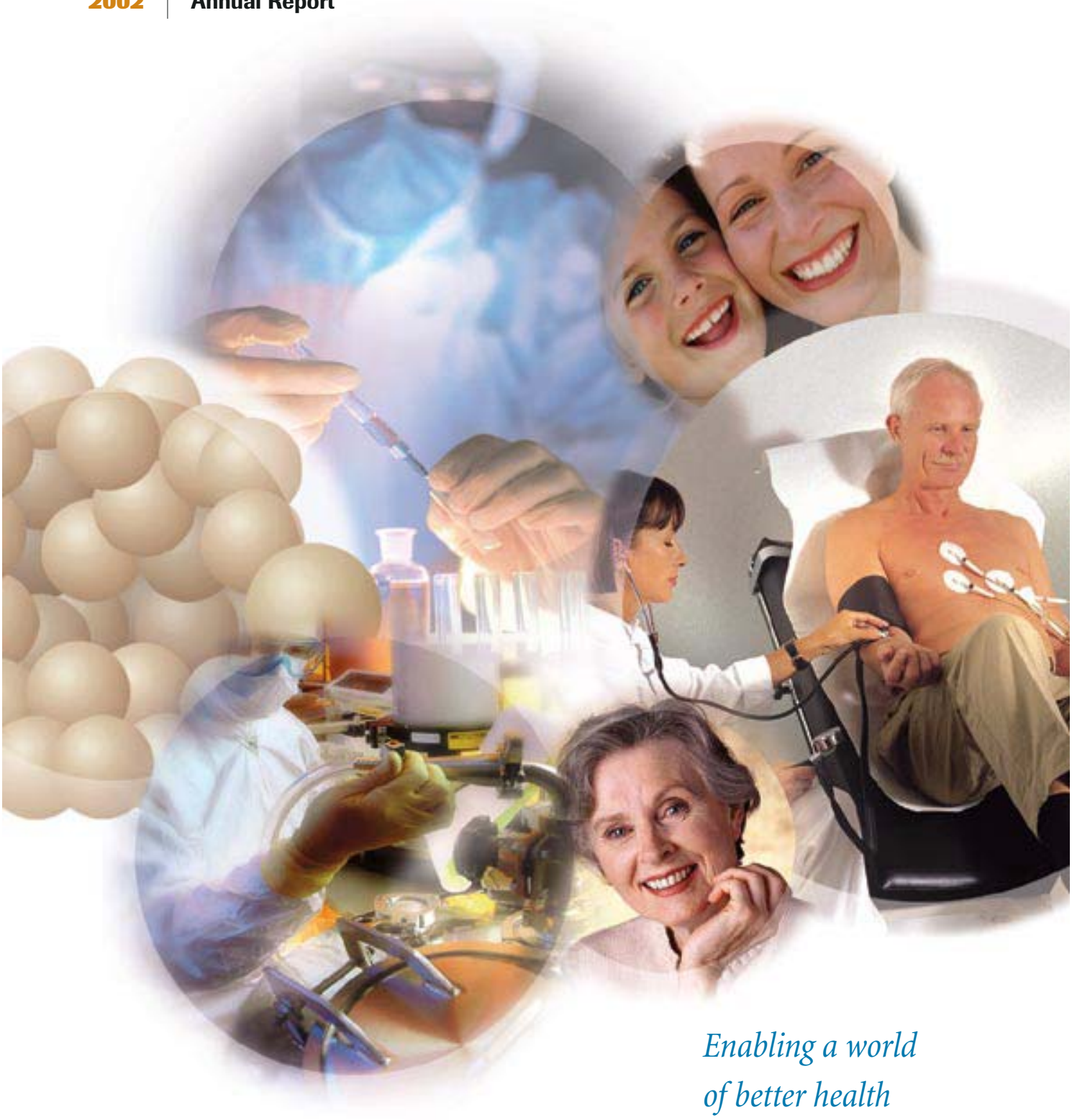
ProMetic

2002 | **Annual Report**



Enabling a world of better health

Enabling a World of Better Health for All

ProMetic is a leading biopharmaceutical company engaged in the development, manufacture and commercialization of products for the biopharmaceutical industry.

ProMetic's goal is to enable further improvements to well-established therapies as well as to create better and more efficient technologies for new drugs and disease treatments. In so doing, ProMetic will be helping people in developed and developing countries around the world lead healthier lives, while at the same time creating ethical financial opportunities for shareholders.

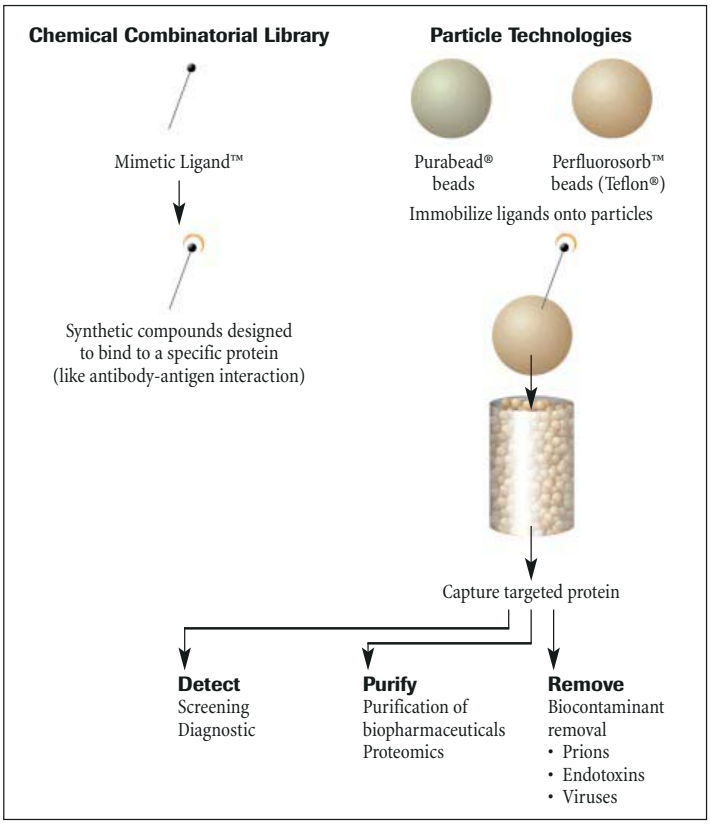
ProMetic's proprietary technology is key to the development and manufacture of proteins. It has commercial applications in a wide range of areas, from proteomics to industrial biopharmaceutical manufacturing, and from blood product safety to diagnostics and therapeutics.

Pharmaceutical and biotechnology companies use ProMetic's technology and products, through licensing agreements, to develop and manufacture their own products.

ProMetic further leverages its core technologies and competencies by developing proprietary, value-added therapeutics and medical devices. Clinical development and marketing risks are shared through partnerships with multinational companies.

Founded in 1994, ProMetic Life Sciences Inc. along with its subsidiaries has 102 employees with R & D facilities in Montreal (Canada) and Cambridge (UK), manufacturing facilities in Canada and in the UK, and marketing presence in Europe, USA and Japan.

Core Technologies



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Enabling Applications—Collaboration Agreements

ProMetic is strategically well positioned to capture market share from multiple growth opportunities within the expanding biotechnology industry.

Proteins/Products	Source	Partner	Market Value Market Potential	Primary Use
ENABLING APPLICATIONS—COLLABORATION AGREEMENTS				
Human Serum Albumin (hSA)	Plasma	American Red Cross	> US$ 1.5 B ~ US$ 3 B	To restore plasma volume in treatment of shock, trauma and burns; also used as excipient for trace proteins
Recombinant hSA	Yeast	Aventis		
Transgenic hSA	Bovine	GTC-Fresenius		
Immunoglobulins (IVIG)	Plasma	American Red Cross	> US$ 2 B > US$ 4 B	To treat various immune deficiency conditions
Monoclonal antibodies	Recombinant	MERCK	> US$ 7B > US$ 20B	To treat various conditions including cancer and inflammation
Alpha 1-antitrypsin (AAT)	Plasma		> US$ 130 M > US$ 1 B	To treat emphysema caused by genetic deficiency
Antihemophilic Factor *(Factor VIII)*	Plasma	American Red Cross	US$ 1 B	Prophylaxis and treatment of A hemophilia bleeding episodes
Recombinant Factor VII	Mammalian Cells	Novo Nordisk	US$ 400 M	
Removal Devices		American Red Cross	> US$ 800 M	Removal of pathogens from blood products
IN-HOUSE THERAPEUTICS				
Recombinant Alpha 1-antitrypsin (rAAT)	Yeast	Arriva-ProMetic	> US$ 1 B	To treat chronic inflammation such as psoriasis, atopic dermatitis and inflammatory bowel diseases (IBD)
PBI-1402	Synthetic	ProMetic	> US$ 2 B	To protect and restore bone marrow cells during chemotherapy
PBI-1393	Synthetic	ProMetic	> US$ 750 M	Anti-cancer therapy

Highlights

PARTNERSHIPS WITH THE AMERICAN RED CROSS

- Established a new joint venture company, Pathogen Removal and Diagnostic Technologies Inc. (PRDT), to develop and commercialize detection and removal systems for the elimination of prions, viruses and other pathogens both from the human blood supply and blood-derived products
- Laid the foundation for a second strategic alliance for an improved process to recover a wide range of life saving medicines from plasma, from which an agreement was finalized on February 5, 2003

THERAPEUTIC DRUG CANDIDATES PROGRESS TO CLINICAL STAGE

- Received approval from the FDA and Health Canada to move recombinant Alpha 1-antitrypsin into clinical trials for patients suffering from atopic dermatitis
- Completed GMP synthesis and oral formulation work, preparing PBI-1402 for clinical trials

SIGNIFICANT PROGRESS IN ROBUST PIPELINE

- Use of ProMetic's Perfluorosorb™ beads in the manufacture of the DNA-based West Nile virus vaccines developed by the Centre for Disease Control and Prevention (United States)
- Completed final steps in the commercialization of Perfluorosorb™ beads for use in DNA purification
- Achieved a milestone in the development of a purification process for Alkaline Phosphatase, a therapeutic drug candidate for the treatment of sepsis and septic shock, with initiation of Phase I clinical study by AM-Pharma
- Achieved scaleable purification process for Amediplase, Menarini's new thrombolytic agent for the treatment of acute myocardial infarction currently in Phase III clinical trials
- Developed a powerful platform for the purification of monoclonal antibodies (MAbs) that can apply to most types of MAbs produced by different techniques achieving the required yield and purity while improving process economics

STRENGTHENED FINANCIAL BASE

- Successful equity financing raising $38.1 million, $26.2 million of which was obtained via a public offering on June 17, 2002
- Secured additional research analyst coverage
- Among top performing stocks on TSX in 2002

Pierre Laurin
President and Chief Executive Officer

Two strategic agreements with the American Red Cross prove the value of ProMetic's technology.

Events in 2002 have further demonstrated ProMetic's ability to create value from its core technology. Our solid growth engine is capable of attracting strategic partners and developing valuable and proprietary products.

In 2002, ProMetic established two high-profile alliances with the American Red Cross. Although the impact of these agreements on the Company's bottom line is not immediate, they will provide a solid base to drive revenue growth. These agreements further endorse the value of ProMetic's technology and the potential annuity revenue it can generate from its use worldwide.

The first alliance with the American Red Cross resulted in the formation of a joint venture company, Pathogen Removal and Diagnostic Technologies Inc. (PRDT). Established in April 2002 to develop and commercialize products to detect and eliminate pathogens, PRDT exemplifies the Company's ability to improve the future for millions of patients, while developing ethical and profitable opportunities for our shareholders.

