body tissues when T cells and antibodies react against normal tissue.

Management of the Company believes that the Peptide Transfer Assay is a novel and sophisticated cell-based assay. Management of the Company expects that the Peptide Transfer Assay will be of significant interest to pharmaceutical companies, companies with natural product libraries, anti-sense or gene libraries or proprietary rights to chemical compounds (e.g. combinatorial chemistry companies). As of the date of this Annual Report, management of the Company believes that the Peptide Transfer Assay is ready for development for high-throughput screening and partnering.

TARGET MARKET AND STRATEGY

The Company is currently focused primarily on the oncology market. Cancer encompasses a large number of diseases that afflict many different parts of the human body. The diversity of cancer types and their overall prevalence create a large need for new and improved treatments. Management of the Company believes that there is a significant market opportunity for a cancer treatment that utilizes the highly specific defense mechanisms of the immune system to attack cancers.

The Company is focused on the development and commercialization of the TAP technology as a "cancer vaccine" that would overcome the limitations of current immunotherapies. Management believes that proposed cancer vaccines under development by other companies require that individualized treatments be prepared based on the genetic differences of each patient and the genetic make-up of each tumor. As a result, these other cancer vaccines will be prohibitively expensive to implement as a different vaccine has to be developed for each patient. In addition, since the TAP protein is often not operational in cancer cells, these other vaccines may still not be able to activate the immune system.

Management of the Company believes that the TAP Cancer Vaccine offers the potential for highly specific destruction of cancer tumors without any adverse side effects. The TAP protein is a normal component of all healthy cells, but deficient in many cancer cells. The TAP Cancer Vaccine delivers the TAP protein and genetic information thus activating this normal component of all cells. Management further believes that the TAP Cancer Vaccine will provide a method for generating therapeutic immune responses that are generalized to the entire population, and potentially patient specific or cancer-specific cancer vaccines.

Management believes that, despite the limitations of the other types of cancer vaccines being developed by other companies, the FDA will approve the first cancer vaccine within the next several years. Based upon recent market reports, management of the Company believes that an approximate $2 billion market for cancer vaccines will develop by 2007, with a compounded annual growth rate of 104%. Management anticipates that the Company's TAP Cancer Vaccine could secure a significant portion of this large market, and that the TAP Cancer Vaccine will not only be an effective cancer treatment but also be synergistic and complimentary to existing cancer therapies.

Management of the Company believes that the competitive advantages of the TAP Technology include (i) efficacy against secondary cancerous growths elsewhere in the body; (ii) no restrictions on the genetics of the tumors or individuals; (iii) non-toxicity to normal cells; and (iv) complementary to and synergistic with other therapeutics. As of the date of this Annual Report, the Company's TAP Technology is in the pre-clinical development stage and is preparing for Phase I clinical trials.

STRATEGIC ALLIANCES

Collaborative Research Agreement

During May 2000, GeneMax Pharmaceuticals and the BRC Biotechnology Laboratory at the University of British Columbia ("BRC") entered into a contract research agreement (the "Collaborative Research Agreement"), to develop the TAP technologies as a cancer vaccine and other commercial products. In accordance with the terms of the Collaborative Research Agreement: (i) the Company provides funding for three PHD scientists, as well as support technicians and students. and BRC; (ii) BRC provides the Company with access to the laboratories and equipment at the BRC, as well as other facilities of the University of British Columbia; and (iii) Dr. Wilfred Jefferies, the inventor of the TAP technologies and the Chief Scientific Officer and a director of the Company, will provide supervision of all scientific activity.

As of the date of this Annual Report, the research under the Collaborative Research Agreement will continue in the future to support the commercial development of the TAP Cancer Vaccine and to develop enhanced vaccine products and other therapeutics based on the TAP technology. See "Part I. Item 1. Description of Business - Intellectual Property, Patents and Trademarks."

License Agreement

During March 2000, GeneMax Pharmaceuticals and the University of British Columbia (the "UBC") entered into an exclusive worldwide license agreement (the "License Agreement"). Pursuant to the terms of the License Agreement, the UBC granted to GeneMax Pharmaceuticals exclusive licensing rights to certain patented and unpatented cancer immuno-therapy technologies originally invented and developed by Dr. Jefferies and the scientific team at the UBC including: (i) the cell-based peptide transfer assay (the "Peptide Transfer Assay"), and (ii) the cancer immuno-therapy based on restoration of antigen presentation through transporters associated with antigen-processing technologies, which is the basis for the Company's lead product (the "TAP Cancer Vaccine"). GeneMax Pharmaceuticals obtained the exclusive licensing rights to this technology for the consideration of $78,743 and issuance to UBC of equity, with no royalty components or provisions. Pursuant to further terms of the License Agreement: (i) the License Agreement will terminate after the latter of fifteen years or the expiration of the last patent obtained relating to the licensed technology; (ii) GeneMax Pharmaceuticals will bear the cost of obtaining any patents; and (iii) the technology remains the property of UBC, however, it may be utilized and improved by GeneMax Pharmaceuticals. The Company expects the approval of multiple further patents. See "Part I. Item 5. Market for Common Equity and Related Stockholder Matters."

On March 6, 2003, the Company announced that the terms of the License Agreement were modified thus expanding to the Company's technology portfolio. The added technology, developed under the Collaborative Research Agreement, is a method to identify novel tumor associated antigens produced by cancers. Management of the Company believes the identification of novel immune dominant antigens will enable the development of new cancer vaccines that can be patient specific as well as antigens generalized across differing cancer types and patient populations.

Network Affiliate Agreement

On January 1, 2001, GeneMax Pharmaceuticals, UBC and the Canadian Network for Vaccines and Immunotherapeutics of Cancer and Chronic Viral Diseases ("CANVAC") entered into a one-year network affiliate agreement (the "Network Affiliate Agreement"). Pursuant to the terms of the Network Affiliate Agreement, CANVAC would provide an $85,000 Canadian Dollars research grant to the UBC to fund further research activities upon GeneMax contributing $117,3000 Canadian Dollars towards the UBC research. During fiscal year 2001, all amounts required under the Network Affiliate Agreement were paid by GeneMax Pharmaceuticals to the UBC. As of the date of this Annual Report, GeneMax Pharmaceuticals and CANVAC are negotiating a new network affiliate agreement in order to continue funding the research activities conducted at the UBC.

TAP Cancer Vaccine Production

In March, 2003, the Company contracted production of the TAP Cancer Vaccine to Molecular Medicine BioServices, Inc. This company specializes in production of clinical grade vaccine vectors under GLP/GMP standards. See "Part I. Item 1. Description of Business - Government Regulation."

INTELLECTUAL PROPERTY, PATENTS AND TRADEMARKS

Patents and other proprietary rights are vital to the business operations of the Company. The Company's policy is to seek appropriate patent protection both in the United States and abroad for its proprietary technologies and products. Pursuant to the License Agreement, the Company has acquired the exclusive world-wide license to a portfolio of intellectual property as follows:

Method of Enhancing Expression of MHC Class I Molecules Bearing Endogenous Peptides

On March 26, 2002, the United States Patent and Trademark Office issued a patent for the use of "TAP-1 (transporters associated with antigen processing) as an immunotherapy against all cancers ("US Patent No. 6,361,770"). The patent is titled "Method of Enhancing Expression of MHC Class I Molecules Bearing Endogenous Peptides" and provides comprehensive protection and coverage to both in vivo and ex vivo applications of TAP-1 as a therapeutic against all cancers with a variety of delivery mechanisms. The inventors were Dr. Wilfred Jefferies, Dr. Reinhard Gabathuler, Dr. Gerassinmoes Kolatis and Dr. Gregor S.D. Reid, who collectively assigned the patent to the UBC. During the lengthy application process, many proofs of the application were required by the U.S. Patent and Trademark Office for a patent of such relevance and applicability to all cancers to be approved, and included proofs in multiple forms of cancer tumors including small cell lung carcinoma and melanoma cancer. Management of the Company considers issuance of this patent as a major product development milestone for the Company.

As of the date of this Annual Report, the Company has pending applications filed for patent protection in France, United Kingdom, Germany, Switzerland and Japan.

Method of Identifying MHC Class I Restricted Antigens Endogenously Processed by a Secretory Pathway

On August 11, 1998, the United States Patent and Trademark Office issued to UBC a patent for the use of bioengineered cell lines to measure the output of the MHC Class I restricted antigen presentation pathway as a way to screen for immunomodulating drugs ("US Patent No. 5,792,604"). The patent is titled "Method of Identifying MHC Class I Restricted Antigens Endogenously Processed by a Secretory Pathway." This patent covers the assay which can identify compounds capable of modulating the immune system. The inventors were Dr. Wilfred Jefferies, Dr. Reinhard Gabathuler, Dr. Gerassinmoes Kolaitis and Dr. Gregor S.D. Reid, who collectively assigned the patent to the UBC.

As of the date of this Annual Report, the Company has pending applications filed for patent protection in Canada, Japan and Europe.

Method of Enhancing Expression of MHC Class I Molecules Bearing Endogenous Peptides

The UBC filed a patent application with the United States Patent and Trademark Office for patent protection of extension of the TAP-1 for use in viral vaccines as a method for increasing immune responses. As of the date of this Annual Report, the UBC has not received an order granting a patent. Management of the Company believes that such patent will be granted by approximately the fourth quarter of 2003.

The Company intends to continue to work with the UBC to file additional patent applications with respect to any novel aspects of its technology to protect its intellectual property. The Company has not conducted in-depth validity and infringement studies on the patents and patent applications that the Company has in-licensed, and there is a possibility that these patents or patent applications may be challenged or may not provide protection.

The patent positions of biotechnology and pharmaceutical companies are generally uncertain and involve complex legal and factual issues. No assurance can be given that any patent issued to or licensed by the Company will provide protection that has commercial significance. The Company cannot assure that: (i) the patents will afford protection against competitors with similar compounds or technologies; (ii) the patent applications pending will be issued; (iii) other companies will not obtain patents claiming aspects or technologies similar to those covered by the issued patents; (iv) the patents of other companies will not have an adverse effect on the Company's ability to do business; or (v) the patents issued to or licensed by the Company will not be infringed, challenged, invalidated or circumvented.

Moreover, management of the Company believes that obtaining foreign patents may, in some cases, be more difficult than obtaining domestic patents because of differences in patent laws. The Company also recognizes that the patent protection may generally be stronger in the United States and Canada than abroad. Conversely, the protection provided by foreign patents may be weaker than that provided by domestic patents.

COMPETITION

The oncology industry is characterized by rapidly evolving technology and intense competition. Many companies of all sizes, including a number of large pharmaceutical companies as well as several specialized biotechnology companies, are developing various immunotherapies and drugs to treat cancer. There may be products on the market that will compete directly with the products that the Company is seeking to develop. In addition, colleges, universities, governmental agencies and other public and private research institutions will continue to conduct research and are becoming more active in seeking patent protection and licensing arrangements to collect license fees and royalties in exchange for license rights to technologies that they have developed, some of which may directly compete with the Company's technologies and products. These companies and institutions may also compete with the Company in recruiting qualified scientific personnel. Many of the Company's potential competitors have substantially greater financial, research and development, human and other resources than the Company does. Furthermore, large pharmaceutical companies may have significantly more experience than the Company in pre-clinical testing, human clinical trials, and regulatory approval procedures. Such competitors may: (i) develop safer and more effective products; (ii) obtain patent protection or intellectual property rights that limit the Company's ability to commercialize products; or (iii) commercialize products earlier than the Company.

Management expects technology developments in the oncology industry to continue to occur at a rapid pace. Commercial developments by any competitors may render some or all of the Company's potential products obsolete or non-competitive, which could materially harm the Company's business and financial condition.

Management of the Company believes that the following companies, which are developing various types of similar immunotherapies and therapeutic cancer vaccines to treat cancer, could be major competitors of the Company: CellGenSys Inc., Corixa Corp., Dendreon Corp., Genzyme Molecular Oncology, Therion Biologics Corp. and Transgene S.A.

Management of the Company believes, however, that its TAP Cancer Vaccine represents a conceptual leap in immunotherapeutics and has certain competitive advantages as follows: (i) the TAP Cancer Vaccine could be an effective therapy for all types of cancer that are deficient in TAP because knowledge of specific tumor antigens is not required; and (ii) not all of the tumor cells have to be transduced with the TAP protein for the TAP Cancer Vaccine to be effective. Management believes that since defects in the TAP protein is a fundamental underlying mechanism by which cancer avoids detection by the immune system, the TAP Cancer Vaccine offers a superior therapeutic approach to any type of cancer in which this system is not functioning.

GOVERNMENT REGULATION

The design, research, development, testing, manufacturing, labeling, promotion, marketing, advertising and distribution of drug products are extensively regulated by the FDA in the United States and similar regulatory bodies in other countries. The regulatory process is similar for a new drug application (the "NDA"). The steps ordinarily required before a new drug may be marketed in the United States, which are similar to steps required in most other countries, include: (i) pre-clinical laboratory tests, pre-clinical studies in animals, formulation studies and the submission to the FDA of an initial NDA; (ii) adequate and well-controlled clinical trials to establish the safety and efficacy of the drug for each indication; (iii) the submission of the NDA to the FDA; and (iv) FDA review and approval of the NDA.

Pre-clinical tests include laboratory evaluation of product chemistry, good laboratory practices ("GLP"), toxicology studies, formulation development, animal pre-clinical efficacy studies and manufacturing of current good manufacturing practices ("GMP"). The results of pre-clinical testing are submitted to the FDA as part of an initial NDA. A thirty-day waiting period after the filing of each initial NDA is required prior to the commencement of clinical testing in humans. At any time during this thirty-day period or at any time thereafter, the FDA may halt proposed or ongoing clinical trials until the FDA authorizes trials under specified terms. The initial NDA process may be extremely costly and substantially delay development of products. Moreover, positive results of pre-clinical tests will not necessarily indicate positive results in subsequent clinical trials.

Clinical trials to support NDAs are typically conducted in three sequential phases, although the phases may overlap. During Phase I, there is an initial introduction of the drug into healthy human subjects or patients. The drug is tested to assess metabolism, pharmacokinetics and pharmacological actions and safety, including side effects associated with increasing doses. Phase II usually involves studies in a limited patient population to: (i) assess the clinical activity of the drug in specific targeted indications; (ii) assess dosage tolerance and optimal dosage; and (iii) continue to identify possible adverse effects and safety risks. If a compound is found to be potentially effective and to have an acceptable safety profile in Phase II evaluations, Phase III trials are undertaken to further demonstrate clinical efficacy and to further test for safety within an expanded patient population at geographically disperse clinical trial sites.

After successful completion of the required clinical trials, a NDA is generally submitted. The FDA may request additional information before accepting a NDA for filing, in which case the application must be resubmitted with the additional information. Once the submission has been accepted for filing, the FDA reviews the application and responds to the applicant. The review process if often significantly extended by FDA requests for additional information or clarification. The FDA may refer the NDA to an appropriate advisory committee for review, evaluation and recommendation as to whether the application should be approved, but the FDA is not bound by the recommendation of an advisory committee.

If the FDA evaluations of the NDA and the manufacturing facilities are favorable, the FDA may issue an approvable letter. An approvable letter will usually contain a number of conditions that must be met in order to secure final approval of the NDA and authorization of commercial marketing of the drug for certain indications. The FDA may also refuse to approve the NDA or issue a not approval letter, outlining the deficiencies in the submission and often requiring additional testing or information.

The manufacturers of approved products and their manufacturing facilities are subject to continual review and periodic inspections. Because the Company currently intends to contract with third parties for commercial scale manufacturing of the TAP Cancer Vaccine, the Company's ability to control compliance with FDA requirements will be limited.

Approved drugs and manufacturing facilities are subject to ongoing compliance requirements, and the identification of certain side effects or the occurrence of manufacturing problems after any of the drug products are on the market may create other restrictions. This could result in issuance of warning letters, subsequent withdrawal of approval, reformulation of the drug product, and additional pre-clinical studies or clinical trials.

Outside the United States and Canada, the Company's ability to market its drug products are also contingent on receiving marketing authorization from the appropriate regulatory authorities. The foreign regulatory approval process includes all of the complexities associated with FDA approval described above. The requirements governing the conduct of clinical trials and marketing authorization vary widely from country to country. At present, foreign marketing authorizations are applied for at a national level, although within the European Union, or the EU, procedures are available to companies wishing to market a product in more than one member country.

PRODUCT LIABILITY AND INSURANCE

The Company's business involves the risk of product liability claims. The Company has not experienced any product liability claims to date. As of the date of this Annual Report, and due to the current stage of product development, the Company does not yet maintain product liability insurance. Management, however, intends to maintain product liability insurance consistent with industry standards upon commencement of the marketing and distribution of the TAP Cancer Vaccine or as is requisite in certain product development stages. There can be no assurance that product liability claims will not exceed such insurance coverage limits, which could have a materially adverse effect on the Company's business, financial condition, results of operations, share price, or that such insurance will continue to be available on commercially reasonable terms, if at all.

EMPLOYEES

As of the date of this Annual Report, the Company does not employ any persons directly on a full-time or on a part-time basis. All management and labor positions are obtained on a contracted basis. Management of the Company deems that the current contracted management structure maintains the highest levels of product development efficiency with the lowest costs of plant, equipment, and capital cost infrastructure. The Company's President is primarily responsible for all day-to-day operations of the Company. Other services are provided by outsourcing and management contracts. As the need arises and funds become available, however, management may seek employees as necessary in the best interests of the Company. The following lists and describes certain services performed for the Company by consultants. See "Part III. Item 10. Executive Compensation" and "Part III. Item 12. Certain Relationships and Related Transactions".

Consulting Services Agreement

The Company and Investor Communications International, Inc., a Washington corporation ("ICI"), entered into a consulting services agreement dated August 12, 2002 (the "Consulting Services Agreement"). Pursuant to the terms and provisions of the Consulting Services Agreement, ICI will provide to the Company such finance and managerial services as may be determined by the Board of Directors, from time to time, and in its sole and absolute discretion, in order to develop the various business interests of the Company in the drug discovery and development industry, involving the patented drug discovery assay for immunomodulatory compounds and the pipeline aimed at treatment of cancer, infectious diseases, autoimmune disorders and transplant tissue rejection. Pursuant to further terms of the Consulting Services Agreement, the Company shall pay ICI a monthly fee not to exceed $10,000 in accordance with the services performed.

Mr. Grant Atkins, a director of the Company, is employed by ICI and part of the management team provided by ICI to the Company, and derives remuneration from ICI for such services rendered to the Company. During fiscal year ended December 31, 2002, Mr. Atkins was paid approximately $17,325 by ICI for services rendered to the Company.

GeneMax Pharmaceuticals Consulting Agreement

GeneMax Pharmaceuticals and 442668 B.C. Ltd. ("442668"), a corporation whose president and member of the board of directors is Dr. Wilfred Jefferies, a director and the Chief Scientific Officer of the Company entered into a consulting services agreement dated February 1, 2000 (the "GeneMax Pharmaceuticals Consulting Agreement"). Pursuant to the terms and provisions of the GeneMax Pharmaceuticals Consulting Agreement, Dr. Jefferies agreed to provide technical, research and technology development services to GeneMax Pharmaceuticals for a period of five years. Pursuant to further terms and provisions of the GeneMax Pharmaceuticals Consulting Agreement, 442668 shall be paid a monthly fee of $10,000 Canadian Dollars and reimbursement of expenses.

As of December 31, 2002, an aggregate amount of $88,135 in accrued fees was due and owing 442668 under the GeneMax Pharmaceuticals Consulting Agreement. During fiscal year ended December 31, 2002, Dr. Jefferies received an aggregate of $67,670 thru 442668, and accepted the issuance by the Company to 442668 of 20,465 shares of restricted common stock at $1.00 per share as settlement for the remaining balance of $20,465 due and owing. See "Part III. Item 10. Executive Compensation."

GeneMax Pharmaceuticals Management Agreement

GeneMax Pharmaceuticals and Ronald L. Handford, the President/Chief Executive Officer and a director of the Company, entered into a management services agreement dated August 1, 1999 (the "GeneMax Pharmaceuticals Management Agreement"). Pursuant to the terms and provisions of the GeneMax Pharmaceuticals Management Agreement, Mr. Handford agreed to provide general managerial services to GeneMax Pharmaceuticals for a period of five years. Pursuant to further terms and provisions of the GeneMax Pharmaceuticals Management Agreement, Mr. Handford shall be paid a monthly fee of $11,000 U.S. Dollars and reimbursement of expenses. Effective May 1, 2002, GeneMax Pharmaceuticals and Mr. Handford agreed to reduce the monthly fee to $12,500 Canadian Dollars until the earlier of the Company reaching a senior board listing or commencement of clinical trials, at which time the fee will be reviewed in accordance with market norms.

As of December 31, 2002, an aggregate amount of $185,706 in accrued fees was due and owing under the GeneMax Pharmaceuticals Management Agreement. During fiscal year ended December 31, 2002, Mr. Handford received an aggregate of $69,374, and accepted the issuance by the Company of 100,000 shares of restricted common stock at $1.00 per share as settlement for $100,000 owed. As of December 31, 2002, an aggregate $16,332 remains due and owing. See "Part III. Item 10. Executive Compensation."

GeneMax Pharmaceuticals Services Agreement

GeneMax Pharmaceuticals and Alan Lindsay and Associates Ltd., a corporation whose sole officer, director and shareholder is Alan Lindsay, a director of the Company ("AL&A"), entered into an amended services agreement dated May 31, 2002 (the "GeneMax Pharmaceuticals Services Agreement"). Pursuant to the terms and provisions of the GeneMax Pharmaceuticals Services Agreement, Mr. Lindsay agreed to provide general consulting services to GeneMax Pharmaceuticals on a month-to-month basis. Pursuant to current negotiations and further terms and provisions of the GeneMax Pharmaceuticals Services Agreement, AL&A shall be paid a monthly fee of $2,500 U.S. Dollars and reimbursement of expenses.

As of December 31, 2002, an aggregate amount of $60,000 in accrued fees was due and owing under the GeneMax Pharmaceuticals Services Agreement. During fiscal year ended December 31, 2002, Mr. Lindsay received an aggregate of $20,000 through AL&A, and accepted the issuance by the Company to AL&A of 27,500 shares of restricted common stock at $1.00 per share as settlement for $27,500. As of December 31, 2002, an aggregate $12,500 remains due and owing AL&A. See "Part III. Item 10. Executive Compensation."

Davidson Agreement

GeneMax Pharmaceuticals and James D. Davidson, a director and the Chief Financial Officer of the Company, entered into a verbal month-to-month agreement (the "Davidson Agreement"). Pursuant to the terms of the Davidson Agreement, Mr. Davidson agreed to perform such duties and services as required commensurate with his position as the Chief Financial Officer of the Company and such other duties commensurate with his position as a director on the Board of Directors. Pursuant to further terms and provisions of the Davidson Agreement, Mr. Davidson shall be paid a monthly fee of $2,000 and reimbursement of expenses. Effective July 15, 2002, GeneMax Pharmaceuticals agreed to increase the monthly fee to $5,000 upon commencement of Mr. Davidson's duties associated with his position as Chief Financial Officer and a director of the Company after the acquisition of GeneMax Pharmaceuticals.

As of December 31, 2002, an aggregate amount of $45,500 in accrued fees was due and owing Mr. Davidson under the Davidson Agreement. During fiscal year ended December 31, 2002, Mr. Davidson received an aggregate of $32,500 and accepted the issuance by the Company of 13,000 shares of restricted Common Stock at $1.00 per share as settlement of an amount of $13,000. See "Part III. Item 10. Executive Compensation."

ITEM 2. PROPERTIES

Other than as described above, the Company does not own any real estate or other properties. The Company's registered office is located at 435 Martin Street, Suite 2000, Blaine, Washington 98230.

ITEM 3. LEGAL PROCEEDINGS

(a) On approximately September 4, 2002, the Company initiated litigation against Global Securities Corporation and Union Securities Corporation (the "B.C. Defendants") by filing a Writ of Summons and Statement of Claim in the Supreme Court of British Columbia, Registry No. S024914 (the "British Columbia Complaint"). The claims made by the Company against the B.C. Defendants in the British Columbia Complaint involve the alleged illegal naked short selling of the Company's shares of common stock conducted by the B.C. Defendants to manipulate share price for profit and gain in violation of the provisions of the Company's bylaws, the Investment Dealers Association of Canada, the National Association of Securities Dealers, the Criminal Code of Canada, and the Securities Exchange Act of 1934, as amended (the "Naked Short Sales"). The claims against the B.C. Defendants specifically allege violation of fair-trading practices, negligence and/or fraud and share price manipulation. The Company is seeking damages from the B.C. Defendants resulting from the alleged actions of the B.C. Defendants that include loss of investment opportunity, injury to reputation, and artificial issuance of shares that results in illegal devaluation of the Company's securities, and other damages.

As of the date of this Annual Report, the B.C. Defendants have filed a statement of defense generally denying the allegations and counterclaiming for defamation relating to statements made by the Company about the litigation in news releases. The parties have engaged in preliminary discovery, which includes response to interrogatories, preliminary production of documents and formal request for further production of documents. Management of the Company intends to aggressively pursue and continue its legal actions and to further review its potential legal remedies.

(b) On approximately October 3, 2002, the Company initiated litigation against various broker-dealers, market makers and clearing agents (the U.S. Defendants") allegedly involved in the Naked Short Sales by filing a Complaint in the U.S. District Court for the District of Nevada, Case No. CV-N-02-0509-ECR-VPC (the "United States Complaint"). The claims made by the Company against the U.S. Defendants in the United States Complaint allege unlawful "shorting" activities involving the Company's shares of common stock including fraud, negligence, violation of U.S. securities laws, racketeering (RICO) and conspiracy. The Company seeks an injunction against the U.S. Defendants to enjoin the unlawful shorting activities and substantial damages, including punitive damages.

As of the date of this Annual Report, the U.S. Defendants have either filed answers or requests for extensions of time within which to file formal statements of defense. Management of the Company believes that upon receipt of trading records and other documentation, the Company may amend the United States Complaint to name additional broker-dealers, market makers, clearing agents and individual securities professionals as defendants. Management of the Company intends to aggressively pursue and continue its legal actions and to further review its potential legal remedies.

Except as disclosed above, management is not aware of any other legal proceedings contemplated by any governmental authority or other party involving the Company or its properties. No director, officer or affiliate of the Company is (i) a party adverse to the Company in any legal proceedings, or (ii) has an adverse interest to the Company in any legal proceedings. Management is not aware of any other legal proceedings pending or that have been threatened against the Company or its properties.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

On May 9, 2002, the Board of Directors approved and authorized execution of the Share Exchange Agreement. The Board of Directors further authorized and directed the filing with the Securities and Exchange Commission and subsequent distribution to ten or less shareholders of the Company who held of record as of May 27, 2002 at least a majority of the issued and outstanding shares of Common Stock, an Information Statement pursuant to Section 14(c) of the Securities Exchange Act of 1934, as amended. On approximately June 14, 2002, the Definitive Information Statement was filed with the Securities and Exchange Commission and distributed to all shareholders of the Company.

On July 15, 2002, a Written Consent of Shareholders of the Company was executed pursuant to which the shareholders (i) approved the Share Exchange Agreement, related conversion of loan to equity interest by the Company in GeneMax Pharmaceuticals, and resulting change in control of the Company; (ii) approved an amendment to the Articles of Incorporation of the Company to effectuate a change in the corporate name to "GeneMax Corp."; (iii) approved the Stock Option Plan for key personnel of the Company; (iv) approved an amendment to the Company's bylaws to change the number of directors of the Company to consist of one (1) to fifteen (15); (v) elected three persons to serve as directors of the Company until the next annual meeting of the Company's shareholders or until their successor has been elected and qualified; and (vi) ratified the election of LaBonte & Co. as independent public accountants for the Company for fiscal year ending December 31, 2002.

The names of the shareholders of the Company who held of record as of May 27, 2002 a majority of the issued and outstanding shares of Common Stock who signed the Written Consent and their respective equity ownership of the Company are as follows: (i) Investor Communications International, Inc. ("ICI") holding of record 554,470 shares of common stock (18.48%); (ii) Alexander Cox holding of record 535,060 shares of common stock (17.84%); (iii) Calista Capital Corporation holding of record 250,000 shares of common stock (8.33%); (iv) Spartan Asset Group holding of record 250,000 shares of common stock (8.33%); (v) Pacific Rim Financial Inc. holding of record 250,000 shares of common stock (8.33%); (vi) Eastern Capital Corp. holding of record 250,000 shares of common stock (8.33%); and (vii) Rising Sun Capital Corp. holding of record 250,000 shares of common stock (8.33%).

No other matters or business were introduced or approved by the shareholders pursuant to the Written Consent.

ITEM 5. MARKET FOR COMMON EQUITY AND RELATED STOCKHOLDER MATTERS

MARKET INFORMATION

The Company's Common Stock is traded on the OTC Bulletin Board under the symbol "GMXX" and on the Frankfurt Stock Exchange (FWB) under the symbol "GX1". The market for the Company's Common Stock is limited, volatile and sporadic. The following table sets forth the OTCBB high and low sales prices relating to the Company's Common Stock for the last two fiscal years. These quotations reflect inter-dealer prices without retail mark-up, mark-down, or commissions, and may not reflect actual transactions.

	FISCAL YEARS ENDED			
	DECEMBER 31, 2002		DECEMBER 31, 2001	
	HIGH BID	LOW BID	HIGH BID	LOW BID
First Quarter	$7.500	$1.100	$2.781	$0.410
Second Quarter	$2.000	$0.350	$1.531	$0.500
Third Quarter	$7.74	$3.65	$0.812	$0.420
Fourth Quarter	$5.15	$2.040	$0.530	$0.090

HOLDERS

As of March 31, 2003, the Company had approximately 345 shareholders of record.

DIVIDENDS

No dividends have ever been declared by the board of directors of the Company on its Common Stock. The Company's losses do not currently indicate the ability to pay any cash dividends, and the Company does not intend paying cash dividends on its Common Stock in the foreseeable future.

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

Pursuant to the terms of the Share Exchange Agreement, the Directors' Circular and related settlements, the Company issued certain warrant instruments pursuant to which the holder thereof has the right to convert such warrant into shares of Common Stock on a one-to-one basis at either the rate of $2.50 per share, $0.75 per share or $1.00 per share. Pursuant to the Share Exchange Agreement, Directors' Circular and related settlement agreements, there were an aggregate of 744,494 warrant instruments issued, of which 110,334 warrants were convertible into 110,334 shares of common stock at the rate of $2.50 per share expiring on September 1, 2002. The 110,334 warrants were not converted into shares of common stock by the holders thereof and expired on their terms. Thus, as of the date of this Annual Report, there are an aggregate of 634,160 warrant instruments issued comprised of the following: (i) 277,500 warrants issued and outstanding which may be converted into 277,500 shares of common stock at the rate of $1.00 per share expiring December 1, 2005; (ii) 175,000 warrants issued and outstanding which may be converted into 175,000 shares of common stock at the rate of $1.00 per share expiring May 1, 2006; and (iii) 181,660 warrants issued and outstanding which may be converted into 181,660 shares of common stock at the rate of $0.75 per share expiring May 1, 2006. As of the date of this Annual Report, 634,160 Warrants have been granted and are outstanding pursuant to the Share Exchange Agreement and Directors' Circular and related settlement agreements,. As granted, the 634,160 Warrants may be converted into 634,160 shares of restricted Common Stock.

In addition, the Company has issued 212,700 Warrants to purchase 212,700 restricted Common Shares at the rate of $5.00 per share expiring November 29, 2004 in connection with private placement offerings completed in the third and fourth quarters of 2002.

Equity Compensation Plan Information

Plan Category	Number of Securities To be Issued Upon Exercise of Outstanding Options, Warrants and Rights (a)	Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights (b)	Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (excluding column (a)) (c)
Equity Compensation Plans Approved by Security Holders	n/a	n/a	n/a
Equity Compensation Plans Not Approved by Security Holders - Warrants	452,500 shares	$1.00	-0-
	181,660 shares	$0.75	-0-
Equity Compensation Plans Not Approved by Security Holders - Unit Warrants	212,700 shares	$5.00	-0-
Total	846,860 shares		

RECENT SALES OF UNREGISTERED SECURITIES AND CHANGES IN CONTROL OF THE COMPANY

As of the date of this Annual Report and during fiscal year ended December 31, 2002, to provide capital, the Company sold stock in private placement offerings, issued stock in exchange for debts of the Company or pursuant to contractual agreements as set forth below. Pursuant to the terms of the Share Exchange Agreement and the Directors' Circular, the Company issued 11,620,119 shares of Common Stock. Therefore, there was a change in control of the Company. See "Part III. Item 11. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters."