Management continues to apply its technology towards the improvement of established, marketed therapies. The efficacy of this strategy is demonstrated by the second and most recent alliance with the American Red Cross for the purification of therapeutic proteins derived from plasma.

Biopharmaceuticals derived from plasma represent annual sales of US$ 7 billion. This market is underserved, as worldwide demand significantly exceeds supply. To illustrate this point, approximately 80% of hemophiliacs lack essential, plasma-derived Factor VIII, while demand for plasma-derived immunoglobulins (IVIG) is more than seven times current manufacturing capacity.

ProMetic and the American Red Cross will combine their technologies and resources to improve the extraction yield and net recovery of valuable therapeutic plasma proteins.

Focus on Improving Proven Therapies

ProMetic licenses its enabling manufacturing technology to pharmaceutical and biotechnology companies in return for milestone payments and royalties on product sales. Partners use our technology to enable or improve the manufacturing of their own therapeutics, both in terms of product yield and safety. In the past year, ProMetic's partners have advanced their programs considerably and many of these programs will soon generate continuous, long-term revenues.

In addition to improving the manufacturing processes of established, marketed products, ProMetic's technology has also been applied to the development of second-generation, recombinant therapeutic products. Successful collaborations in this area include Recombumin® (Aventis), monoclonal antibodies as well as DNA-based therapies.

The Company will continue to collaborate with industry partners to accelerate corporate growth and maximize the value of its proprietary core technology.

ProMetic's In-House Therapeutics Advance to Clinical Phase

By leveraging its expertise in protein therapeutics and medicinal chemistry, ProMetic has accumulated an impressive pipeline of therapeutic products. We strive to develop drugs internally that target unmet medical needs where standard therapies are either in limited supply or economically burdensome. This is particularly true for ProMetic's two lead compounds, recombinant Alpha 1-antitrypsin (rAAT) and PBI-1402.

In June 2002, ProMetic and Arriva Pharmaceuticals announced that rAAT had advanced to the clinical trial stage. RAAT will be tested in atopic dermatitis patients and additional indications will be considered in 2003.

In November 2002, ProMetic announced the successful manufacturing scale-up of PBI-1402, an oncology drug with impressive pre-clinical data and a demonstrated ability to protect bone marrow from the side effects of chemotherapy. We expect PBI-1402 to enter clinical trials in the second half of 2003.

ProMetic also in-licensed a promising compound, PBI-1393, that increases the activity of chemotherapy on cancer cells. The Company anticipates that PBI-1393 could allow equivalent therapeutic effect with lower dose chemotherapy when PBI-1393 is added to the therapeutic cocktail.

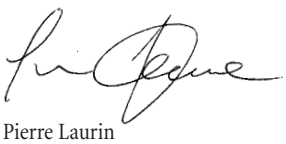
Enabling a World of Opportunity

ProMetic is well positioned to capture market share from multiple growth opportunities within the expanding biotechnology industry. There are hundreds of protein-derived and DNA-based drugs in development, forming the next wave of new therapies and referred to as "biopharmaceuticals". Each of these products requires a cost-effective process for commercial-scale isolation, purification and manufacture. Our collaborations with the American Red Cross and large pharmaceutical companies may soon position ProMetic as the standard technology in this field.

Our business model and growth strategies are clear: accumulate multiple, long-term annuity revenues through collaboration, while advancing our own exciting therapeutic products towards commercialization.

On behalf of our staff and Board of Directors, I would like to express appreciation to our investors, stockholders and strategic partners for their ongoing support for the Company and conviction in our abilities. On a personal note, I would like to thank the outstanding individuals who by their actions define the achievements of ProMetic, through their breakthrough research and in securing key strategic alliances that one by one build a validating foundation below ProMetic's technology.

Thank you,



Pierre Laurin

ProMetic is a leading biopharmaceutical company whose core technology and competencies are, step by step, contributing to a world of better health.

The biopharmaceutical industry has stemmed from advances in biotechnology, a field which, within the life sciences area, applies techniques of biochemistry, cellular biology, biophysics and molecular biology to understand and use the biological systems of living organisms to develop new therapies and medicines.

A natural starting point for the biopharmaceutical industry to address this issue is "proteins", molecules fundamental to the function and structure of all living organisms such as animals, plants and humans. Being able to understand how proteins function and techniques to derive proteins from organisms is key to the development of new medicines and therapies.

An example of a well-known protein is insulin. The insulin found in the human body can now be reproduced in a fermentation broth via DNA techniques and is available to people that are unable to produce sufficient amounts of insulin, resulting in diabetes.

Proteins, commonly referred to as "biopharmaceuticals", present tremendous business opportunities and can improve the lives of millions of people around the globe.

These products are derived from a biological source, in contrast to traditional pharmaceuticals which are chemically synthesized.

Biopharmaceuticals also pose manufacturing challenges, as the separation and purification of targeted therapeutic proteins from their original biological source, a process called "bioseparation", is key to their commercial viability.

Bioseparation presents unique challenges owing to the variety of proteins/biopharmaceuticals that need to be recovered and purified, the varied nature of possible contaminants and impurities, and the quantity of product to be separated from the biological source.

Conventional bioseparation technologies generally involve a series of purification steps for each given biopharmaceutical. With every step, the yield decreases and overall manufacturing costs increase.

ProMetic's Core Technology

ProMetic's core technology is based on unique and proprietary synthetic organic entities called Mimetic Ligands™. These compounds can be compared to chemical hooks that selectively recognize and bind targeted proteins. Used in bioseparation applications, they can maximize the level of recovery.

Alternatively, a ligand can be designed to bind impurities such as undesirable proteins or toxins (biocontaminants), that must be removed from the final therapeutic product.

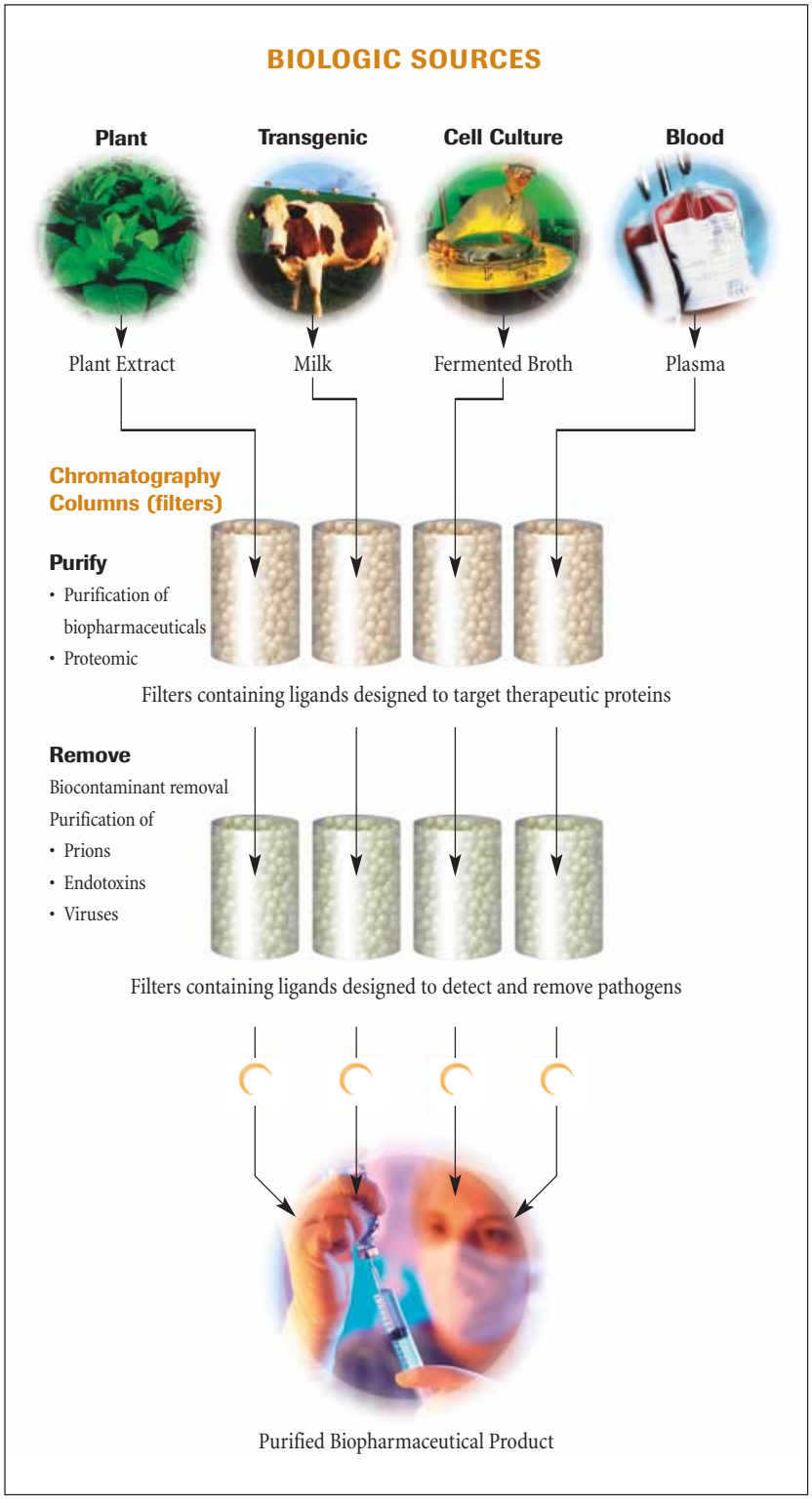
Protein separation and purification typically represent over 50% of the total manufacturing costs of biopharmaceutical products.

A Strategy Optimizing Opportunity

ProMetic's strategy focuses on the improvement of existing and established biopharmaceuticals through yield, purity or cost improvements. Business risk is therefore lowered compared to a growth strategy that would rely solely on the discovery and development of new and unproven therapeutic drug candidates.

ProMetic has a remarkable growth engine capable of developing a wide range of high value products. It has established a solid base of technology out-licensed to biopharmaceutical companies for their own development programs, and formed alliances with third parties to co-develop high value biopharmaceuticals.

Bioseparation Process Overview



ProMetic Technology Increases Production Efficiency

ProMetic collaborates with pharmaceutical and biotechnology companies to optimize manufacturing processes involving the bioseparation or purification of their products.

The resulting process improvements help increase production efficiency, thereby reducing manufacturing costs. Moreover, the companies can use ProMetic's technology to strengthen their own market position through product improvements such as increased purity.

A good example is the recent strategic alliance signed with the American Red Cross for the co-development of a new process to improve the recovery of proteins from plasma fractionation.