(a) During the six-month period ended June 30, 2002, the Company engaged in a private placement offering under Rule 506 of Regulation D of the Securities Act of 1933, as amended (the "1933 Securities Act"). Pursuant to the terms of the private placement, the Company offered 2,400,000 shares of its common stock at $0.125 per share to raise $300,000. On approximately May 3, 2002, the Company terminated the offering pursuant to which it sold 2,000,000 shares of common stock at $0.125 per share for aggregate gross proceeds of $250,000.00 The per share price of the offering was arbitrarily determined by the Board of Directors based upon analysis of certain factors including, but not limited to, stage of development, business risks, current earnings, assets and net worth of the Company. The Company issued shares of common stock to seven investors, all of which were accredited investors as that term is defined under Regulation D. The investors executed subscription agreements and acknowledged that the securities to be issued have not been registered under the 1933 Securities Act, that the investors understood the economic risk of an investment in the securities, and that the investors had the opportunity to ask questions of and receive answers from the Company's management concerning any and all matters related to acquisition of the securities. No underwriter was involved in the transaction, and no commissions or other remuneration were paid in connection with the offer and sale of the securities.

(b) During the six-month period ended June 30, 2002, the Company engaged in a private placement offering under Rule 506 of Regulation D of the 1933 Securities Act. Pursuant to the terms of the private placement, the Company offered 700,000 shares of its common stock at $1.00 per share to raise an aggregate of $700,000. The shares of Common Stock were offered only to U.S. residents who were accredited investors as that term is defined under Regulation D and to non-U.S. residents. On June 14, 2002, the Company terminated the offering pursuant to which it sold 700,000 shares of its common stock at $1.00 per share for aggregate gross proceeds of $700,000. The per share price of the offering was arbitrarily determined by the Board of Directors based upon analysis of certain factors relating to the acquisition of GeneMax Pharmaceuticals including, but not limited to, stage of development, business risks, current earnings, assets and net worth of the Company. The Company issued shares of common stock to twenty-three investors, all of which were accredited investors. The investors executed subscription agreements and acknowledged that the securities to be issued have not been registered under the 1933 Securities Act, that the investors understood the economic risk of an investment in the securities, and that the investors had the opportunity to ask questions of and receive answers from the Company's management concerning any and all matters related to acquisition of the securities. No underwriter was involved in the transaction, and no commissions or other remuneration were paid in connection with the offer and sale of the securities.

(c) Pursuant to the terms of the Share Exchange Agreement, the Directors' Circular and associated settlement agreements, the Company issued an aggregate of 11,620,119 shares of its restricted common stock as follows: (i) 6,571,304 shares of restricted common stock to the GeneMax Shareholders in proportion to their respective holdings in GeneMax Pharmaceuticals; (ii) 4,479,001 shares of

restricted common stock to the Canadian GeneMax Shareholders pursuant to the terms of the Directors' Circular; (iii) 181,660 shares of restricted common stock to certain creditors of GeneMax Pharmaceuticals at $0.75 per share for settlement of an aggregate debt in the amount of $136,245; (iv) 188,154 shares of restricted common stock to certain creditors of GeneMax Pharmaceuticals at $1.00 per share for settlement of an aggregate debt in the amount of $188,154; and (v) 200,000 shares of restricted common stock to a third party.

The Company also issued an aggregate of 744,494 warrant isntruments under the Share Exchange Agreement, Directors' Circular and associated settlement agreements pursuant to which the holder thereof has the right to convert such warrants into shares of common stock on a one-to-one basis at either the rate of $2.50 per share, $0.75 per share or $1.00 per share. Pursuant to the Share Exchange Agreement and Directors' Circular and related settlement agreements, there were an aggregate of 744,494 warrant instruments issued, of which 110,334 warrants were convertible into 110,334 shares of common stock at the rate of $2.50 per share expiring on September 1, 2002. The 110,334 warrants were not converted into shares of common stock by the holders thereof and expired on their terms. Thus, as of the date of this Annual Report, there are an aggregate of 634,160 warrant instruments issued comprised of the following: (i) 277,500 warrants issued and outstanding which may be converted into 277,500 shares of common stock at the rate of $1.00 per share expiring December 1, 2005; (ii) 175,000 warrants issued and outstanding which may be converted into 175,000 shares of common stock at the rate of $1.00 per share expiring May 1, 2006; and (iii) 181,660 warrants issued and outstanding which may be converted into 181,660 shares of common stock at the rate of $0.75 per share expiring May 1, 2006.

(d) During the nine-month period ended September 30, 2002, the Company engaged in a private placement offering under Rule 506 of Regulation D and Regulation S of the 1933 Securities Act. Pursuant to the terms of the private placement, the Company offered 1,000,000 Units at $2.50 per Unit to raise an aggregate of $2,500,000. The Units consist of one share of Common Stock and one-half of one non-transferable share purchase warrant (the "Warrant"), with each whole Warrant convertible into one share of Common Stock at $5.00 per whole Warrant. The Units were offered primarily to U.S. residents who are accredited investors as that term is defined under Regulation D and to non-U.S. residents. On December 1, 2002, the Company terminated the offering pursuant to which it sold 425,400 Units at $2.50 per Unit for aggregate gross proceeds of $1,063,500. The per share price of the offering was arbitrarily determined by the Board of Directors based upon analysis of certain factors relating to the acquisition of GeneMax Pharmaceuticals including, but not limited to, stage of development, business risks, current earnings, assets and net worth of the Company. The Company issued 425,400 Units to approximately thirty-four investors of which three were non-accredited. The investors executed subscription agreements and acknowledged that the securities to be issued have not been registered under the 1933 Securities Act, that the investors understood the economic risk of an investment in the securities, and that the investors had the opportunity to ask questions of and receive answers from the Company's management concerning any and all matters related to acquisition of the securities. No underwriter was involved in the transaction, and no commissions or other remuneration were paid in connection with the offer and sale of the securities.

(e) In accordance with the terms and provisions of the Stock Option Plan, and as of the date of this Annual Report, the Board of Directors of the Company has granted an aggregate of 3,270,000 Stock Options as follows: (i) 1,740,000 Stock Options and 395,000 Incentive Stock Options exercisable at $1.00 per share to previous holders of stock options of GeneMax Pharmaceuticals to replace stock options previously granted by GeneMax Pharmaceuticals at $0.60 per share; (ii) 1,000,000 Stock Options at $0.50 per share to ICI and/or its designates or employees; (iii) 20,000 Stock Options at $5.50 per share; (iv) 15,000 Stock Options at $7.50 per share; and (v) 100,000 Stock Options at $8.50 per share. Of

those 3,270,000 Stock Options granted, and as of the date of this Annual Report, 1,000,000 Stock Options have been exercised at $0.50 per share for aggregate proceeds of $500,000 in accordance with the terms of the respective notice and agreement of exercise of option. As a result, the Company has issued 1,000,000 shares of its Common Stock. Of the 3,270,000 Stock Options granted, an additional 25,000 Stock Options have been exercised at $1.00 per share for aggregate proceeds of $25,000 in accordance with the terms of a notice and agreement of exercise of option. As a result, the Company has issued 25,000 shares of its Common Stock.

As a result of the issuance of shares, there was a change in control of the Company. See "Part III. Item 11. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters."

ITEM 6. MANAGEMENT'S DISCUSSION AND ANALYSIS OR PLAN OF OPERATION

Statements made in this Form 10-KSB that are not historical or current facts are "forward-looking statements" made pursuant to the safe harbor provisions of Section 27A of the Securities Act of 1933 (the "Act") and Section 21E of the Securities Exchange Act of 1934. These statements often can be identified by the use of terms such as "may," "will," "expect," "believe," "anticipate," "estimate," "approximate" or "continue," or the negative thereof. The Company intends that such forward-looking statements be subject to the safe harbors for such statements. The Company wishes to caution readers not to place undue reliance on any such forward-looking statements, which speak only as of the date made. Any forward-looking statements represent management's best judgment as to what may occur in the future. However, forward-looking statements are subject to risks, uncertainties and important factors beyond the control of the Company that could cause actual results and events to differ materially from historical results of operations and events and those presently anticipated or projected. The Company disclaims any obligation subsequently to revise any forward-looking statements to reflect events or circumstances after the date of such statement or to reflect the occurrence of anticipated or unanticipated events.

The following discussions of the results of operations and financial position of the Company should be read in conjunction with the financial statements and notes pertaining to them that appear elsewhere in this Form 10-KSB.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

The Company's financial statements have been prepared which incorporate financial data and figures of GeneMax Pharmaceuticals. Thus, the comparative results are those of GeneMax Pharmaceuticals prior to the acquisition and are not the financial results of Eduverse.com, and the current year comparative results include the financial data and figures of the Company only subsequent to the acquisition of GeneMax Pharmaceuticals.

For Fiscal Year Ended December 31, 2002 compared with Fiscal Year Ended December 31, 2001.

The Company's net losses during fiscal year ended December 31, 2002 were approximately ($2,284,709) compared to a net loss of approximately ($671,986) during fiscal year ended December 31, 2001 (an increase of $1,612,723).

Net revenues during fiscal years ended December 31, 2002 and 2001 were $-0-. The lack of revenues during fiscal years ended December 31, 2002 and 2001 resulted from the Company's decision to discontinue retail sales of its software products, the focus on research relating to prospective new business endeavors, and the consummation of the acquisition of GeneMax Pharmaceuticals. The Company recorded interest income during fiscal years ended December 31, 2002 and 2001 of $125 and $1,139, respectively.

During fiscal year ended December 31, 2002, the Company recorded operating expenses of $2,284,834 compared to $673,125 of operating expenses recorded during fiscal year ended December 31, 2001 (an increase of $1,611,709). The operating expenses incurred during fiscal year ended December 31, 2002 consisted primarily of the following: (i) research and development of approximately $833,589 compared to $283,987 incurred during fiscal year ended December 31, 2001; (ii) consulting fees - stock based of approximately $680,275 compared to $-0- incurred during fiscal year ended December 31, 2001; (iii) professional fees of approximately $350,782 compared to $47,800 incurred during fiscal year ended December 31, 2001; (iv) management fees of approximately $168,206 compared to $132,000 incurred during fiscal year ended December 31, 2001; (v) consulting fees of approximately $149,036 compared to $106,578 incurred during fiscal year ended December 31, 2001; (vi) office and general of approximately $96,830 compared to $55,574 incurred during fiscal year ended December 31, 2001; (vii) depreciation of approximately $40,890 compared to $32,837 incurred during fiscal year ended December 31, 2001; and (viii) travel of approximately $15,226 compared to $14,349 incurred during fiscal year ended December 31, 2001. This increase in operating expenses was due primarily to the increased scale and scope of overall corporate activity pertaining to the acquisition of GeneMax Pharmaceuticals and the ongoing research and development relating to the TAP technology and the TAP Cancer Vaccine.

Of the $2,284,834 incurred as operating expenses, an aggregate of $382,969 was incurred payable to certain directors and/or private companies controlled by those directors of the Company pursuant to consulting, management and research and development agreements.

During fiscal year ended December 31, 2002, an aggregate of $60,000 in fees was incurred (after the acquisition) to Investor Communications International, Inc. ("ICI") for services rendered by ICI to the Company on a month-to-month basis, as needed, including, but not limited to, financial, administrative and general management. Based upon $106,276 which was due and owing to ICI prior to the acquisition, and a further $27,754 owing to ICI for expenses incurred on behalf of the Company, this resulted in $194,030 due and owing ICI. During fiscal year ended December 31, 2002, the Company paid ICI $191,876 (after the acquisition). As of December 31, 2002, an aggregate amount of $2,154 remains due and owing to ICI by the Company relating to fees, cash advances and interest. During fiscal year ended December 31, 2001, the Company had incurred an aggregate amount of $225,000 to ICI, which together with other unpaid fees and advances of $231,896, resulted in an aggregate of $456,896 due and owing ICI. This amount was settled pursuant to a settlement agreement dated March 14, 2001 between the Company and ICI whereby ICI agreed to accept the issuance of 15,230,000 pre-reverse stock split shares of restricted Common Stock in settlement and release of the $456,896 due and owing. Subsequent to this settlement, an additional $65,700 in fees was accrued to ICI. Of this amount, $37,481 was settled pursuant to a settlement agreement dated December 12, 2001 between the Company and ICI whereby ICI agreed to accept the issuance of 249,870 shares of restricted Common Stock in settlement and release of the $37,481 due and owing. Mr. Grant Atkins, a director of the Company, is employed by ICI and is part of the management team provided by ICI to the Company, and derives remuneration from ICI for such services rendered to the Company. During fiscal year ended December 31, 2002, Mr. Atkins received $17,325 from ICI as compensation for services rendered to the Company. See "Part III. Item 10. Executive Compensation."

During fiscal year ended December 31, 2002, an aggregate of $81,410 in fees was incurred to 442668 B.C. Ltd. ("442668"), a corporation whose president and member of the board of directors is Dr. Wilfred Jefferies, a director and the Chief Scientific Officer of the Company. The fees incurred were for services rendered by Dr. Jefferies to the Company under the GeneMax Pharmaceuticals Consulting Agreement including, but not limited to, technical, research and technology development. Based upon $6,725, which was due and owing to 442668 at

December 31, 2001, this resulted in an aggregate amount of $88,135 due and owing 442668. During fiscal year ended December 31, 2002, the Company paid 442668 $67,670 and settled the remaining balance of $20,465 through the issuance of 20,465 shares of restricted Common Stock at $1.00 per share. As of December 31, 2002, there was no amount that remained due and owing. During fiscal year ended December 31, 2002, Dr. Jefferies received $67,670 through 442668 as compensation for services rendered to the Company. See "Part III. Item 10. Executive Compensation."

During fiscal year ended December 31, 2002, an aggregate of $105,206 in fees was incurred to Ronald Handford, a director, the President and the Chief Executive Officer of the Company. The fees incurred were for services rendered by Mr. Handford to the Company under the GeneMax Pharmaceuticals Management Agreement including, but not limited to, general managerial. Based upon $80,500, which was due and owing to Mr. Handford at December 31, 2001, this resulted in an aggregate amount of $185,706 due and owing. During fiscal year ended December 31, 2002, the Company paid Mr. Handford $69,374 and settled an amount of $100,000 through the issuance of 100,000 shares of restricted Common Stock at $1.00 per share. As of December 31, 2002, an aggregate amount of $16,332 remains due and owing to Mr. Handford by the Company. During fiscal year ended December 31, 2002, Mr. Handford received $69,374 as compensation for services rendered to the Company. See "Part III. Item 10. Executive Compensation."

During fiscal year ended December 31, 2002, an aggregate of $42,500 in fees was incurred to Alan Lindsay and Associates Ltd. ("AL&A"), a corporation whose sole officer, director and shareholder is Alan Lindsay, a director of the Company. The fees incurred were for services rendered by Mr. Lindsay to the Company under the GeneMax Pharmaceuticals Services Agreement including, but not limited to, general consulting. Based upon $17,500, which was due and owing to AL&A at December 31, 2001, this resulted in an aggregate amount of $60,000 due and owing AL&A. During fiscal year ended December 31, 2002, the Company paid AL&A $20,000 and settled an amount of $27,500 through the issuance of 27,500 shares of restricted Common Stock at $1.00 per share. As of December 31, 2002, an aggregate amount of $12,500 remains due and owing to AL&A by the Company. During fiscal year ended December 31, 2002, Mr. Lindsay received $20,000 through AL&A as compensation for services rendered to the Company. See "Part III. Item 10. Executive Compensation."

During fiscal year ended December 31, 2002, an aggregate of $40,500 in fees was incurred to James D. Davidson, a director and the Chief Financial Officer of the Company. The fees incurred were for services rendered by Mr. Davidson to the Company under the Davidson Agreement including, but not limited to, such duties and services commensurate with his position as the Chief Financial Officer and a director of the Company. Based upon $5,000, which was due and owing to Mr. Davidson at December 31, 2001, this resulted in an aggregate amount of $45,500 due and owing to Mr. Davidson. During fiscal year ended December 31, 2002, the Company paid Mr. Davidson $32,500 and settled the remaining balance of $13,000 through the issuance of 13,000 shares of restricted Common Stock at $1.00 per share. As of December 31, 2002, there is no amount that remains due and owing to Mr. Davidson by the Company. During fiscal year ended December 31, 2002, Mr. Davidson received $32,500 compensation for services rendered to the Company. See "Part III. Item 10. Executive Compensation."

As discussed above, the increase in net loss during fiscal year ended December 31, 2002 as compared to fiscal year ended December 31, 2001 is attributable primarily to the increase in operating expenses incurred during fiscal year ended December 31, 2002. The Company's net losses during fiscal year ended December 31, 2002 was approximately ($2,284,709) or ($0.17) per common share compared to a net loss of approximately ($671,986) or ($0.06) per common share during fiscal year ended December 31, 2001. The weighted average of common shares outstanding were 13,289,451 for fiscal year ended December 31, 2002 compared to 11,431,965 for fiscal year ended December 31, 2001.

Liquidity and Capital Resources

The Company's financial statements have been prepared assuming that it will continue as a going concern and, accordingly, do not include adjustments relating to the recoverability and realization of assets and classification of liabilities that might be necessary should the Company be unable to continue in operation.

As of December 31, 2002, the Company's current assets were $648,589 and its current liabilities were $295,599, which resulted in a working capital surplus of $352,990. As of December 31, 2002, the Company's total assets were $761,428 consisting of: (i) $648,589 in current assets comprised of $642,589 in cash and $6,000 in prepaid expenses; and (ii) $112,839 in furniture and equipment (net of depreciation). As of December 31, 2002, the Company's total liabilities of $295,599 consisted primarily of: (i) $264,613 in accounts payable and accrued liabilities; and (ii) amounts due to related parties of $30,986.

As of December 31, 2002, the Company's stockholders' equity increased to $465,829 from a deficit of ($74,049) at December 31, 2001.

The Company has not generated positive cash flows from operating activities. For fiscal year ended December 31, 2002, net cash flows used in operating activities was ($1,406,739) compared to ($603,754) of net cash flows used in operating activities for fiscal year ended December 31, 2001 (an increase of $802,985). The increase in cash flows used in operating activities during fiscal year ended December 31, 2002 compared to fiscal year ended December 31, 2001 resulted from: (i) a net loss of ($2,284,709) incurred during fiscal year ended December 31, 2002 compared to a net loss of ($671,986) incurred during fiscal year ended December 31, 2001; (ii) an increase in stock-based compensation to $630,275 during fiscal year ended December 31, 2002 compared to $-0- during fiscal year ended December 31, 2001; (iii) an increase in accounts payable to $206,805 during fiscal year ended December 31, 2002 compared to $35,395 during fiscal year ended December 31, 2001; and (iv) an increase in depreciation to $40,890 during fiscal year ended December 31, 2002 compared to $32,837 during fiscal year ended December 31, 2001.

The Company's cash flow from investing activities during fiscal year ended December 31, 2002 was $417,553 compared to ($70,889) used in investing activities during fiscal year ended December 31, 2001. The increase in cash flow from investing activities during fiscal year ended December 31, 2002 compared to fiscal year ended December 31, 2001 resulted primarily from: (i) pre-reverse merger advances from Eduverse.com in the amount of $250,000 compared to $-0- during fiscal year ended December 31, 2001; (ii) cash in the amount of $173,373 acquired pursuant to acquisition of GeneMax Pharmaceuticals compared to $-0- during fiscal year ended December 31, 2001; and (iii) purchase of furniture and equipment in the amount of $5,820 compared to $70,889 during fiscal year ended December 31, 2001.

Net cash flows from financing activities was $1,625,859 during fiscal year ended December 31, 2002 compared to $501,245 in net cash flows from financing activities for fiscal year ended December 31, 2001. The increase in net cash flows from financing activities during fiscal year ended December 31, 2002 compared to fiscal year ended December 31, 2001 resulted primarily from: (i) proceeds on sale and subscription of Common Stock in the amount of $1,570,000 compared to $347,750 during fiscal year ended December 31, 2001; (ii) loans payable in the amount of $68,545 compared to $67,700 in loans payable during fiscal year ended December 31, 2001; and (iii) repayments to related parties in the amount of $12,686 compared to advances from related parties in the amount of $85,795 during fiscal year ended December 31, 2001.

PLAN OF OPERATION

Funding

During the last quarter of fiscal year ended December 31, 2002, the Company terminated an offering of 1,000,000 Units at $2.50 per Unit. Each Unit consists of one share of restricted common stock of the Company (the "Share") and one-half of one non-transferable share purchase warrant (the Warrant"), with each whole Warrant convertible into one share of common stock at $5.00 per whole Warrant. The Company sold 425,400 Units and received $1,063,500 in gross proceeds.

Current management of the Company anticipates an increase in operating expenses over the next three years to pay expenses associated with the successful completion of the balance of pre-clinical development and commencement of Phase I-II clinical trials for the TAP Technology and corporate expenses. Pursuant to these operational requirements, the Company must raise additional funds. The Company may finance these expenses with further issuance of common stock of the Company. The Company believes that anticipated private placements of equity capital and debt financing, if successful, may be adequate to fund the Company's operations over the next twelve months. Thereafter, the Company expects it will need to raise additional capital to meet long-term operating requirements. If the Company raises additional funds through the issuance of equity or convertible debt securities other than to current shareholders, the percentage ownership of its current shareholders would be reduced, and such securities might have rights, preferences or privileges senior to its Common Stock. Additional financing may not be available upon acceptable terms, or at all. If adequate funds are not available or are not available on acceptable terms, the Company may not be able to conduct its proposed business operations successfully or in the time frames contemplated, which could significantly and materially restrict or delay the Company's overall business operations.

Management of the Company estimates that as of the date of this Annual Report, the Company has raised approximately $2,538,500 in funding. Management of the Company believes that an estimated $15,000,000 is required over the next three years for payment of expenses associated with the balance of pre-clinical development and commencement of Phase I-II clinical trials for the TAP Cancer Vaccine. The Company must raise additional capital to execute its business plan according to time schedules provided by management. Furthermore, the Company has not generated sufficient cash flow in the past to fund its operations and activities due primarily to the nature of lengthy product development cycles that are normal to the biotech industry. Historically, the Company has relied upon internally generated funds, funds from the sale of shares of stock and loans from its shareholders and private investors to finance its operations and growth. The Company's future success and viability are dependent on the Company's ability to raise additional capital through further private offerings of its stock or loans from private investors. There can be no assurance, however, that the Company will be able to raise additional capital. The Company's inability to successfully raise additional capital would have a material and adverse affect upon the Company and its shareholders.

Material Commitments

Consulting Services Agreement. A significant and estimated material commitment for the Company for fiscal year 2003 is the amounts due and owing under the consulting services agreement between the Company and ICI dated August 12, 2002 (the "Consulting Services Agreement"). Pursuant to the terms and provisions of the Consulting Services Agreement, ICI will provide to the Company such finance and managerial services as may be determined by the Board of Directors, from time to time, and in its sole and absolute discretion, in order to develop the various business interests of the Company in the drug discovery and development industry, involving the patented drug discovery assay for immunomodulatory compounds and the pipeline aimed at treatment of cancer, infectious diseases, autoimmune disorders and transplant tissue rejection. Pursuant to further terms of the Consulting Services Agreement, the Company shall pay ICI a monthly fee not to exceed $10,000 in accordance with the services performed.

GeneMax Pharmaceuticals Consulting Agreement. A significant and estimated material commitment for the Company for fiscal year 2003 is the amounts due and owing under the consulting services agreement dated February 1, 2000 between GeneMax Pharmaceuticals and 442668 B.C. Ltd. ("442668"), a corporation whose sole officer, director and shareholder is Dr. Wilfred Jefferies, a director of the Company (the "GeneMax Pharmaceuticals Consulting Agreement"). Pursuant to the terms and provisions of the GeneMax Pharmaceuticals Consulting Agreement, Dr. Jefferies agreed to provide technical, research and technology development services to GeneMax Pharmaceuticals for a period of five years. Pursuant to further terms and provisions of the GeneMax Pharmaceuticals Consulting Agreement, 442668 shall be paid a monthly fee of $10,000 Canadian Dollars and reimbursement of expenses.

GeneMax Pharmaceuticals Management Agreement. A significant and estimated material commitment for the Company for fiscal year 2003 is the amounts due and owing under the management services agreement dated August 1, 1999 between GeneMax Pharmaceuticals and Ronald L. Handford, the President/Chief Executive Officer and a director of the Company (the "GeneMax Pharmaceuticals Management Agreement"). Pursuant to the terms and provisions of the GeneMax Pharmaceuticals Management Agreement, Mr. Handford agreed to provide general managerial services to GeneMax Pharmaceuticals for a period of five years. Pursuant to further terms and provisions of the GeneMax Pharmaceuticals Management Agreement, Mr. Handford shall be paid a monthly fee of $11,000 U.S. Dollars and reimbursement of expenses. Effective May 1, 2002, GeneMax Pharmaceuticals and Mr. Handford agreed to reduce the monthly fee to $12,500 Canadian Dollars until the earlier of the Company reaching a senior board listing or commences clinical trials, at which time the fee will be reviewed in accordance with market norms.

GeneMax Pharmaceuticals Services Agreement. A significant and estimated material commitment for the Company for fiscal year 2003 is the amounts due and owing under the services agreement dated May 31, 2002 between GeneMax Pharmaceuticals and Alan Lindsay and Associates Ltd., a corporation whose sole officer, director and shareholder is Alan Lindsay, a director of the Company (the "GeneMax Pharmaceuticals Services Agreement"). Pursuant to the terms and provisions of the GeneMax Pharmaceuticals Services Agreement, Mr. Lindsay agreed to provide general consulting services to GeneMax Pharmaceuticals on a month-to-month basis. Pursuant to further terms and provisions of the GeneMax Pharmaceuticals Services Agreement, Mr. Lindsay shall be paid a monthly fee of $2,500 U.S. Dollars and reimbursement of expenses.

Employment Agreement. A significant and estimated material commitment for the Company for fiscal year 2003 is the amounts due and owing under a month-to-month employment agreement between the Company and James D. Davidson, a director and the Chief Financial Officer of the Company (the "Employment Agreement"). Pursuant to the terms of the Employment Agreement, Mr. Davidson agreed to perform such duties as required as the Chief Financial Officer of the Company and such other duties commensurate with his position as a director on the Board of Directors. Pursuant to further terms and provisions of the Employment Agreement, Mr. Davidson shall be paid a monthly fee of $5,000 and reimbursement of expenses.

OFF-BALANCE SHEET ARRANGEMENTS

As of the date of this Annual Report, the Company does not have any off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on the Company's financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that are material to investors. The term "off-balance sheet arrangement" generally means any transaction, agreement or other contractual arrangement to which an entity unconsolidated with the Company is a party, under which the Company has (i) any obligation arising under a guarantee contract, derivative instrument or variable interest; or (ii) a retained or contingent interest in assets transferred to such entity or similar arrangement that serves as credit, liquidity or market risk support for such assets.

AUDIT COMMITTEE

As of the date of this Annual Report, the Company has not appointed members to an audit committee and, therefore, the respective role of an audit committee has been conducted by the board of directors of the Company. When established, the audit committee's primary function will be to provide advice with respect to the Company's financial matters and to assist the board of directors in fulfilling its oversight responsibilities regarding finance, accounting, tax and legal compliance. The audit committee's primary duties and responsibilities will be to: (i) serve as an independent and objective party to monitor the Company's financial reporting process and internal control system; (ii) review and appraise the audit efforts of the Company's independent accountants; (iii) evaluate the Company's quarterly financial performance as well as its compliance with laws and regulations; (iv) oversee management's establishment and enforcement of financial policies and business practices; and (v) provide an open avenue of communication among the independent accountants, management and the board of directors.

The board of directors has considered whether the regulatory provision of non-audit services is compatible with maintaining the principal independent accountant's independence.

Audit Fees

During the fiscal year ended December 31, 2002, the Company incurred approximately $16,065 in fees to its principal independent accountant for professional services rendered in connection with the audit of the Company's financial statements, and approximately $20,000 for the review of the Company's financial statements for the quarters ended March 31, 2002, June 30, 2002 and September 30, 2002.

Financial Information Systems Design and Implementation Fees

During fiscal year ended December 31, 2002, the Company did not incur any fees for professional services rendered by its principal independent accountant for certain information technology services which may include, but is not limited to, operating or supervising or managing the Company's information or local area network or designing or implementing a hardware or software system that aggregate source data underlying the financial statements.

All Other Fees

During fiscal year ended December 31, 2002, the Company did not incur any other fees for professional services rendered by its principal independent accountant for all other non-audit services which may include, but is not limited to, tax-relates services, actuarial services or valuation services.

ITEM 7. FINANCIAL STATEMENTS

The information required under Item 310(a) of Regulation S-B is included in this report as set forth in the "Index to Consolidated Financial Statement".

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

Auditors' Report dated February 25, 2003
Consolidated Balance Sheets
Consolidated Statements of Operations
Consolidated Statement of Stockholders' Equity
Consolidated Statements of Cash Flows
Notes to Consolidated Financial Statements

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GENEMAX CORP.
(formerly Eduverse.com)
(a development stage company)

CONSOLIDATED FINANCIAL STATEMENTS

DECEMBER 31, 2002 AND 2001

LABONTE & CO.
C H A R T E R E D A C C O U N T A N T S

610 - 938 Howe Street
Vancouver, BC Canada
V6Z 1N9
Telephone (604) 682-2778
Facsimile (604) 689-2778
Email: info@labonteco.com

AUDITORS' REPORT

To the Stockholders and Board of Directors of GeneMax Corp. (formerly eduverse.com)

We have audited the consolidated balance sheets of GeneMax Corp. (formerly eduverse.com) as at December 31, 2002 and 2001 and the consolidated statements of operations, stockholders' equity and cash flows for the years then ended and for the period from July 27, 1999 (inception) to December 31, 2002. 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 audit.

We conducted our audit in accordance with Canadian and United States generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance 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 audit provides a reasonable basis for our opinion.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2002 and 2001 and the results of its operations and its cash flows and the changes in stockholders' equity for the years then ended and for the period from July 27, 1999 (inception) to December 31, 2002 in accordance with United States generally accepted accounting principles.

CHARTERED ACCOUNTANTS

Vancouver, B.C.
February 25, 2003

COMMENTS BY AUDITORS FOR U.S. READERS ON CANADA-UNITED STATES REPORTING DIFFERENCES

In the United States, reporting standards for auditors would require the addition of an explanatory paragraph following the opinion paragraph when the financial statements are affected by conditions and events that cast substantial doubt on the Company's ability to continue as a going concern, such as those described in Note 1. Our report to the stockholders and Board of Directors dated February 25, 2003 is expressed in accordance with Canadian reporting standards which do not permit a reference to such conditions and events in the auditors' report when these are adequately disclosed in the financial statements.

CHARTERED ACCOUNTANTS

Vancouver, B.C.
February 25, 2003

GENEMAX CORP.
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CONSOLIDATED BALANCE SHEETS

	December 31, 2002	December 31, 2001 (Note 1)
ASSETS		
CURRENT ASSETS		
Cash	$ 642,589	$ 11,561
Prepaid expenses	6,000	--
	648,589	11,561
FURNITURE AND EQUIPMENT, (Note 5)		
net of depreciation of $79,138 (2001 - $38,248)	112,839	147,909
	$ 761,428	$ 159,470
LIABILITIES AND STOCKHOLDERS' EQUITY (CAPITAL DEFICIENCY)		
CURRENT LIABILITIES		
Accounts payable and accrued liabilities	$ 264,613	$ 43,524
Loans payable (Note 6)	--	67,700
Due to related parties (Note 7)	30,986	122,295
	295,599	233,519
COMMITMENTS AND CONTINGENCIES (Notes 1, 4 and 7)		
STOCKHOLDERS' EQUITY (CAPITAL DEFICIENCY)		
Capital stock (Note 8)		
Common stock, $0.0001 par value, 25,000,000 shares authorized 15,847,519 shares issued and outstanding (2001 - 1,000,000)	15,847	10,863
Additional paid-in capital	3,621,665	1,607,117
Common stock subscriptions	200,000	--
Common stock purchase warrants	610,700	--
Deficit accumulated during the development stage	(3,972,760)	(1,688,051)
Accumulated other comprehensive income (loss)	(9,623)	(3,978)
	465,829	(74,049)
	$ 761,428	$ 159,470

The accompanying notes are an integral part of these consolidated financial statements

GENEMAX CORP.
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CONSOLIDATED STATEMENTS OF OPERATIONS

	Year Ended December 31 2002	Year Ended December 31 2001	July 27, 1999 (inception) to December 31, 2002
		(Note 1)	(Note 1)
INTEREST INCOME	$ 125	$ 1,139	$ 26,571
Consulting fees	149,036	106,578	304,277
Consulting fees - stock based (Note 8)	630,275	--	630,275
Depreciation	40,890	32,837	79,138
License fees	--	--	79,243
Management fees	168,206	132,000	487,206
Office and general	96,830	55,574	247,426
Professional fees	350,782	47,800	510,503
Research and development	833,589	283,987	1,533,040
Travel	15,226	14,349	78,223
	2,284,834	673,125	3,999,331
NET LOSS FOR THE PERIOD	$ (2,284,709)	$ (671,986)	$ (3,972,760)
BASIC NET LOSS PER SHARE	$ (0.17)	$ (0.06)	
WEIGHTED AVERAGE COMMON SHARES OUTSTANDING	13,289,451	11,431,965	

The accompanying notes are an integral part of these consolidated financial statements

GENEMAX CORP.
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CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY
FOR THE PERIOD FROM JULY 27, 1999 (INCEPTION) TO DECEMBER 31, 2002

	Common Stock		Additional Paid In Capital	Common Stock Subscriptions
	Number of shares	Amount		
Issued on incorporation - July 27, 1999	1	$ --	$ --	$ --
Issued for consulting services - October 1999	2,150,000	2,150	--	--
Issued for cash at $0.001 per share - October 1999	1,850,000	1,850	--	--
Common stock subscriptions	--	--	--	177,100
Net loss for the period	--	--	--	--
Balance, December 31, 1999	4,000,001	4,000	--	177,100
Issued for consulting services - February 2000	3,600,000	3,600	--	--
Issued for license fees - February 2000	500,000	500	--	--
Issued for cash at $0.60 per share - February 2000 - net of finders' fees of $95,570	1,408,828	1,409	748,321	(177,100)
Issued for cash at $0.60 per share - March 2000	644,000	644	385,756	--
Issued for cash at $0.60 per share- May 2000	210,000	210	125,790	--
Issued for finders' fees - May 2000	124,642	125	(125)	--
Net loss for the year	--	--	--	--
Currency translation adjustment	--	--	--	--
Balance, December 31, 2000	10,487,471	10,488	1,259,742	--

Table continues on following page.