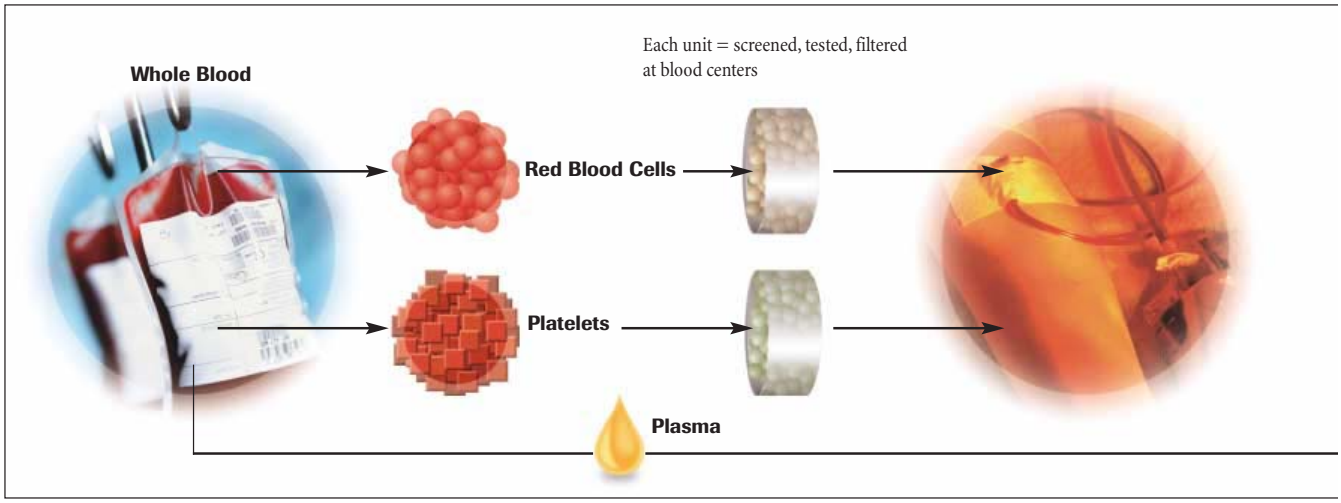
ProMetic Derives Revenues from these Partnerships in Several Ways

- Funded development work
- Supplying bioseparation media needed to recover biotherapeutics in a highly purified form
- Royalties on the sales of therapeutic proteins manufactured using ProMetic's technology depending on the type of business relationship and the nature of the products

In early 2003, ProMetic signed a new strategic alliance with the American Red Cross to develop more efficient methods for recovering proteins from plasma.

New Alliance to Recover Valuable Proteins from Plasma

Products Derived from Blood



Plasma is the residual liquid that remains once the red cells, white cells and platelets have been removed from whole blood. It is a unique and important source of multiple biopharmaceutical products. Each litre contains about 60g of protein, some 57g of which (given processing losses) are used in the manufacture of over 20 therapeutic products.

The challenge with plasma as a biological source of proteins is compounded by the fact that there are several different proteins to be recovered from the same source material at the same time.

Extracting and purifying proteins derived from blood involves a complex series of steps.

Our alliances with the American Red Cross exemplify the many ways in which ProMetic leverages its technology and competence.

The First Step: Blood Collection and Processing

Blood is collected by blood agencies such as the American Red Cross, Canadian Blood Services and Héma-Québec.

These institutions screen, test, filter, and otherwise process each unit of blood individually to prepare one unit of red blood cell concentrate and one unit of platelets. The white cells are discarded. The remaining liquid is the protein-rich plasma.

Some 30 million units of whole blood are processed in this fashion in North America, Europe and Japan annually.

The plasma is then frozen and sent to plasma fractionation facilities.

At the plasma fractionation facilities, the plasma is pooled in batches varying from 3,000 to 10,000 litres. It is then processed to recover the many proteins that constitute the key active ingredients much in demand for use in research and as therapeutic drugs.

Most of the plasma fractionation facilities rely on precipitation techniques, specifically the Cohn fractionation technique to recover proteins from plasma. This technique relies on the progressive addition of alcohol (ethanol) and cooling to trigger the precipitation of different protein fractions.

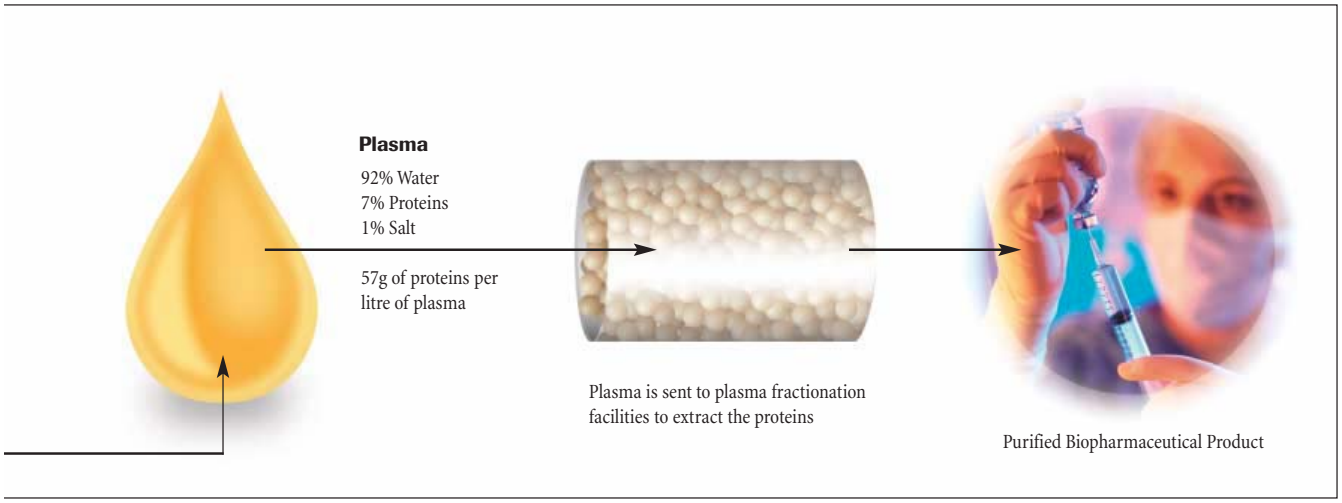
Current Techniques Unable to Meet World Demand

Plasma protein fractionation is by far the largest global therapeutic protein industry. It produces over 500 metric tons of human serum albumin (hSA) annually and over 40 tons of immunoglobulins (IVIG) from more than 26 million litres of source and recovered plasma.

Many developed countries have experienced shortages of plasma-derived products in the past three years, mostly owing to an increase in clinical demand as well as a concurrent withdrawal of a significant amount of products caused by the theoretical risk of transmitting infectious diseases such as Creutzfeldt-Jacob Disease.

Eighty percent of haemophiliacs in the world do not receive appropriate treatment, either because of insufficient supply or because they cannot afford the products.

In the coming years, the plasma fractionation industry will be confronted with the major challenge of increasing the output and further enhancing the safety of plasma-derived products.



The wide and increasing therapeutic use of IVIG is placing immense demands on plasma fractionators to increase output. It has been calculated that, at a use-level of 62 mg/individual per year in the USA alone, the global demand for IVIG would be 379 tons annually. This is more than 7 times the current supply level, which at the present time is just enough to adequately treat populations of the USA and Europe for approved indications.

26 million litres of plasma are processed worldwide annually. The five major players are Alpha Therapeutics, Aventis Behring, Baxter BioScience, Bayer Biological Products and CSL/ZLB Bioplasma.

However, the fundamental changes in world demand require more significant process changes that can only be achieved by the implementation of new, high-yielding fractionation facilities.

Poised to Help Fill Global Demand for Plasma Proteins

ProMetic's biopurification steps can be integrated into existing fractionation processes to enable greater protein recovery from the same amount of starting plasma. This approach to process improvement enables relatively quick implementation and approval.

Developing New Facilities that Use ProMetic's Cascade Approach

ProMetic and the American Red Cross are scaling up an innovative 'cascade' approach, which leverages ProMetic's technology to selectively target a desired protein directly from plasma. The effect will be to reduce the significant losses incurred using the more conventional precipitation process. This cascade approach will form the backbone of new plasma fractionation facilities.

Key markets that do not yet have their own plasma fractionation facilities include Canada, Latin America, the Middle East, India, Africa and several East European and Far Eastern countries.

Alliance to Remove Pathogens from the Blood Supply

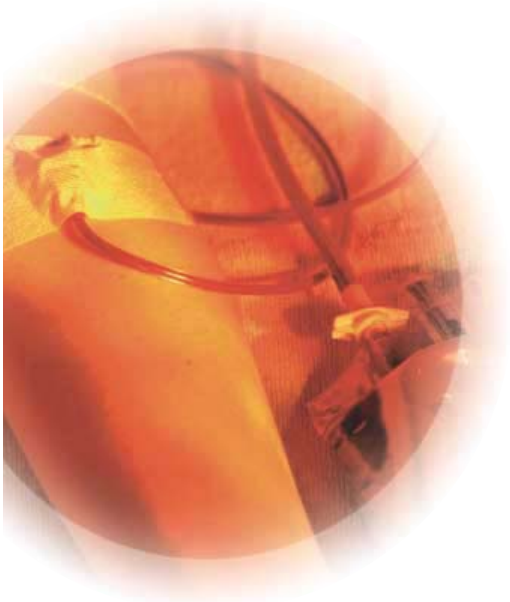
In 2002, ProMetic concluded a milestone agreement with the American Red Cross in creating the joint venture company, Pathogen Removal and Diagnostic Technologies Inc. (PRDT).

The alliance was formed to develop and commercialize detection and removal systems to eliminate prions, viruses and other pathogens both from the human blood supply and blood-derived products.

The PRDT Synergy: ProMetic Technology Combined with American Red Cross Expertise

PRDT uses ProMetic's proprietary technology to develop systems for the purification of blood and blood products, for transfusion purposes, and for the large scale manufacturing of biopharmaceuticals.

The American Red Cross shares its extensive expertise in handling blood products, provides skilled individuals, fully equipped facilities and validated models to test the efficacy of the systems jointly developed.



Understanding the Threat of Creutzfeldt-Jakob Disease (CJD)

The first issue PRDT is addressing is transmissible spongiform encephalopathies (TSEs) which are caused by infectious prion proteins leading to mad cow disease or bovine spongiform encephalopathy (BSE), also known as Creutzfeldt-Jakob Disease (CJD) in humans.

Mad cow disease is believed to be transmissible to people by ingestion of contaminated bovine products and can cause a fatal brain-wasting disease known as variant Creutzfeldt-Jakob Disease (vCJD).

People with CJD or vCJD may not know they are infected for many years. If they donate blood, they can unwittingly transmit it to others.

There are, at present, no adequate *ante-mortem* methods for the sensitive detection, inactivation or cure of TSEs.

It has unfortunately been impossible to test the blood supplied by donors potentially exposed to the disease in European countries.

Creutzfeldt-Jakob Disease is 100% fatal as there is no existing therapy. Most victims of vCJD die within a period of months following onset of clinical symptoms. Recent known victims were probably infected during the late 1980s when mad cow disease was rampant in the UK.

Due to inadequate methods for diagnosing the presence and removal of infectious prions, many potentially infected animals could still be processed for human consumption in Europe.

The formation of PRDT underscores ProMetic's leadership position in biopurification technology, diagnostic and pathogen removal systems.

Four Classes of Products are Urgently Required to Prevent the Spread of TSEs

1. A sensitive *post-mortem* diagnostic test for cows to eliminate contaminated food before it enters the food chain.
2. An *ante-mortem* diagnostic test to ensure that few or no infectious agents enter the blood supply.
3. A method for removing infectious agents from food and pharmaceutical preparations.
4. A therapeutic drug to inhibit the progression of disease in those already infected.

PRDT Products Under Development

From its platform technology, PRDT will be developing products addressing the above-mentioned needs. The immediate focus however is on developing devices capable of reducing the risk of transmission of TSEs by removing infectious prions from blood, blood components and other biopharmaceuticals.

Recombinant Alpha 1-Antitrypsin (rAAT)

Recombinant Alpha 1-Antitrypsin (rAAT): Solving World Supply Problems

Plasma-derived Alpha 1-antitrypsin (AAT), a naturally occurring protein, has been clinically proven to alleviate many inflammatory skin conditions such as Atopic Dermatitis and Psoriasis. However, until now, a shortage in world supply has prevented the development of many AAT-based treatments.