GENEMAX CORP.
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CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY
FOR THE PERIOD FROM JULY 27, 1999 (INCEPTION) TO DECEMBER 31, 2002 (Continued)

	Common Stock Purchase Warrants	Deficit Accumulated During Development Stage	Accumulated other Comprehensive Income (loss)	Total
Issued on incorporation - July 27, 1999	$ --	$ --	$ --	$ --
Issued for consulting services - October 1999	--	--	--	2,150
Issued for cash at $0.001 per share - October 1999	--	--	--	1,850
Common stock subscriptions	--	--	--	177,100
Net loss for the period	--	(80,733)	--	(80,733)
Balance, December 31, 1999	--	(80,733)	--	100,367
Issued for consulting services - February 2000	--	--	--	3,600
Issued for license fees - February 2000	--	--	--	500
Issued for cash at $0.60 per share - February 2000 - net of finders' fees of $95,570	--	--	--	572,630
Issued for cash at $0.60 per share - March 2000	--	--	--	386,400
Issued for cash at $0.60 per share- May 2000	--	--	--	126,000
Issued for finders' fees - May 2000	--	--	--	--
Net loss for the year	--	(935,332)	--	(935,332)
Currency translation adjustment	--	--	(1,937)	(1,937)
Balance, December 31, 2000	--	(1,016,065)	(1,937)	252,228

The accompanying notes are an integral part of these consolidated financial statements

GENEMAX CORP.
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CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY
FOR THE PERIOD FROM JULY 27, 1999 (INCEPTION) TO DECEMBER 31, 2002 (Continued)

	Common Stock		Additional Paid In Capital	Common Stock Subscriptions
	Number of shares	Amount		
Issued for cash at $0.75 per share - April to July 2001	110,334	110	82,640	--
Issued for cash at $1.00 per share - June to November 2001	265,000	265	264,735	--
Net loss for the year	--	--	--	--
Currency translation adjustment	--	--	--	--
Balance, December 31, 2001	10,862,805	10,863	1,607,117	--
Issued for cash at $1.00 per share- February to May 2002 - net of finders' fees of $17,000	187,500	187	170,313	--
Issued on settlement of debts at $0.75 per share - May 2002	181,660	182	136,063	--
GPI balance, July 15, 2002 (Note 1)	11,231,965	11,232	1,913,493	--
Eduverse balance, July 15, 2002 (Note 8)	15,320,119	52,075	7,134,217	(85,000)
Reverse acquisition recapitalization adjustment	(11,231,965)	(47,987)	(7,180,193)	--
Balance post reverse acquisition	15,320,119	15,320	1,867,517	(85,000)
Common stock purchase warrants expired	--	--	9,900	--
Eduverse subscription proceeds received	--	--	--	100,000

Table continues on following page.

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CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY
FOR THE PERIOD FROM JULY 27, 1999 (INCEPTION) TO DECEMBER 31, 2002 (Continued)

	Common Stock Purchase Warrants	Accumulated During Development Stage	Deficit Accumulated other Comprehensive Income (loss)	Total
Issued for cash at $0.75 per share - April to July 2001	--	--	--	82,750
Issued for cash at $1.00 per share - June to November 2001	--	--	--	265,000
Net loss for the year	--	(671,986)	--	(671,986)
Currency translation adjustment	--	--	(2,041)	(2,041)
Balance, December 31, 2001	--	(1,688,051)	(3,978)	(74,049)
Issued for cash at $1.00 per share- February to May 2002 - net of finders' fees of $17,000	--	--	--	170,500
Issued on settlement of debts at $0.75 per share - May 2002	--	--	--	136,245
GPI balance, July 15, 2002 (Note 1)	--	(1,688,051)	(3,978)	232,696
Eduverse balance, July 15, 2002 (Note 8)	--	(6,607,580)	--	493,712
Reverse acquisition recapitalization adjustment	620,600	6,607,580	--	--
Balance post reverse acquisition	620,600	(1,688,051)	(3,978)	726,408
Common stock purchase warrants expired	(9,900)	--	--	--
Eduverse subscription proceeds received	--	--	--	100,000

The accompanying notes are an integral part of these consolidated financial statements

GENEMAX CORP.
(formerly Eduverse.com)
(a development stage company)
CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY
FOR THE PERIOD FROM JULY 27, 1999 (INCEPTION) TO DECEMBER 31, 2002 (Continued)

	Common Stock		Additional	Common
	Number of shares	Amount	Paid In Capital	Stock Subscriptions
Issued for cash at $2.50 per share - November 2002	425,400	425	1,063,075	--
Subscription proceeds received - December 2002	--	--	--	185,000
Exercise of stock options at $0.50 per share - December 2002	102,000	102	50,898	--
Stock-based compensation	--	--	630,275	--
Net loss for the year	--	--	--	--
Currency translation adjustment	--	--	--	--
Balance, December 31, 2002	15,847,519	$ 15,847	$ 3,621,665	$ 200,000

Table continues below.

	Common Stock Purchase Warrants	Deficit Accumulated During Development Stage	Accumulated other Comprehensive Income (loss)	Total
Issued for cash at $2.50 per share - November 2002	--	--	--	1,063,500
Subscription proceeds received - December 2002	--	--	--	185,000
Exercise of stock options at $0.50 per share - December 2002	--	--	--	51,000
Stock-based compensation	--	--	--	630,275
Net loss for the year	--	(2,284,709)	--	(2,284,709)
Currency translation adjustment	--	--	(5,645)	(5,645)
Balance, December 31, 2002	$ 610,700	$(3,972,760)	$ (9,623)	$ 465,829

The accompanying notes are an integral part of these consolidated financial statements

GENEMAX CORP.
(formerly Eduverse.com)
(a development stage company)

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Year Ended December 31 2002	Year Ended December 31 2001	July 27, 1999 (inception) to December 31, 2002
		(Note 1)	(Note 1)
CASH FLOWS FROM OPERATING ACTIVITIES			
Net loss for the year	$(2,284,709)	(671,986)	$(3,972,760)
Adjustments to reconcile net loss to net cash from operating activities:			
- depreciation	40,890	32,837	79,138
- non-cash consulting fees	--	--	5,750
- non-cash license fees	--	--	500
- stock-based compensation	630,275		630,275
- accounts payable	206,805	35,395	250,329
NET CASH USED IN OPERATING ACTIVITIES	(1,406,739)	(603,754)	(3,006,768)
CASH FLOWS FROM (USED IN) INVESTING ACTIVITIES			
Purchase of furniture and equipment	(5,820)	(70,889)	(191,977)
Pre reverse acquisition advances from Eduverse (Note 3)	250,000		250,000
Cash acquired on reverse acquisition of Eduverse (Note 3)	173,373		173,373
NET CASH FROM (USED IN) INVESTING ACTIVITIES	417,553	(70,889)	231,396
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds on sale and subscriptions of common stock	1,570,000	347,750	3,181,730
Loans payable	68,545	67,700	136,245
Advances (to) from related parties	(12,686)	85,795	109,609
NET CASH FLOWS FROM FINANCING ACTIVITIES	1,625,859	501,245	3,427,584
EFFECT OF EXCHANGE RATE CHANGES	(5,645)	(2,041)	(9,623)
INCREASE (DECREASE) IN CASH	631,028	(175,439)	642,589
CASH, BEGINNING OF YEAR	11,561	187,000	--
CASH, END OF YEAR	$ 642,589	$ 11,561	$ 642,589

Non-cash activities:

Prior to the reverse merger as described in Note 3, GPI settled loans payable totalling $136,245 through the issuance of 181,660 shares of common stock of GPI at $0.75 per share (Refer to Notes 6 and 8).

Concurrent with the reverse merger as described in Note 3, GMC settled certain research and development, management and consulting fees owing by GPI to related parties totalling $188,154 through the issuance of 188,154 shares of common stock of GMC at $1.00 per share (Refer to Notes 7 and 8).

The accompanying notes are an integral part of these consolidated financial statements

GENEMAX CORP.
(formerly Eduverse.com)
(a development stage company)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2002 AND 2001

NOTE 1 - NATURE OF OPERATIONS AND BASIS OF PRESENTATION

On May 9, 2002, GeneMax Corp. (formerly Eduverse.com) ("GMC", "Eduverse" or "the Company"), a Nevada corporation entered into a letter of intent to acquire 100% of the issued and outstanding common shares of GeneMax Pharmaceuticals Inc. (a development stage company) ("GPI"), in exchange for a total of 11,431,965 restricted shares of common stock of Eduverse. In connection with this transaction, Eduverse changed its name to GeneMax Corp. During July and August Eduverse completed the transaction pursuant to a definitive Share Exchange Agreement and issued 11,231,965 restricted shares of common stock to the GPI stockholders and 200,000 shares of common stock as a finder's fee.

This acquisition has been accounted for as a reverse merger with GPI being treated as the accounting parent and GMC, the legal parent, being treated as the accounting subsidiary. Accordingly, the consolidated results of operations of the Company include those of GPI for all periods shown and those of GMC since the date of the reverse merger. The comparative balance sheet as at December 31, 2002 is that of GPI.

GPI is a private Delaware company incorporated July 27, 1999 which has a wholly-owned subsidiary, GeneMax Pharmaceuticals Canada Inc. ("GPC"), a private British Columbia company incorporated May 12, 2000. GPI is a development stage company which was formed for the purpose of building a biotechnology business specializing in the discovery and development of immunotherapeutics aimed at the treatment and eradication of cancer, and therapies for infectious diseases, autoimmune disorders and transplant tissue rejection.

During 2000 GPI and the University of British Columbia ("UBC") entered into a world-wide license agreement providing GPI the exclusive license rights to certain patented and unpatented technologies originally invented and developed by UBC. Also during 2000 GPI and UBC entered into a Collaborative Research Agreement ("CRA") appointing UBC to carry out further development of the licensed technology and providing GPI the option to acquire the rights to commercialize any additional technologies developed within the CRA in consideration for certain funding commitments (Refer to Note 4).

The consolidated financial statements have been prepared on the basis of a going concern which contemplates the realization of assets and the satisfaction of liabilities in the normal course of business. The Company has incurred significant losses since inception and further losses are anticipated in the development of its products raising substantial doubt as to the Company's ability to continue as a going concern. The ability of the Company to continue as a going concern is dependent on raising additional capital to fund ongoing research and development and ultimately on generating future profitable operations.

Subsequent to December 31, 2002 the Company received proceeds of $440,000 in connection with the exercise of stock options and $30,000 in connection with the Company's ongoing private placement financing (refer to Note 10).

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation
These consolidated financial statements have been presented in United States dollars and prepared in accordance with United States Generally Accepted Accounting Principles ("US GAAP").

Principles of Consolidation
The financial statements include the accounts of the Company and its wholly-owned subsidiaries GPI and GPC as described in Notes 1 and 3. The consolidated financial statements also include the accounts of the Company's inactive wholly-owned subsidiary, M&M Information and Marketing Services Inc. (incorporated in Nevada, USA). All significant intercompany balances and transactions are eliminated on consolidation.

NOTE 2: - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

Use of Estimates and Assumptions
Preparation of the Company's financial statements in conformity with United States generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Furniture and Equipment
Furniture and equipment are stated at cost. Depreciation is computed at the following rates over the estimated useful lives of the assets:

Office furniture and equipment	36 months straight-line
Laboratory equipment	60 months straight-line

Research and development costs
The Company has acquired exclusive development and marketing rights to certain technologies through a License Agreement and a Collaborative Research Agreement with UBC. The rights and license acquired are considered rights to unproven technology which may not have alternate future uses and therefore, have been expensed as incurred as research and development costs. Also, ongoing costs incurred in connection with the Collaborative Research Agreement are considered costs incurred in the development of unproven technology which may not have alternate future uses and therefore, have been expensed as incurred as research and development costs.

Fair Value of Financial Instruments
In accordance with the requirements of SFAS No. 107, the Company has determined the estimated fair value of financial instruments using available market information and appropriate valuation methodologies. The fair value of financial instruments classified as current assets or liabilities including cash, prepaid expense, loans and accounts payable and due to related parties approximate carrying value due to the short-term maturity of the instruments.

Foreign Currency Translation
The financial statements are presented in United States dollars. In accordance with Statement of Financial Accounting Standards No. 52, "Foreign Currency Translation", foreign denominated monetary assets and liabilities are translated to their United States dollar equivalents using foreign exchange rates which prevailed at the balance sheet date. Revenue and expenses are translated at average rates of exchange during the year. Related translation adjustments are reported as a separate component of stockholders' equity, whereas gains or losses resulting from foreign currency transactions are included in results of operations.

Net Loss per Common Share
Basic earnings (loss) per share includes no dilution and is computed by dividing income available to common stockholders by the weighted average number of common shares outstanding for the period. Dilutive earnings (loss) per share reflect the potential dilution of securities that could share in the earnings of the Company. The accompanying presentation is only of basic loss per share as the potentially dilutive factors are anti-dilutive to basic loss per share.

Stock-Based Compensation
In December 2002, the Financial Accounting Standards Board issued Financial Accounting Standard No. 148, "Accounting for Stock-Based Compensation - Transition and Disclosure" ("SFAS No. 148"), an amendment of Financial Accounting Standard No. 123 "Accounting for Stock-Based Compensation" ("SFAS No. 123"). The purpose of SFAS No. 148 is to: (1) provide alternative methods of transition for an entity that voluntarily changes to the fair value based method of accounting for stock-based employee compensation, (2) amend the disclosure provisions to require prominent disclosure about the effects on reported net income of an entity's accounting policy decisions with respect to stock-based employee compensation, and (3) to require disclosure of those effects in interim financial information. The disclosure provisions of SFAS No. 148 were effective for the Company for the year ended December 31, 2002.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (cont'd)

The Company has elected to continue to account for stock options granted to employees and officers using the intrinsic value based method in accordance with the provisions of Accounting Principles Board Opinion No. 25, "Accounting for Stock Issued to Employees", ("APB No. 25") and comply with the disclosure provisions of SFAS No. 123 as amended by SFAS No. 148 as described above. Under APB No. 25, compensation expense is recognized based on the difference, if any, on the date of grant between the estimated fair value of the Company's stock and the amount an employee must pay to acquire the stock. Compensation expense is recognized immediately for past services and pro-rata for future services over the option-vesting period. In addition, with respect to stock options granted to employees, the Company provides pro-forma information as required by SFAS No. 123 showing the results of applying the fair value method using the Black-Scholes option pricing model.

In accordance with SFAS No. 123, the Company applies the fair value method using the Black-Scholes option-pricing model in accounting for options granted to consultants.

The Company accounts for equity instruments issued in exchange for the receipt of goods or services from other than employees in accordance with SFAS No. 123 and the conclusions reached by the Emerging Issues Task Force in Issue No. 96-18. Costs are measured at the estimated fair market value of the consideration received or the estimated fair value of the equity instruments issued, whichever is more reliably measurable. The value of equity instruments issued for consideration other than employee services is determined on the earliest of a performance commitment or completion of performance by the provider of goods or services as defined by EITF 96-18.

The Company has also adopted the provisions of the Financial Accounting Standards Board Interpretation No.44, Accounting for Certain Transactions Involving Stock Compensation - An Interpretation of APB Opinion No. 25 ("FIN 44"), which provides guidance as to certain applications of APB 25. FIN 44 is generally effective July 1, 2000 with the exception of certain events occurring after December 15, 1998.

Income taxes
The Company follows the liability method of accounting for income taxes. Under this method, deferred income tax assets and liabilities are recognized for the estimated tax consequences attributable to differences between the financial statement carrying values and their respective income tax basis (temporary differences). The effect on deferred income tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. At December 31, 2002 a full deferred tax asset valuation allowance has been provided and no deferred tax asset benefit has been recorded.

Comprehensive income (loss)
Comprehensive income (loss) is defined as the change in equity from transactions, events and circumstances, other than those resulting from investments by owners and distributions to owners. Comprehensive income (loss) to date consists only of the net gains and losses resulting from translation of the foreign currency financial statements of the Company's wholly-owned subsidiary, GPC.

Recent accounting pronouncements
In July 2001, the Financial Accounting Standards Board ("FASB") issued Statement of Financial Accounting Standards No. 141 ("SFAS 141"), "Business Combinations", which eliminates the pooling method of accounting for business combinations initiated after June 30, 2001. In addition, SFAS 141 addresses the accounting for intangible assets and goodwill acquired in a business combination. This portion of SFAS 141 is effective for business combinations completed after June 30, 2001. The adoption of SFAS 141 has not had a material impact on the Company's financial position or results of operations.

In July 2001, the FASB issued Statement of Financial Accounting Standards No. 142 ("SFAS 142"), "Goodwill and Intangible Assets", which revises the accounting for purchased goodwill and intangible assets. Under SFAS 142, goodwill and intangible assets with indefinite lives will no longer be amortized and will be tested for impairment annually. SFAS 142 is effective for fiscal years beginning after December 15, 2001, with earlier adoption permitted. The adoption of SFAS has not had a material impact on the Company's financial position or results of operations.

NOTE 3 - EDUVERSE ACQUISITION

Effective May 9, 2002 the Company entered into a letter of intent to acquire 100% of the issued shares in the capital of GPI in exchange for 11,231,965 restricted shares of common stock plus 200,000 restricted shares of common stock for a finder's fee. The Company also agreed to issue an additional 188,154 restricted shares of common stock in settlement of $188,154 of accrued GPI management, consulting and research and development fees. Effective July 15, 2002, pursuant to a definitive Share Exchange Agreement, the Company commenced the closing and acquired 5,880,304 shares of GPI from non-British Columbia shareholders of GPI in exchange for the issuance of 5,880,304 restricted shares of common stock. The Company also issued a take-over bid circular to British Columbia GPI shareholders and acquired a further 4,487,001 shares of GPI in exchange for 4,487,001 restricted shares of common stock effective August 13, 2002. Also during 2002, the Company completed the acquisition by acquiring the remaining 864,660 shares of GPI in exchange for 864,660 restricted shares of common stock. Also, 744,494 outstanding GPI common stock purchase warrants were exchanged on a one for one basis for the Company's common stock purchase warrants with identical terms and conditions and the Company issued 2,135,000 stock options to holders of GPI stock options (refer to Note 8). All GPI stock options and common stock purchase warrants were then cancelled. As a result of this transaction, the former stockholders of GPI owned 75% of the 15,320,119 total issued and outstanding shares of the Company as at July 15, 2002. In connection with this transaction, Eduverse changed its name to GeneMax Corp ("GMC").

This acquisition has been accounted for as a recapitalization using accounting principles applicable to reverse acquisitions with GPI being treated as the accounting parent (acquirer) and GMC being treated as the accounting subsidiary (acquiree). The value assigned to the capital stock of consolidated GMC on acquisition of GPI is equal to the book value of the capital stock of GPI plus the book value of the net assets of GMC as at the date of the acquisition.

The book value of GMC's capital stock subsequent to the reverse acquisition is calculated and allocated as follows:

GPI capital stock	$ 1,924,725
GMC net assets	493,712
	$ 2,418,437
Capital stock	$ 15,320
Additional paid-in capital	620,600
Share purchase warrants	1,867,517
	2,503,437
GMC subscriptions receivable pre reverse acquisition	(100,000)
GMC subscriptions received pre reverse acquisition	15,000
Consolidated Capital accounts post reverse acquisition	$ 2,418,437

These consolidated financial statements include the results of operations of GPI since July 27, 1999 (inception) and the results of operations of GMC since the date of the reverse merger effective July 15, 2002. GMC'S results of operations for the period from January 1, 2002 to June 30, 2002 have been reported in the Company's June 30, 2002 filing on Form 10-QSB. GMC had no material operations for the period from July 1, 2002 to July 14, 2002.

For the period from October 13, 1999 (inception) to July 14, 2002 the weighted average number of common shares outstanding is deemed to be 11,431,965 being the number of shares issued by GMC (including 200,000 common shares issued as finders' fees) to effect the reverse acquisition of GPI.

NOTE 4 - RESEARCH AGREEMENTS

University of British Columbia ("UBC")
Effective September 14, 1999 GPI entered into an Option Agreement ("Option") whereby UBC granted GPI an option to obtain a world-wide license from UBC providing GPI the exclusive license rights to certain patented and unpatented cancer immuno-therapy technologies originally invented and developed by UBC. The Option was for a term of 180 days and was considered exercised upon execution of the License Agreement with UBC as described below. Prior to being eligible to exercise the Option, GPI was to make a reasonable commercial effort to raise equity funding in an amount not less than CAN$1,000,000 to fund ongoing research and issue 500,000 common shares to UBC and an additional 3,600,000 common shares to certain principals involved in the UBC research.

Effective March 6, 2000, having satisfied the conditions of the Option, GPI obtained from UBC, the exclusive license rights as described above for consideration of $78,743. The License will terminate after 15 years or upon the expiration of the last patent obtained relating to the licensed technology. The cost of obtaining any patents will be the responsibility of GPI. The technology remains the property of UBC, however, it may be utilized and improved by GPI. Concurrent with the execution of the license the head researcher at UBC became a director of GPI.

GPI and UBC entered into a Collaborative Research Agreement ("CRA") dated September 1, 2000 appointing UBC to carry out further development of the licensed technology and providing GPI the option to acquire the rights to commercialize any additional technologies developed within the CRA in consideration for certain funding commitments totalling CAN$498,980 to be paid in four equal instalments of CAN$124,725 due upon execution of the CRA, September 30, 2000, January 1, 2001 and March 31, 2001 of which $374,215 was paid. Through a series of amendments between November 28, 2000 and September 9, 2002, the funding commitment was increased to a total of CAN$ 2,973,049 of which CAN$991,515 was to be paid for the year ended December 31, 2002, CAN$1,135,801 to be paid in 2003 and CAN$471,518 to be paid in 2004. As at December 31, 2002 CAN$115,303 is payable in connection with the CRA. In addition, as required by the CRA, GPI has purchased certain laboratory equipment in connection with the ongoing research.

Canadian Network for Vaccines and Immunotherapeutics of Cancer and Chronic Viral Diseases ("CANVAC")
Effective January 1, 2001 GPI and UBC entered into a one year Network Affiliate Agreement with CANVAC (the "CANVAC Agreement") whereby CANVAC would provide a grant to GPI and UBC to further fund the research activities in connection with the CRA. Under the terms of the CANVAC Agreement, CANVAC would provide a CAN$85,000 research grant to UBC upon GPI contributing CAN$117,300 towards the UBC research. The amounts paid by GPI do not qualify as amounts paid under the CRA funding schedule outlined above. During 2001, all amounts required under the CANVAC agreement were paid to UBC by GPI. GPI and CANVAC are currently negotiating a new Network Affiliate Agreement in order to continue funding the research activities in connection with the CRA.

NOTE 5 - FURNITURE AND EQUIPMENT

	December 31, 2002	December 31, 2001
Office furniture and equipment	$ 32,033	$ 26,213
Laboratory equipment	159,944	159,944
	191,977	186,157
Less: accumulated depreciation	(79,138)	(38,248)
	$ 112,839	$ 147,909

NOTE 6 - LOANS PAYABLE

GPI has received loans to satisfy working capital requirements from certain directors and a relative of a director of GPI. Of the amount outstanding at December 31, 2001, $10,000 was payable on demand and bore interest at 5% per annum. The remaining loans payable were unsecured, non-interest bearing and had no specific terms of repayments. During 2002, GPI received additional loans of $68,545 and the total balance outstanding of $136,245 was settled through the issuance of 181,660 shares of common stock of GPI at $0.75 per share (refer to note 8).

NOTE 7 -RELATED PARTY TRANSACTIONS

During 1999 and 2000 GPI entered into consulting, management and research and development agreements with certain directors and private companies controlled by directors of the Company. These agreements have terms ranging from month to month to five years. In addition, in connection with the reverse merger, the Company entered into a management services agreement with Investor Communications, Inc. ("ICI"), a significant shareholder, whereby ICI will provide various corporate services on a month-by-month basis for a fee of $10,000 per month plus expenses. The following amounts have been incurred to these related parties:

	For the years ended December 31, 2002	December 31, 2001
Consulting fees	$ 80,500	$ 84,000
Management fees	165,206	132,000
Research and development	137,263	148,400
	$382,969	$364,400

The Company has total commitments relating to the above agreements for the years ended December 31, 2003 through 2005 of $172,000, $132,200 and $6,400 respectively.

A director of the Company has been contracted by ICI and is part of the management team provided to the Company and was paid $17,325 during the year ended December 31, 2002.

During the year ended December 31, 2002 GPI and the Company incurred $382,969 in fees and $27,839 in expense reimbursements to these related parties, made net repayments of $423,494, settled debts of $188,154 as described in notes 3 and 8 and acquired $109,531 owing to related parties in connection with the reverse acquisition leaving $30,986 owing as at December 31, 2002 (2001 - $122,295). Amounts due to related parties are unsecured, non-interest bearing and have no specific terms of repayment.

Refer to Notes 3, 4 and 8.

NOTE 8 - CAPITAL STOCK

The authorized capital of the Company consists of 50,000,000 voting common shares with $0.001 par value and 5,000,000 non-voting preferred shares with $.001 par value.

GMC capital stock transactions during the year ended December 31, 2002:
During the year the company issued 11,231,965 shares of common stock on reverse acquisition of GPI, issued 200,000 shares of common stock shares as a finders' fee in connection with the acquisition, issued 188,154 shares of common stock on settlement of debts of GPI at $1.00 per share, assumed 744,494 GPI share purchase warrants and granted 2,135,000 stock options to former stock option holders of GPI. (Refer to Note 3).

NOTE 8 - CAPITAL STOCK (cont'd)

During the year the Company completed a private placement of 2,000,000 restricted shares of common stock at $0.125 per share for proceeds of $250,000.

During the year the Company completed a private placement of 700,000 restricted shares of common stock at $1.00 per share for proceeds of $700,000 of which $600,000 were received prior to the reverse acquisition and $100,000 were received subsequent to the reverse acquisition.

Subsequent to the reverse acquisition, the Company completed a private placement of 425,400 units at $2.50 per unit for total proceeds of $1,063,500. Each unit consists of one common share and one half share purchase warrant. Each whole share purchase warrant entitles the holder to purchase an additional common share of the Company at a price of $5.00 per share for a period of two years.

Also during the year the Company commenced a private placement of up to 1,000,000 units and received proceeds of $185,000 towards the purchase of 37,000 units at $5.00 per unit. Each unit consists of one common share and one half share purchase warrant. Each whole share purchase warrant will entitle the holder to purchase an additional common share of the Company at a price of $7.50 per share for a period of one year. Subsequent to December 31, 2002 the Company received additional proceeds of $30,000 towards the purchase of a further 6,000 units of this private placement.

Eduverse's changes in capital stock prior to and in connection with the reverse acquisition were as follows:

	Common Stock		Additional	Subscriptions received		
	Number	Amount	Paid-in Capital	(receivable)	Deficit	Total
Balance December 31, 2001, As previously reported by Eduverse	1,000,000	$ 37,755	$ 2,994,633	$ 15,000	$(3,220,414)	$ (173,026)
Issued for cash at $0.125 per share	2,000,000	2,000	248,000	--	--	250,000
Issued for cash at $1.00 per share	700,000	700	699,300	(100,000)	--	600,000
Stock-based compensation	--	--	930,000	--	--	930,000
Issued on settlement of GPI debts	188,154	188	187,966	--	--	188,154
Eduverse net loss for the period from January 1, 2002 to July 15, 2002	--	--	--	--	(1,301,416)	(1,301,416)
Issued as a finder's fee	200,000	200	199,800	--	(200,000)	--
Fair value of stock options granted concurrent with reverse acquisition	--	--	1,885,750	--	(1,885,750)	--
Issued to effect reverse acquisition	11,231,965	11,232	(11,232)	--	--	--
Eduverse balance, July 15, 2002	15,320,119	$ 52,075	$ 7,134,217	$ (85,000)	$(6,607,580)	$ 493,712

GPI capital stock transactions during the year ended December 31, 2002:
Between February 13, 2002 and May 7, 2002 GPI completed private placements of 187,500 units at $1.00 per unit for total proceeds of $170,500, net of finder's fees of $17,000. Each unit consists of one common share of the Company and one share purchase warrant entitling the holder to purchase one additional common share of the Company at a price of $1.00 per share with 12,500 of the warrants expiring December 1, 2005 and 175,000 of the warrants expiring May 1, 2006.

NOTE 8 - CAPITAL STOCK (cont'd)

Effective May 22, 2002 GPI settled loans payable totalling $136,245 through the issuance of 181,660 units at a price of $0.75 per unit. Each unit consists of one common share of the Company and one share purchase warrant entitling the holder to purchase one additional common share of the Company at a price of $0.75 per share to May 1, 2006.

Stock Options

The Company accounts for stock-based employee compensation arrangements in accordance with the provisions of APB No. 25 and complies with the disclosure provisions of SFAS No. 123 and SFAS No. 148. In accordance with SFAS No. 123 the Company applies the fair value method using the Black-Scholes option-pricing model in connection with accounting for options granted to consultants and the disclosure provision relating to options granted to employees

2002 Stock Option Plan

On May 15, 2002 the Board of Directors of Eduverse unanimously approved and adopted a 2002 stock option plan which was approved by shareholders on July 15, 2002 (the "2002 Stock Option Plan"). Pursuant to the provisions of the 2002 Stock Option Plan, stock options may be granted only to key personnel of the Company; generally defined as a person designated by the Board of Directors upon whose judgement, initiative and efforts the Company may rely including any Director, Officer, employee or consultant of the Company or its subsidiaries. At the time a Stock Option is granted under the 2002 Stock Option Plan, the Board of Directors shall fix and determine the exercise price at which shares of common stock of the Company may be acquired; provided, however, that any such exercise price shall not be less than that permitted under the rules and policies of any stock exchange or over-the-counter market which may be applicable to the Company at that time.

The 2002 Stock Option Plan further provides that the Board of Directors may grant to any key personnel of the Company who is eligible to receive options, one or more Incentive Stock Options at a price not less than fair market value and for a period not to exceed 10 years from the date of grant.

The 2002 Plan incorporates the previous grant of an option to ICI and or its consultants or employees on April 5, 2002 for 1,000,000 common shares exercisable at $0.50 per share for a period of two years. The fair value of this non-employee stock option at the date of grant of $930,000 was estimated using the Black-Scholes option pricing model with an expected life of two years, a risk-free interest rate of 4% and an expected volatility of 226%.

Stock Option Plan

On September 30, 2002 the Board of Directors of the Company approved the adoption of a new stock option plan (the "Plan") allowing for the granting of up to 3,500,000 options to directors, officers, employees and consultants of the Company and its subsidiaries. Options granted under the Plan shall be at prices and for terms as determined by the Board of Directors with terms not to exceed 10 years. The Plan further provides that the Board of Directors may grant to any key personnel of the Company who is eligible to receive options, one or more Incentive Stock Options at a price not less than fair market value and for a period not to exceed 10 years from the date of grant. Options and Incentive Stock Options granted under the Plan may have vesting requirements as determined by the Board of Directors.