The Arriva-ProMetic partnership has developed a yeast-derived product, recombinant Alpha 1-antitrypsin (rAAT). This proprietary production system will provide an abundant source of rAAT.

The current supply of the natural plasma-derived form of AAT is only available in limited quantities leaving, untreated, a very large number of patients who could benefit from such therapy.

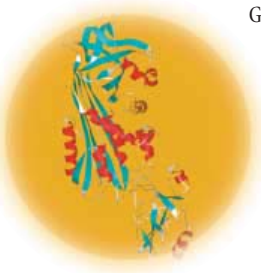
Investments in Arriva-ProMetic topical rAAT formulations for skin conditions allows us to develop formulations for the treatment of other inflammatory conditions such as Interstitial Cystitis and Inflammatory Bowel Diseases (IBD).

Indications for Arriva-ProMetic rAAT Formulations:

Atopic Dermatitis (AD)
A severe and chronic form of eczema, AD is a skin disorder affecting an estimated 15 million individuals in the US alone (6% of the general population) at least once in a lifetime. Since 1970, the incidence of AD has increased by 30%.

Psoriasis
Psoriasis, a chronic skin condition, affects 1-3% of the world's population. In North America alone, approximately 10 million people suffer from some form of psoriasis.

Inflammatory Bowel Diseases (IBD)
A group of disorders such as Crohn's disease and ulcerative colitis. IBD affects more than 2 million individuals worldwide every year.



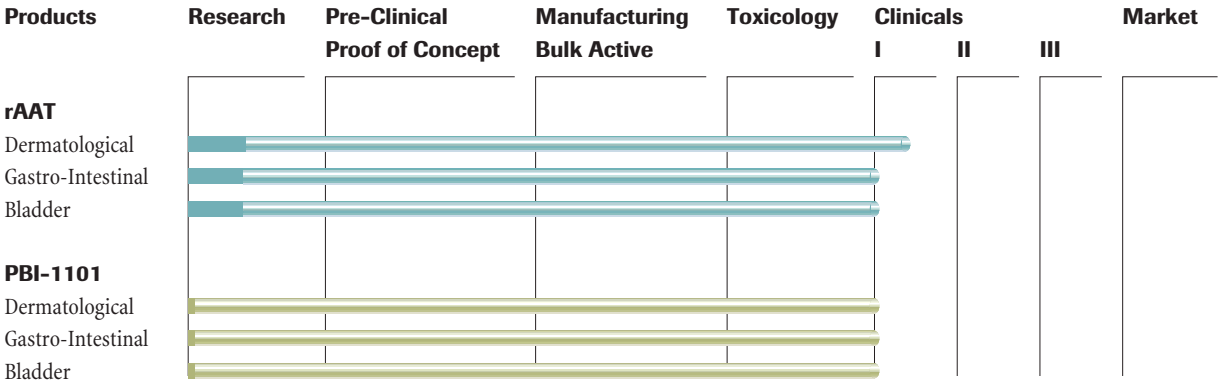
Interstitial Cystitis (IC)
Far more common in women than men, more than 1 million North Americans are estimated to have IC.

ProMetic Discovers Anti-Inflammatory Properties of Well-Known Entity PBI-1101
Effective alone or in combination with other anti-inflammatory drugs, ProMetic's proprietary use of PBI-1101 may have promising new applications in the treatment of dermatological, gastroenterological and urogenital inflammations.

ProMetic intends to produce an 'improved' range of existing, branded medications with new patent protection, in partnership with their manufacturers. Given that PBI-1101 is a substance that has been approved by health authorities worldwide for other uses, its clinical development phases should be accelerated.

ProMetic develops drugs that target unmet medical needs where standard therapies are either in limited supply or economically burdensome.

Therapeutic Pipeline—Inflammation

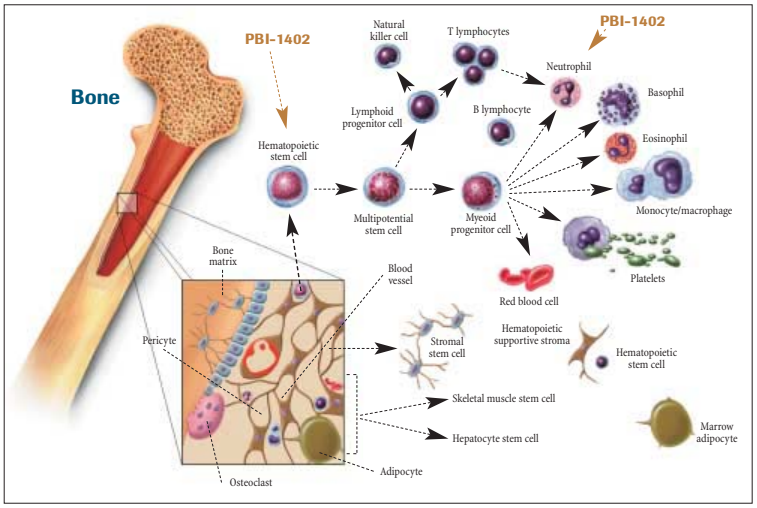


Devastating Side Effects of Chemotherapy and Radiation Therapy

Although other normal tissues may also be adversely affected, bone marrow is particularly sensitive to chemotherapy or radiation therapy. Chemotherapy and radiation therapy induce a myelosuppression state, i.e. a severe reduction of blood cell production in bone marrow (hematopoietic cells) and reduces the self-renewal capacity of stem cells.

The hematopoietic cells of the bone marrow are responsible for the production of important cells of the immune system, oxygen transport and for blood clotting. The reduction in these cells in turn leads to a reduction of polymorphonuclear neutrophils (the "neutrophils"), the first line of defence against invading pathogens responsible for the phagocytosis and elimination of infectious agents.

The lack of neutrophils, erythrocytes and platelets leads to disorders such as neutropenia, anemia and thrombocytopenia, contributing to the high cost of cancer therapy, and is a leading cause of morbidity and mortality following cancer treatments.



PBI-1402: Reduces the Toxic Effects of Chemotherapy on Bone Marrow

Results to date demonstrate that PBI-1402 satisfies the need for protective and therapeutic agents as it stimulates the hematopoietic system and can treat the myelosuppressive effects of chemotherapy and radiotherapy as well as other situations in which the stimulation of the hematopoietic system can be of therapeutic value.

Based on its pharmacological activity, PBI-1402 may be classified as a chemo-protective drug and a hematopoietic growth stimulant.

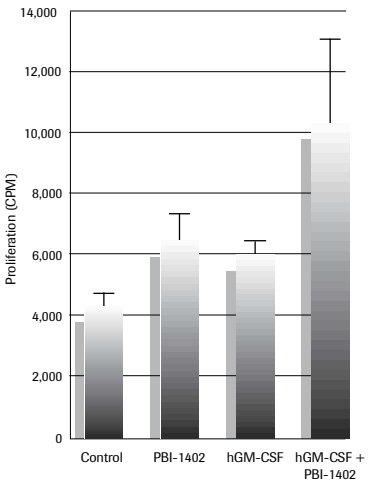
Growth factors such as Neupogen® (rmethuG-CSF), Neulasta® (PEGrmethuG-CSF), Leukine® (rhuGM-CSF) and Granocyte® (rhuG-CSF) have been shown to be safe and effective in accelerating the recovery of neutrophil counts following a variety of chemotherapy regimens.

The biological activity of PBI-1402 was compared to human Granulocyte Macrophage-Colony Stimulating Factor (hGM-CSF), a growth factor which stimulates proliferation and differentiation of hematopoietic progenitor cells from the bone marrow.

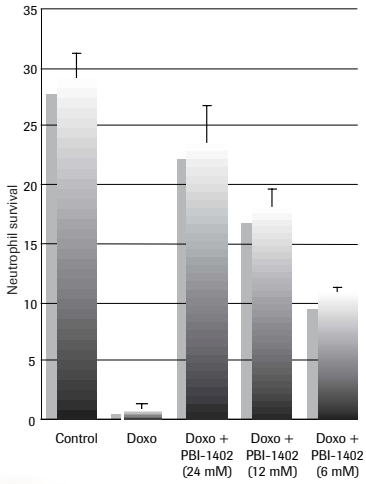
As illustrated in Figure 1, PBI-1402 is equipotent with hGM-CSF as regards its ability to stimulate *in vitro* human bone marrow cell proliferation. Also, a synergistic enhancement is observed when PBI-1402 and hGM-CSF constitute the growth stimulants for human bone marrow proliferation.

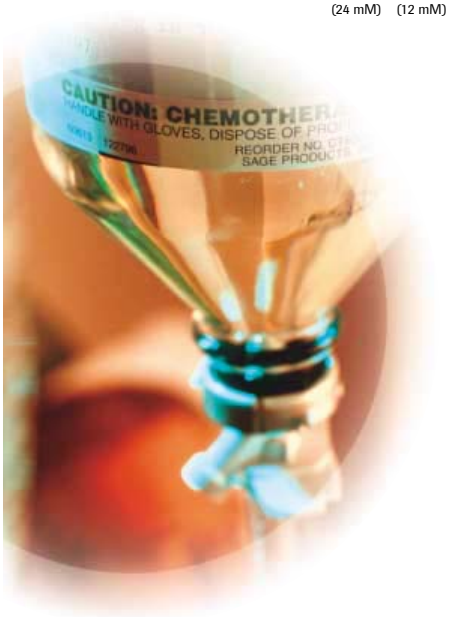
Furthermore, PBI-1402 reduces the toxic effect of chemotherapy on bone marrow cells so that recovery after each dose of chemotherapy may be faster. In fact, PBI-1402 rescues doxorubicin-induced apoptosis (cell death) of neutrophils. PBI-1402 enhances human neutrophil survival by up to 90% (in a dose dependent

Effect of PBI-1402 and hGM-CSF on human bone marrow proliferation
Figure 1



Protective effect of PBI-1402 on doxorubicin-(doxo-) induced neutrophil apoptosis
Figure 2





fashion) (see Figure 2) as well as their phagocytic activity (their ability to kill bacteria or germs).

The preclinical program has generated positive results, which confirm the *in vitro* efficacy of PBI-1402 on human tissue. This has subsequently led to the filing of several patents and the expansion of the forth-coming clinical program. To date, the available data suggests that PBI-1402 is a well-tolerated, orally active compound with the potential of lowering the toxicity associated with chemotherapy. This may improve the quality of life for cancer patients.

Of equal importance are the validation of the synthesis of the bulk active ingredient and the preparation of a solid oral dosage form to bring PBI-1402 to clinical readiness.

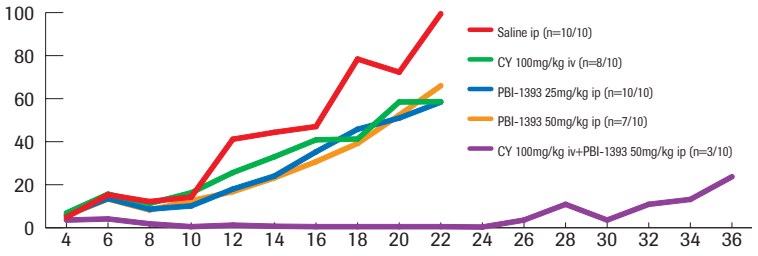
PBI-1393: Increases Chemotherapy Benefits and Reduces Side Effects

PBI-1393 is an anti-cancer drug with the potential to improve the efficacy of current cancer treatment regimens. In addition, PBI-1393 stimulates the immune system with few, if any, side effects.

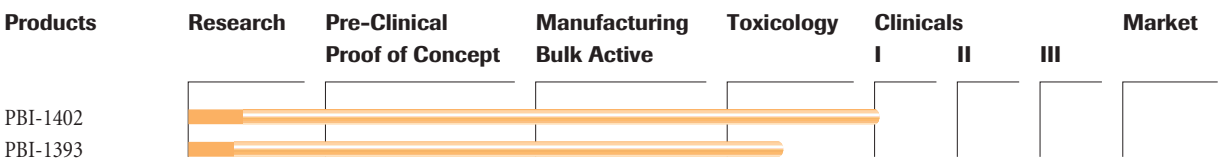
The mechanism of action of PBI-1393 is linked to a potent activation of a white blood cell subset, the cytotoxic T lymphocytes (CTLs). CTLs play an important role in controlling micrometastatic tumors. The anti-cancer evaluation of PBI-1393 was undertaken with successful results published in peer reviewed scientific journals. *In vivo* studies indicate that PBI-1393 induces a significant anti-tumor response.

Results published in the *International Journal of Immunopharmacology* 22, 659-671 (2000) show that a significant response can be obtained when PBI-1393 is given prophylactically, in combination with low dose chemotherapy (cyclophos-phamide, or CY). When administration of PBI-1393 is stopped at day 22, tumor growth starts again. A similar anti-tumor activity was observed with PBI-1393 in combination with different chemotherapy regimens.

PBI-1393



Therapeutic Pipeline—Cancer



Management's Discussion and Analysis of Operating Results and Financial Position

The following management's discussion and analysis should be read in conjunction with the Company's consolidated financial statements for the year ended December 31, 2002 and the notes related thereto. The financial statements were prepared in accordance with Canadian generally accepted accounting principles. Unless otherwise indicated, all figures are expressed in Canadian dollars.

OVERVIEW

The partnership and joint venture agreements concluded over the past few years have enabled ProMetic Life Sciences Inc. ("ProMetic" or the "Company") to position itself as a key player in the biopharmaceutical purification market. This strategy aims at maximizing the Company's value and mitigates inherent development risks.

Year-end 2002 was marked by a strategic alliance between ProMetic and the American Red Cross announced on April 8, 2002 for the creation of a joint venture company, Pathogen Removal and Diagnostic Technologies Inc. (PRDT). The joint venture's mission is to develop and market diagnostic and removal systems for pathogens that may be found, among others, in blood and blood-derived products. Although the financial impact of this alliance on the Company's bottom line is not immediate, it provides a significant endorsement of ProMetic's bioseparation technology and enhances its visibility at the international level.

The growing affinity between ProMetic and the ARC led to a second strategic alliance announced last February 5, 2003, pertaining to the purification of plasma-derived proteins. Both alliances were concluded within a year of each other. They involve the patented purification technology using Mimetic Ligands™. These alliances serve as growth catalysts for ProMetic, which is now well poised to capture the multiple growth opportunities in the biotechnology industry.

The initiation of a Phase Ib clinical trial of recombinant Alpha 1-antitrypsin (rAAT) through the Arriva-ProMetic Inc. joint venture confirmed the significant progress made by ProMetic's therapeutic division, since research and development (R&D) program spending was accelerated two years ago. RAAT is the first drug compound of its product development pipeline to advance to clinical trials.

Owing to additional discoveries made regarding the activity of its lead compound PBI-1402, the Company decided to revise its original clinical development plan, thereby incurring delays. The discoveries led to the filing of new patents and PBI-1402 should enter clinical trials during the third quarter of 2003.

ProMetic completed equity offerings for net proceeds of $38.1 million (including $9.1 million in subscriptions receivable as at December 31, 2001), increasing its cash, cash equivalents and short-term investments to $22.9 million at the end of 2002, compared with $2.6 million at the end of 2001. Capitalization is adequate to advance lead R&D programs and ensure a well-balanced plan for future growth.

Geneviève Poulin
Vice-President Finance and
Chief Financial Officer

As predicted in its 2000 annual report, the Company reached its goal of increasing shareholder value in 2001.

Management Discussion and Analysis of Operating Results and Financial Position

OPERATING RESULTS

A strengthened financial condition; a drug candidate in Phase I; two strategic alliances with the ARC

Revenues

Revenues in 2002 were $2.5 million, remaining stable from 2001. ProMetic expected to enter new partnerships and/or licensing agreements that could have triggered substantial revenues in the fourth quarter. Since negotiations initiated during 2002 are still currently ongoing, the timing of these potential revenues has been postponed to 2003. The Company expects to finalize at least one of these agreements in 2003.

ProMetic generates a significant part of its revenues from collaboration agreements involving R&D and the design of bioseparation processes. Given their non-recurrent nature, the Company believes that the timing and scope of this type of revenue is difficult to predict. Revenues from the sale of commercially-available products were less than 15% of total revenues in 2002. High profile partners will help generate future revenues by accelerating the adoption of ProMetic's technology and products.

Operating Expenses

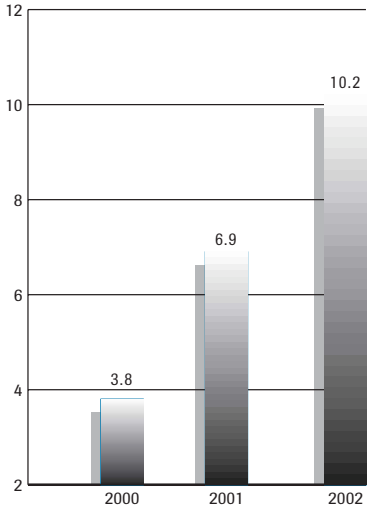
Accelerating R&D spending led to marked advances in key programs for rAAT and PBI-1402 and within PRDT

The Company maintains strict management of its operating and capital expenditures. During 2002, administration, marketing and other expenses increased to $5.7 million, from $3.5 million in 2001, mainly owing to additional investments of $0.6 million in corporate and business development activities, to $0.3 million from new hirings at the legal and administrative level and to expenses of $0.6 million associated with offerings totalling $38.1 million completed during the first half of 2002.

R&D expenses reached $10.2 million in 2002, a $3.3 million increase from the $6.9 million spent in the previous year. Significant progress achieved in the development of PBI-1402 as well as in the PRDT joint venture created in 2002 drove ProMetic's R&D spending. The increase is mainly owed to the impact of a full year of spending in therapeutic programs, representing $1.6 million, since a majority of scientists hired by this division joined the Company between June and August 2001, as well as to $1.3 million in expenses incurred by PRDT to advance a first R&D program on pathogens that may cause transmissible spongiform encephalopathies. These increased investments have allowed the Company to move rAAT into Phase Ib clinical trial and to prepare another lead compound, PBI-1402, for clinical trial initiation in 2003.

Research & Development Expenditures

Millions of dollars



Net Results

ProMetic incurred a net loss of $14.1 million, or $0.19 per share, in 2002, compared with $8.4 million, or $0.14 per share, in 2001. Explanations of the nature of this loss are provided in the above section "Revenues and Operating Expenses".

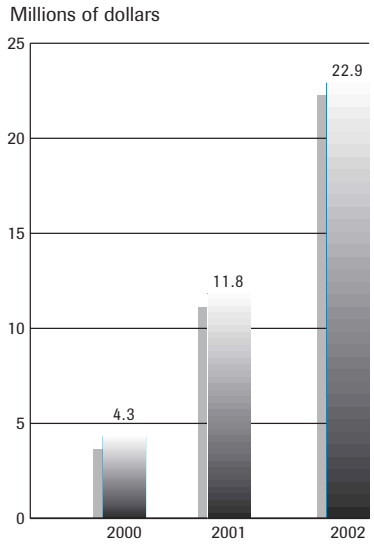
BALANCE SHEET

Strengthened Capitalization

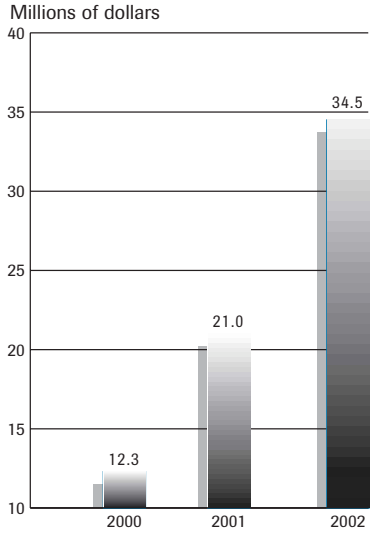
During 2002, the Company raised capital to consolidate its position in the biopharmaceutical purification market and to accelerate the development of two programs, rAAT and PBI-1402. Short-term assets have increased to $25.9 million in 2002, compared with $13.2 million in 2001, mainly owed to the June 2002 offering.

Capital assets increased by $1.4 million, after amortization of $0.7 million. Laboratory equipment, computers and application development software required to advance current R&D programs explain a major part of 2002 asset additions.

Cash, Cash Equivalents, Short-Term Investments and Subscriptions Receivable



Shareholders' Equity



Intellectual property increased by $1.0 million in 2002, $0.7 million of which reflects the recognition of 50% of disbursements made to the Arriva-ProMetic joint venture during the year in consideration for the granting, by Arriva Pharmaceuticals, Inc., of a permanent and exclusive licence to the Company, and an amount of $0.4 million paid to acquire an exclusive worldwide licence to exploit patents, preclinical data and know-how in oncology.

Deferred development expenses were $3.2 million in 2002, a $0.4 million decrease explained by amortization for the year, which was mainly related to technologies used in the rAAT development program, and to R&D tax credits received during 2002. Past investments made to initiate the development of high potential opportunities have been capitalized in the deferred development expense balance.

The general increase in the Company's activity level drove current liabilities up to $4.3 million in 2002, from the $3.3 million balance in 2001.

LIQUIDITY AND CAPITAL RESOURCES

In spite of the significant increase in investments and net loss in 2002, ProMetic's financial condition has been greatly improved by the issuance of Subordinate Voting Shares for net proceeds of $38.1 million after flotation costs of $2.8 million. Operating cash outflows reached $12.4 million in 2002, compared with $7.6 million in 2001, mainly attributable to the progress achieved in R&D programs. The Company's activities have generated $10.8 million in cash and cash equivalents, compared with $0.3 million during 2001.

André Bédard
Chief Operating Officer

OUTLOOK

Drug candidates rAAT and PBI-1402 progressing through clinicals; increased manufacturing capacity to prepare for commercialization

ProMetic is pursuing its strategic plan to maximize shareholder value while maintaining rigorous management of its operations. The Company's value is closely linked to progress realized in its lead R&D programs as well as its ability to sign collaboration agreements, partnerships and/or strategic alliances. Management expects to move rAAT to Phase II clinical trials and to initiate the clinical development of PBI-1402 over the next few quarters of 2003. These products have high revenue potential, which drive the Company's value.

Executing new agreements will contribute to enhance the value of its technology and products. In most cases, the Company signs manufacturing agreements allowing it to earn a profit margin on product manufacturing and to collect royalties on finished product sales. For certain targeted high potential markets, the Company also takes an equity interest in its partners' share capital to optimize medium and long-term shareholder value. This is exemplified by the rAAT agreement, where ProMetic will receive 50% of revenues generated by the Arriva-ProMetic joint venture in addition to its equity interest in Arriva Pharmaceuticals, Inc. This principle also applies to products developed by PRDT.