The Plan incorporates the previous grant of 1,000,000 options to ICI and or its designates or employees. During the year 102,000 of these options were exercised at $0.50 per share for proceeds of $51,000 and subsequent to December 31, 2002 a further 830,000 of these options were exercised at $0.50 per share for further proceeds of $415,000.

In connection with the reverse acquisition as described in Note 3, the Company granted 1,740,000 options and 245,000 incentive stock options at $1.00 per share to previous holders of stock options of GPI to replace options previously granted by GPI at $0.60 per share. In accordance with accounting principles applicable to accounting for business combinations, the fair value of the stock options granted in connection with a business combination is included in the determination of the purchase price. The fair value of these options at the date of grant of $1,885,750 was estimated using the Black-Scholes option pricing model with an expected life of three years, a risk-free interest rate of 4% and an expected volatility of 226%

NOTE 8 - CAPITAL STOCK (cont'd)

In addition, also in connection with the reverse acquisition as described in Note 3, the Company granted 150,000 incentive stock options to previous holders of stock options of GPI with terms and conditions consistent with their original GPI stock options subject to straight line vesting for a period of 36 months commencing October 1, 2002. The fair value of these incentive stock options will be recorded as compensation expense over the vesting period. The fair value of these options at the date of grant of $142,500 was estimated using the Black-Scholes option pricing model with an expected life of three years, a risk-free interest rate of 4% and an expected volatility of 226%. As at December 31, 2002 $11,875 has been recorded as consulting fees in connection with these options.

Subsequent to the reverse acquisition the Company granted a further 135,000 incentive stock options at prices ranging from $5.50 per share to $8.50 per share subject to immediate vesting. The fair value of these options at the date of grant of $618,400 was estimated using the Black-Scholes option pricing model with an expected life of three years, a risk-free interest rate of 4% and an expected volatility of 229%. As at December 31, 2002 the $618,400 was recorded as consulting fees in connection with these options.

The Company's stock option activity is as follows:

	Number of options	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life
Balance, December 31, 2000 and 2001, as previously reported by Eduverse	-	$ -	-
Granted prior to reverse acquisition	1,000,000	0.50	
Granted in connection with reverse acquisition	2,135,000	1.00	
Granted subsequent to reverse acquisition	135,000	7.94	
Exercised during the year	(102,000)	0.50	
Balance, December 31, 2002	3,168,000	$ 1.15	2.33 years

Share Purchase Warrants

In connection with the reverse acquisition of GPI, the Company assumed 744,494 share purchase warrants previously outstanding in GPI. In accordance with accounting principles applicable to accounting for business combinations, the fair value of the share purchase warrants assumed in connection with a business combination is included in the determination of the purchase price. The fair value of these share purchase warrants as at the date of the reverse acquisition of $620,600 was estimated using the Black-Scholes option pricing model with an expected life of 2.95 years, a risk-free interest rate of 4% and an expected volatility of 236%.

The Company's share purchase warrant activity is as follows:

	Number of warrants	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life
Balance, December 31, 2000 and 2001, as previously reported by Eduverse	-	$ -	-
GPI warrants assumed	744,494	1.16	
Issued during the year	212,700	5.00	
Exercised during the year	-	-	
Expired during the year	(110,334)	2.50	
Balance, December 31, 2002	846,860	$ 1.95	2.71 years

NOTE 9 - INCOME TAXES

There were no temporary differences between GPI's tax and financial bases that result in deferred tax assets, except for the Company's net operating loss carryforwards amounting to approximately $3,340,000 at December 31, 2002 (2001 - $1,688,000; 2000 - $1,016,000; 1999 - $81,000) which may be available to reduce future year's taxable income. These carryforwards will expire, if not utilized, commencing in 2008. Management believes that the realization of the benefits from these deferred tax assets appears uncertain due to the Company's limited

operating history and continuing losses. Accordingly a full, deferred tax asset valuation allowance has been provided and no deferred tax asset benefit has been recorded.

NOTE 10 - SUBSEQUENT EVENTS

Subsequent to December 31, 2002 the Company received proceeds of $440,000 upon the exercise of 830,000 options at $0.50 and 25,000 options at $1.00.

Subsequent to December 31, 2002 the Company received additional proceeds of $30,000 towards the purchase of a further 6,000 units of its ongoing private placement.

ITEM 8. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS OF ACCOUNTING AND FINANCIAL DISCLOSURE

The Company's principal independent accountant from November 9, 2000 to the current date is LaBonte & Co., 610 - 938 Howe Street, Vancouver, British Columbia, Canada V6Z 1N9.

PART III

ITEM 9. DIRECTORS, EXECUTIVE OFFICERS, PROMOTERS AND CONTROL PERSONS; COMPLIANCE WITH SECTION 16(a) OF THE EXCHANGE ACT

IDENTIFICATION OF DIRECTORS AND EXECUTIVE OFFICERS

As of the date of this Annual Report, the directors and executive officers of the Company are as follows:

Name	Age	Position with the Company
Ronald L. Handford	50	Director and President/ Chief Executive Officer
Dr. Wilfred Jefferies	45	Director/Chairman of the Board and Chief Scientific Officer
James D. Davidson	55	Director and Chief Financial Officer/Secretary
Alan P. Lindsay	52	Director
Grant Atkins	42	Director
Dr. Karl E. Hellstrom	68	Director

Biographies of Directors and Officers

RONALD L. HANDFORD, B.A.Sc., M.B.A. is the President/Chief Executive Officer and a director of the Company and of GeneMax Pharmaceuticals, Inc. Mr. Handford has over 29 years of international experience in business, finance and leading public and private companies. He has conducted due diligence review of the GeneMax technology acquisition, negotiated the key license as well as operating and management contracts, prepared the business plan, and arranged the private seed capital with the assistance of the other members of the business team. Mr. Handford is an engineering graduate from the University of British Columbia with an MBA from the University of Western Ontario. From 1993-1996, he was investment officer at the International Finance Corporation, the private sector arm of the World Bank, in Washington D.C. Before that he was a vice president with Barclays Bank in Toronto, responsible for their structured finance activities in Canada. He is experienced in capital raising, as well as in building and administering public and private companies.

DR. WILDRED JEFFERIES, D.Phil. (Oxon) is the Chief Scientist Officer, a director and the chairman of the board of directors of the Company and of GeneMax Pharmaceuticals, Inc. Dr. Jefferies is a Professor of Medical Genetics, Microbiology and Immunology, and a member of the Biomedical Research Centre and the Biotechnology Laboratory at the University of British Columbia (http//www.brc.ubc.ca/facult/wilf/wilf.htm). He is the lead researcher on the

scientific discoveries that form the bases of GeneMax Pharmaceuticals, Inc. Dr. Jefferies received his D.Phil. from Oxford and was a post-doctoral research fellow at the Karolinska Institute in Sweden and the Swiss Cancer Institute in Lausanne. His current research foci at UBC are iron transport/metabolism and antigen processing. Dr. Jefferies was the founder of Synapse Technologies Inc., which was acquired in 2002 by BioMarin Pharmaceutical. He oversees and directs the scientific development of the Company.

JAMES D. DAVIDSON, B.A., M.A., M. Litt. (Oxon), is the Chief Financial Officer/Secretary and a director of the Company and of GeneMax Pharmaceuticals, Inc. Mr. Davidson is a private investor and analyst. He founded Agora, Inc., a worldwide publishing group with offices in Baltimore, London, Dublin, Paris, Johannesburg, Melbourne and other cities, and The Hulbert Financial Digest and Strategic Investment. In conjunction with Lord Rees-Mogg, co-editor of Strategic Investment and former editor of the Times of London, Mr. Davidson co-authored a series of books on financial markets. Mr. Davidson is also a current or recent director of a number of companies, many of which he co-founded. They include in addition to GeneMax, MIV Therapeutics, BEVsystems, New Paradigm Capital (Bermuda), Anatolia Minerals Development Corporation, and Wharekauhau Holdings (New Zealand). In addition, Mr. Davidson is a director of Plasmar, S.A. (La Paz, Bolivia), Martinborough Winery Ltd. (New Zealand) and New World Premium Brands Ltd. (New Zealand). He is the editor of Vantage Point Investment Advisory, a private financial newsletter with a worldwide circulation.

DR. KARL E. HELLSTROM is a director of the Company and of GeneMax Pharmaceuticals, Inc. Dr. Karl Hellstrom received his M.D. and Ph.D. degrees from the Karolinska Institute in Stockholm, Sweden, initially working in the area of tumor biology with an emphasis on immunogenetics. Subsequently, Dr. Hellstrom became a professor in pathology and an adjunct professor in microbiology/immunology at the University of Washington Medical School. During 1975, Dr. Hellstrom moved to the newly established Fred Hutchinson Cancer Research Center in Seattle, Washington, as a director of its Tumor Immunology Program. In 1983, he joined the biotechnology company Oncogen which, in 1990, was integrated into the Pharmaceutical Research Institute of Brisol-Myers Squibb Company. Dr. Hellstrom then became vice president of Oncology Discovery and, since 1995, of Immunotherapeutics. During 1997, Dr. Hellstrom moved from Bristol-Myers Squibb to Pacific Northwest Research Institute, where he is currently leading a group in Tumor Immunology as a principal investigator. Dr. Hellstrom also currently retains an affiliate professorship at the University of Washington Medical School. He has been a past member of two NIH Study Sections (Immunobiology and Experimental Immunology), and a member of the Scientific Advisory Board of Memorial Sloan Kettering Institute for Cancer Research as well as of the Scientific Advisory Board of Hybritech Inc. Dr. Hellstrom has received many awards, including the Parke-Davis award in experimental pathology, Alpha Omega Alpha, the Lucy Wortham James award of the Ewing Society, the Pap Award for outstanding contribution to cancer research, the Humboldt Award to a senior U.S. scientist, and the yearly American Cancer Society National Award. He has also been honored as Knight of the Northern Star, First Class, Swedish Order of Merit.

ALAN P. LINDSAY is a director of the Company and of GeneMax Pharmaceuticals, Inc. Mr. Lindsay has an extensive backgrounds in business management, marketing and finance. He is currently chairman and chief executive officer of MIV Therapeutics, Inc., an OTCBB medical devices company developing a laser-cut stent with drug delivery capability. In addition, Mr. Lindsay headed up and built a significant business and marketing organization for a major international financial institution in Vancouver, British Columbia. Mr. Lindsay has raised over $100 million of equity financing for private and public companies over the last five years. Mr. Lindsay is a graduate of the M.L.I. management development program.

GRANT ATKINS, B.Comm. Mr. Atkins was formerly president, and secretary of the Company through restructuring phases and has served as a director since March 1, 2001. For the past ten years, Mr. Atkins has provided services as a financial and project coordination consultant to clients in government and private industry. He has extensive multi-industry experience in the fields of finance, administration and business development. Mr. Atkins has a Commerce degree from the University of British Columbia specializing in Finance. He has many years experience in both director and officer designations of public companies. Mr. Atkins forms part of the management team that provides a wide range of services to the Company through Investor Communications International, Inc.

Involvement in Certain Legal Proceedings

As of the date of this Annual Report, no director or executive officer of the Company is or has been involved in any legal proceeding concerning (i) any bankruptcy petition filed by or against any business of which such person was a general partner or executive officer either at the time of the bankruptcy or within two years prior to that time; (ii) any conviction in a criminal proceeding or being subject to a pending criminal proceeding (excluding traffic violations and other minor offenses) within the past five years; (iii) being subject to any order, judgment or decree permanently or temporarily enjoining, barring, suspending or otherwise limiting involvement in any type of business, securities or banking activity; or (iv) being found by a court, the Securities and Exchange Commission or the Commodity Futures Trading Commission to have violated a federal or state securities or commodities law (and the judgment has not been reversed, suspended or vacated).

AUDIT COMMITTEE FINANCIAL EXPERT

As of the date of this Annual Report, the Board of Directors of the Company has determined that the Company does not have an audit committee financial expert nor does the Company have an audit committee.

COMPLIANCE WITH SECTION 16(a) OF THE EXCHANGE ACT

Section 16(a) of the Exchange Act requires the Company's directors and officers, and the persons who beneficially own more than ten percent of the common stock of the Company, to file reports of ownership and changes in ownership with the Securities and Exchange Commission. Copies of all filed reports are required to be furnished to the Company pursuant to Rule 16a-3 promulgated under the Exchange Act. Based solely on the reports received by the Company and on the representations of the reporting persons, the Company believes that these persons have complied with all applicable filing requirements during the fiscal year ended December 31, 2002.

ITEM 10. EXECUTIVE COMPENSATION

COMPENSATION OF OFFICERS AND DIRECTORS

As of the date of this Annual Report, none of the directors or executive officers of the Company are compensated for their roles as directors or executive officers. However, as of the date of this Annual Report, Messrs. Handford, Atkins, Lindsay, Davidson, and Dr. Jefferies derive remuneration from the Company as compensation for consulting and/or managerial services rendered. See "Summary Compensation Table". Officers and directors of the Company are also reimbursed for any out-of-pocket expenses incurred by them on behalf of the Company. Any executive compensation is subject to change concurrent with Company requirements. The Company presently has no pension, health, annuity, insurance, profit sharing or similar benefit plans.

Consulting Services Agreement

Effective May 9, 2002 and fully executed July 15, 2002, the Company and ICI entered into a consulting services agreement (the "Consulting Services Agreement"). Pursuant to the terms and provisions of the Consulting Services Agreement, ICI provides to the Company such finance and managerial services as may be determined by the Board of Directors, from time to time, and in its sole and absolute discretion, in order to develop the various business interests of the Company in the drug discovery and development industry, involving the patented drug discovery assay for immunomodulatory compounds and the pipeline aimed at treatment of cancer, infectious diseases, autoimmune disorders and transplant tissue rejection.

Mr. Grant Atkins, a director of the Company, is employed by ICI and part of the management team provided by ICI to the Company, and derives remuneration from ICI for such services rendered to the Company. During fiscal year ended December 31, 2002, Mr. Atkins was paid approximately $17,325 for services rendered to the Company.

GeneMax Pharmaceuticals Consulting Agreement

On February 1, 2000, GeneMax Pharmaceuticals and 442668 B.C. Ltd. ("442668"), a corporation whose president and member of the board of directors is Dr. Wilfred Jefferies, a director of the Company entered into a consulting services agreement (the "GeneMax Pharmaceuticals Consulting Agreement") for a period of five years. Pursuant to the terms and provisions of the GeneMax Pharmaceuticals Consulting Agreement, Dr. Jefferies agreed to provide technical, research and technology development services to GeneMax Pharmaceuticals for a period of five years. Pursuant to further terms and provisions of the GeneMax Pharmaceuticals Consulting Agreement, 442668 shall be paid a monthly fee of $10,000 Canadian Dollars and reimbursement of expenses.

As of the date of this Annual Report, 442668 invoices the Company $10,000 per month (plus expenses). During the year ended December 31, 2002, an aggregate of $81,410 in fees was incurred to 442668. Based upon $6,725, which was due and owing at December 31, 2001, this resulted in an aggregate amount of $88,135 due and owing 442668. During fiscal year ended December 31, 2002, the Company paid 442668 $67,670 and settled the remaining balance of $20,465 through the issuance to 442668 of 20,465 shares of restricted common stock at $1.00 per share. As of December 31, 2002, there was no amount that remained due and owing. During the year ended December 31, 2002, Dr. Jefferies received approximately $67,670 through 442668 See "Part III. Item 12. Certain Relationships and Related Transactions".

GeneMax Pharmaceuticals Management Agreement

On August 1, 1999, GeneMax Pharmaceuticals and Ronald L. Handford, the President/Chief Executive Officer and a director of the Company, entered into a management services agreement (the "GeneMax Pharmaceuticals Management Agreement"). Pursuant to the terms and provisions of the GeneMax Pharmaceuticals Management Agreement, Mr. Handford agreed to provide general managerial services to GeneMax Pharmaceuticals for a period of five years. Pursuant to further terms and provisions of the GeneMax Pharmaceuticals Management Agreement, Mr. Handford shall be paid a monthly fee of $11,000 U.S. Dollars and reimbursement of expenses. Effective May 1, 2002, GeneMax Pharmaceuticals and Mr. Handford agreed to reduce the monthly fee to $12,500 Canadian Dollars until the earlier of the Company reaching a senior board listing or commences clinical trials, at which time the fee will be reviewed in accordance with market norms.

As of the date of this Annual Report, Mr. Handford invoices the Company $12,500 Canadian Dollars per month (plus expenses). During the year ended December 31, 2002, an aggregate of $105,206 in fees was incurred to Handford Management. Based upon $80,500, which was due and owing to Mr. Handford at December 31, 2001, this resulted in an aggregate amount of $185,706 due and owing Mr. Handford. During fiscal year ended December 31, 2002, the Company paid Mr. Handford $69,374 and settled an amount of $100,000 through the issuance to Mr. Handford of 100,000 shares of restricted common stock at $1.00 per share. As of December 31, 2002, an aggregate amount of $16,332 remains due and owing to Mr. Handford. During the year ended December 31, 2002, Mr. Handford received approximately $69,374. See "Part III. Item 12. Certain Relationships and Related Transactions".

GeneMax Pharmaceuticals Services Agreement

On May 31, 2002, GeneMax Pharmaceuticals and Alan Lindsay and Associates Ltd. ("AL&A"), a corporation whose sole officer, director and shareholder is Alan Lindsay, a director of the Company entered into a services agreement (the "GeneMax Pharmaceuticals Services Agreement"). Pursuant to the terms and provisions of the GeneMax Pharmaceuticals Services Agreement, Mr. Lindsay agreed to provide general consulting services to GeneMax Pharmaceuticals on a month-to-month basis. Pursuant to further terms and provisions of the GeneMax Pharmaceuticals Services Agreement, AL&A shall be paid a monthly fee of $2,500 U.S. Dollars and reimbursement of expenses.

As of the date of this Annual Report, Mr. Lindsay invoices the Company through AL&A $2,500 U.S. Dollars per month (plus expenses). During the year ended December 31, 2002, an aggregate of $42,500 in fees was incurred to AL&A. Based upon $17,500, which was due and owing to AL&A at December 31, 2001, this resulted in an aggregate amount of $60,000 due and owing AL&A. During fiscal year ended December 31, 2002, the Company paid AL&A $20,000 and settled an amount of $27,500 through the issuance to AL&A of 27,500 shares of restricted Common Stock at $1.00 per share. As of December 31, 2002, an aggregate amount of $12,500 remains due and owing to AL&A by the Company. During fiscal year ended December 31, 2002, Mr. Lindsay received $20,000 through AL&A as compensation for services rendered to the Company. See "Part III. Item 12. Certain Relationships and Related Transactions."

Davidson Agreement

GeneMax Pharmaceuticals and James D. Davidson, a director and the Chief Financial Officer of the Company, entered into a verbal month-to-month agreement (the "Davidson Agreement"). Pursuant to the terms of the Davidson Agreement, Mr. Davidson agreed to perform such duties and services as required commensurate with his position as the Chief Financial Officer of the Company and such other duties commensurate with his position as a director on the Board of Directors. Pursuant to further terms of the Davidson Agreement, Mr. Davidson shall be paid a monthly fee of $2,000 and reimbursement of expenses. Effective July 15, 2002, GeneMax Pharmaceuticals agreed to increase the monthly fee to $5,000 upon commencement of Mr. Davidson's duties associated with his position as Chief Financial Officer and a director of the Company after the acquisition of GeneMax Pharmaceuticals.

As of the date of this Annual Report, Mr. Davidson invoices the Company $5,000 per month (plus expenses). During fiscal year ended December 31, 2002, an aggregate of $40,500 in fees was incurred to Mr. Davidson. Based upon $5,000, which was due and owing to Mr. Davidson at December 31, 2001, this resulted in an aggregate amount of $45,500 due and owing. During fiscal year ended December 31, 2002, the Company paid Mr. Davidson $32,500 and settled the remaining balance of $13,000 through the issuance of 13,000 shares of restricted common stock at $1.00 per share. As of December 31, 2002, there is no amount that remains due and owing to Mr. Davidson by the Company. See "Part III. Item 12. Certain Relationships and Related Transactions."

The Summary Compensation Table below reflects those amounts received as compensation by the executive officers and directors of the Company during fiscal year ended December 31, 2002 from the Company subsequent to consummation of the Share Exchange Agreement and from or GeneMax Pharmaceuticals prior to consummation of the Share Exchange Agreement.

Summary Compensation Table

		Annual Compensation			Awards		Payouts	
		$	$	$	$	#	$	
Name and Position	Year	Salary	Bonus	Other	RSA	Options	LTIP	Other
Ronald L. Handford Pres./CEO and Director	2002	$ 0	0	69,374 (1)	0	350,000	0	0
Dr. W. Jefferies Chief Scientific Officer and Chair of the Board	2002	$ 0	0	67,670 (2)	0	500,000	0	0
James D. Davidson CFO/Secretary and Director	2002	$ 0	0	32,500 (3)	0	150,000	0	0
Alan P. Lindsay Director	2002	$ 0	0	$20,000 (4)	0	150,000	0	0
Grant Atkins	2000	$ 0	0	0 (5)	0	0	0	0
Director	2001	0	0	0	0	0	0	0
	2002	0	0	$17,325	0	0	0	0
Dr. Karl Hellstrom Director	2002	$ 0	0	0	0	100,000	0	0

(1) During fiscal year ended December 31, 2002, an aggregate of $105,206 in fees was incurred to Ronald Handford. The fees incurred were for services rendered by Mr. Handford to the Company under the GeneMax Pharmaceuticals Management Agreement. Based upon $80,500, which was due and owing to Mr. Handford at December 31, 2001, this resulted in an aggregate amount of $185,706 due and owing. During fiscal year ended December 31, 2002, the Company paid Mr. Handford $69,374 and settled an amount of $100,000 through the issuance of 100,000 shares of restricted Common Stock at $1.00 per share. As of December 31, 2002, an aggregate amount of $16,332 remains due and owing to Mr. Handford by the Company. During fiscal year ended December 31, 2002, Mr. Handford received $69,374 as compensation for services rendered to the Company.

(2) During fiscal year ended December 31, 2002, an aggregate of $81,410 in fees was incurred to 442668, a corporation whose president and member of the board of directors is Dr. Wilfred Jefferies, a director and the Chief Scientific Officer of the Company. The fees incurred were for services rendered by Dr. Jefferies to the Company under the GeneMax Pharmaceuticals Consulting Agreement. Based upon $6,725, which was due and owing to 442668 at December 31, 2001, this resulted in an aggregate amount of $88,135 due and owing 442668. During fiscal year ended December 31, 2002, the Company paid 442668 $67,670 and settled the remaining balance of $20,465 through the issuance of 20,465 shares of restricted Common Stock at $1.00 per share. As of December 31, 2002, there was no amount that remained due and owing. During fiscal year ended December 31, 2002, Dr. Jefferies received $67,670 through 442668 as compensation for services rendered to the Company.

(3) During fiscal year ended December 31, 2002, an aggregate of $40,500 in fees was incurred to James D. Davidson, a director and the Chief Financial Officer of the Company. The fees incurred were for services rendered by Mr. Davidson to the Company under the Davidson Agreement. Based upon $5,000, which was due and owing to Mr. Davidson at December 31, 2001, this resulted in an aggregate amount of $45,500 due and owing to Mr. Davidson. During fiscal year ended December 31, 2002, the Company paid Mr. Davidson $32,500 and settled the remaining balance of $13,000 through the issuance of 13,000 shares of restricted Common Stock at $1.00 per share. As of December 31, 2002, there is no amount that remains due and owing to Mr. Davidson by the Company. During fiscal year ended December 31, 2002, Mr. Davidson received $32,500 compensation for services rendered to the Company.

(4) During fiscal year ended December 31, 2002, an aggregate of $42,500 in fees was incurred to AL&A, a corporation whose sole officer, director and shareholder is Alan Lindsay, a director of the Company. The fees incurred were for services rendered by Mr. Lindsay to the Company under the GeneMax Pharmaceuticals Services Agreement. Based upon $17,500, which was due and owing to AL&A at December 31, 2001, this resulted in an aggregate amount of $60,000 due and owing AL&A. During fiscal year ended December 31, 2002, the Company paid AL&A $20,000 and settled an amount of $27,500 through the issuance of 27,500 shares of restricted Common Stock at $1.00 per share. As of December 31, 2002, an aggregate amount of $12,500 remains due and owing to AL&A by the Company. During fiscal year ended December 31, 2002, Mr. Lindsay received $20,000 through AL&A as compensation for services rendered to the Company.

(5) Grant Atkins, a director of the Company, indirectly receives compensation for services provided to the Company through ICI pursuant to the contractual relationship between the Company and ICI.

STOCK OPTIONS AND PURCHASE PLANS

Stock Option Plan

On May 15, 2002, the Board of Directors of the Company unanimously approved and adopted a stock option plan and on September 30, 2002, the Board of Directors approved the adoption of a new stock option plan (the "Stock Option Plan"). See "Part II. Item 5. Market for Common Equity and Related Stockholder Matters."

The purpose of the Stock Option Plan is to advance the interests of the Company and its shareholders by affording key personnel of the Company an opportunity for investment in the Company and the incentive advantages inherent in stock ownership in the Company. Pursuant to the provisions of the Stock Option Plan, stock options (the "Stock Options") will be granted only to key personnel of the Company, generally defined as a person designated by the Board of Directors upon whose judgment, initiative and efforts the Company may rely including any director, officer, employee or consultant of the Company.

The Stock Option Plan is to be administered by the Board of Directors of the Company, which shall determine (i) the persons to be granted Stock Options under the Stock Option Plan; (ii) the number of shares subject to each Stock Option, however, in no event may the maximum number of shares reserved for any one individual exceed 15% of the total issued and outstanding shares of the Company; (iii) the time at which each Stock Option is to be granted; (iv) the purchase price for the shares under the Stock Option; (v) the option period; and (vi) the manner in which the Stock Option becomes exercisable or terminated. The Stock Option Plan provides authorization to the Board of Directors to grant up to 3,500,000 Stock Options to directors, officers, employees and consultants of the Company and its subsidiaries.

In the event an optionee who is a director or officer of the Company ceases to serve in that position, any Stock Option held by such optionee generally may be exercisable within up to ninety (90) days after the effective date that his position ceases, and after such ninety-day period any unexercised Stock Option shall expire. In the event an optionee who is an employee or consultant of the Company ceases to be employed by the Company, any Stock Option held by such optionee generally may be exercisable within up to ninety (90) days (or up to thirty (30) days where the optionee provided only investor relations services to the Company) after the effective date that his employment ceases, and after such ninety- or thirty-day period any unexercised Stock Option shall expire.

No Stock Options granted under the Stock Option Plan will be transferable by the optionee, and each Stock Option will be exercisable during the lifetime of the optionee subject to the option period of ten (10) years or limitations described above. Any Stock Option held by an optionee at the time of his death may be exercised by his estate within one (1) year of his death or such longer period as the Board of Directors may determine.

The exercise price of a Stock Option granted pursuant to the Stock Option Plan shall be paid in cash or certified funds upon exercise of the option.

Incentive Stock Options. The Stock Option Plan further provides that, subject to the provisions of the Stock Option Plan, the Board of Directors may grant to any key personnel of the Company who is an employee eligible to receive options one or more incentive stock options to purchase the number of shares of common stock allotted by the Board of Directors (the "Incentive Stock Options"). The option price per share of common stock deliverable upon the exercise of an Incentive Stock Option shall be no less than fair market value of a share of common stock on the date of grant of the Incentive Stock Option. In accordance with the terms of the Stock Option Plan, "fair market value" of the Incentive Stock Option as of any date shall not be less than the closing price for the shares of common stock on the last trading day preceding the date of grant. The option term of each Incentive Stock Option shall be determined by the Board of Directors, which shall not commence sooner than from the date of grant and shall terminate no later than ten (10) years from the date of grant of the Incentive Stock Option, subject to possible early termination as described above.

As of the date of this Annual Report, an aggregate of 3,270,000 Stock Options have been granted as follows: (i) 1,740,000 Stock Options and 395,000 Incentive Stock Options exercisable at $1.00 per share to previous holders of stock options of GeneMax Pharmaceuticals to replace stock options previously granted by GeneMax Pharmaceuticals at $0.60 per share; (ii) 1,000,000 Stock Options exercisable at $0.50 per share to ICI and/or its designates or employees; (iii) 20,000 Stock Options at $5.50 per share; (iv) 15,000 Stock Options at $7.50 per share; and (v) 100,000 Stock Options at $8.50 per share. Of the 3,270,000 Stock Options granted, 1,000,000 Stock Options have been exercised at $0.50 per share resulting in $500,000, and a further 25,000 Stock Options have been exercised at $1.00 per share resulting in $25,000. The table below reflects the Stock Options originally granted to directors, executive officers, affiliates or shareholders holding greater than 5% of the equity in the Company, without taking into consideration any exercise of Stock Options or expiration of Stock Options.

Options/SAR Grants Table

Name	Number of Securities Underlying Options	Percent of Total Options Granted	Exercise Price	Expiration Date
Investor Communications International Inc.	1,000,000 (1)	30.58%	$0.50	04/04/04
Dr. W. Jefferies	500,000	15.29%	$1.00	09/29/05
Ronald Handford	350,000	10.70%	$1.00	09/29/05
Dr. Julia Levy	250,000 (2)	7.65%	$1.00	09/29/05
Alan P. Lindsay	150,000	4.59%	$1.00	09/29/05
Dr. Calvin R. Stiller	100,000 (3)	3.06%	$1.00	09/29/05
James D. Davidson	150,000	4.59%	$1.00	09/29/05
Dr. Erik Hellstrom	100,000 (4)	3.06%	$8.50	12/05/05
Total	2,600,000	79.51%		

(1) Pursuant to certain Notice and Agreements of Option, certain contractors to ICI have exercised 1,000,000 Stock Options at the exercise price of $0.50 per option to acquire 1,000,000 shares of the Common Stock of the Company. Pursuant to the terms and provisions of the Consulting Services Agreement, the Company previously granted to ICI 1,000,000 Stock Options (which were subject to an S-8 registration statement filed with the Securities and Exchange Commission). In connection with the exercise of the Stock Options, the shares of Common Stock of the Company were issued to certain contractors of ICI who have provided bona fide services to the Company under the Consulting Services Agreement.

(2) Dr. Levy resigned from the Board of Directors effective December 6, 2002 and was simultaneously appointed Chair of the Scientific Advisory Board. The 250,000 Stock Options granted to Dr. Levy have been continued under the existing terms, subject to approval by the Board of Directors.

(3) Due to Dr. Stiller's resignation from the Board of Directors effective October 7, 2002, the 100,000 Stock Options previously granted would have expired on January 5, 2003 pursuant to the terms of the Stock Option Plan. However, the Board of Directors authorized and approved the retention by Dr. Stiller of an aggregate of 50,000 Stock Options at an exercise price of $1.00 as follows: (i) 35,000 Stock Options currently vested; and (ii) 5,000 Stock Options vest annually commencing September 30, 2003 for a period of three years. The remaining 50,000 Stock Options expired and will not be exercisable.

(4) Contractual arrangements provide for the immediate vesting of 50,000 stock options and the remaining balance vesting over the next twenty-four months.

Aggregated Options/SAR Exercises

Name	Shares Acquired On Exercise	Value Realized	Number of Securities Underlying Unexercised Options	Value of Unexercised in-the-money Options
Investor Communications International, Inc.	1,000,000*	9,270,000	nil	0

*Pursuant to certain Notice and Agreements of Option, certain contractors to ICI have exercised 1,000,000 Stock Options at the exercise price of $0.50 per option to acquire 1,000,000 shares of the Common Stock of the Company. Pursuant to the terms and provisions of the Consulting Services Agreement, the Company previously granted to ICI 1,000,000 Stock Options (which were subject to an S-8 registration statement filed with the Securities and Exchange Commission). In connection with the exercise of the Stock Options, the shares of Common Stock of the Company were issued to certain contractors of ICI who have provided bona fide services to the Company under the Consulting Services Agreement.

ITEM 11. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth the name and address, as of the date of this Annual Report, and the approximate number of shares of common stock of the Company owned of record or beneficially by each person who owned of record, or was known by the Company to own beneficially, more than five percent (5%) of the Company's common stock, and the name and shareholdings of each officer and director, and all officers and directors as a group as of the date of this Annual Report.

As of the date of this Annual Report, there are 16,813,519 shares of Common Stock issued and outstanding.

Title of Class	Name and Address of Beneficial Owner	Amount and Nature of Class	Percent of Class
Common Stock	James D. Davidson 321 S. St. Asaph Street Alexandria, Virginia 22314	1,466,666 (1)(2)	8.63%
Common Stock	Ronald L. Handford 3432 West 13th Avenue Vancouver, British Columbia Canada V5Y 1W1	1,266,000 (1)(3)	7.38%
Common Stock	442668 B.C. Ltd. 12596 23rd Avenue Surrey, British Columbia Canada V4A 2C2	3,270,465 (1)(4)	21.73%
Common Stock	Alan P. Lindsay 2701 Hornby Street Vancouver, British Columbia Canada V62 2R1	150,000 (5)	.08%
Common Stock	Dr. Karl Hellstrom 720 Broadway Seattle, Washington 98122	100,000 (6)	.06%
Common Stock	Investor Communications International, Inc. 435 Martin Street, Suite 2000 Blaine, Washington 98230	554,470 (7)	3.69%
Common Stock	Grant R. Atkins 435 Martin Street, Suite 2000 Blaine, Washington 98230	0	0%
Common Stock	All current officers and directors as a group (6 persons)	6,253,131 (8)	37.12%

(1) These are restricted shares of common stock.

(2) Mr. James Davidson is an initial founding shareholder of GeneMax Pharmaceuticals. This figure includes (a) 788,333 shares of common stock held of record by Mr. Davidson; (b) an aggregate of 500,000 shares of common stock held of record by Mr. Davidson's two minor children, respectively, over which Mr. Davidson has sole voting and disposition rights; (c) an assumption of the exercise of an aggregate of 13,333 warrants exercisable into 13,333 shares of common stock at the rate of $0.75 per share expiring on May 1, 2006; (d) an assumption of the exercise by Mr. Davidson of an aggregate of 15,000 warrants exercisable by Mr. Davidson into 15,000 shares of common stock at the rate of $1.00 per share expiring December 1, 2005; and (e) an assumption of the exercise by Mr. Davidson of an aggregate of 150,000 Stock Options to acquire 150,000 shares of common stock at $1.00 per share. As of the date of this Annual Report, no warrants nor Stock Options have been exercised.

(3) Mr. Ronald Handford is an initial founding shareholder of GeneMax Pharmaceuticals. This figure includes (a) 158,000 shares of common stock held of record by Mr. Handford; (b) 325,000 shares of common stock held of record by Aberdeen Holdings Limited over which Mr. Handford has sole disposition rights; (c) 325,000 shares of common stock held of record by Latitude 32 Holdings Ltd. over which Mr. Handford has sole disposition rights; (d) 100,000 shares of common stock held of record by Handford Management Inc. over which Mr. Handford has sole voting and disposition rights; (e) an assumption of the exercise by Mr. Handford of an aggregate of 8,000 warrants into 8,000 shares of common stock at $0.75 per share expiring December 1, 2005; and (f) an assumption of the exercise by Mr. Handford of an aggregate of 350,000 Stock Options to acquire 350,000 shares of common stock at $1.00 per share. As of the date of this Annual Report, no warrants nor Stock Options have been exercised.

(4) Dr. Wilfred Jefferies is an initial founding shareholder of GeneMax Pharmaceuticals. Dr. Jefferies has sole voting and disposition rights over the 2,770,465 shares of common stock held of record by 442668 B.C. Ltd. This figure also includes an assumption of the exercise by Dr. Jefferies of an aggregate of 500,000 Stock Options to acquire 500,000 shares of common stock at $1.00 per share. As of the date of this Annual Report, no Stock Options have been exercised.

(5) This figure includes the assumption of the exercise by Mr. Lindsay of an aggregate of 150,000 Stock Options to acquire 150,000 shares of common stock at $1.00 per share. As of the date of this Annual Report, no Stock Options have been exercised.

(6) This figure includes the assumption of the exercise by Mr. Hellstrom of an aggregate of 100,000 Stock Options to acquire 100,000 shares of common stock at $8.50 per share. As of the date of this Annual Report, 50,000 stock options have vested and the remaining stock options will vest over the next twenty-four months. As of the date of this Annual Report, no Stock Options have been exercised.

(7) This figure includes 554,470 shares of common stock held of record by Investor Communications International, Inc., 304,600 of which are free trading, while the balance of 249,870 are available for sale under Rule 144. Pursuant to certain Notice and Agreements of Option, certain contractors of ICI exercised 1,000,000 Stock Options at the exercise price of $0.50 per option to acquire 1,000,000 shares of the Common Stock of the Company. Pursuant to the terms and provisions of the Consulting Services Agreement, the Company previously granted to ICI 1,000,000 Stock Options (which were subject to an S-8 registration statement filed with the Securities and Exchange Commission). In connection with the exercise of the Stock Options, the shares of Common Stock of the Company were issued to certain contractors of ICI who have provided bona fide services to the Company under the Consulting Services Agreement.

(8) This figure includes the assumption of the exercise of an aggregate of 129,827 warrants into 129,827 shares of common stock and the assumption of the exercise of 1,250,000 Stock Options into 1,250,000 shares of common stock.

Notwithstanding the Pooling Agreement, there are no arrangements or understanding among the entities and individuals referenced above or their respective associates concerning election of directors or any other matters which may require shareholder approval.

ITEM 12. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS.

The officers/directors of the Company are engaged in other businesses, either individually or through partnerships and corporations in which they may have an interest, hold an office or serve on the boards of directors. Certain conflicts of interest, therefore, may arise between the Company and the respective officer/director. Such conflicts can be resolved through the exercise by such officer/director of judgment consistent with his fiduciary duties to the Company. The officers/directors of the Company intend to resolve such conflicts in the best interests of the Company. Moreover, the officers/directors will devote their time to the affairs of the Company as they deem necessary.

Consulting Services Agreement

Effective May 9, 2002 and fully executed July 15, 2002, the Company and ICI entered into the Consulting Services Agreement. Pursuant to the terms and provisions of the Consulting Services Agreement, ICI will provide to the Company such finance and managerial services as may be determined by the Board of Directors, from time to time, and in its sole and absolute discretion, in order to develop the various business interests of the Company in the drug discovery and development industry, involving the patented drug discovery assay for immunomodulatory compounds and the pipeline aimed at treatment of cancer, infectious diseases, autoimmune disorders and transplant tissue rejection. Pursuant to further terms and provisions of the Consulting Services Agreement, ICI shall be paid a monthly fee of $10,000 for its services.

Pursuant to the terms of the Consulting Services Agreement, the Stock Option Plan incorporates the previous grant of 1,000,000 Stock Options at $0.50 per share to ICI and/or its consultants or employees who performed services directly to the Company under the Consulting Services Agreement. In connection Mr. Grant Atkins, a director of the Company, is employed by ICI and part of the management team provided by ICI to the Company, and derives remuneration from ICI for such services rendered to the Company. During fiscal year ended December 31, 2002, ICI paid Mr. Atkins approximately $17,325 by ICI and was reimbursed for various expenses paid on behalf of the Company.

GeneMax Pharmaceuticals Consulting Agreement

On February 1, 2000, GeneMax Pharmaceuticals and 442668 B.C. Ltd. entered into the GeneMax Pharmaceuticals Consulting Agreement for a period of five years. Pursuant to the terms and provisions of the GeneMax Pharmaceuticals Consulting Agreement, Dr. Jefferies agreed to provide technical, research and technology development services to GeneMax Pharmaceuticals which include, but are not limited to: (i) initiation, creation, development, coordination and management of all aspects of any development and maintenance programs in connection with the research and development of technology interests and each of their proposed commercial applications; (ii) assistance in the negotiation of proposed joint venture arrangements; (iii) assistance in the organization, preparation and dissemination of any and all business plans, technical reports, news releases or investment reports; (iv) assistance in liaison with corporate alliances and regulatory associations; and (v) assistance in all other technical, research, technology development, maintenance and regulatory services as may be directed by the board of directors. Pursuant to further terms and provisions of the GeneMax Pharmaceuticals Consulting Agreement, 442668 B.C. Ltd. shall be paid a monthly fee of $10,000 Canadian Dollars and reimbursement of expenses.

GeneMax Pharmaceuticals Management Agreement

On August 1, 1999, GeneMax Pharmaceuticals and Ronald L. Handford entered into the GeneMax Pharmaceuticals Management Agreement for a period of five years. Pursuant to the terms and provisions of the GeneMax Pharmaceuticals Management Agreement, Mr. Handford agreed to provide general managerial services to GeneMax Pharmaceuticals which include, but are not limited to, the following: (i) overseeing all operational aspects; (ii) management of the day-to-day operations; (iii) development and management of all aspects of any program in connection with the development and management of the technology interests; (iv) initiation, creation, development and administration of any and all other development and management programs in respect of the technology and business interests and proposed commercial applications; (v) negotiation of proposed joint venture arrangements; (vi) setting up of all corporate alliances with potential customers and strategic business and financial partners; and (vii) assistance in all other development and management services as may be directed by the Board of Directors. Pursuant to further terms and provisions of the GeneMax Pharmaceuticals Management Agreement, Mr. Handford would be paid a monthly fee of $11,000 U.S. Dollars and reimbursement of expenses. Effective May 1, 2002, GeneMax Pharmaceuticals and Mr. Handford agreed to reduce the monthly fee to $12,500 Canadian Dollars until the earlier of the Company reaching a senior board listing or commencing clinical trials, at which time the fee will be reviewed in accordance with market norms.

GeneMax Pharmaceuticals Services Agreement

On May 31, 2002, GeneMax Pharmaceuticals and Alan Lindsay and Associates Ltd. entered into the GeneMax Pharmaceuticals Services Agreement on a month-to-month basis. Pursuant to the terms and provisions of the GeneMax Pharmaceuticals Services Agreement, Mr. Lindsay agreed to provide general corporate finance consulting services to GeneMax Pharmaceuticals as may be determined by the Board of Directors in connection with and in order to develop the various technology and business interests. Pursuant to further terms and provisions of the GeneMax Pharmaceuticals Services Agreement, Mr. Lindsay shall be paid a monthly fee of $2,500 U.S. Dollars and reimbursement of expenses.

Davidson Agreement

GeneMax Pharmaceuticals and James D. Davidson, a director and the Chief Financial Officer of the Company, entered into the Davidson Agreement. Pursuant to the terms and provisions of the Davidson Agreement, Mr. Davidson agreed to perform such duties and services as required commensurate with his position as the Chief Financial Officer of the Company and such other duties commensurate with his position as a director on the Board of Directors. Pursuant to further terms and provisions of the Davidson Agreement, Mr. Davidson shall be paid a monthly fee of $2,000 and reimbursement of expenses. Effective July 15, 2002, GeneMax Pharmaceuticals agreed to increase the monthly fee to $5,000 upon commencement of Mr. Davidson's duties associated with his position as Chief Financial Officer and a director of the Company after the acquisition of GeneMax Pharmaceuticals.

ITEM 13. EXHIBITS AND REPORTS ON FORM 8-K.

(a) The following exhibits are filed as part of this Annual Report:

10.18	Consulting Services Agreement between GeneMax Pharmaceuticals Inc. and 442668 B.C. Ltd. dated February 1, 2000.
10.19	Management Services Agreement between GeneMax Pharmaceuticals Inc. and Ronald L. Handford dated August 1, 1999.

10.20 Amended Services Agreement between GeneMax Pharmaceuticals Inc. and Alan Lindsay and Associates Ltd. dated May 31, 2002.

10.21 Stock Option Plan dated effective September 30, 2002.

99.2 Certification Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act.

(b) Reports on Form 8-K.

(i) Form 8-K filed on December 10, 2002.
(ii) Form 8-K filed on September 27, 2002.
(iii) Form 8-K filed on September 26, 2002.

ITEM 14. CONTROLS AND PROCEDURES

There were no significant changes in the Company's internal control or in other factors that could significantly affect the Company's internal controls subsequent to the evaluation date.

SIGNATURES

In accordance with the requirements of the Exchange Act, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

GENEMAX CORP.

Dated: April 14, 2003

By: /s/ RONALD L. HANDFORD

Ronald L. Handford, President and
Chief Executive Officer

CONSULTING SERVICES AGREEMENT

Between:

GENEMAX PHARMACEUTICALS INC.

And:

442668 B.C. LTD.

GeneMax Pharmaceuticals Inc.
Suite 1260, 999 West Hastings Street
Vancouver, British Columbia
V6C2W2

CONSULTING SERVICES AGREEMENT

THIS CONSULTING SERVICES AGREEMENT is made and dated for reference as fully executed on this 1st day of February, 2000 (the "Execution Date").

BETWEEN:

GENEMAX PHARMACEUTICALS INC. a company duly incorporated under the laws of the State of Delaware, U.S.A., and having a business office and an address for notice and delivery located at Suite 1260, 999 West Hastings Street, Vancouver, British Columbia, V6C 2W2

(hereinafter referred to as the " Company");

OF THE FIRST PART

AND:

442668 B.C. LTD., having an address for notice and delivery located at IRC 331 - 2194 Health Sciences Mall, Biomedical Research Centre, University of British Columbia, Vancouver, British Columbia, V6T lZ3

(hereinafter referred to as the "Consultant");

OF THE SECOND PART

(the Company and the Consultant being hereinafter singularly also referred to as a "Party" and collectively referred to as the "Parties" as the context so requires).

WHEREAS:

A. The Company is a non-reporting company duly incorporated under the laws of the State of Delaware, U.S.A.;

B. The Consultant is a non-reporting company, duly incorporated under the laws of the Province of British Columbia, and is owned and controlled by Dr. Wilfred A. Jefferies ("Dr. Jeferies");

C. Dr. Jefferies has been engaged in research during the course of which Dr. Jefferies and Dr. Jefferies' research group, working in and on behalf of the Biotechnology Laboratory at the University of the Province of British Columbia (the "University"), were instrumental in the invention and development of certain technology relating to "Methods of Enhancing Expression of MHC-Class 1 Molecules Bearing Endogenous Peptides" and "Methods of Identifying MHC-Class 1 Restricted Antigens Endogenously Processed by a Cellular Secretory Pathway" (collectively, the "Technology") and, correspondingly, Dr. Jefferies specializes in and has expertise in the development of the Technology in connection therewith;

D. In accordance with the execution of a certain "Option Agreement" (the " Option Agreement"), which is intended to have occurred contemporaneously with the execution of this agreement (the "Agreement"), as entered into between the Company and the University, the University has therein, and in part, provided the Company with an option (herein and therein the "Option") to obtain the exclusive, world-wide license to utilize and sub-license the Technology and to manufacture, distribute and sell all products based on the Technology and in accordance with the terms and conditions of a certain form of "License Agreement" (the "License Agreement") which is attached as Appendix "B" to the Option Agreement (collectively, the "License");

E. In conjunction with the terms and conditions of the Option Agreement and the License Agreement (collectively, the "Underlying Agreements"), and in partial consideration of the agreement therein by Dr. Jefferies, together with the Dr. Jefferies' research group, to expressly assign all of their respective rights, entitlement and interest in and to Technology to the University and in accordance with the terms and conditions of a certain form of "Waiver of Rights Agreement" which is attached as Appendix "C" to the Option Agreement, the Company is hereby desirous of formally retaining the Consultant as a consultant, and the Consultant is hereby desirous of accepting such position, in order to provide such technical, research arid Technology development services (collectively, the "General Services") as may be necessary arid determined by the Company, from to time and in its sole and absolute discretion, to develop the Technology in conjunction with the terms and conditions of each of the Underlying Agreements (collectively, the "Business") during the initial term and during the continuance of this Agreement;

F. Since the introduction of the Parties hereto the Parties hereby acknowledge and agree that there have been various discussions, negotiations, understandings and agreements between them relating to the terms and conditions of the proposed General Services and, correspondingly, that it is their intention by the terms and conditions of this Agreement to hereby replace, in their entirety, all such prior discussions, negotiations, understandings and agreements with respect to the proposed General Services; and

G. The Parties hereto have agreed to enter into this Agreement which initially replaces, in their entirety; all such prior discussions, negotiations, understandings and agreements, and, furthermore, which necessarily clarifies their respective duties and obligations with respect to the within General Services to be provided hereunder, all in accordance with the terms and conditions of this Agreement;

NOW THEREFORE THIS AGREEMENT WITNESSETH that, in consideration of the mutual covenants and provisos herein contained, THE PARTIES HERETO AGREE AS FOLLOWS:

Article 1
DEFINITIONS AND INTERPRETATION

1.1 Definitions. For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following words and phrases shall have the following meanings:

(a) "Agreement" means this Consulting Services Agreement as from time to time supplemented or amended by one or more agreements entered into pursuant to the applicable provisions hereof;

(b) "Arbitration Act" means the Commercial Arbitration Act (British Columbia), R.S.B.C. 1996, as amended, as set forth in Article "7" hereinbelow;

(e) "Board of Directors" means the Board of Directors of the Company as duly constituted from time to time;

(d) "Business" has the meaning ascribed to it in recital "D." hereinabove;

(e) "business day" means any day during which Canadian Chartered Banks are open for business in the City of Vancouver, Province of British Columbia;

(f) "Company" means GeneMax Pharmaceuticals Inc., a company duly incorporated under the laws of the State of Delaware, U.S.A., or any successor company, however formed, whether as a result of merger, amalgamation or other action;

(g) "Company's Non-Renewal Notice" has the meaning ascribed to it in section"' 3.2" hereinbelow;

(h) "Company's Notice of Termination" has the meaning ascribed to it in section " 3.4" hereinbelow;

(i) "Consultant" means 442668 B.C. Ltd., a company duly incorporated under the laws of the Province of British Columbia, or any successor company, however formed, whether as a result of merger, amalgamation or other action; 0) "Dr. Jefferies" means Dr. Wilfred A. Jefferies; (k) "Effective Date" has the meaning ascribed to it in section "3.1" hereinbelow;

(1) "Effective Termination Date" has the meaning ascribed to it ill section "3.4" hereinbelow;

(m) "Execution Date" has the meaning ascribed to it on the front page of this Agreement;

(n) "Expenses" has the meaning ascribed to it in section "4.2" hereinbelow;

(o) "Fee" has the meaning ascribed to it in section "4.1" hereinbelow;

(p) "General Services" has the meaning ascribed to it in section "2.1" hereinbelow;

(q) "Initial Term" has the meaning ascribed to it in section `" 3.1" hereinbelow;

(r) "Insurance" has the meaning ascribed to it in section "5.8" hereinbelow;

(s) "License Agreement" has the meaning ascribed to it in recital "C." hereinabove;

(t) "License" has the meaning ascribed to it in recital "C." hereinabove;

(u) " Option Agreement" has the meaning ascribed to it in recital "C." hereinabove;

(v) "Parties" or "Party" means the Company and/or the Consultant hereto, as the context so requires, together with their respective successors and permitted assigns as the context so requires;

(w) "Property" has the meaning ascribed to it in section "5.6" hereinbelow;

(x) "subsidiary" means any company or companies of which more than 50% of the outstanding shares crying votes at all times (provided that the ownership of such shares confers the right at all times to elect at least a majority of the directors of such company or companies) are for the time being owned by or held for that company and/or any other company in like relation to that company and includes any company in like relation to the subsidiary;

(y) "Technology" has the meaning ascribed to it in recital "B," hereinabove;

(z) " Underlying Agreements" has the meaning ascribed to it in recital "D," hereinabove; and

(aa) " University" means The University of British Columbia, a company duly continued under the University Act (British Columbia), or any successor company, however formed, whether as a result of merger, amalgamation or other action.

1.2 Interpretation. For the purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires:

(a) the words "herein", "hereof" and "hereunder" and other words of similar import refer to this Agreement as a whole and not to any particular Article, section or other subdivision of this Agreement;

(b) the headings are for convenience only and do not form a part of this Agreement nor are they intended to interpret, define or limit the scope or extent of this or any provision of this Agreement;

(c) any reference to an entity shall include and shall be deemed to be a reference to any entity that is a permitted successor to such entity; and

(d) words in the singular include the plural and words in the masculine gender include the feminine and neuter genders, and vice versa.

Article 2
SERVICES AND DUTIES OF THE CONSULTANT

2.1 General Services. During the Initial Term (as hereinafter determined) of this Agreement, and in conjunction with the general intent of the Parties hereto which, upon the closing of the Option Agreement and the corresponding effectiveness of the License Agreement, seeks to have the Consultant assist the Company in the development of the Technology, the Company hereby agrees to retain the Consultant as a consultant to and on behalf of the Company, or any of the Company's subsidiaries, as the case may be and as may be determined by the Company in its sole and absolute discretion, and the Consultant hereby agrees to accept such position in order to provide such technical, research and Technology development services as may be necessary and determined by the Company, from to time and in its sole and absolute discretion, to develop the Technology during the Initial Term and during the continuance of this Agreement and in accordance with the terms and conditions of the Underlying Agreements (collectively, the "General Services"); it being expressly acknowledged and agreed by the Parties hereto that the Consultant shall commit and provide to the Company the General Services on a part-time basis during the Initial Term and during the continuance of this Agreement for which the Company, as more particularly set forth hereinbelow, hereby agrees to pay to the order and direction of the Consultant the Fee and the Expense payment reimbursements (each as hereinafter determined) in accordance with Article "4" hereinbelow and during the Initial Tern and during the continuance of this Agreement.

2.2 Specific Services, Without in any manner limiting the generality of the General Services to be provided by the Consultant as set forth in section "2.1" hereinabove, it is hereby also acknowledged and agreed that the Consultant will provide the following specific technical, research and Technology development services to the Company, or to any of the Company's subsidiaries, as the case may be and as may be determined by the Company in its sole and absolute discretion, and in connection with the development of the Technology subject, at all times, to the direction of the Board of Directors of the Company:

(a) the specific initiation, coordination, implementation and management of all aspects of any program in connection with the research and development of the 'technology interests;

(b) the initiation, creation, development, coordination and administration of any and all other development and maintenance programs in respect of the Technology interests and each of their proposed or potential commercial applications together with all capital funding projects and resources which are, or which may be, necessarily incidental thereto;

(c) the ongoing evaluation of all proposed and potential development and maintenance programs in respect of the Technology interests;

(d) assistance in the negotiation and conclusion of all proposed or potential joint venture arrangements in connection with the ongoing development and maintenance of the Technology interests and each of their proposed or potential commercial applications;

(e) assistance in the organization, preparation and dissemination of any and all business plans, technical reports, news releases and special shareholder or investment reports for the Company, or for any of the Company's subsidiaries, as the case may be and as may be determined by the Company in its sole and absolute discretion, and in connection with the ongoing development and maintenance of the Technology interests and each of their proposed or potential commercial applications;

(f) assistance in the liaison with and the setting up of all corporate alliances and regulatory associations for the Company, or for any of the Company's subsidiaries, as the case may be and as may be determined by the Company in its sole and absolute discretion, with all required regulatory authorities and with potential customers and strategic business and financial partners for the purposes of the ongoing development and maintenance of the Technology interests and each of their proposed or potential commercial applications;

(g) the identification and recommendation of suitable staff for the Company, or for any of the Company's subsidiaries, as the case may be and as may be determined by the Company in its sole and absolute discretion, to both provide and lead further consulting services fox or in connection with the ongoing development and maintenance of the Technology interests and each of their proposed or potential commercial applications; and

(h) assistance in all other technical, research, Technology development, maintenance and regulatory services in connection with the Technology interests as may be directed, from time to time, by the Board of Directors of the Company in its sole and absolute discretion.

In this regard it is hereby acknowledged and agreed that the Consultant shall be entitled to communicate with and rely upon the immediate advice and instructions of Mr. Ronald L. Handford, the current President, Chief Executive Officer and a Director of the Company, or upon the advice or instructions of such other Director or Officer of the Company as Mr. Handford shall, from time to time, designate in times of his absence, in order to initiate, coordinate and implement the General Services for the Company as contemplated herein.

2.3 Consultant to make Dr. Jefferies available. During the Initial Term (as hereinafter determined) and during the continuance of this Agreement it is hereby further acknowledged and agreed that the Consultant will make the services of Dr. Jefferies available in order to assist the Consultant in the performance of the General Services hereunder faithfully, diligently, to the best of the Consultant's abilities and in the best interests of the Company.

Article 3
INITIAL TERM. RENEWAL AND TERMINATION

3.1 Initial Term. The initial term of this Agreement (the "Initial Term") is for a period of five calendar years commencing on the date of the due and complete execution of the License Agreement by the parties thereto (the ",Effective pate").

3.2 Renewal by the Company. Subject at all times to sections "3.3" and "3.4" hereinbelow, this Agreement shall renew automatically if not specifically terminated in accordance with the following provisions. The Company agrees to notify the Consultant in writing at least 180 calendar days prior to the end of the Initial Term of its intent not to renew this Agreement (the "Company's Non-Renewal Notice"), Should the Company fail to provide a Company's Non-Renewal Notice this Agreement shall automatically renew on a one year to one year basis after the Initial Term until otherwise specifcally renewed in writing by each of the Parties hereto for the next one calendar year or, otherwise, terminated upon delivery by the Company of a corresponding and follow-up 180 calendar day Company's Non-Renewal Notice in connection with and within 180 calendar days prior to the end of any such one year renewal period. Any such renewal on a one-year bass shall be on the same terms and conditions contained herein unless modified and agreed to in writing by the Parties.

3.3 Termination for cause by the Company. Notwithstanding any, other provision of this Agreement, the General Services portion of thus Agreement may be terminated at any time by the Company upon written notice to the Consultant and, if applicable, damages sought if

(a) the Consultant fails to cure a material breach of any provision of this Agreement within 30 calendar days from its receipt of written notice from the Company (unless such breach cannot be reasonably cured within said 30 calendar days and the Consultant is actively pursuing to cure said breach);

(b) the Consultant is willfully non-compliant in the performance of the Consultant's respective duties under this Agreement within 30 calendar days from its receipt of written notice from the Company (unless such willful non-compliance cannot be reasonably corrected within said 30 calendar days and the Consultant is actively pursuing to cure said willful non-compliance);

(c) the Consultant commits fraud or serious neglect or misconduct in the discharge of the Consultant's respective duties hereunder or under the law; or

(d) the Consultant becomes adjudged bankrupt or a petition for reorganization or arrangement under any law relating to bankruptcy, and where any such involuntary petition is not dismissed within 30 calendar days.

In any such event the respective obligations of each of the Parties hereto under this Agreement (and including, without limitation, the Consultant's ongoing obligation to provide the General Services and the Company's ongoing obligation to provide the Fee and the Expense payment reimbursements (each as hereinafter determined)) will immediately terminate.

3.4 Termination without cause by the Company. Notwithstanding any other provision of this Agreement, this Agreement may also be terminated by the Company at any time after the Effective Date and during the Initial Term and during the continuance of this Agreement upon its delivery to the Consultant of prior written notice of its intention to do so (the "Company's Notice of Termination") at least 180 calendar days prior to the effective date of any such termination (the "Effective Termination Date"). In any such event the respective obligations of each of Parties hereto under this Agreement (and including, without limitation, the Consultant's ongoing obligation to provide the General Services and the Company's ongoing obligation to provide the Fee and the Expense payment reimbursements (each as hereinafter determined)) will continue until such Effective Termination Date as provided for in the Company's Notice of Termination and, furthermore, upon the Effective Termination Date the Company will also be obligated to provide the Consultant the then balance of any Fee and Expense payment reimbursement which would then be due and owing by the Company to the Consultant to the completion of the Initial Term of this Agreement and, in addition, and if this Agreement had then been previously and automatically renewed for a further one year period in accordance with section "3.2" hereinabove, until the end of any such further one year period in conjunction with section "3.2".

Article 4
GENERAL SERVICES COMPENSATION OF THE CONSULTANT

4.1 Fee. It is hereby acknowledged and agreed that the Consultant shall render the General Services as defined hereinabove during the initial Term and during the continuance of this Agreement and shall thus be compensated on a monthly basis by the Company from the Effective Date of this Agreement to the termination of the same by way of the payment by the Company to the Consultant, or to the further order or direction of the Consultant as the Consultant may determine, in the Consultant's sole and absolute discretion, and advise the

Company of prior to such payment, of a monthly fee of Cdn. $10,000 (the "Fee"), with such Fee being due and payable by the Company to the Consultant, or to the further order or direction of the Consultant as the Consultant may determine, in the Consultant's sole and absolute discretion, and advise the Company of prior to such payment, on the first business day of the month following the then monthly period of service during the Initial Term and during the continuance of this Agreement. In this regard, and for the purposes of evidencing the Company's ongoing commitment to compensate the Consultant together with the Consultant's ongoing commitment to perform the General Services faithfully, diligently, to the best of the Consultant's abilities and in the best interests of the Company during the Initial Term and during the continuance 4f this Agreement, it is hereby acknowledged and agreed that the Company shall provide the Consultant, in the manner aforesaid, with the initial month's Fee payment for the Initial Term of this Agreement on the first business day following the Effective Date of this Agreement.

4.2 Reimbursement of Expenses. It is hereby also acknowledged and agreed that the Consultant shall be reimbursed for all pre-approved direct reasonable expenses actually and properly incurred by the Consultant for the benefit of the Company (collectively, the "Expenses"), which Expenses have first been approved by the Board of Directors of the Company, and which Expenses, it is hereby acknowledged and agreed, shall be payable by the Company to the order, direction and account of the Consultant as the Consultant may designate in writing, from tinge to time, in the Consultant's sole and absolute discretion, as soon as conveniently possible after the prior delivery by the Consultant of written substantiation on account of each such reimbursable Expense.

Article 5
ADDITIONAL OBLIGATIONS OF THE CONSULTANT AND THE COMPANY

5.1 Reporting by the Consultant. At least once in every month, or so often as may be required by the Company, the Consultant will provide the Board of Directors of the Company with such information concerning the results of the Consultant's General Services and activities hereunder for the previous month as the Board of Directors of the Company may reasonably require. In addition, it is hereby acknowledged and agreed that any written information or materials provided by the Consultant to any person or company hereunder will be subject to the prior review, approval and direction of the Board of Directors of the Company.

5.2 Confidentiality by the Consultant. The Consultant will not, except as authorized or required by the Consultant's duties hereunder, reveal or divulge to any person or companies any information concerning the organization, business, finances, transactions or other affairs of the Company, or of any of its subsidiaries, which may come to the Consultant's knowledge during the Initial Term and during the continuance of this Agreement, and the Consultant will keep in complete secrecy all confidential information entrusted to the Consultant and will not use or attempt to use any such information in any manner which may injure or cause loss either directly or indirectly to the Company's respective businesses. This restriction will continue to apply after the termination of this Agreement without limit in point of time but will cease to apply to information or knowledge which may come into the public domain.

5.3 Compliance with Applicable Laws by the Consultant. The Consultant will comply with all Canadian, U.S. and foreign laws, whether federal, provincial or state, applicable to the Consultant's duties hereunder and, in addition, hereby represents and warrants that any information which the Consultant may provide to any person or company hereunder will, to the best of the Consultant's knowledge, information and belief, be accurate and complete in all material respects and not misleading, and will not omit to state any fact or information which would be material to such person or company.

5.4 -Opinions, Reports and Advice of the Consultant. The Consultant acknowledges and agrees that all written and oral opinions, reports, advice and materials provided by the Consultant to the Company in connection with the Consultant's engagement hereunder are intended solely for the Company's benefit and for the Company's use only, and that any such written and oral opinions, reports, advice and information are the exclusive property of the Company. In this regard the Consultant covenants and agrees that the Company may utilize any such opinion, report, advice and materials for any purpose whatsoever and, furthermore, may reproduce, disseminate, quote from and refer to, in whole or in part, and at any tire any such opinion, report, advice and materials in the Company's sole and absolute discretion. The Consultant further covenants and agrees that no public references to the Consultant or disclosure of the Consultant's role in respect of the Company be made by the Consultant without the prior written consent of the Company in each specific instance and, furthermore, that any such written opinions, reports, advice or materials shall, unless otherwise required by the Company, be provided by the Consultant to the Company in a form and with such substance as would be acceptable for fling with and approval by any regulatory authority having jurisdiction over the affairs of the Company from time to time.

5.5 Covenant by the Company in connection with the Consultant's Opinions. Reports and Advice. The Company hereby covenants and agrees with the Consultant that it shall not alter the form or substance of any written or oral opinions, reports, advice or information provided by the Consultant to the Company in connection with the Consultant's engagement hereunder without the prior written consent of the Consultant in each such specific instance.

5.6 Consultant's Business conduct. The Consultant warrants that it shall conduct its General Services and other related activities in a manner which is lawful and reputable and which brings good repute to the Company, the Consultant and the Technology and Business interests. In this regard the Consultant warrants to provide all General Services in a sound and professional manner such that the same meets superior standards of performance quality within the standards of the industry or as set by the specifications of the Company. In the event that the Company has a reasonable concern that the General Services as conducted by the Consultant, or the conduct of any individual thereof, is being conducted in a way contrary to law or is reasonably likely to bring disrepute to the Technology and Business interests or to the Company's or the Consultant's reputation, the Company may require that the Consultant make such alterations in its conduct,

personnel or structure, whether of management, employee or consultant or sub-licensee representation, as the Company may reasonably require, in its sole and absolute discretion, failing which the Company, in its sole and absolute discretion, may terminate this Agreement upon 30 calendar days' prior written notice to the Consultant. In this regard, however, it is hereby expressly acknowledged and agreed by the Parties hereto that nothing in this Agreement shall require the Consultant to undertake any act which would contravene any of the policies of the University as may be determined by the University from time to time and in its sole and absolute discretion. In the event of any debate or dispute as to the reasonableness of the Company's request or requirements, the judgment of the Company shall be deemed correct until such time as the matter has been determined by arbitration in accordance with Article "7" hereinbelow.