Progress achieved in its lead therapeutic programs and the two ARC alliances signal that the Company must prepare for its next development stage. Anticipating market demand for its development products, the Company created the Chief Operating Officer function to oversee the planning and implementation of a capacity expansion project for its manufacturing plants. In 2002, management also undertook to update the Company's Corporate Governance policy to ensure compliance with upcoming new standards expected in 2003 and to continuously improve operations management and shareholder value.

RISKS

The information set forth in the management's discussion and analysis section of this annual report contains certain statements regarding future financial and operating results, benefits and synergies of transactions with the ARC, future opportunities based on such transaction, discovery and development of products, strategic alliances and intellectual property, and other statements about our future expectations, beliefs, goals and plans, which should be considered to be forward-looking statements.

These statements are not guarantees of future performance and are subject to certain risks, uncertainties and other factors, some of which are beyond ProMetic's control and difficult to predict. These risks and uncertainties could cause actual results to differ materially from those expressed or implied in such statements and include: general economic and business conditions; the ability to attract and retain qualified personnel; existing governmental regulations and changes in, or the failure to comply with, governmental regulations; adverse results in drug discovery and clinical development processes or failure to complete the pre-clinical and clinical development; the ability to obtain and enforce timely patent and other intellectual property protection for our technology and products; patents liability and other claims asserted against us; commercialization limitations imposed by patents owned or controlled by third parties; dependence upon strategic alliance partners to develop and commercialize products and services based on our work or technology; the ability to complete and maintain such corporate alliances; the requirement for substantial funding to conduct R&D and to expand commercialization activities; decisions and timing of decisions made by health regulatory agencies regarding approval of our technology and products; the competitive environment and impact of technological change, and the continued availability of capital to finance our activities. Additional factors relating to the two transactions with the ARC: the inability to successfully integrate the ARC's technology; the inability to realize anticipated synergies, improved yield and cost savings; the inability to obtain assignment for licenses with third parties; and difficulties or delays in obtaining regulatory approvals to market products and services resulting from the combined companies development efforts.

Quarterly information

	Fourth Quarter 2002 $	Third Quarter 2002 $	Second Quarter 2002 $	First Quarter 2002 $	Fourth Quarter 2001 $	Third Quarter 2001 $	Second Quarter 2001 $	First Quarter 2001 $
Revenues	587,739	745,293	924,879	253,752	565,454	1,111,096	446,752	377,493
Net loss	4,168,836	3,201,709	3,673,063	3,067,695	1,728,203	1,856,903	2,158,067	1,671,912
Net loss per share	0.05	0.04	0.05	0.04	0.04	0.03	0.04	0.03

Management's Report

The accompanying consolidated financial statements for ProMetic Life Sciences Inc. are management's responsibility and have been approved by the ProMetic Life Sciences Inc. Board of Directors. These financial statements were prepared by management in accordance with Canadian generally accepted accounting principles. They include some amounts that are based on estimates and judgments. The financial information contained elsewhere in the Annual Report is consistent with that contained in the financial statements.

To ensure the accuracy and objectivity of the information contained in the financial statements, the management of ProMetic Life Sciences Inc. maintains a system of internal accounting controls. Management believes that this system gives a reasonable degree of assurance that the financial documents are reliable and provide an adequate basis for the financial statements, and that the Company's assets are properly accounted for and safeguarded.

The Board of Directors upholds its responsibility for the financial statements in this Annual Report primarily through its audit committee. The audit committee is made up of outside directors who review the Company's consolidated annual financial statements as well as management's analysis and the operating results, and recommend their approval by the Board. KPMG LLP, Chartered Accountants, the external auditors designated by the shareholders, periodically meet with the audit committee to discuss auditing, the reporting of financial information and other related subjects.

Pierre Laurin
Chairman, President
and Chief Executive Officer

Geneviève Poulin
Vice-President Finance and
Chief Financial Officer

Montreal, Canada
April 7, 2003

Auditors' Report to the Shareholders

We have audited the consolidated balance sheets of ProMetic Life Sciences (the "Company" or "ProMetic") as at December 31, 2002 and 2001 and the consolidated statements of operations and deficit and cash flows for the years then ended. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with Canadian 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 presentation.

In our opinion, these consolidated 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 for the years then ended in accordance with Canadian generally accepted accounting principles.

KPMG LLP
Chartered Accountants

Montreal, Canada
April 7, 2003

Consolidated Balance Sheets

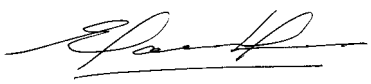
December 31, 2002 and 2001

	2002 $	2001 $
Assets		
Current assets:		
Cash and cash equivalents	13,390,259	2,606,798
Short-term investments (note 3)	9,508,610	–
Accounts receivable (note 4)	1,741,001	924,159
Subscriptions receivable (note 12 (e))	–	9,150,000
Inventories (note 5)	527,508	292,333
Prepaid expenses	686,188	228,093
	25,853,566	13,201,383
Investment and interest in a joint venture (note 6)	2,663,603	2,281,245
Capital assets (note 7)	3,381,220	1,973,001
Intellectual property (note 8)	4,349,822	3,272,535
Deferred development costs (note 9)	3,209,004	3,583,831
	39,457,215	24,311,995
Liabilities and Shareholders' Equity		
Current liabilities:		
Accounts payable and accrued liabilities	4,200,622	3,271,521
Current portion of long-term debt (note 11)	150,034	–
	4,350,656	3,271,521
Long-term debt (note 11)	200,046	–
Preferred shares, retractable at the holder's option (note 6 (b))	382,358	–
Shareholders' equity:		
Share capital (note 12)	112,919,390	83,500,266
Deficit	(78,395,235)	(62,459,792)
	34,524,155	21,040,474
Commitments (notes 8 and 13)		
Contingencies (note 14)		
Subsequent events (note 20)		
	39,457,215	24,311,995

See accompanying notes to consolidated financial statements.

On behalf of the Board:

Pierre Laurin, Director



Claude Lemire, Director

Consolidated Statements of Operations and Deficit

Years ended December 31, 2002 and 2001

	2002 $	2001 $
Revenues	**2,511,663**	2,500,795
Administration, marketing and other expenses excluding the undernoted items	**5,707,640**	3,456,849
Research and development expenses (note 9)	**10,205,803**	6,897,467
Depreciation of capital assets	**665,472**	425,188
Amortization of intellectual property	**332,767**	199,009
	16,911,682	10,978,513
Net interest income	**288,716**	62,633
Net loss	**14,111,303**	8,415,085
Deficit, beginning of year	**62,459,792**	52,097,456
Share issue expenses	**1,824,140**	1,947,251
Deficit, end of year	**78,395,235**	62,459,792
Net loss per share	**0.19**	0.14
Weighted average number of outstanding shares (in thousands)	**75,718**	62,487

See accompanying notes to consolidated financial statements.

Consolidated Statements of Cash Flows

Years ended December 31, 2002 and 2001

	2002 $	2001 $
Cash flows from (used in) operating activities:		
Net loss	**(14,111,303)**	(8,415,085)
Adjustments to reconcile net loss to cash flows used in operating activities:		
Depreciation of capital assets	**665,472**	425,188
Amortization and write-off of deferred development costs (note 9)	**240,333**	341,330
Amortization of intellectual property	**332,767**	199,009
	(12,872,731)	(7,449,558)
Net change in operating assets and liabilities (note 18)	**508,139**	(172,423)
	(12,364,592)	(7,621,981)
Cash flows from (used in) financing activities:		
Proceeds from share issues	**38,119,124**	9,917,887
Share issue expenses	**(2,816,220)**	(955,171)
Repayment of long-term debt	**(77,434)**	(110,758)
	35,225,470	8,851,958
Cash flows from (used in) investing activities:		
Acquisition (disposal) of short-term investments	**(9,508,610)**	2,000,000
Additions to intellectual property	**(1,274,884)**	(1,287,875)
Deferred development costs (note 9)	**134,494**	(907,057)
Additions to capital assets	**(1,428,417)**	(698,563)
	(12,077,417)	(893,495)
Net increase in cash and cash equivalents	**10,783,461**	336,482
Cash and cash equivalents, beginning of year	**2,606,798**	2,270,316
Cash and cash equivalents, end of year	**13,390,259**	2,606,798
Other cash flow information:		
Interest paid	**9,131**	6,863
Interest earned	**222,404**	144,895
Non-cash transactions:		
Unpaid additions to capital asset and intellectual property	**1,043,353**	262,909
Capital lease obligation	**427,514**	–
Excess of the interest in the joint venture Pathogen: Removal and Diagnostic Technologies Inc. over the proportionate share in the consolidated net assets	**382,358**	–
Preferred shares retractable at the holder's option	**382,358**	–
Unpaid share issue expenses	**–**	992,080

See accompanying notes to consolidated financial statements.

ProMetic is an international biopharmaceutical company engaged in the research, development, manufacturing and marketing of a variety of applications developed from its own exclusive technology platform. ProMetic owns proprietary technology essential for use in the large-scale purification of drugs, genomics and proteomics products as well as medical and therapeutic applications.

1. Significant accounting policies:

These consolidated financial statements have been prepared in accordance with Canadian generally accepted accounting principles. Significant accounting policies are described below:

(a) Basis of consolidation:

The consolidated financial statements include the accounts of ProMetic Life Sciences Inc., of its subsidiaries, ProMetic BioSciences Inc., ProMetic BioSciences (USA), Inc., ProMetic BioSciences Ltd., as well as those of the two joint ventures, Arriva-ProMetic Inc. and Pathogen Removal and Diagnostic Technologies Inc., which are accounted for on a proportionate consolidation basis whereby the Company's proportionate share of its joint ventures' revenues, expenses, assets and liabilities are consolidated. All significant intercompany transactions and balances have been eliminated.

(b) Cash and cash equivalents and short-term investments:

Cash and cash equivalents are bank deposits and highly liquid investments purchased with maturity of three months or less. Short-term investments are short-term debt instruments issued by the government of Canada and Canadian financial institutions purchased with maturities of more than three months. Short-term investments are carried at the lower of cost and market value. The carrying value of these investments approximates their fair value due to their near-term maturity.

(c) Inventories:

Work in progress and finished goods are carried at the lower of cost and net realizable value, whereas raw materials are valued at the lower of cost and replacement cost. Cost is determined on a first in, first out basis.

(d) Investment:

The investment is recorded at acquisition cost. When, in management's opinion, there has been another than temporary decline in value, the investment is written down to its estimated realizable value. In determining the estimated realizable value of its investment, management relies on its judgment and knowledge of each investment as well as on assumptions about general business and economic conditions that prevail or are expected to prevail. These assumptions are limited due to the uncertainty of projected future events.

(e) Capital assets:

Capital assets are recorded at cost. Depreciation is provided over the useful lives of capital assets using the following methods:

Asset	Method	Rate/period
Leasehold improvements	Straight-line	Lease term
Equipment and tools	Declining balance	10% to 30%
Office equipment and furniture	Declining balance	20%
Computer equipment	Declining balance	30%

(f) Intellectual property:

Intellectual property includes patents and vested rights as well as licensing fees for product manufacturing and marketing. Amortization is provided over the useful lives of the intellectual property assets acquired using the straight-line method ranging up to 15 years. Management reviews the valuation and amortization of intellectual property on an ongoing basis, taking into consideration any events and circumstances which may impair its value. The Company assesses impairment by determining whether the unamortized balance may be recovered through undiscounted future cash flows to be derived from the intellectual property over its remaining life. Any other than temporary decline in value is charged to income.

1. Significant accounting policies (continued):

(g) Deferred development costs:

Development costs of new products and processes, which are considered technically and financially feasible, are stated at cost less related research and development tax credits and grants. These costs are amortized from the date of commercialization or use of the product or process, based on sales or internal use of the new product or process. Should the Company determine that the unamortized balance is in excess of recoverable amounts, the excess will be charged to operations for the year.

(h) Revenue recognition:

The Company recognizes revenues from various research and technology agreements when the contracted services are provided and the various conditions, if any, are met, and recognizes revenues from the sale of products upon product shipment.

(i) Scientific research and experimental development expenses:

Research and development expenses are charged to income in the year in which they are incurred, net of related tax credits.

(j) Foreign currency translation:

The Company's foreign subsidiaries are considered as integrated foreign operations. Foreign denominated monetary assets and liabilities of Canadian and foreign operations are translated into Canadian dollars using the temporal method. Under this method, monetary assets and liabilities are translated at year-end exchange rates while non-monetary items are translated at historical exchange rates. Expense items are translated at the exchange rates on the transaction date or at average exchange rates prevailing during the year. Exchange gains or losses are included in the statement of operations.

(k) Income taxes:

The Company uses the asset and liability method of accounting for income taxes. Future income tax assets and liabilities are recognized in the balance sheet for the future tax consequences attributable to differences between the financial statement carrying values of existing assets and liabilities and their respective income tax bases. As appropriate, a valuation allowance is recognized to write down the value of income tax assets to an amount that is more likely than not to be realized. Future income tax assets and liabilities are measured using income tax rates expected to apply when the assets are realized or the liabilities are settled. The effect of a change in income tax rates is recognized in the year during which these rates change.

(l) Stock option plan:

The Company maintains a stock option plan, as described in note 12 (b). The Company uses the fair value method to account for all stock-based payments to non-employees and to employees awards that are direct awards of stock that call for settlement in cash or other assets, or that are stock appreciation rights that call for settlement by issuance of equity instruments, and that have been awarded on or after January 1, 2002. No compensation cost has been recognized for all other employee stock-based compensation awards. Any consideration paid by employees upon the exercise of stock options is credited to share capital.

(m) Use of estimates:

The preparation of financial statements in accordance with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Significant items for which management must make estimates relate to the valuation and assessment of recoverability of the investment, intellectual property, tax credits and deferred development costs. In addition, management is of the opinion that the Company will obtain the resources required from its shareholders and external sources to complete all projects in progress as at December 31, 2002. Reported amounts and note disclosure reflect the overall economic conditions that are most likely to occur and anticipated measures to be taken by management. Actual results could differ from those estimates.

2. Changes in accounting policies:

The Company has made certain changes in accounting policies to conform to new accounting standards.

(a) Stock-based compensation:

Effective January 1, 2002, the Company implemented the new recommendations issued by the Canadian Institute of Chartered Accountants ("CICA") on stock-based compensation and other stock-based payments. These new recommendations have been applied prospectively to all stock-based payments to non-employees and to employee awards that are direct awards of stock that call for settlement in cash or other assets, or that are stock appreciation rights that call for settlement by the issuance of equity instruments, and that have been awarded on or after January 1, 2002.

(b) Business combinations, goodwill and other intangible assets:

In August 2001, the CICA issued Section 1581, "Business Combinations", and Section 3062, "Goodwill and Other Intangible Assets". Under Section 1581, business combinations initiated or completed after June 30, 2001 must be accounted for under the purchase method. In accordance with Section 3062, goodwill and intangible assets with indefinite lives are not amortized while other identifiable intangible assets are amortized. The Company has reviewed the implementation of these recommendations and determined that it did not have any impact on the accounting policies used.

3. Short-term investments:

	Cost $	2002 Market value $
Discount note, 2.55%, maturing in April 2003	1,499,875	1,504,353
Banker's acceptance, 2.45%, maturing in May 2003	556,351	556,458
Treasury bill, 2.72%, maturing in June 2003	4,997,080	5,001,130
Treasury bill, 2.68%, maturing in June 2003	2,455,304	2,459,065
	9,508,610	9,521,006

4. Accounts receivable:

	2002 $	2001 $
Trade	754,387	414,965
Sales taxes receivable	337,982	150,060
Government grants and tax credits receivable	37,771	177,510
Advance to officers [(a)]	480,000	70,000
Other	130,861	111,624
	1,741,001	924,159

(a) Includes a $450,000 note receivable issued upon the exercise of stock options of ProMetic Life Sciences Inc., bearing no interest and payable by December 31, 2003. As security for the note, the Company holds 450,000 shares from its share capital issued to the beneficiary.

5. Inventories:

	2002 $	2001 $
Raw materials	253,292	156,734
Work in progress and finished goods	274,216	135,599
	527,508	292,333

6. Investment and interest in a joint venture:

	2002 $	2001 $
Investment:		
Investment in convertible preferred shares of share capital of Arriva Pharmaceuticals, Inc.	2,281,245	2,281,245
Interest in a joint venture:		
Excess of the interest in the joint venture Pathogen: Removal and Diagnostic Technologies Inc. over proportionate share in consolidated net assets	382,358	–
	2,663,603	2,281,245

The consolidated financial statements include the Company's proportionate share of the revenues, expenses, assets and liabilities of Pathogen Removal and Diagnostic Technologies Inc. ("PRDT") and of Arriva-ProMetic Inc. ("AP"), as follows:

	PRDT [a] $	AP [note 8 (c)] $	2002 Total $	2001 AP $
Current assets	4,103	84,791	88,894	3,357
Long-term assets	382,358	1,728,943	2,111,301	1,162,590
Total liabilities	382,358 [b]	32,376	414,734	68,289
Total expenses being net loss	1,250,098	782,942	2,033,040	1,321,686
Cash flows from:				
Operations	(1,250,098)	(721,761)	(1,971,859)	(1,206,315)
Investing	–	(733,321)	(733,321)	(1,209,672)

(a) On April 8, 2002, ProMetic announced the creation of a new joint venture with the American Red Cross and two other partners under the legal name "Pathogen Removal and Diagnostic Technologies Inc." ("PRDT") in which the Company owns 26% of the voting shares. PRDT is engaged in the research, development and commercialization of pathogen diagnostic and removal systems.

Under the terms of the joint venture agreement, ProMetic and the American Red Cross will each contribute intellectual property and technical expertise to develop pathogen diagnostic and removal systems. They both equally assume the direct costs of the joint venture. Preferred shares including a 14% cumulative dividend will be issued by PRDT to the Company in consideration of its proportionate share in direct and indirect costs.

(b) The PRDT joint venture has issued preferred shares in consideration of the proportionate share of each partner in direct and indirect costs. These preferred shares are retractable at the holder's option, provided that PRDT has sufficient cash flows, and include a 14% cumulative dividend effective January 1, 2003. Since the shares issued by the joint venture are retractable at the holder's option, they are considered as debt rather than share capital. Thus, as part of the proportionate consolidation, the Company must acknowledge 26% of the shares issued to the American Red Cross as a debt to a third party.

7. Capital assets:

	2002 Cost $	2002 Accumulated depreciation $	2001 Cost $	2001 Accumulated depreciation $
Leasehold improvements	**601,475**	**256,894**	462,625	188,942
Equipment and tools	**4,542,570**	**2,219,409**	3 087,319	1,758,749
Office equipment and furniture	**449,634**	**113,483**	282,505	61,325
Computer equipment	**561,230**	**183,903**	266,688	117,120
	6,154,909	**2,773,689**	4,099,137	2,126,136
Accumulated depreciation	**2,773,689**		2,126,136	
Net book value	**3,381,220**		1,973,001	

8. Intellectual property:

	2002 Cost $	2002 Accumulated amortization $	2001 Cost $	2001 Accumulated amortization $
Intellectual property	**5,168,932**	**819,110**	3,758,878	486,343

(a) The Company owns the rights, title and interest in and to the know-how, information, technology and patents relating to its Mimetic Ligands™ technology. A portion of these rights, title and interest were assigned to the Company by the Cambridge University's Institute of Biotechnology in consideration of the payment of continuing royalties; the others having been developed by the Company.

(b) Effective November 9, 1995, the Company has the right to a patented technology permitting the link of the Mimetic Ligands™ to a matrix of perfluorocarbon such as Perfluorosorb™ beads. This technology is useful in chromatographic applications and for medical devices. This license is subject to the payment of a royalty to Arkion Life Sciences, Inc. on net sales with respect to any products covered by the patents.

(c) As of April 13, 1999, through its subsidiary, ProMetic Biosciences Inc., the Company entered into a 50-50 joint venture, Arriva-ProMetic Inc. ("Arriva-ProMetic"), with Arriva Pharmaceuticals, Inc. ("Arriva") for the development of applications relating to serine protease inhibitors as a platform for various pharmaceutical products for dermatological (e.g.: eczema, psoriasis, genital herpes) and gastrointestinal (e.g.: Crohn's disease, irritable bowel syndrome) treatments and urinary tract indications. The first serine protease inhibitor pursued is recombinant Alpha1-antitrypsin ("rAAT"), a compound produced in genetically-engineered yeast cells.

Arriva has granted to Arriva-ProMetic an exclusive, perpetual license to develop, manufacture and commercialize these serine protease inhibitors, and the Company has granted Arriva-ProMetic an exclusive, perpetual license for the use of its Mimetic Ligands™ purification technology for the indications within the scope of the joint venture. The Company has also undertaken to fund the joint venture to a maximum of US$4 million, of which US$930,169 has been contributed in 2002 for a total of US$2,473,820 (2001: US$1,543,651). The Company will progressively record 50% of its US$4 million contribution as intellectual property in consideration of Arriva's exclusive and perpetual license granted to the joint venture. In 2002, the Company recorded an amount of $733,321 as intellectual property (2001: $1,209,672) for a total of $1,942,993.

8. Intellectual property (continued):

(d) On June 6, 2002, the Company acquired for $400,000 A worldwide exclusive license to patents, pre-clinical data and know-how pertaining to three therapeutic compounds (immunomodulators and adjuvants) for human applications. The Company will make further improvements to the compounds, and milestone payments are to be made if positive results are achieved upon completion of the main development phases. Furthermore, the Company will pay royalties on the sales of compound-based products.

(e) As a member of the corporate intellectual property management program, an officer and some directors are entitled to receive royalties based on the sales of certain products submitted to ProMetic before joining the Company. These royalties vary between 0.1% and 0.3% of net sales or between 1% and 3% of revenues received by the Company. These employees also have the exclusive right to commercialize these products should ProMetic decide to stop developing and (or) commercializing them.

(f) In the normal course of business, the Company enters into license agreements for the market launching or commercialization of intellectual property. Under these licenses, including those mentioned above, the Company has committed to pay royalties ranging generally between 0.5% and 10% of net sales from products it commercializes or, as the case may be, on revenues received under a sub-license, subject to the application of the contract conditions.

9. Deferred development costs:

	2002 $	2001 $
Research and development expenses:		
Amounts incurred during the year	10,138,540	7,640,704
Amounts capitalized	–	(907,057)
Tax credits	(173,070)	(177,510)
	9,965,470	6,556,137
Amortization of deferred development costs	240,333	232,331
Write-off for the year	–	108,999
Expense for the year	10,205,803	6,897,467

	2002 $	2001 $
Deferred development costs:		
Deferred development costs, beginning of year	3,583,831	3,018,104
Deferred development costs for the year	–	907,057
Amortization of deferred development costs	(240,333)	(232,331)
Research and development tax credit	(134,494)	–
Write-off for the year	–	(108,999)
Deferred development costs, end of year	3,209,004	3,583,831

10. Credit facility:

One of the Company's subsidiaries, ProMetic BioSciences Inc., has a credit facility of which an amount of approximately $800,000 can be used for general purposes and an amount of approximately $1,500,000 can be used for the purchase of equipment. This credit is guaranteed by the Company and bears interest at a fixed interest rate based on market conditions during the year. As at December 31, 2002, this facility was not used, is available until December 2003 and is repayable over a period of 42 months from the date it is contracted. This credit is guaranteed by a first mortgage on the subsidiary's capital assets as well as on new equipment purchased through this financing mechanism.