5.7 Right of Ownership to the Technology and related Property. The Consultant hereby acknowledges and agrees that any and all Technology and Business interests, together with any products or improvements derived therefrom and any trade marks or trade names used in connection with the same (collectively, the "property"), are wholly owned and controlled by the Company subject to the terms and conditions of the Underlying Agreements. Correspondingly, neither this Agreement, nor the operation of the research and development and the distribution and marketing Business contemplated by this Agreement and the Underlying Agreements, confers or shall be deemed to confer upon the Consultant any interest whatsoever in and to any of the Property. In this regard the Consultant hereby further covenants and agrees not to, during or after the Initial Term and the continuance of this Agreement, contest the title to any of the Company's Property interests, in any way dispute or impugn the validity of the Company's Property interests or take any action to the detriment of the Company's interests therein. The Consultant acknowledges that, by reason of the unique nature of the Property interests, and by reason of the Consultant's knowledge of and association with the Property interests during the Initial Term and during the continuance of this Agreement, the aforesaid covenant, both during the term of this Agreement and thereafter, is reasonable and commensurate for the protection of the legitimate business interests of the Company. As a final note, the Consultant hereby further covenants and agrees to immediately notify the Company of any infringement of or challenge to the any of the Company's Property interests as soon as the Consultant becomes aware of the infringement or challenge.

5.8 Board of Directors of the Company and Insurance therefore. During the Initial Term and during the continuance of this Agreement it is hereby acknowledged and agreed that management of the Company will consult with the Consultant and consider the Consultant's advice in connection with the proposed appointment by the Company of any further members to the present Board of Directors of the Company. In this regard, and again during the initial Tern and during the continuance of this Agreement, it is hereby also acknowledged and agreed that the Company will use its best efforts to seek and obtain directors' and officers' liability insurance (collectively, the "Insurance") for its Board of Directors and Senior Officers which in no case shall be less than: the insurance which a reasonable and prudent businessman carrying on a similar line of business would acquire from time to time. In connection with the foregoing it is hereby further acknowledged and agreed that any such insurance shall be placed with a reputable and financially secure insurance carrier and shall include the Company as an additional insured .and shall provide primary coverage with respect to the activities contemplated by this Agreement. Furthermore, it

is also intended that any such Insurance policy(ies) shall include severability of interest and cross-liability provisions and shall provide that the policy(ies) shall not be canceled or materially altered except upon at least 30 calendar days' prior written notice to each of the relevant parties thereto.

Article 6
FORCE MAJEURE

6.1 Events. If either Party hereto is at any time either during this Agreement or thereafter prevented or delayed in complying with any provisions of this Agreement by reason of strikes, walk-outs, labour shortages, power shortages, fires, wars, acts of God, earthquakes, storms, floods, explosions, accidents, protests or demonstrations by environmental lobbyists or native rights groups, delays in transportation, breakdown of machinery, inability to obtain necessary materials in the open market, unavailability of equipment, governmental regulations restricting normal operations, shipping delays or any other reason or reasons beyond the control of that Party, then the time limited for the performance by that Party of its respective obligations hereunder shall be extended by a period of time equal in length to the period of each such prevention or delay.

6.2 Notice. A Party shall within three calendar days give notice to the other Party of each event of force majeure under section "6.1" hereinabove, and upon cessation of such event shall furnish the other Party with notice of that event together with particulars of the number of days by which the obligations of that Party hereunder have been extended by virtue of such event of force majeure and all preceding events of force majeure.

Article 7
ARBITRATION

7.1 Matters for Arbitration. The Parties agree that all questions or matters in dispute with respect to this Agreement shall be submitted to arbitration pursuant to the terms hereof:

7.2 Notice. It shall be a condition precedent to the right of any Party to submit any matter to arbitration pursuant to the provisions hereof, that any Party intending to refer any matter to arbitration shall have given not less than five business days' prior written notice of its intention to do so to the other Party together with particulars of the matter in dispute. On the expiration of such five business days the Party who gave such notice may proceed to refer the dispute to arbitration as provided for in section "7.3" hereinbelow.

7.3 Appointments. The Party desiring arbitration shall appoint one arbitrator, and shall notify the other Party of such appointment, and the other Party shall, within five business days after receiving such notice, appoint an arbitrator, and the two arbitrators so named, before proceeding to act, shall, within five

business days of the appointment of the last appointed arbitrator, unanimously agree on the appointment of a third arbitrator, to act with them and be chairman of the arbitration herein provided for. If the other Party shall fail to appoint an arbitrator within five business days after receiving notice of the appointment of the first arbitrator, and if the two arbitrators appointed by the Parties shall be unable to agree on the appointment of the chairman, the chairman shall be appointed in accordance with the Arbitration Act. Except as specifically otherwise provided in this section, the arbitration herein provided for shall be conducted in accordance with such Arbitration Act. The chairman, or in the case where only one arbitrator is appointed, the single arbitrator, shall fix a time and place for the purpose of hearing the evidence and representations of the Parties, and he shall preside over the arbitration and determine all questions of procedure not provided for by the Arbitration Act or this section- After hearing any evidence and representations that the Parties may submit, the single arbitrator, or the arbitrators, as the case may be, shall make an award and reduce the same to writing, and deliver one copy thereof to each of the Parties. The expense of the arbitration shall be paid as specified in the award.

7.4 Award. The Parties agree that the award of a majority of the arbitrators, or in the case of a single arbitrator, of such arbitrator, shall be final and binding upon each of them.

Article 8
GENERAL PROVISIONS

8.1 Entire Agreement. This Agreement constitutes the entire agreement to date between the Parties hereto and supersedes every previous agreement, expectation, negotiation, representation or understanding, whether oral or written, express or implied, statutory or otherwise, between the Parties with respect to the subject matter of this Agreement.

8.2 No Assignment. This Agreement may not be assigned by either Party hereto except with the prior written convent of the other Party.

8.3 Notice. Each notice, demand oar other communication required or permitted to be given under this Agreement shall be in writing and shall be sent by prepaid registered mail deposited in a recognized post office and addressed to the Party entitled to receive the same, or delivered to such Party, at the address for such Party specified on the front page of this Agreement. The date of receipt of such notice, demand or other communication shall be the date of delivery thereof if delivered, or, if given by registered mail as aforesaid, shall be deemed conclusively to be the third day after the same shall have been so mailed, except in the case of interruption of postal services for any reason whatsoever, in which case the date of receipt shall be the date on which the notice, demand or other communication is actually received by the addressee. Either Party may at any time and from time to time notify the other Party in writing of a change of address and the new address to which notice shall be given to it thereafter until further change.

8.4 Time of the Essence. Time will be of the essence of this Agreement.

8.5 Enurement. This Agreement will enure to the benefit of and will be binding upon the Parties hereto and their respective heirs, executors, administrators and assigns.

8.6 Currency. Unless otherwise stipulated, all payments required to be made pursuant to the provisions of this Agreement and all money amount references contained herein are in lawful currency of Canada.

8.7 Further Assurances. The Parties will from time to time after the execution of this Agreement make, do, execute or cause or permit to be made, done or executed, all such further and other acts, deeds, things, devices and assurances in law whatsoever as may be required to carry out the true intention and to give full force and effect to this Agreement.

8.8 Representation and Costs. It is hereby acknowledged by each of the Parties hereto that, as between the Company and the Consultant herein, Devlin Jensen acts solely for the Company, and that the Consultant has been advised by both Devlin Jensen and the Company to obtain independent legal advice with respect to the Consultant's review and execution of this Agreement. In addition, it is hereby further acknowledged and agreed by the Parties hereto that each Party to this Agreement will bear and pay its own costs, legal and otherwise, in connection with its respective preparation, review and execution of this Ageement and, in particular, that the costs involved in the preparation of this Agreement, and all documentation necessarily incidental thereto, by Devlin Jensen shall be at the cost of the Company.

8.9 Applicable Law. The situs of this Agreement is Vancouver, British Columbia, and for all purposes this Agreement will be governed exclusively by and construed and enforced in accordance with the laws and Courts prevailing in the Province of British Columbia.

8.10 Severability and Construction. Each Article, section, paragraph, terra and provision of this Agreement, and any portion thereof, shall be considered severable, and if, for any reason, any portion of this Agreement is determined to be invalid, contrary to or in conflict with any applicable present or future law, rule or regulation in a final unappealable ruling issued by any court, agency or tribunal with valid jurisdiction in a proceeding to which any Party hereto is a party, that ruling shall not impair the operation of, or have any other effect upon, such other portions of this Agreement as may remain otherwise intelligible (all of which shall remain binding 8n the Parties and continue to be given full force and effect as of the date upon which the ruling becomes final).

8.11 Cautions. The captions, section numbers and Article numbers appearing in this Agreement are inserted for convenience of reference only and shall in no way define, limit, construe or describe the scope or intent of this Agreement nor in any way affect this Agreement.

8.12 Counterparts. This Agreement may be signed by the Parties hereto in as many counterparts as may be necessary, and via facsimile if necessary, each of which so signed being deemed to be an original and such counterparts together constituting one and the same instrument and, notwithstanding the date of execution, being deemed to bear the execution date as set forth on the front page of this Agreement.

8.13 No Partnership or Agency. The parties have not created a partnership and nothing contained in this Agreement shall in any manner whatsoever constitute any Party the partner, agent or legal representative of the other Party, nor create any fiduciary relationship between them for any purpose whatsoever.

8.14 Consents and Waivers. No consent or waiver expressed or implied by either Party in respect of any breach or default by the other in the performance by such other of its obligations hereunder shall:

(a) be valid unless it is in writing and stated to be a consent or waiver pursuant to this section;

(b) be relied upon as a consent to or waiver of any other breach or default of the same or any other obligation;

(c) constitute a general waiver under this Agreement; or

(d) eliminate or modify the need for a specific consent or waiver pursuant to this section in. any other or subsequent instance.

IN WITNESS WHEREOF the Parties hereto have hereunto set their respective hands and seals as at the Effective Date as hereinabove determined,

The COMMON SEAL of)
GENEMAX PHARMACEUTICALS INC.,)
- ----------)
the Company herein,)
was hereunto affixed in the presence of) (C/S)
/s/ Ronald Handford)
- ----------)
Authorized Signatory)

The COMMON SEAL of)
442668 B.C.LTD.,)
- ----------)
the Consultant herein,)
was hereunto affixed in the presence of) (C/S)
/s/ ?????????????????)
- ----------)
Authorized Signatory)

MANAGEMENT SERVICES AGREEMENT

Between:

GENEMAX PHARMACEUTICALS INC.

And:

RONALD L. HANDFORD

GeneMax Pharmaceuticals Inc.
Suite 1260, 999 West Hastings Street
Vancouver, British Columbia
V6C 2W2

EXHIBIT ____

MANAGEMENT SERVICES AGREEMENT

THIS MANAGEMENT SERVICES AGREEMENT is made and dated for reference as effective on this 1st day of August, 1999 (the "Effective Date").

BETWEEN:

GENEMAX PHARMACEUTICALS INC., a company duly incorporated under the laws of the State of Delaware, U.S.A., and having a business office and an address for notice and delivery located at Suite 1260, 999 West Hastings Street, Vancouver, British Columbia, V6C 2W2

(hereinafter referred to as the "Company");

OF THE FIRST PART

AND:

RONALD L. HANDFORD, having an address for notice and delivery located at 5557 Cornwall Drive, Richmond, British Columbia, V7C 5M8

(hereinafter referred to as the "Manager");

OF THE SECOND PART

(the Company and the Manager being hereinafter singularly also referred to as a "Party" and collectively referred to as the "Parties" as the context so requires).

WHEREAS:

A. The Company is a non-reporting company duly incorporated under the laws of the State of Delaware, U.S.A.;

B. The Manager is the current President, Chief Executive Officer and a Director of the Company and is primarily responsible for the development and management of the Company;

C. Dr. William A. Jefferies ("Dr. Jefferies") has been engaged in research during the course of which the Dr. Jefferies and Dr. Jefferies' research group, working in and on behalf of the Biotechnology Laboratory at the University of the Province of British Columbia (the "University"), has been instrumental in the invention and development of certain technology relating to "Methods of Enhancing Expression of MHC-Class 1 Molecules Bearing Endogenous Peptides" and "Methods of Identifying MHC-Class 1 Restricted Antigens Endogenously Processed by a Cellular Secretory Pathway" (collectively, the "Technology");

D. In accordance with the terms and conditions of a proposed and certain "Option Agreement" (the "Option Agreement"), which has been and is being negotiated by the Manager on behalf of the Company and which is intended to be executed either subsequent to or contemporaneously with the execution of this agreement (the "Agreement"), to be entered into between the Company and the University, it is presently intended that the University will therein, and in part, provide the Company with an option (herein and therein the "Option") to obtain the exclusive, world-wide license to utilize and sub-license the Technology and to manufacture, distribute and sell all products based on the Technology and in accordance with the terms and conditions of a certain form of proposed "License Agreement" (the "License Agreement") which is attached as Appendix "B" to the proposed Option Agreement (collectively, the "License");

E. In conjunction with the terms and conditions of the proposed Option Agreement and the proposed License Agreement (collectively, the "Underlying Agreements") the Company is hereby desirous of formally retaining the Manager and the Manager is hereby desirous of accepting such position in order to provide such management services (collectively, the "General Services") as may be necessary and determined by the Company, from to time and in its sole and absolute discretion, to develop, manage and market the development of the Technology and the License in conjunction with the terms and conditions of each of the proposed Underlying Agreements (collectively, the "Business") during the initial term and during the continuance of this Agreement;

F. Since the introduction of the Parties hereto the Parties hereby acknowledge and agree that there have been various discussions, negotiations, understandings and agreements between them relating to the terms and conditions of the proposed General Services and, correspondingly, that it is their intention by the terms and conditions of this Agreement to hereby replace, in their entirety, all such prior discussions, negotiations, understandings and agreements with respect to the proposed General Services; and

G. The Parties hereto have agreed to enter into this Agreement which initially replaces, in their entirety, all such prior discussions, negotiations, understandings and agreements, and, furthermore, which necessarily clarifies their respective duties and obligations with respect to the within General Services to be provided hereunder, all in accordance with the terms and conditions of this Agreement;

NOW THEREFORE THIS AGREEMENT WITNESSETH that, in consideration of the mutual covenants and provisos herein contained, THE PARTIES HERETO AGREE AS FOLLOWS:

Article 1
DEFINITIONS AND INTERPRETATION

1.1 Definitions. For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following words and phrases shall have the following meanings:

(a) "Adjustment to the Fee" has the meaning ascribed to it in section "4.2" hereinbelow;

(b) "Agreement" means this Management Services Agreement as from time to time supplemented or amended by one or more agreements entered into pursuant to the applicable provisions hereof;

(c) "Arbitration Act" means the Commercial Arbitration Act (British Columbia), R.S.B.C. 1996, as amended, as set forth in Article "8" hereinbelow;

(d) "Board of Directors" means the Board of Directors of the Company as duly constituted from time to time;

(e) "Business" has the meaning ascribed to it in recital "D." hereinabove;

(f) "business day" means any day during which Canadian Chartered Banks are open for business in the City of Vancouver, Province of British Columbia;

(g) "Company" means GeneMax Pharmaceuticals Inc., a company duly incorporated under the laws of the State of Delaware, U.S.A., or any successor company, however formed, whether as a result of merger, amalgamation or other action;

(h) "Company's Non-Renewal Notice" has the meaning ascribed to it in section "3.2" hereinbelow;

(i) "Company's Notice of Termination" has the meaning ascribed to it in section "3.4" hereinbelow;

(j) "Dr. Jefferies" means Dr. Wilfred A. Jefferies;

(k) "Effective Date" has the meaning ascribed to it on the front page of this Agreement;

(l) "Effective Termination Date" has the meaning ascribed to it in section "3.4" hereinbelow;

(m) "Expenses" has the meaning ascribed to it in section "4.5" hereinbelow;

(n) "Fee" has the meaning ascribed to it in section "4.1" hereinbelow;

(o) "General Services" has the meaning ascribed to it in section "2.1" hereinbelow;

(p) "Indemnified Party" has the meaning ascribed to it in section "6.1" hereinbelow;

(q) "Initial Term" has the meaning ascribed to it in section "3.1" hereinbelow;

(r) "Insurance" has the meaning ascribed to it in section "5.7" hereinbelow;

(s) "License Agreement" has the meaning ascribed to it in recital "D." hereinabove;

(t) "License" has the meaning ascribed to it in recital "D." hereinabove;

(u) "Manager" means Ronald L. Handford;

(v) "Option" has the meaning ascribed to it in section "4.4" hereinbelow;

(w) "Option Agreement" has the meaning ascribed to it in recital "D." hereinabove;

(x) "Parties" or "Party" means the Company and/or the Manager hereto, as the context so requires, together with their respective successors and permitted assigns as the context so requires;

(y) "Property" has the meaning ascribed to it in section "5.6" hereinbelow;

(z) "subsidiary" means any company or companies of which more than 50% of the outstanding shares carrying votes at all times (provided that the ownership of such shares confers the right at all times to elect at least a majority of the directors of such company or companies) are for the time being owned by or held for that company and/or any other company in like relation to that company and includes any company in like relation to the subsidiary;

(aa) "Technology" has the meaning ascribed to it in recital "C." hereinabove;

(ab) "Underlying Agreements" has the meaning ascribed to it in recital "E." hereinabove;

(ac) "University" means The University of British Columbia, a company duly continued under the University Act (British Columbia), or any successor company, however formed, whether as a result of merger, amalgamation or other action; and

(ad) "Vacation" has the meaning ascribed to it in section "4.3" hereinbelow.

1.2 Interpretation. For the purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires:

(a) the words "herein", "hereof" and "hereunder" and other words of similar import refer to this Agreement as a whole and not to any particular Article, section or other subdivision of this Agreement;

(b) the headings are for convenience only and do not form a part of this Agreement nor are they intended to interpret, define or limit the scope or extent of this or any provision of this Agreement;

(c) any reference to an entity shall include and shall be deemed to be a reference to any entity that is a permitted successor to such entity; and

(d) words in the singular include the plural and words in the masculine gender include the feminine and neuter genders, and vice versa.

Article 2
SERVICES AND DUTIES OF THE MANAGER

2.1 General Services. During the Initial Term (as hereinafter determined) of this Agreement the Company hereby agrees to retain the Manager as a manager to and on behalf of the Company, or any of the Company's subsidiaries, as the case may be and as may be determined by the Company in its sole and absolute discretion, and the Manager hereby agrees to accept such position in order to provide such development and management services as may be necessary and determined by the Company, from to time and in its sole and absolute discretion, to both develop and manage the Technology and the Business during the Initial Term and during the continuance of this Agreement and in conjunction with the terms and conditions of the proposed Underlying Agreements (collectively, the "General Services"); it being expressly acknowledged and agreed by the Parties hereto that the Manager shall commit and provide to the Company the General Services on a reasonably full-time basis during the Initial Term and during the continuance of this Agreement for which the Company, as more particularly set forth hereinbelow, hereby agrees to pay to the order and direction of the Manager the Fee and the Expense payment reimbursements (each as hereinafter determined) in accordance with Article "4" hereinbelow and during the Initial Term and during the continuance of this Agreement.

2.2 Specific Services. Without in any manner limiting the generality of the General Services to be provided by the Manager as set forth in section "2.1" hereinabove, it is hereby also acknowledged and agreed that the Manager will provide the following specific development and management services to the Company, or to any of the Company's subsidiaries, as the case may be and as may be determined by the Company in its sole and absolute discretion, and in conjunction with the development and management of the Technology and the Business subject, at all times, to the direction of the Board of Directors of the Company:

(a) overseeing all aspects of the Company;

(b) management of the day-to-day operations and development of the Company and including, without limitation, the activities, services, duties and functions to be performed by Dr. Jefferies in conjunction with Technology and Business interests under the proposed Underlying Agreement;

(c) identifying projects that fall within the ambit of the Company's mission statement which may enhance shareholder value for the Company;

(d) liaising with the public and the media to promote the image of the Company;

(e) development and management of all aspects of any program in connection with the development and management of the Technology and Business interests;

(f) the initiation, creation, development, coordination and administration of any and all other development and management programs in respect of the Technology and Business interests and each of their proposed or potential and respective commercial applications together with all capital funding projects and resources which are, or which may be, necessarily incidental thereto;

(g) the negotiation and conclusion of all proposed or potential joint venture arrangements in connection with the ongoing development and management of the Technology and Business interests and each of their proposed or potential and respective commercial applications and including, without limitation, any and all interest which the University may have therein;

(h) the organization, preparation and dissemination of any and all business plans, technical reports, news releases and special shareholder or investment reports for the Company, or for any of the Company's subsidiaries, as the case may be and as may be determined by the Company in its sole and absolute discretion, and in connection with the ongoing development and management of the Technology and Business interests and each of their proposed or potential and respective commercial applications;

(i) the setting up of all corporate alliances for the Company, or for any of the Company's subsidiaries, as the case may be and as may be determined by the Company in its sole and absolute discretion, with all potential customers and strategic business and financial partners for the purposes of the ongoing development and management of the Technology and Business interests and each of their proposed or potential and respective commercial applications; and

(j) assistance in all other development and management services in connection with the Technology and Business interests as may be directed, from time to time, by the Board of Directors of the Company in its sole and absolute discretion.

2.3 Additional Duties respecting the General Services. Without in any manner limiting the generality of the General Services and specific services to be provided as set forth in sections "2.1" and "2.2" hereinabove, it is hereby also acknowledged and agreed that the Manager will, during the Initial Term (as hereinafter determined) and during the continuance of this Agreement, devote such of the Manager's management and employment time to the General Services of the Manager as may be determined and required, from time to time, by the Board of Directors of the Company, in its sole and absolute discretion, for the performance of said General Services faithfully, diligently, to the best of the Manager's abilities and in the best interests of the Company and, furthermore, that the Manager's management and employment time will be prioritized at all times for the Company in that regard. In addition, and again without in any manner limiting the generality of the General Services and specific services to be provided as set forth in sections "2.1" and "2.2" hereinabove, it is hereby also acknowledged and agreed that the Manager will, during the Initial Term (as hereinafter determined) and during the continuance of this Agreement:

(a) be responsible for the initiation, planning, direction and execution of such development and management programs as may be necessary for the Technology and Business interests so as to allow them to be highly productive and profitable for the Company;

(b) be responsible for maintaining a strong industry profile through ongoing liaising with the public and the media and through participation at Technology and Business interest related conferences;

(c) be responsible for the identification and recommendation of suitable management staff for the Company, or for any of the Company's subsidiaries, as the case may be and as may be determined by the Company in its sole and absolute discretion, to both provide and lead further services for or in connection with the ongoing development, and management of the Technology and Business interests and each of their proposed or potential and respective commercial applications; and

(d) be responsible for all other development and management services in connection with the Technology and Business interests as may be directed, from time to time, by the Board of Directors of the Company in its sole and absolute discretion.

In this regard it is hereby acknowledged and agreed that the Manager shall also initially assume the duties and responsibilities of the roles of "President" and "Chief Executive Officer" for the Company or for any of the Company's subsidiaries, as the case may be and as may be determined by the Company in its sole and absolute discretion.

Article 3
INITIAL TERM, RENEWAL AND TERMINATION

3.1 Initial Term. The initial term of this Agreement (the "Initial Term") is for a period of five calendar years commencing on the date of the due and complete execution of the License Agreement by the parties thereto (the "Effective Date").

3.2 Renewal by the Company. Subject at all times to sections "3.3" and "3.4" hereinbelow, this Agreement shall renew automatically if not specifically terminated in accordance with the following provisions. The Company agrees to notify the Manager in writing at least 180 calendar days prior to the end of the Initial Term of its intent not to renew this Agreement (the "Company's Non-Renewal Notice"). Should the Company fail to provide a Company's Non-Renewal Notice this Agreement shall automatically renew on a one year to one year basis after the Initial Term until otherwise specifically renewed in writing by each of the Parties hereto for the next one calendar year or, otherwise, terminated upon delivery by the Company of a corresponding and follow-up 180 calendar day Company's Non-Renewal Notice in connection with and within 180 calendar days prior to the end of any such one year renewal period. Any such renewal on a one-year basis shall be on the same terms and conditions contained herein unless modified and agreed to in writing by the Parties.

3.3 Termination for cause by the Company. Notwithstanding any other provision of this Agreement, the General Services portion of this Agreement may be terminated at any time by the Company upon written notice to the Manager and, if applicable, damages sought if:

(a) the Manager fails to cure a material breach of any provision of this Agreement within 30 calendar days from its receipt of written notice from the Company (unless such breach cannot be reasonably cured within said 30 calendar days and the Manager is actively pursuing to cure said breach);

(b) the Manager is willfully non-compliant in the performance of the Manager's respective duties under this Agreement within 30 calendar days from its receipt of written notice from the Company (unless such willful non-compliance cannot be reasonably corrected within said 30 calendar days and the Manager is actively pursuing to cure said willful non-compliance);

(c) the Manager commits fraud or serious neglect or misconduct in the discharge of the Manager's respective duties hereunder or under the law; or

(d) the Manager becomes adjudged bankrupt or a petition for reorganization or arrangement under any law relating to bankruptcy, and where any such involuntary petition is not dismissed within 30 calendar days.

In any such event the respective obligations of each of the Parties hereto under this Agreement (and including, without limitation, the Manager's ongoing obligation to provide the General Services and the Company's ongoing obligation to provide the Fee and the Expense payment reimbursements (each as hereinafter determined)) will immediately terminate.

3.4 Termination without cause by the Company. Notwithstanding any other provision of this Agreement, this Agreement may also be terminated by the Company at any time after the Effective Date and during the Initial Term and during the continuance of this Agreement upon its delivery to the Manager of prior written notice of its intention to do so (the "Company's Notice of Termination") at least 180 calendar days prior to the effective date of any such termination (the "Effective Termination Date"). In any such event the respective obligations of each of Parties hereto under this Agreement (and including, without limitation, the Manager's ongoing obligation to provide the General Services and the Company's ongoing obligation to provide the Fee and the Expense payment reimbursements (each as hereinafter determined)) will continue until such Effective Termination Date as provided for in the Company's Notice of Termination and, furthermore, upon the Effective Termination Date the Company will also be obligated to provide the Manager the then balance of any Fee and Expense payment reimbursement which would then be due and owing by the Company to the Manager to the completion of the Initial Term of this Agreement and, in addition, and if this Agreement had then been previously and automatically renewed for a further one year period in accordance with section "3.2" hereinabove, until the end of any such further one year period in conjunction with section "3.2".

Article 4
GENERAL SERVICES COMPENSATION OF THE MANAGER

4.1 Fee. It is hereby understood and agreed that the Manager shall render the General Services as defined hereinabove during the Initial Term and during the continuance of this Agreement and shall thus be compensated on a monthly basis by the Company from the Effective Date of this Agreement to the termination of the same by way of the payment by the Company to the Manager, or to the further order or direction of the Manager as the Manager may determine, in the Manager's sole and absolute discretion, and advise the Company of prior to such payment, of a monthly fee of U.S. $11,000 (the "Fee"); with such Fee being due and payable by the Company to the Manager, in the Manager's sole and absolute discretion, in either United States or Canadian dollars and with a pre-determined exchange rate of U.S. $1.00 equaling Cdn. $1.45; and with such Fee also being due and payable by the Company to the Manager, or to the further order or direction of the Manager as the Manager may determine, in the Manager's sole and absolute discretion, and advise the Company of prior to such payment, on the first business day of the month following the then monthly period of service during the Initial Term and during the continuance of this Agreement. In this regard, and for the purposes of evidencing the Company's ongoing commitment to compensate the Manager together with the Manager's ongoing commitment to perform the General Services faithfully, diligently, to the best of the Manager's abilities and in the best interests of the Company during the Initial Term and during the continuance of this Agreement, it is hereby acknowledged and agreed that the Company shall provide the Manager, in the manner aforesaid, with the initial month's Fee payment for the Initial Term of this Agreement on the first business day following the Effective Date of this Agreement.

4.2 Review and Adjustment to the Fee. It is hereby also understood and agreed that the Fee which is due and payable by the Company to the Manager in accordance with section "4.1" hereinabove will be reviewed on an annual basis commencing on the Effective Date and during the Initial Term and during the continuance of this Agreement and shall be adjusted upward, from time to time, by a minimum of either the greater of (a) at least ten percent (10%) per year during each and every 12-month period subsequent to the first year during the Initial Term and during the continuance of this Agreement and (b) such other amount as may, from time to time, be independently determined to equate to such annual remuneration which is then being paid by similar companies in similar industry sectors to their respective and senior executive officers (the "Adjustment to the Fee"). In this regard it is hereby further understood and agreed that the Fee shall automatically be reviewed immediately prior to the completion by the Company of its initial public offering of any equity securities and adjusted upward (however, not downward) if, at such time, it is independently determined that a further increase to the then Adjustment to the Fee is warranted based upon such annual remuneration which is then being paid by similar companies in similar industry sectors to their respective and senior executive officers.

4.3 Paid Vacation. It is hereby further understood and agreed that, during the continuance of this Agreement, the Manager shall be entitled to up to three weeks' paid vacation (the "Vacation") during the Initial Term of this Agreement and during each and every year subsequent to the Initial Term and during the continuance of this Agreement. In this regard it is hereby further understood and agreed that the Manager's entitlement to any such paid Vacation during any year (including the Initial Term) during the continuance of this Agreement will be subject, at all times, to the Manager's entitlement to only a pro rata portion of any such paid Vacation time during any year (including the Initial Term) and to the effective date upon which this Agreement is terminated prior to the end of any such year for any reason whatsoever.

4.4 Stock Options. It is hereby understood and agreed that, as soon as conveniently possible after the Effective Date and, in any event, during the Initial Term and during continuance of this Agreement, the Manager will be granted, subject to the rules and policies of such regulatory authorities and/or stock exchange(s) which, from time to time, may have jurisdiction over the affairs of the Company, and when available, an incentive stock option or stock options to acquire common shares in and to the Company (each an "Option"). It is also hereby understood and agreed that any such Option or Options will be exercisable for a period of at least five years from the date of granting and, in any event, for so long as this Agreement is in existence and for a period of at least 30 calendar days thereafter, at such minimum exercise price or prices as may be determined at such date or dates of granting, or from time to time, in accordance with the then rules and policies of such regulatory authorities and/or stock exchange(s) which, from time to time, may have jurisdiction over the affairs of the Company. It is hereby further understood and agreed that should this Agreement not renew or terminate for any reason whatsoever all Options which then remain outstanding and unexercised by the Manager shall continue to be exercisable by the Manager for a period of at least 30 calendar days after such effective date of termination of this Agreement as provided for hereinabove.

4.5 Reimbursement of Expenses. It is also understood hereby that the Manager shall also be reimbursed for all pre-approved direct reasonable expenses actually and properly incurred by the Manager for the benefit of the Company (collectively, the "Expenses"), which Expenses have first been approved by the Board of Directors of the Company, and which Expenses, it is hereby acknowledged and agreed, shall be payable by the Company to the order, direction and account of the Manager as the Manager may designate in writing, from time to time, in the Manager's sole and absolute discretion, as soon as conveniently possible after the prior delivery by the Manager of written substantiation on account of each such reimbursable Expense.

Article 5
ADDITIONAL OBLIGATIONS OF THE MANAGER AND THE COMPANY

5.1 Reporting by the Manager. At least once in every month, or so often as may be required by the Company, the Manager will provide the Board of Directors of the Company with such information concerning the results of the Manager's General Services and activities hereunder for the previous month as the Board of Directors of the Company may reasonably require. In addition, it is hereby further acknowledged and reaffirmed that any written information or materials provided by the Manager to any person or company hereunder will be subject to the prior review, approval and direction of the Board of Directors of the Company.

5.2 Confidentiality by the Manager. The Manager will not, except as authorized or required by the Manager's duties hereunder, reveal or divulge to any person or companies any information concerning the organization, business, finances, transactions or other affairs of the Company, or of any of its subsidiaries, which may come to the Manager's knowledge during the Initial Term and during the continuance of this Agreement, and the Manager will keep in complete secrecy all confidential information entrusted to the Manager and will not use or attempt to use any such information in any manner which may injure or cause loss either directly or indirectly to the Company's respective businesses. This restriction will continue to apply after the termination of this Agreement without limit in point of time but will cease to apply to information or knowledge which may come into the public domain.

5.3 Compliance with Applicable Laws by the Manager. The Manager will comply with all Canadian, U.S. and foreign laws, whether federal, provincial or state, applicable to the Manager's duties hereunder and, in addition, hereby represents and warrants that any information which the Manager may provide to any person or company hereunder will, to the best of the Manager's knowledge, information and belief, be accurate and complete in all material respects and not misleading, and will not omit to state any fact or information which would be material to such person or company.

5.4 Opinions, Reports and Advice of the Manager. The Manager acknowledges and agrees that all written and oral opinions, reports, advice and materials provided by the Manager to the Company in connection with the Manager's engagement hereunder are intended solely for the Company's benefit and for the Company's use only, and that any such written and oral opinions, reports, advice and information are the exclusive property of the Company. In this regard the Manager covenants and agrees that the Company may utilize any such opinion, report, advice and materials for any other purpose whatsoever and, furthermore, may reproduce, disseminate, quote from and refer to, in whole or in part, at any time and in any manner, any such opinion, report, advice and materials in the Company's sole and absolute discretion. The Manager further covenants and agrees that no public references to the Manager or disclosure of the Manager's role in respect of the Company be made by the Manager without the prior written consent of the Company in each specific instance and, furthermore, that any such written opinions, reports, advice or materials shall, unless otherwise required by the Company, be provided by the Manager to the Company in a form and with such substance as would be acceptable for filing with and approval by any Regulatory Authority having jurisdiction over the affairs of the Company from time to time.

5.5 Manager's Business conduct. The Manager warrants that it shall conduct its General Services and other related activities in a manner which is lawful and reputable and which brings good repute to the Company, the Manager and the Technology and Business interests. In this regard the Manager warrants to provide all General Services in a sound and professional manner such that the same meets superior standards of performance quality within the standards of the industry or as set by the specifications of the Company. In the event that the Company has a reasonable concern that the General Services as conducted by the Manager, or the conduct of any individual thereof, is being conducted in a way contrary to law or is reasonably likely to bring disrepute to the Technology and Business interests or to the Company's or the Manager's reputation, the Company may require that the Manager make such alterations in its conduct, personnel or structure, whether of management, employee, consultant or sub-licensee representation, as the Company may reasonably require, in its sole and absolute discretion, failing which the Company, in its sole and absolute discretion, may terminate this Agreement upon 30 calendar days' prior written notice to the Manager. In the event of any debate or dispute as to the reasonableness of the Company's request or requirements, the judgment of the Company shall be deemed correct until such time as the matter has been determined by arbitration in accordance with Article "9" hereinbelow.

5.6 Right of Ownership to the Technology and related Property. The Manager hereby acknowledges and agrees that any and all Technology and Business interests, together with any Products or improvements derived therefrom and any trade marks or trade names used in connection with the same (collectively, the "Property"), are wholly owned and controlled by the Company subject to the terms and conditions of the proposed Underlying Agreements. Correspondingly, neither this Agreement, nor the operation of the research and development and the distribution and marketing Business contemplated by this Agreement and the proposed Underlying Agreements, confers or shall be deemed to confer upon the Manager any interest whatsoever in and to any of the Property. In this regard the Manager hereby further covenants and agrees not to, during or after the Initial Term and the continuance of this Agreement, contest the title to any of the Company's Property interests, in any way dispute or impugn the validity of

the Company's Property interests or take any action to the detriment of the Company's interests therein. The Manager acknowledges that, by reason of the unique nature of the Property interests, and by reason of the Manager's knowledge of and association with the Property interests during the Initial Term and during the continuance of this Agreement, the aforesaid covenant, both during the term of this Agreement and thereafter, is reasonable and commensurate for the protection of the legitimate business interests of the Company. As a final note, the Manager hereby further covenants and agrees to immediately notify the Company of any infringement of or challenge to the any of the Company's Property interests as soon as the Manager becomes aware of the infringement or challenge.

5.7 Board of Directors of the Company and Insurance therefore. During the Initial Term and during the continuance of this Agreement it is hereby acknowledged and agreed that the Company will use its best efforts to seek and obtain directors' and officers' liability insurance (collectively, the "Insurance") for its Board of Directors and Senior Officers which in no case shall be less than the insurance which a reasonable and prudent businessman carrying on a similar line of business would acquire from time to time. In connection with the foregoing it is hereby further acknowledged and agreed that any such Insurance shall be placed with a reputable and financially secure insurance carrier and shall include the Company as an additional insured and shall provide primary coverage with respect to the activities contemplated by this Agreement. Furthermore, it is also intended that any such Insurance policy(ies) shall include severability of interest and cross-liability provisions and shall provide that the policy(ies) shall not be canceled or materially altered except upon at least 30 calendar days' prior written notice to each of the relevant parties thereto.

Article 6
INDEMNIFICATION AND LEGAL PROCEEDINGS

6.1 Indemnification. The Parties hereto hereby each agree to indemnify and save harmless the other Party hereto and including, where applicable, their respective subsidiaries and affiliates and each of their respective directors, officers, employees and agents (each such party being an "Indemnified Party") harmless from and against any and all losses, claims, actions, suits, proceedings, damages, liabilities or expenses of whatever nature or kind and including, without limitation, any investigation expenses incurred by any Indemnified Party, to which an Indemnified Party may become subject by reason of the terms and conditions of this Agreement.

6.2 No Indemnification. This indemnity will not apply in respect of an Indemnified Party in the event and to the extent that a Court of competent jurisdiction in a final judgment shall determine that the Indemnified Party was grossly negligent or guilty of willful misconduct.

6.3 Claim of Indemnification. The Parties hereto agree to waive any right they might have of first requiring the Indemnified Party to proceed against or enforce any other right, power, remedy, security or claim payment from any other person before claiming this indemnity.

6.4 Notice of Claim. In case any action is brought against an Indemnified Party in respect of which indemnity may be sought against either of the Parties hereto, the Indemnified Party will give both Parties hereto prompt written notice of any such action of which the Indemnified Party has knowledge and the relevant Party will undertake the investigation and defense thereof on behalf of the Indemnified Party, including the prompt employment of counsel acceptable to the Indemnified Party affected and the relevant Party and the payment of all expenses. Failure by the Indemnified Party to so notify shall not relieve the relevant Party of such relevant Party's obligation of indemnification hereunder unless (and only to the extent that) such failure results in a forfeiture by the relevant Party of substantive rights or defenses.

6.5 Settlement. No admission of liability and no settlement of any action shall be made without the consent of each of the Parties hereto and the consent of the Indemnified Party affected, such consent not to be unreasonable withheld.

6.6 Legal Proceedings. Notwithstanding that the relevant Party will undertake the investigation and defense of any action, an Indemnified Party will have the right to employ separate counsel in any such action and participate in the defense thereof, but the fees and expenses of such counsel will be at the expense of the Indemnified Party unless:

(a) such counsel has been authorized by the relevant Party;

(b) the relevant Party has not assumed the defense of the action within a reasonable period of time after receiving notice of the action;

(c) the named parties to any such action include that any Party hereto and the Indemnified Party shall have been advised by counsel that there may be a conflict of interest between any Party hereto and the Indemnified Party; or

(d) there are one or more legal defenses available to the Indemnified Party which are different from or in addition to those available to any Party hereto.

6.7 Contribution. If for any reason other than the gross negligence or bad faith of the Indemnified Party being the primary cause of the loss claim, damage, liability, cost or expense, the foregoing indemnification is unavailable to the Indemnified Party or insufficient to hold them harmless, the relevant Party shall contribute to the amount paid or payable by the Indemnified Party as a result of any and all such losses, claim, damages or liabilities in such

proportion as is appropriate to reflect not only the relative benefits received by the relevant Party on the one hand and the Indemnified Party on the other, but also the relative fault of relevant Party and the Indemnified Party and other equitable considerations which may be relevant. Notwithstanding the foregoing, the relevant Party shall in any event contribute to the amount paid or payable by the Indemnified Party, as a result of the loss, claim, damage, liability, cost or expense (other than a loss, claim, damage, liability, cost or expenses, the primary cause of which is the gross negligence or bad faith of the Indemnified Party), any excess of such amount over the amount of the fees actually received by the Indemnified Party hereunder.

Article 7
FORCE MAJEURE

7.1 Events. If either Party hereto is at any time either during this Agreement or thereafter prevented or delayed in complying with any provisions of this Agreement by reason of strikes, walk-outs, labour shortages, power shortages, fires, wars, acts of God, earthquakes, storms, floods, explosions, accidents, protests or demonstrations by environmental lobbyists or native rights groups, delays in transportation, breakdown of machinery, inability to obtain necessary materials in the open market, unavailability of equipment, governmental regulations restricting normal operations, shipping delays or any other reason or reasons beyond the control of that Party, then the time limited for the performance by that Party of its respective obligations hereunder shall be extended by a period of time equal in length to the period of each such prevention or delay.

7.2 Notice. A Party shall within three calendar days give notice to the other Party of each event of force majeure under section "7.1" hereinabove, and upon cessation of such event shall furnish the other Party with notice of that event together with particulars of the number of days by which the obligations of that Party hereunder have been extended by virtue of such event of force majeure and all preceding events of force majeure.

Article 8
ARBITRATION

8.1 Matters for Arbitration. The Parties agree that all questions or matters in dispute with respect to this Agreement shall be submitted to arbitration pursuant to the terms hereof.

8.2 Notice. It shall be a condition precedent to the right of any Party to submit any matter to arbitration pursuant to the provisions hereof, that any Party intending to refer any matter to arbitration shall have given not less than five business days' prior written notice of its intention to do so to the other Party together with particulars of the matter in dispute. On the expiration of such five business days the Party who gave such notice may proceed to refer the dispute to arbitration as provided for in section "8.3" hereinbelow.

8.3 Appointments. The Party desiring arbitration shall appoint one arbitrator, and shall notify the other Party of such appointment, and the other Party shall, within five business days after receiving such notice, appoint an arbitrator, and the two arbitrators so named, before proceeding to act, shall, within five business days of the appointment of the last appointed arbitrator, unanimously agree on the appointment of a third arbitrator, to act with them and be chairman of the arbitration herein provided for. If the other Party shall fail to appoint an arbitrator within five business days after receiving notice of the appointment of the first arbitrator, and if the two arbitrators appointed by the Parties shall be unable to agree on the appointment of the chairman, the chairman shall be appointed in accordance with the Arbitration Act. Except as specifically otherwise provided in this section, the arbitration herein provided for shall be conducted in accordance with such Arbitration Act. The chairman, or in the case where only one arbitrator is appointed, the single arbitrator, shall fix a time and place for the purpose of hearing the evidence and representations of the Parties, and he shall preside over the arbitration and determine all questions of procedure not provided for by the Arbitration Act or this section. After hearing any evidence and representations that the Parties may submit, the single arbitrator, or the arbitrators, as the case may be, shall make an award and reduce the same to writing, and deliver one copy thereof to each of the Parties. The expense of the arbitration shall be paid as specified in the award.

8.4 Award. The Parties agree that the award of a majority of the arbitrators, or in the case of a single arbitrator, of such arbitrator, shall be final and binding upon each of them.

Article 9
GENERAL PROVISIONS

9.1 Entire Agreement. This Agreement constitutes the entire agreement to date between the Parties hereto and supersedes every previous agreement, expectation, negotiation, representation or understanding, whether oral or written, express or implied, statutory or otherwise, between the Parties with respect to the subject matter of this Agreement.

9.2 No Assignment. This Agreement may not be assigned by either Party hereto except with the prior written consent of the other Party.

9.3 Notice. Each notice, demand or other communication required or permitted to be given under this Agreement shall be in writing and shall be sent by prepaid registered mail deposited in a recognized post office and addressed to the Party entitled to receive the same, or delivered to such Party, at the address for such Party specified on the front page of this Agreement. The date of receipt of such notice, demand or other communication shall be the date of delivery thereof if delivered, or, if given by registered mail as aforesaid, shall be deemed conclusively to be the third day after the same shall have been so mailed, except in the case of interruption of postal services for any reason whatsoever, in which case the date of receipt shall be the date on which the notice, demand or other communication is actually received by the addressee. Either Party may at any time and from time to time notify the other Party in writing of a change of address and the new address to which notice shall be given to it thereafter until further change.

9.4 Time of the Essence. Time will be of the essence of this Agreement.

9.5 Enurement. This Agreement will enure to the benefit of and will be binding upon the Parties hereto and their respective heirs, executors, administrators and assigns.

9.6 Currency. Unless otherwise stipulated, all payments required to be made pursuant to the provisions of this Agreement and all money amount references contained herein are in lawful currency of Canada.

9.7 Further Assurances. The Parties will from time to time after the execution of this Agreement make, do, execute or cause or permit to be made, done or executed, all such further and other acts, deeds, things, devices and assurances in law whatsoever as may be required to carry out the true intention and to give full force and effect to this Agreement.

9.8 Representation and Costs. It is hereby acknowledged by each of the Parties hereto that, as between the Company and the Manager herein, Devlin Jensen acts solely for the Company, and that the Manager has been advised by both Devlin Jensen and the Company to obtain independent legal advice with respect to the Manager's review and execution of this Agreement. In addition, it is hereby further acknowledged and agreed by the Parties hereto that each Party to this Agreement will bear and pay its own costs, legal and otherwise, in connection with its respective preparation, review and execution of this Agreement and, in particular, that the costs involved in the preparation of this Agreement, and all documentation necessarily incidental thereto, by Devlin Jensen shall be at the cost of the Company.

9.9 Applicable Law. The situs of this Agreement is Vancouver, British Columbia, and for all purposes this Agreement will be governed exclusively by and construed and enforced in accordance with the laws and Courts prevailing in the Province of British Columbia.

9.10 Severability and Construction. Each Article, section, paragraph, term and provision of this Agreement, and any portion thereof, shall be considered severable, and if, for any reason, any portion of this Agreement is determined to be invalid, contrary to or in conflict with any applicable present or future law, rule or regulation in a final unappealable ruling issued by any court, agency or tribunal with valid jurisdiction in a proceeding to which any Party hereto is a party, that ruling shall not impair the operation of, or have any other effect upon, such other portions of this Agreement as may remain otherwise intelligible (all of which shall remain binding on the Parties and continue to be given full force and effect as of the date upon which the ruling becomes final).

9.11 Captions. The captions, section numbers and Article numbers appearing in this Agreement are inserted for convenience of reference only and shall in no way define, limit, construe or describe the scope or intent of this Agreement nor in any way affect this Agreement.

9.12 Counterparts. This Agreement may be signed by the Parties hereto in as many counterparts as may be necessary, and via facsimile if necessary, each of which so signed being deemed to be an original and such counterparts together constituting one and the same instrument and, notwithstanding the date of execution, being deemed to bear the execution date as set forth on the front page of this Agreement.

9.13 No Partnership or Agency. The Parties have not created a partnership and nothing contained in this Agreement shall in any manner whatsoever constitute any Party the partner, agent or legal representative of the other Party, nor create any fiduciary relationship between them for any purpose whatsoever.

9.14 Consents and Waivers. No consent or waiver expressed or implied by either Party in respect of any breach or default by the other in the performance by such other of its obligations hereunder shall:

(a) be valid unless it is in writing and stated to be a consent or waiver pursuant to this section;

(b) be relied upon as a consent to or waiver of any other breach or default of the same or any other obligation;

(c) constitute a general waiver under this Agreement; or

(d) eliminate or modify the need for a specific consent or waiver pursuant to this section in any other or subsequent instance.

IN WITNESS WHEREOF the Parties hereto have hereunto set their respective hands and seals as at the Effective Date as hereinabove determined.

The COMMON SEAL of GENEMAX PHARMACEUTICALS INC., the Company herein, was hereunto affixed in the presence of:	(C/S)
Authorized Signatory	
SIGNED, SEALED and DELIVERED by RONALD L. HANDFORD, the Manager herein, in the presence of:	
Witness Signature	RONALD L. HANDFORD
Witness Address	
Witness Name and Occupation	

AMENDED SERVICES AGREEMENT

Between:

GENEMAX PHARMACEUTICALS INC.

And:

ALAN LINDSAY AND ASSOCIATES, LTD.

GeneMax Pharmaceuticals Inc.
Suite 400, 1681 Chestnet Street
Vancouver, British Columbia
V6J 4M6

AMENDED SERVICES AGREEMENT

THIS AMENDED SERVICES AGREEMENT is made and dated for reference as at the 31st day of May, 2002.

BETWEEN:

GENEMAX PHARMACEUTICALS INC., a company incorporated under the laws of the State of Delaware, U.S.A. and having a business office and an address for notice and delivery located at Suite 400, 1681 Chestnut Street, Vancouver, British Columbia, V61 4M6

(the " Company"); OF THE FIRST PART

AND:

ALAN LINDSAY AND ASSOCIATES LTD., a company incorporated under the laws of tine Province of British Columbia and having a business office and an address for notice and delivery located at Suite 101, 1525 Bellevue Avenue, West Vancouver, British Columbia, V7V lA6

(the "Consultant"); OF THE SECOND PART

(the Company and the Consultant being hereinafter singularly also referred to as a "Party" and collectively referred to as the "Parties" as the context so requires).

WHEREAS:

A. The Company is a non-reporting company duly incorporated under the laws of the State of Delaware, U.S.A.;

B. The Consultant is a non-reporting company, duly incorporated under the laws of the Province of British Columbia, and is owned and controlled by Mr. Alan P. Lindsay (" Mr. Lindsay"), a current Director of the Company, who, together with the Consultant, specializes in providing various corporate finance services to reporting companies and their principals;

C. In accordance with the terms and conditions of a certain existing "Development Services Agreement" in this matter, dated for reference effective as at February 1, 2000 (the "Original Agreement"), as entered into between the Company and the Consultant, the Company therein retained the Consultant to provide certain development and .financial services to the Company;

D. Dr. William A. Jefferies ("Dr. Jefferies") has been engaged in research during the course of which the Dr. Jefferies and Dr. Jefferies' research group, working in and on behalf of the Biotechnology Laboratory at the University of the Province of British Columbia (the "University"), has been instrumental in the invention and development of certain technology relating to "Methods of Enhancing Expression of MHC-Class I Molecules Bearing Endogenous Peptides" and "Methods of Identifying MHC-Class I Restricted Antigens Endogenously Processed by a Cellular Secretory Pathway" (collectively, the "Technology");

E. In accordance with the terms and conditions of a certain " Option Agreement" (the" Option Agreement"), as entered into between the Company and the University, the University has therein, and in part, provided the Company with an option (herein and therein the "Option") to obtain the exclusive, world-wide license to utilize and sub-license the Technology and to manufacture, distribute and sell all products based on the Technology and din accordance with the terms and conditions of a certain form of proposed "License Agreement" (the "License Agreement") which is attached as Appendix "B" to the Option Agreement (collectively, the "License");

F. In conjunction with the Option Agreement and the proposed .License Agreement (collectively, the " Underlying Agreements") the Company is hereby desirous of formally retaining the Consultant, and through the Consultant Mr. Lindsay, and the Consultant is hereby desirous of accepting such position in order to provide such corporate finance services (collectively, the "Services") as may be necessary and determined by the Company, from to time and in its sole and absolute discretion, to both develop and finance the development of the Technology and the License in conjunction with each of the Underlying Agreements (collectively, the "Business") during the initial term anal during the continuance of this agreement (the "Agreement");

G. Since the introduction of the Parties hereto the Parties hereby acknowledge and agree that there have been various discussions, negotiations, understandings and agreements between them relating to the terms and conditions of the proposed Services and, correspondingly, that it is their intention by the terms and conditions of this Agreement to hereby replace, in their entirety, the Original Agreement and all such prior discussions, negotiations, understandings and agreements with respect to the proposed Services; and

H. The Parties hereto haze agreed to enter into this Agreement which initially replaces, in its entirety, the Original Agreement, together with all such prior discussions, negotiations, understandings and agreements, and, furthermore, which necessarily clarifies their respective duties and obligations with respect to the within Services to be provided hereunder, all in accordance with the terms and conditions of this Agreement;

NOW THEREFORE THIS AGREEMENT WITNESSETH that, in consideration of the mutual covenants and provisos herein contained, THE PARTIES HERETO AGREE AS FOLLOWS:

Article 1
INTERPRETATION

1.1 Definitions. For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following words and phrases shall have the following meanings:

(a) "Agreement" means this Amended Services Agreement as from time to time supplemented or amended by one or more agreements entered into pursuant to the applicable provisions hereof;

(b) "Arbitration Act" means the Commercial Arbitration Act (British Columbia), R.S.B.C. 1996, as amended, as set forth in Article "9" hereinbelow;

(c) "Board of Directors" means the Board of Directors of the Company as duly constituted from time to time;

(d) "Business" has the meaning ascribed to it in recital "F." hereinabove;

(e) "business day" means any day during which Canadian Chartered Banks are open for business in the City of Vancouver, Province of British Columbia;

(f) "Company" means GeneMax Pharmaceuticals Inc., a company incorporated under the laws of the State of Delaware, U.S.A., or any successor company, however formed, whether as a result of merger, amalgamation or other action;

(g) "Consultant" means Alan Lindsay and Associates Ltd., or any successor company or entity, however formed, whether as a result of merger, amalgamation or other action, together with any nominee or nominees of the Consultant as may be determined by the Consultant from time to time and in the Consultant's sole and absolute discretion;

(h) "Effective Date" has the meaning ascribed to it in each of section "3.2" and "3.3" hereinbelow, respectively;

(i) "Effective Termination Date" has the meaning ascribed to it in section "3.2" hereinbelow;

(j) "Expenses" has the meaning ascribed to it in section " 4.2" hereinbelow;

(k) "Fee" has the meaning ascribed to it in section "4.1" hereinbelow;

(1) "Indemnified Party" has the meaning ascribed to it in section "7.1" hereinbelow;

(m) "Mr. Lindsay" means Mr. Alan P. Lindsay;

(n) "Notice of Termination" has the meaning ascribed to it in section "3.2" hereinbelow;

(o) "Original Agreement" has the meaning ascribed to it in recital "C." hereinabove;

(p) "Party" or "Parties" means the Company and/or the Consultant hereto, as the context so requires, together with their respective successors and permitted assigns as the context so requires;

(q) "Regulatory Approval" means the acceptance for filing, if required, of the transactions contemplated by this Agreement by the Regulatory Authorities;

(r) "Regulatory Authority" and "Regulatory Authorities" means, either singularly or collectively as the context so requires, such regulatory agencies who have jurisdiction over the affairs of the Company and/or the Consultant and all regulatory authorities from whom any such authorization, approval or other action is required to be obtained or to be made in connection with the transactions contemplated by this Agreement;

(s) "Services" has the meaning ascribed to it in section "2.2" hereinbelow;

(t) "subsidiary" means any company or companies of which more than 50% of the outstanding shares carrying votes at all times (provided that the ownership of such shares confers the right at all times to elect at least a majority of the directors of such company or companies) are for the time being owned by or held for that company and/or any other company in like relation to that company and includes any company in like relation to the subsidiary;

(u) "Technology" has the meaning ascribed to it in recital "D." hereinabove; and

(v) " Underlying Agreements" has the meaning ascribed to it in recital "F." hereinabove.

1.2 Interpretation. For the purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires:

(a) the words "herein", "hereof" and "hereunder." and other words of similar import refer to this Agreement as a whole and not to any particular Article, section or other subdivision of this Agreement;

(b) the headings are for convenience only and do not form a part of this Agreement nor are they intended to interpret, define or limit the scope or extent of this or any provision of this Agreement;

(c) any reference to an entity shall include and shall be deemed to be a reference to any entity that is a permitted successor to such entity; and

(d) words in the singular include the plural and words in the masculine gender include the feminine and neuter genders, and vice versa.

Article 2
ORIGINAL AGREEMENT AND SERVICES AND DUTIES OF THE CONSULTANT

2.1 Replaces Original Agreement. This Agreement constitutes the entire agreement to date between the Parties hereto and replaces, in its entirety, the Original Agreement, together with every previous agreement, discussion, expectation, negotiation, representation or understanding, whether oral or written, express or implied, statutory or otherwise, between the parties with respect to the subject matter of the Original Agreement.

2.2 Services. During the continuance of this Agreement the Consultant, and through the Consultant Mr. Lindsay, will provide the Company with such general corporate finance consulting services as may be determined and required, from time to time, by the Board of Directors of the Company, in the Board of Directors' sole and absolute discretion, in connection with and in order to develop the various Business interests of the Company and all of its subsidiaries as the context may require (collectively, the "Services"), and in this regard it is hereby expressly acknowledged and agreed by the Parties hereto that the Consultant, and through the Consultant Mr. Lindsay, shall commit and provide the Services on a reasonably prioritized basis during the continuance of this Agreement for which the Company, as more particularly set forth hereinbelow, hereby agrees to provide the Consultant with the Fee and the Expense payment reimbursements (each as hereinafter determined) in accordance with Article "4" hereinbelow.

2.3 Duties respecting the Services. The Consultant hereby acknowledges and agrees that the Consultant, and through the Consultant Mr. Lindsay, will, during the continuance of this Agreement, devote such of the Consultant's and Mr. Lindsay's time to the Services of the Company as may be determined arid required, from time to time, by the Board of Directors of the Company, in the Board of Directors' sole and absolute discretion, for the performance of said Services faithfully, diligently, to the best of the Consultant's and Mr. Lindsay's abilities and in the best interests of the Company.

2.4 Adherence to rules and policies. The Consultant hereby acknowledges and agrees to abide by the reasonable rules, regulations, instructions, personnel practices and policies of the Company and any changes therein which may be adopted from time to time by the same as such rules, regulations, instructions, personnel practices and policies may be reasonably applied to the Consultant.

Article 3
EFFECTIVENESS AND TERMINATION

3.1 Effective Date of the Agreement. This Agreement commences effective on June 1, 2002 (the "Effective Date") subject at all tunes to the Company's prior receipt, if required, of Regulatory Approval from each of the Regulatory Authorities to the terms and conditions of and the transactions contemplated by this Agreement.

3.2 Termination without cause by any Party. Notwithstanding any other provision of this Agreement, this Agreement may be terminated by any of the Parties hereto at any time after the Effective Date and during the continuance of this Agreement upon such Party's delivery to the other Party hereto of prior written notice of its intention to do so (the "Notice of Termination") at least 30 calendar days prior to the effective date of any such termination (the "Effective Termination Date"). In any such event the Consultant's ongoing obligation to provide the Services will continue only until the Effective Termination Date and the Company shall continue to pay to the Consultant all of the amounts otherwise payable to the Consultant under Article "4" hereinbelow until the Effective Termination Date.

3.3 Termination for cause by any Party. Notwithstanding any other provision of this Agreement, this Agreement may be terminated by any of the Parties hereto at any time upon written notice to the other Party of such Party's intention to do so at least 10 calendar days prior to the effective date of any such termination (herein also the "Effective Termination Date"), and damages sought, if:

(a) the other Party fails to cure a material breach of any provision of this Agreement within 10 calendar days froth its receipt of written notice from said Party (unless such material breach cannot be reasonably cured within said 10 calendar days and the other Party is actively pursuing to cure said material breach);

(b) the other Party is willfully non-compliant in the performance of its respective duties under this Agreement within 10 calendar days from its receipt of written notice from said Party (unless such willful non-compliance cannot be reasonably corrected within said 10 calendar days and the other Party is actively pursuing to cure said willful non-compliance);

(c) the other Party commits fraud or serious neglect or misconduct in the discharge of its respective duties hereunder or under the law; or

(d) the other Party becomes adjudged bankrupt or a petition for reorganization or arrangement under any law relating to bankruptcy, and where any such involuntary petition is not dismissed within 10 calendar days.

3.4 Effect of Termination. Terms of this Agreement relating to accounting, payments, confidentiality, accountability for damages or claims and all other matters. reasonably extending beyond the terms of this Agreement and to the benefit of the Parties hereto or for the protection of the Business interests of the Company shall survive the termination of this Agreement, and any matter of interpretation thereto shall be given a wide latitude in this regard. In addition, and without limiting the foregoing, each of sections "3.2" and "3.3" hereinabove shall survive the termination of this Agreement.

ARTICLE 4
SERVICES COMPENSATION OF THE CONSULTANT

4.1 Fee. It is understood hereby that the Consultant shall render the Services as defined hereinabove during the continuance of this Agreement and shall thus be compensated on a monthly basis by the Company from the Effective Date of this Agreement to the termination of the same by way of the payment by the Company to the Consultant, or to the further order or direction of the Consultant as the Consultant may determine, in the Consultant's sole and absolute discretion, and

advise the Company of prior to such payment, of a monthly fee of U.S. $2,500.00 (the "Fee"); with such Fee being due and payable by the Company to the Consultant, in the Consultant's sole and absolute discretion, in either United States or Canadian dollars and with a pre-determined exchange rate of U.S. $1.00 equaling Cdn. $1.45; and with such Fee also being due and payable by the Company to the Consultant, or to the further order or direction of the Consultant as the Consultant nay determine, in the Consultant's sole and absolute discretion, and advise the Company of prior to such payment, on the first business day of the month following the then monthly period of service during the continuance of this Agreement.

4.2 Reimbursement of Expenses. It is also understood hereby that the Consultant shall also be reimbursed for all pre-approved direct reasonable expenses actually and properly incurred by the Consultant for the benefit of the Company (collectively, the "Expenses"), which Expenses have first been approved by the Board of Directors of the Company, and which Expenses, it is hereby acknowledged and agreed, shall be payable by the Company to the order, direction and account of the Consultant as the Consultant may designate in writing, from time to time, in the Consultant's sole and absolute discretion, as soon as conveniently possible after the prior delivery by the Consultant of written substantiation on account of each such reimbursable Expense.

Article 5
REPRESENTATIONS, WARRANTIES AND COVENANTS

5.1 Representations. warranties and covenants by the Consultant. In order to induce the Company to enter into and consummate this Agreement, the Consultant hereby represents to, warrants to and covenants with the Company, with the intent that the Company will rely thereon in entering into this Agreement and in concluding the transactions contemplated herein, that, to the best of the knowledge, information and belief of the Consultant, after having made due inquiry:

(a) the Consultant is a company duly incorporated under the laws of its incorporating jurisdiction and is validly existing and in good standing with respect to all statutory filings required by applicable corporate laws;

(b) the Consultant will promptly disclose to the Company in writing any and all material facts and circumstances which may affect the Consultant's ability to perform its Services and duties under this Agreement;

(c) the Consultant will cooperate in a prompt and professional manner with the Company and its authorized agents in the performance of its Services and duties under this Agreement; and

(d) the Consultant will abide by all applicable securities laws in conjunction with the execution of its obligations under this Agreement.

5.2 Representations, warranties and covenants by the Company. In order to induce the Consultant to enter into and consummate this Agreement, the Company hereby represents to, warrants to and covenants with the Consultant, with the intent that the Consultant will rely thereon in entering into this Agreement and in concluding the transactions contemplated herein, that, to the best of the knowledge, information and belief of the Company, after having made due inquiry:

(a) the Company is a company duly incorporated under the laws of the State of Delaware, U.S.A., and is validly existing and in good standing with respect to all statutory filings required by applicable corporate laws;

(b) the Company will, if requested, and in so far as such information may be available to the Company, provide the Consultant with such Business and other material information respecting the Company as may be necessary in order to complete the Services required under this Agreement;

(c) the Company will promptly notify the Consultant of any material changes in the status or nature of its Business, of any pending litigation or of any other material developments which may require further analysis by the Consultant in the performance of its Services hereunder;

(d) all information which is provided by the Company to the Consultant during the continuance of this Agreement will be provided in a timely manner and, to the best of the knowledge, information and belief of the Company, after having made due inquiry, will be accurate and complete in every material respect; and

(e) the Company will cooperate in a prompt and professional manner with the Consultant and its authorized agents during the performance of the Consultant's Services and duties under this Agreement.

5.3 Continuity of the representations, warranties and covenants. The representations, warranties and covenants of each Party contained in this Article, or in any certificates or documents delivered pursuant to the provisions of this Agreement or in connection with the transactions contemplated hereby, will be true at arid as of the termination of this Agreement as though such representations, warranties and covenants were made at and as of any such time. Notwithstanding any investigations or inquiries made by any Party hereto or by such Party's professional advisors prior to the termination of this Agreement, or the waiver of any condition by any Party, the representations, warranties and covenants of each Party contained in this Article shall survive the termination of this Agreement and shall continue in full force and effect for a period of three months therefrom. In the event that any of the said

representations, warranties or covenants are found by a Court of competent jurisdiction to be incorrect and such incorrectness results in any loss or damage sustained directly or indirectly by any Party hereto, then the determined Party, as the case may be, will, in accordance with the provisions of Article "8" hereinbelow, pay the amount of such loss or damage to the wronged Party within 30 calendar days of receiving notice of judgment therefore; provided that the wronged Party will not be entitled to make any claim unless the loss or damage suffered may exceed the amount of U.S. $1,000.

Article 6
ADDITIONAL OBLIGATIONS OF THE CONSULTANT

6.1 Reporting by the Consultant. At least once in every week, or so often as may be required by the Company, the Consultant will provide the Board of Directors of the Company with such information concerning the results of the Consultant's Services and activities hereunder for the previous month as the Board of Directors may reasonably require. In addition, it is hereby further acknowledged and reaffirmed that any written information or materials provided by the Consultant to any person or company hereunder will be subject to the prior review, approval and direction of the Board of Directors.

6.2 Confidentiality by the Consultant. The Consultant will not, except as authorized or required by the Consultant's duties hereunder, reveal or divulge to any person or companies any information concerning the organization, business, finances, transactions or other affairs of the Company, or of any of its subsidiaries, which may come to the Consultant's knowledge during the continuance of this Agreement, and the Consultant will keep in complete secrecy all confidential information entrusted to the Consultant and will not use or attempt to use any such information in any manner which may injure or cause loss either directly or indirectly to the Company's various Business interests. This restriction will continue to apply after the termination of this Agreement without limit in point of tune but will cease to apply to information or knowledge which may come into the public domain.

6.3 Compliance with applicable laws by the Consultant. The Consultant will comply with all Canadian, U.S. and foreign laws, whether federal, provincial or state, applicable to the Consultant's duties hereunder and, in addition, hereby represents and warrants that any information which the Consultant may provide to any person or company hereunder will, to the best of the Consultant's knowledge, information and belief, be accurate and complete in all material respects and not misleading, and will not omit to state any fact or information which would be material to such person or company.

6.4 Opinions, reports and advice of the Consultant. The Consultant acknowledges and agrees that all written and oral opinions, reports, advice and materials provided by the Consultant to the Company in connection with the Consultant's engagement hereunder are intended solely for the Company's benefit and for the Company's use only, and that any such written and oral opinions, reports, advice and information are the exclusive property of the Company. In this regard

the Consultant covenants and agrees that the Company may utilize any such opinion, report, advice and materials for any other purpose whatsoever and, furthermore, may reproduce, disseminate, quote from and refer to, in whole or in part, at any time and in any manner, any such opinion, report, advice and materials in the Company's sole and absolute discretion. The Consultant further covenants and agrees that no public references to the Consultant or disclosure of the Consultant's role in respect of the Company be made by the Consultant without the prior written consent of the Company in each specific instance and, furthermore, that any such written opinions, reports, advice or materials shall, unless otherwise required by the Company, be provided by the Consultant to the Company in a form and with such substance as would be acceptable for filing with and approval by any Regulatory Authority having jurisdiction over the affairs of the Company from time to time.

6.5 Consultant's business conduct. The Consultant warrants that it shall conduct its Services and other related activities in a manner which is lawful and reputable and which brings good repute to the Company, the Consultant and the Company's Various Business interests. In this regard the Consultant warrants to provide all Services in a sound and professional manner such that the same meets superior standards of performance duality within the standards of the industry or as set by the specifications of the Company. In the event that the Company has a reasonable concern that the Services as conducted by the Consultant, or the conduct of any individual thereof, is being conducted in. a way contrary to law or is reasonably likely to bring disrepute to the Business interests or to the Company's or the Consultant's reputation, the Company may require that the Consultant make such alterations in its conduct, personnel or structure, whether of management, employee, consultant or sub-licensee representation, as the Company may reasonably require, in its sole and absolute discretion, failing which the Company, in its sole and absolute discretion, may terminate this Agreement upon 10 calendar days' prior written notice to the Consultant. In the event of any debate or dispute as to the reasonableness of the Company's request or requirements, the judgment of the Company shall be deemed correct until such time as the matter has been determined by arbitration in accordance with Article "9" hereinbelow.

6.6 Right of ownership to the Technology and related Property. The Consultant hereby acknowledges and agrees that any and all Technology and Business interests, together with any products or improvements derived therefrom and any trade marks or trade names used in connection with the same (collectively, the "Property"), are wholly owned and controlled by the Company subject to the terms and conditions of the Underlying Agreements. Correspondingly, neither this Agreement, nor the operation of the research and development and the distribution and marketing; Business contemplated by this Agreement and the Underlying Agreements, confers or shall be deemed to confer upon the Consultant any interest whatsoever in and to any of the Property. In this regard tire Consultant hereby further covenants and agrees not to, during the continuance of this Agreement, contest the title to any of the Company's Property interests, in any way dispute or impugn the validity of the Company's Property interests or take any action to the detriment of the Company's Business and other interests therein. The Consultant acknowledges that, by reason of the unique nature of the Property interests, and by reason of the Consultant's knowledge of and association with the Property interests during the continuance of this Agreement, the aforesaid covenant, both during the term of this Agreement and

thereafter, is reasonable and commensurate for the protection of the legitimate Business interests of the Company. As a final note, the Consultant hereby further covenants and agrees to immediately notify the Company of any infringement of or challenge to the any of the Company's Property interests as soon as the Consultant becomes aware of the infringement or challenge.

Article 7
INDEMNIFICATION AND LEGAL PROCEEDINGS

7.1 Indemnification. The Parties hereto agree to indemnify and save harmless the other Party hereto, including its respective affiliates and their respective directors, officers, employees and agents (each such party being an "Indemnified Party") harmless from and against any and all losses, claims, actions, suits, proceedings, damages, liabilities or expenses of whatever nature or kind, including any investigation expenses incurred by any Indemnified Party, to which an Indemnified Party may become subject by reason of the terms and conditions of this Agreement.

7.2 No indemnification. This indemnity will not apply in respect of an Indemnified Party in the event and to the extent that a court of competent jurisdiction in a final judgment shall determine that the Indemnified Party was grossly negligent or guilty of willful misconduct.

7.3 Claim of indemnification. The Parties hereto agree to waive any right they might have of first requiring the Indemnified Party to proceed against or enforce any other right, power, remedy, security or claim payment from any other person before claiming this indemnity.

7.4 Notice of claim. In case any action is brought against an Indemnified Party in respect of which indemnity may be sought against any of the Parties hereto, the Indemnified Party will give the relevant Party hereto prompt written; notice of any such action of which the indemnified Party has knowledge and such Party will undertake the investigation and defense thereof on behalf of the Indemnified Party, including the prompt Consulting of counsel acceptable to the Indemnified Party affected and the payment of all expenses. Failure by the Indemnified Party to so notify shall not relieve any Party hereto of such Party's obligation of indemnification hereunder unless (and only to the extent that) such failure results in a forfeiture by any Party hereto of substantive rights or defenses.

7.5 Settlement. No admission of liability and zoo settlement of any action shall be made without the consent of each of the Parties hereto and the consent of the Indemnified Party affected, such consent not to be unreasonable withheld.

7.6 Legal proceedings. Notwithstanding that the relevant Party hereto will undertake the investigation and defense of any action, an Indemnified Party will have the right to employ separate counsel in any such action and participate in the defense thereof, but the fees and expenses of such counsel will be at the expense of the Indemnified Party unless:

(a) such counsel has been authorized by the relevant Party hereto;

(b) the relevant Party hereto has not assumed the defense of the action within a reasonable period of time after receiving notice of the action;

(c) the named parties to any such action include that any Party hereto and the Indemnified Party shall have been advised by counsel that there may be a conflict of interest between any Party hereto and the Indemnified Party; or

(d) there are one or more legal defenses available to the Indemnified Party which are different from or in addition to those available to any Party hereto.

7.7 Contribution. If for any reason other than the gross negligence or bad faith of the Indemnified Party being the primary cause of the loss claim, damage, liability, cost or expense, the foregoing indemnification is unavailable to the Indemnified Party or insufficient to hold them harmless, the relevant Party hereto shall contribute to the amount paid or payable by the Indemnified Party as a result of any and all such losses, claim, damages or liabilities in such proportion as is appropriate to reflect not only the relative benefits received by any Party hereto on the one hand and the Indemnified Party on the other, but also the relative fault of the Parties arid other equitable considerations which may be relevant. Notwithstanding the foregoing, the relevant Party hereto shall in any event contribute to the amount paid or payable by the Indemnified Party, as a result of the loss, claim, damage, liability, cost or expense (other than a loss, claim, damage, liability, cost or expenses, the primary cause of which is the gross negligence or bad faith of the Indemnified Party), any excess of such amount over the amount of the fees actually received by the Indemnified Party hereunder.

Article 8
FORCE MAJEURE

8.1 Events. If either Party hereto is at any time either during this Agreement or thereafter prevented or delayed in complying with any provisions of this Agreement by reason of strikes, walk-outs, labour shortages, power shortages, fires, wars, acts of God, earthquakes, storms, floods, explosions, accidents, protests or demonstrations by environmental lobbyists or native rights groups, delays in transportation, breakdown of machinery, inability to obtain necessary materials in the open market, unavailability of equipment, governmental regulations restricting normal operations, shipping delays or any other reason or reasons beyond the control of that Party, then the time limited for the

performance by that Party of its respective obligations hereunder shall be extended by a period of time equal in length to the period of each such prevention or delay.

8.2 Notice. A Party shall within three calendar days give notice to the other Party of each event of force majeure under section "8.1" hereinabove, and upon cessation of such event shall furnish the other Party with notice of that event together with particulars of the number of days by which the obligations of that Party hereunder have been extended by virtue of such event of force majeure and all preceding events of force majeure.

Article 9
ARBITRATION

9.1 Matters for arbitration. The Parties agree that all questions or matters in dispute with respect to this Agreement shall be submitted to arbitration pursuant to the terms hereof.

9.2 Notice. It shall be a condition precedent to the right of any Party to submit any matter to arbitration pursuant to the provisions hereof; that any Party intending to refer any matter to arbitration shall have given not less than five business days' prior written notice of its intention to do so to the other Party together with particulars of the matter in dispute. On the expiration of such five business days the Party who gave such notice may proceed to refer the dispute to arbitration as provided for in section " 9.3" hereinbelow.

9.3 Appointments. The Party desiring arbitration shall appoint one arbitrator, and shall notify the other Party of such appointment, and the other Party shall, within five business days after receiving such notice, appoint an arbitrator, and the two arbitrators so named, before proceeding to act, shall, within five business days of the appointment of the last appointed arbitrator, unanimously agree on the appointment of a third arbitrator, to act with them and be chairman of the arbitration herein provided for. If the other Party shall fail to appoint an arbitrator within five business days after receiving notice of the appointment of the first arbitrator, and if the two arbitrators appointed by the Parties shall be unable to agree on the appointment of the chairman, the chairman shall be appointed in accordance with the Arbitration Act. Except as specifically otherwise provided in this section, the arbitration herein provided for shall be conducted in accordance with such Arbitration Act. The chairman, or in the case where only one arbitrator is appointed, the single arbitrator, shall fix a time and place for the purpose of hearing the evidence and representations of the Parties, and he shall preside over the arbitration and determine all questions of procedure not provided for by the Arbitration Act or this section. After hearing any evidence and representations that the Parties may submit, the single arbitrator, or the arbitrators, as the case may be, shall make an award and reduce the same to writing, and deliver one copy thereof to each of the Parties. The expense of the arbitration shall be paid as specified in the award.

9.4 Award. The Parties agree that the award of a majority of the arbitrators, or in the case of a single arbitrator, of such arbitrator, shall be final and binding upon each of them.

Article 10
GENERAL PROVISIONS

10.1 Entire agreement. This Agreement constitutes the entire agreement to date between the Parties hereto and supersedes every previous agreement, expectation, negotiation, representation or understanding, whether oral or written, express or implied, statutory or otherwise, between the Parties with respect to the subject matter of this Agreement and including, without limitation, the entire Original Agreement itself.

10.2 No assignment. This Agreement may not be assigned by either Party except with the prior written consent of the other Party.

10.3 Notice. Each notice, demand or other communication required or permitted to be given under this Agreement shall be in writing and shall be sent by prepaid registered mail deposited in a recognized post office and addressed to the Party entitled to receive the same, or delivered to such Party, at the address for such. Party specified on the front page of this Agreement. The date of receipt of such notice, demand or other communication shall be the date of delivery thereof if delivered, or, if given by registered mail as aforesaid, shall be deemed conclusively to be the third day after the same shall have been so mailed, except in the case of interruption of postal services for any reason whatsoever, in which case the date of receipt shall be the date on which the notice, demand or other communication is actually received by the addressee. Either Party may at any tune and from time to time notify the other Party in writing of a change of address and the new address to which notice shall be given to it thereafter until further change.

10.4 Time of the essence. Time will be of the essence of this, Agreement.

10.5 Enurement. This Agreement will enure to the benefit of and will be binding upon the Parties hereto and their respective heirs, executors, administrators and assigns.

10.6 Currency. Unless otherwise stipulated, all payments required to be made pursuant to the provisions of this Agreement and all money amount references contained herein are in lawful currency of the United States of America.

10.7 Regulatory Authorities. This Agreement is subject to the prior Regulatory Approval, if required, of each of the Regulatory Authorities.

10.8 Further assurances. The Parties will from tune to three after the execution of this Agreement make, do, execute or cause or permit to be made, done or executed, all such further and other acts, deeds, things, devices and assurances in law whatsoever as may be required to carry out the true intention and to give full force and effect to this Agreement.

10.9 Representation and costs. It is hereby acknowledged by each of the Parties hereto that, as between the Company and the Consultant herein, Devlin Jensen acts solely for the Company, and that the Consultant has been advised by both Devlin Jensen and the Company to obtain independent legal advice with respect to the Consultant's review and execution of this Agreement. In addition, it is hereby further acknowledged and agreed by the Parties hereto that each Party to this Agreement will bear and pay its own costs, legal and otherwise, in connection with its respective preparation, review and execution of this Agreement and, in particular, that the costs involved in the preparation of this Agreement, and all documentation necessarily incidental thereto, by Devlin Jensen shall be at the cost of the Company.

10.10 Applicable law. The situs of this Agreement is Vancouver, British Columbia, and for all purposes this Agreement will be governed exclusively by and construed and enforced in accordance with the laws and courts prevailing in the Province of British Columbia.

10.11 Severability and construction. Each Article, section, paragraph, term aid provision of this Agreement, and any portion thereof, shall be considered severable, and if, for any reason, any portion of this Agreement is determined to be invalid, contrary to or in conflict with any applicable present or future law, rule or regulation in a final unappealable ruling issued by any court, agency or tribunal with valid jurisdiction in a proceeding to which any Party hereto is a party, that ruling shall not impair the operation of, or have any other effect upon, such other portions of this Agreement as may remain otherwise intelligible (all of which shall remain binding on the Parties and continue to be given full force and effect as of the date upon which the ruling becomes final).

10.12 Captions. The captions, section numbers and Article numbers appearing in this Agreement are inserted for convenience of reference only and shall in no way define, limit, construe or describe the scope or intent of this Agreement nor in any way affect this Agreement.

10.13 Counterparts. This Agreement may be signed by the Parties hereto in as many counterparts as may be necessary, and via facsimile if necessary, each of which so signed being deemed to be an original and such counterparts together constituting one and the same instrument and, notwithstanding the date of execution, being deemed to bear the execution date as set forth on the front page of this Agreement.

10.14 No partnership or agency. The Parties have not created a partnership and nothing contained in this Agreement shall in any manner whatsoever constitute any Party the partner, agent or legal representative of the other Party, nor create any fiduciary relationship between there for any purpose whatsoever.

10.15 Consents and waivers. No consent or waiver expressed or implied by either Party in respect of any breach or default by the other in the performance by such other of its obligations hereunder shall:

(a) be valid unless it is in writing and stated to be a consent or waiver pursuant to this section;

(b) be relied upon as a consent to or waiver of any other breach or default of the same or any other obligation;

(c) constitute a general waiver under this Agreement; or

(d) eliminate or modify the need for a specific consent or waiver pursuant to this section in any other or subsequent instance.

IN WITNESS WHEREOF the Parties hereto have hereunto set their respective hands and seals as at the Effective Date as hereinabove determined.

The COMMON SEAL of)
GENEMAX PHARMACEUTICALS INC.,)
- ----------)
the Company herein,)
was hereunto affixed in the presence of) (C/S)
/s/ ??????????????????)
- ----------)
Authorized Signatory)

The COMMON SEAL of)
ALAN LINDSAY AND ASSOCIATES LTD.,)
- ----------)
the Consultant herein,)
was hereunto affixed in the presence of) (C/S)
/s/ ??????????????????)
- ----------)
Authorized Signatory)

STOCK OPTION PLAN

For:

GENEMAX CORP.

GeneMax Corp.
435 Martin Street, Suite 2000
Blaine, Washington, U.S.A., 98230

GENEMAX CORP.

STOCK OPTION PLAN

This stock option plan (the "Plan") is adopted in consideration of services rendered and to be rendered by key personnel to GeneMax Corp., its subsidiaries and affiliates.

1. Definitions.

The terms used in this Plan shall, unless otherwise indicated or required by the particular context, have the following meanings:

Board:	The Board of Directors of GeneMax Corp.
Common Stock:	The U.S. $0.001 par value common stock of GeneMax Corp.
Company:	GeneMax Corp., a corporation incorporated under the laws of the State of Nevada, U.S.A., and any successors in interest by merger, operation of law, assignment or purchase of all or substantially all of the property, assets or business of the Company.
Date of Grant:	The date on which an Option (see hereinbelow) is granted under the Plan.
Fair Market Value:	The Fair Market Value of the Option Shares. Such Fair Market Value as of any date shall be reasonably determined by the Board; provided, however, that if there is a public market for the Common Stock, the Fair Market Value of the Option Shares as of any date shall not be less than the closing price for the Common Stock on the last trading day preceding the date of grant; provided, further, that if the Company's shares are not listed on any exchange the Fair Market Value of such shares shall not be less than the average of the means between the bid and asked prices quoted on each such date by any two independent persons or entities making a market for the Common Stock, such persons or entities to be selected by the Board. Fair Market Value shall be determined without regard to any restriction other than a restriction which, by its terms, will never lapse.

Incentive Stock Option:	An Option as described in Section 9 hereinbelow intended to qualify under section 422 of the United States Internal Revenue Code of 1986, as amended.
Key Person:	A person designated by the Board upon whose judgment, initiative and efforts the Company or a Related Company may rely, who shall include any Director, Officer, employee or consultant of the Company. A Key Person may include a corporation that is wholly-owned and controlled by a Key Person who is eligible for an Option grant, but in no other case may the Company grant an option to a legal entity other than an individual.
Option:	The rights granted to a Key Person to purchase Common Stock pursuant to the terms and conditions of an Option Agreement (see hereinbelow).
Option Agreement:	The written agreement (and any amendment or supplement thereto) between the Company and a Key Person designating the terms and conditions of an Option.
Option Shares:	The shares of Common Stock underlying an Option granted to a Key Person.
Optionee:	A Key Person who has been granted an Option.
Related Company:	Any subsidiary or affiliate of the Company or of any subsidiary of the Company. The determination of whether a corporation is a Related Company shall be made without regard to whether the entity or the relationship between the entity and the Company now exists or comes into existence hereafter.

2. Purpose and scope.

(a) The purpose of the Plan is to advance the interests of the Company and its stockholders by affording Key Persons, upon whose judgment, initiative and efforts the Company may rely for the successful conduct of their businesses an opportunity for investment in the Company and the incentive advantages inherent in stock ownership in the Company.

(b) This Plan authorizes the Board to grant Options to purchase shares of Common Stock to Key Persons selected by the Board while considering criteria such as employment position or other relationship with the Company, duties and responsibilities, ability, productivity, length of service or association, morale, interest in the Company, recommendations by supervisors and other matters.

3. Administration of the Plan.

The Plan shall be administered by the Board. The Board shall have the authority granted to it under this section and under each other section of the Plan.

In accordance with and subject to the provisions of the Plan, the Board is hereby authorized to provide for the granting, vesting, exercise and method of exercise of any Options all on such terms (which may vary between Options and Optionees granted from time to time) as the Board shall determine. In addition, and without limiting the generality of the foregoing, the Board shall select the Optionees and shall determine: (i) the number of shares of Common Stock to be subject to each Option, however, in no event may the maximum number of shares reserved for any one individual exceed 15% of the issued and outstanding share capital of the Company; (ii) the time at which each Option is to be granted; (iii) the purchase price for the Option Shares; (iv) the Option period; and (v) the manner in which the Option becomes exercisable or terminated. In addition, the Board shall fix such other terms of each Option as it may deem necessary or desirable. The Board may determine the form of Option Agreement to evidence each Option.

The Board from time to time may adopt such rules and regulations for carrying out the purposes of the Plan as it may deem proper and in the best interests of the Company subject to the rules and policies of any exchange or over-the-counter market which is applicable to the Company.

The Board may from time to time make such changes in and additions to the Plan as it may deem proper, subject to the prior approval of any exchange or over-the-counter market which is applicable to the Company, and in the best interests of the Company; provided, however, that no such change or addition shall impair any Option previously granted under the Plan. If the shares are not listed on any exchange, then such approval is not necessary.

Each determination, interpretation or other action made or taken by the Board shall be final, conclusive and binding on all persons, including without limitation, the Company, the stockholders, directors, officers and employees of the Company and the Related Companies, and the Optionees and their respective successors in interest.

4. The Common Stock.

Save and except as may be determined by the Board at a duly constituted meeting of the Board as set forth hereinbelow, the Board is presently authorized to appropriate, grant Options, issue and sell for the purposes of the Plan, a total number of shares of the Company's Common Stock not to exceed 3,500,000, or the number and kind of shares of Common Stock or other securities which in accordance with Section 10 shall be substituted for the shares or into which such shares shall be adjusted. Save and except as may otherwise be determined by the disinterested approval of the shareholders of the Company at any duly called meeting of the shareholders of the Company, at any duly constituted Board meeting the Board may determine that the total number of shares of the Company's Common Stock which may be reserved for issuance for Options granted and to be granted under this Plan, from time to time, may be to the maximum extent of up to 100% of the Company's issued and outstanding Common Stock as at the date of any such meeting of the Board. In this regard, and subject to the prior disinterested approval of the shareholders of the Company at any duly called meeting of the shareholders of the Company, the total number of shares of the Company's Common Stock which may be reserved for issuance for Options granted and to be granted under this Plan, from time to time, may be increased to greater than 100% of the Company's issued and outstanding Common Stock as at the date of notice of any such meeting of the shareholders of the Company whereat such disinterested shareholders' approval is sought and obtained by the Company. All or any unissued shares subject to an Option that for any reason expires or otherwise terminates may again be made subject to Options under the Plan.

5. Eligibility.

Options will be granted only to Key Persons. Key Persons may hold more than one Option under the Plan and may hold Options under the Plan and options granted pursuant to other plans or otherwise.

6. Option Price and number of Option Shares.

The Board shall, at the time an Option is granted under this Plan, fix and determine the exercise price at which Option Shares may be acquired upon the exercise of such Option; provided, however, that any such exercise price shall not be less than that, from time to time, permitted under the rules and policies of any exchange or over-the-counter market which is applicable to the Company.

The number of Option Shares that may be acquired under an Option granted to an Optionee under this Plan shall be determined by the Board as at the time the Option is granted; provided, however, that the aggregate number of Option Shares reserved for issuance to any one Optionee under this Plan, or any other plan of the Company, shall not exceed 15% of the total number of issued and outstanding Common Stock of the Company.

7. Duration, vesting and exercise of Options.

(a) The option period shall commence on the Date of Grant and shall be up to 10 years in length subject to the limitations in this Section 7 and the Option Agreement.

(b) During the lifetime of the Optionee the Option shall be exercisable only by the Optionee. Subject to the limitations in paragraph (a) hereinabove, any Option held by an Optionee at the time of his death may be exercised by his estate within one year of his death or such longer period as the Board may determine.

(c) The Board may determine whether an Option shall be exercisable at any time during the option period as provided in paragraph (a) of this Section 7 or whether the Option shall be exercisable in installments or by vesting only. If the Board determines the latter it shall determine the number of installments or vesting provisions and the percentage of the Option exercisable at each installment or vesting date. In addition, all such installments or vesting shall be cumulative. In this regard the Company will be subject, at all times, to any rules and policies of any exchange or over-the-counter market which is applicable to the Company and respecting any such required installment or vesting provisions for certain or all Optionees.

(d) In the case of an Optionee who is a director or officer of the Company or a Related Company, if, for any reason (other than death or removal by the Company or a Related Company), the Optionee ceases to serve in that position for either the Company or a Related Company, any option held by the Optionee at the time such position ceases or terminates may, at the sole discretion of the Board, be exercised within up to 90 calendar days after the effective date that his position ceases or terminates (subject to the limitations at paragraph (a) hereinabove), but only to the extent that the option was exercisable according to its terms on the date the Optionee's position ceased or terminated. After such 90-day period any unexercised portion of an Option shall expire.

(e) In the case of an Optionee who is an employee or consultant of the Company or a Related Company, if, for any reason (other than death or termination for cause by the Company or a Related Company), the Optionee ceases to be employed by either the Company or a Related Company, any option held by the Optionee at the time his employment ceases or terminates may, at the sole discretion of the Board, be exercised within up to 60 calendar days (or up to 30 calendar days

where the Optionee provided only investor relations services to the Company or a Related Company) after the effective date that his employment ceased or terminated (that being up to 60 calendar days (or up to 30 calendar days) from the date that, having previously provided to or received from the Company a notice of such cessation or termination, as the case may be, the cessation or termination becomes effective; and subject to the limitations at paragraph (a) hereinabove), but only to the extent that the option was exercisable according to its terms on the date the Optionee's employment ceased or terminated. After such 60-day (or 30-day) period any unexercised portion of an Option shall expire.

(f) In the case of an Optionee who is an employee or consultant of the Company or a Related Company, if the Optionee's employment by the Company or a Related Company ceases due to the Company's termination of such Optionee's employment for cause, any unexercised portion of any Option held by the Optionee shall immediately expire. For this purpose "cause" shall mean conviction of a felony or continued failure, after notice, by the Optionee to perform fully and adequately the Optionee's duties.

(g) Neither the selection of any Key Person as an Optionee nor the granting of an Option to any Optionee under this Plan shall confer upon the Optionee any right to continue as a director, officer, employee or consultant of the Company or a Related Company, as the case may be, or be construed as a guarantee that the Optionee will continue as a director, officer, employee or consultant of the Company or a Related Company, as the case may be.

(h) Each Option shall be exercised in whole or in part by delivering to the office of the Treasurer of the Company written notice of the number of shares with respect to which the Option is to be exercised and by paying in full the purchase price for the Option Shares purchased as set forth in Section 8.

8. Payment for Option Shares.

In the case of all Option exercises, the purchase price shall be paid in cash or certified funds upon exercise of the Option.

9. Incentive stock Options.

(a) The Board may, from time to time, and subject to the provisions of this Plan and such other terms and conditions as the Board may prescribe, grant to any Key Person who is an employee eligible to receive Options one or more Incentive Stock Options to purchase the number of shares of Common Stock allotted by the Board.

(b) The Option price per share of Common Stock deliverable upon the exercise of an Incentive Stock Option shall be no less than the Fair Market Value of a share of Common Stock on the Date of Grant of the Incentive Stock Option.

(c) The Option term of each Incentive Stock Option shall be determined by the Board and shall be set forth in the Option Agreement, provided that the Option term shall commence no sooner than from the Date of Grant and shall terminate no later than 10 years from the Date of Grant and shall be subject to possible early termination as set forth in Section 7 hereinabove.

10. Changes in Common Stock, adjustments, etc.

In the event that each of the outstanding shares of Common Stock (other than shares held by dissenting stockholders which are not changed or exchanged) should be changed into, or exchanged for, a different number or kind of shares of stock or other securities of the Company, or, if further changes or exchanges of any stock or other securities into which the Common Stock shall have been changed, or for which it shall have been exchanged, shall be made (whether by reason of merger, consolidation, reorganization, recapitalization, stock dividends, reclassification, split-up, combination of shares or otherwise), then there shall be substituted for each share of Common Stock that is subject to the Plan, the number and kind of shares of stock or other securities into which each outstanding share of Common Stock (other than shares held by dissenting stockholders which are not changed or exchanged) shall be so changed or for which each outstanding share of Common Stock (other than shares held by dissenting stockholders) shall be so changed or for which each such share shall be exchanged. Any securities so substituted shall be subject to similar successive adjustments.

In the event of any such changes or exchanges, the Board shall determine whether, in order to prevent dilution or enlargement of rights, an adjustment should be made in the number, kind, or option price of the shares or other securities then subject to an Option or Options granted pursuant to the Plan and the Board shall make any such adjustment, and such adjustments shall be made and shall be effective and binding for all purposes of the Plan.

11. Relationship of employment.

Nothing contained in the Plan, or in any Option granted pursuant to the Plan, shall confer upon any Optionee any right with respect to employment by the Company, or interfere in any way with the right of the Company to terminate the Optionee's employment or services at any time.

12. Non-transferability of Option.

No Option granted under the Plan shall be transferable by the Optionee, either voluntarily or involuntarily, except by will or the laws of descent and distribution, and any attempt to do so shall be null and void.

13. Rights as a stockholder.

No person shall have any rights as a stockholder with respect to any share covered by an Option until that person shall become the holder of record of such share and, except as provided in Section 10, no adjustments shall be made for dividends or other distributions or other rights as to which there is an earlier record date.

14. Securities laws requirements.

No Option Shares shall be issued unless and until, in the opinion of the Company, any applicable registration requirements of the United States Securities Act of 1933, as amended, any applicable listing requirements of any securities exchange on which stock of the same class is then listed, and any other requirements of law or of any regulatory bodies having jurisdiction over such issuance and delivery, have been fully complied with. Each Option and each Option Share certificate may be imprinted with legends reflecting federal and state securities laws restrictions and conditions, and the Company may comply therewith and issue "stop transfer" instructions to its transfer agent and registrar in good faith without liability.

15. Disposition of Option Shares.

Each Optionee, as a condition of exercise, shall represent, warrant and agree, in a form of written certificate approved by the Company, as follows: (i) that all Option Shares are being acquired solely for his own account and not on behalf of any other person or entity; (ii) that no Option Shares will be sold or otherwise distributed in violation of the United States Securities Act of 1933, as amended, or any other applicable federal or state securities laws; (iii) that if he is subject to reporting requirements under Section 16(a) of the United States Securities Exchange Act of 1934, as amended, he will (a) furnish the Company with a copy of each Form 4 filed by him and (b) timely file all reports required under the federal securities laws; and (iv) that he will report all sales of Option Shares to the Company in writing on a form prescribed by the Company.

16. Effective date of Plan; termination date of Plan.

The Plan shall be deemed effective as of September 30, 2002. The Plan shall terminate at midnight on September 30, 2012 except as to Options previously granted and outstanding under the Plan at the time. No Options shall be granted after the date on which the Plan terminates. The Plan may be abandoned or terminated at any earlier time by the Board, except with respect to any Options then outstanding under the Plan.

17. Other provisions.

The following provisions are also in effect under the Plan:

(a) the use of a masculine gender in the Plan shall also include within its meaning the feminine, and the singular may include the plural, and the plural may include the singular, unless the context clearly indicates to the contrary;

(b) any expenses of administering the Plan shall be borne by the Company;

(c) this Plan shall be construed to be in addition to any and all other compensation plans or programs. The adoption of the Plan by the Board shall not be construed as creating any limitations on the power or authority of the Board to adopt such other additional incentive or other compensation arrangements as the Board may deem necessary or desirable; and

(d) the validity, construction, interpretation, administration and effect of the Plan and of its rules and regulations, and the rights of any and all personnel having or claiming to have an interest therein or thereunder shall be governed by and determined exclusively and solely in accordance with the laws of the State of Nevada, U.S.A.

This Plan is dated and made effective as approved by the shareholders of the Company on this 30th day of September, 2002.

BY ORDER OF THE BOARD OF DIRECTORS OF
GENEMAX CORP.
Per:

"Ronald L. Handford"

Ronald L. Handford
President and a Director

EXHIBIT 99.2

LETTERHEAD OF GENEMAX CORP.

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report on Form 10-KSB for fiscal year ended December 31, 2002 of GeneMax Corp., a Nevada corporation (the "Company"), as filed with the Securities and Exchange Commission on the date hereof (the "Annual Report"), I, Ronald L. Handford, President and Chief Executive Officer of the Company certify, pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

1. I, Ronald L. Handford, have reviewed and read this Annual Report on Form 10-KSB;

2. To the best of 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. To the best of 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 Company as of, and for, the periods presented in this Annual Report;

4. I have disclosed, based on my most recent evaluation, to the Company's auditors and board of directors performing the equivalent functions of an audit committee:

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

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

5. I have indicated in this Annual Report whether there were significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of my most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

/s/ Ronald L. Handford

Ronald L. Handford, President and Chief Executive Officer