11. Long-term debt:

The Company's capital lease obligation is payable in monthly installments of $12,503, bearing interest at a rate of 9.4% and expiring in 2005.

12. Share capital:

Authorized and without par value:

Unlimited number of subordinate voting shares, participating, carrying one vote per share.

20,000,000 multiple voting shares, participating, carrying ten votes per share, convertible at the option of the holder or automatically converted upon their sale to a third party by the holder into an equal number of subordinate voting shares.

An unlimited number of preferred shares, no par value, issuable in one or several series.

1,050,000 preferred shares, series A, non-participating, non-voting, convertible at the option of the holder into subordinate voting shares at $0.50 per share except for unpaid dividends, convertible at a rate equal to the trading average of the subordinate voting shares on the Toronto Stock Exchange during the 20 business days prior to the conversion, preferential cumulative dividend of 12% per year, payable quarterly.

950,000 preferred shares, series B, non-participating, non-voting, convertible at the option of the holder into subordinate voting shares at $0.60 per share except for unpaid dividends, convertible at a rate equal to the trading average of the subordinate voting shares on the Toronto Stock Exchange during the 20 business days prior to the conversion, preferential cumulative dividend of 12% per year, payable quarterly.

The total authorized preferred shares, series A and B, were all issued during 2000.

	2002 Number	2002 Amount $	2001 Number	2001 Amount $
Issued and fully paid:				
Subordinate voting shares	**72,743,722**	**110,656,225**	54,056,402	70,908,876
Multiple voting shares	**13,026,375**	**1,563,165**	13,261,586	1,591,390
Preferred shares, series A	**550,000**	**550,000**	900,000	900,000
Preferred shares, series B	**150,000**	**150,000**	950,000	950,000
Subscriptions (note 12 e))				9,150,000
Balance, at end of year		**112,919,390**		83,500,266

Cumulative dividends on preferred shares amounted to $281,184 as at December 31, 2002 ($414,885 in 2001).

(a) Share issue:

Changes in the issued and outstanding subordinate voting shares were as follows:

	2002 Number	2002 Amount	2001 Number	2001 Amount
Balance, at beginning of year:	**54,056,402**	**70,908,876**	46,254,045	$60,787,994
Shares issued pursuant to:				
Private placements	**5,619,370**	**11,831,332**	2,094,433	3,141,650
Public offerings	**9,340,000**	**25,218,000**	3,300,500	4,950,750
Exercise of warrants and options	**1,205,200**	**1,519,792**	1,650,700	1,825,487
Conversion of preferred shares	**2,287,539**	**1,150,000**	315,113	150,000
Conversion of multiple voting shares	**235,211**	**28,225**	441,611	52,995
Balance, end of year	**72,743,722**	**110,656,225**	54,056,402	70,908,876

12. Share capital (continued):

Except for shares issued pursuant to the conversion of multiple voting shares and preferred shares, as well as shares issued to an officer for which the Company has received a note receivable (note 4), all subordinate voting shares were issued for a cash consideration.

During fiscal 2002, 235,211 multiple voting shares (2001: 441,611), 350,000 Class A preferred shares (2001: 150,000) and 800,000 Class B preferred shares were converted into 235,211 (2001: 441,611) and 777,438 (2001: 315,113) and 1,510,101 subordinate voting shares, respectively.

(b) Stock options:

The Company has established a stock option plan for its directors, officers and employees or consultants. The plan provides that the aggregate number of shares reserved for issuance at any time under the plan and any other employee incentive plans may not exceed 6,000,000 (2001: 6,000,000) subordinate voting shares. Some options may be exercised in a period not exceeding 10 years from the date they were granted. Since September 10, 2001, the new options issued may be exercised over a period not exceeding 5 years and 1 month from the date they were granted.

Year of grant	Exercise price $	Number of options outstanding 2002	2001
1997	1.49 to 1.75	165,502	165,502
1998	2.00 to 3.00	64,000	65,500
1999	1.00 to 2.00	1,639,900	2,195,000
2000	1.35	300,000	300,000
2001	1.00 to 2.00	1,824,000	2,196,833
2002	2.50 to 2.70	264,000	–
		4,257,402	4,922,835

The following table summarizes the changes in the number of stock options outstanding over the last two years:

	Options	Weighted average exercise price per share $
Number of options as at December 31, 2000	2,796,002	1.21
Granted	2,206,833	1.62
Exercised	(3,000)	1.00
Cancelled	(77,000)	1.08
Number of options as at December 31, 2001	4,922,835	1.40
Granted	338,000	2.55
Exercised	(493,900)	1.00
Cancelled	(509,533)	1.76
Number of options as at December 31, 2002	4,257,402	1.49

The following table summarizes information about stock options outstanding as at December 31, 2002:

Range of exercise prices $	Number outstanding	Weighted average remaining contractual life (in years)	Weighted average exercise price $	Number exercisable	Weighted average exercise price $
1.00 to 1.49	1,968,502	6.60	1.10	1,272,102	1.07
1.50 to 1.75	1,507,000	3.97	1.59	219,800	1.58
2.00 to 3.00	781,900	5.00	2.25	253,540	2.16
	4,257,402			1,745,442	

(c) Stock-based compensation and other stock-based payments:

The Company applies the settlement method of accounting for stock options granted to employees. Had the compensation cost for the Company's stock option plan been determined based on the fair value at the grant date, the company's net loss would have been adjusted to the pro forma amount indicated below for the year ended December 31, 2002.

	$
Net loss reported	14,111,303
Pro forma compensation cost	79,104
Pro forma net loss	14,190,407
Pro forma net loss per share	0.19

The fair value of each option granted was estimated on the grant date using the Black-Scholes option price model using the following assumptions:

Risk-free interest rate	4.23%
Dividend yield	0%
Expected volatility of share market price	76.05%
Expected life	5 years

(d) Warrants and other options:

Regarding subordinate voting shares issued pursuant to public and private offerings, the Company also granted warrants for the purchase of subordinate voting shares.

As at December 31, 2002, the following warrants and other options were outstanding:

Warrants/options	Expiry date	Exercise price $
582,622	June 2003	3.00
430,050	September 2003	1.80

In 2002, upon exercise of warrants, the Company issued 711,300 subordinate voting shares at a price of $1.44 per share, for a total gross proceeds of $1,024,272.

12. Share capital (continued):

(e) Subscriptions receivable:

As at December 31, 2001, the Company accepted subscriptions amounting to $9,150,000 (4,575,000 subordinate voting shares at a price of $2.00 per share).

13. Commitments:

The Company has commitments under various operating leases for the rental of office space and laboratories. The minimum annual payments over the next few years are as follows:

	$
2003	872,983
2004	689,259
2005	595,736
2006	588,238
2007	588,238
2008 and thereafter	1,927,315
	5,261,769

14. Contingencies:

Following the discontinuation of the generic pharmaceutical business by ProMetic Pharma Inc. ("Pharma"), a former subsidiary of the Company, in 1999, the Company received the two following outstanding claims:

– A guaranteed creditor of Pharma is claiming $2,021,619 from the Company pursuant to guarantees and agreements related to certain credit contracts entered into between this creditor and Pharma. The claim commenced on June 29, 2000.

– Another Pharma creditor instituted a claim against the Company for the recovery of certain amounts due totaling $305,104.

After obtaining representation from their legal counselors, management is of the opinion that these claims are without substantial merit and no provision related to these matters has been recorded in these consolidated financial statements in that respect. Settlements, if any, will be charged to income in the period in which the settlement occurs.

15. Financial instruments:

(a) Fair value:

The carrying value of cash and cash equivalents, short-term investments, accounts receivable, accounts payable and accrued liabilities approximates their fair value because of the near-term maturity of these instruments. The carrying value of the long-term debt approximates its fair value because the implicit interest rate approximates market rates available for similar instruments.

The fair value of preferred shares retractable at the holder's option cannot be determined because these are shares of a private joint venture company at the pre-commercial stage and because it is not possible to determine in which period these shares may be redeemed.

(b) Credit risk:

The Company reviews a new customer's credit history before extending credit and conducts regular reviews of its existing customers' credit performance.

(c) Foreign exchange risk:

The Company derives a substantial part of its revenues in pounds sterling and the majority of its expenses that are not denominated in Canadian dollars are incurred in pounds sterling and in US dollars. The Company does not possess nor issue financial instruments for hedging or trading purposes.

16. Related party transactions:

The Company entered into the following transaction with related parties:

	2002 $	2001 $
Fees paid to directors	245,741	248,540

17. Income taxes:

Items relating to income taxes are as follows:

	2002 $	2001 $
Net loss	(14,111,303)	(8,415,085)
Basic income tax rate	35%	37%
Computed income tax provision	(4,938,956)	(3,113,581)
Decrease in income taxes resulting from:		
Unrecorded potential tax benefit arising from current period losses	3,815,486	1,895,779
Effect of tax rate differences in foreign subsidiaries	1,044,983	1,182,151
Non-taxable items	78,487	35,651
	–	–

Significant components of the Company's net future income tax balances are as follows:

	2002 $	2001 $
Future income tax assets:		
Losses carried forward	8,742,837	6,782,922
Share issue expenses	1,093,362	1,032,465
Unused research and development expenses	881,001	154,342
Unused tax credits, net of related taxes	119,760	92,761
Accounts payable and accrued liabilities	236,430	–
Inventories	23,757	–
Capital assets	6,379	76,562
	11,103,526	8,139,052
Less: valuation allowance	(9,758,421)	(6,954,309)
Net future income tax assets	1,345,105	1,184,743
Future income tax liabilities:		
Capital assets	(265,513)	(89,701)
Intellectual property	(700,786)	(595,997)
Deferred development costs	(378,806)	(499,045)
Net future income tax assets	–	–

17. Income taxes (continued):

In assessing the realization of future income tax assets, management considers whether it is more likely than not that a portion or all of the future income tax assets will be realized. Their realization is dependent upon the generation of future taxable income and tax planning strategies in making this assessment.

As at December 31, 2002, the Company had available the following deductions, losses and credits:

	Canada		Foreign
	Federal	Provincial	countries
	$	$	$
Research and development expenses, without time limit	2,526,470	3,619,616	–
Losses carried forward expiring in:			
2003	161,041	–	–
2004	705,536	–	–
2005	1,100,268	1,089,685	–
2006	2,465,153	2,465,153	–
2007	2,332,587	2,332,625	–
2008	4,175,444	4,175,444	–
2009	7,167,262	7,167,262	
2012	–	–	667,659
2018	–	–	1,574,536
2019	–	–	588,814
Without expiry date	–	–	21,013,417
Share issue expenses	3,524,703	3,524,703	–
	21,631,994	20,754,872	23,844,426
Unused tax credits expiring in:			
2009	53,757	–	–
2010	188,640	–	–
2011	228,878	–	–
2012	162,423	–	–
	633,698	–	–

18. Net change in operating assets and liabilities:

	2002	2001
	$	$
Increase in accounts receivable	(366,842)	(400,026)
(Decrease) increase in inventories	(235,175)	8,261
Increase in prepaid expenses	(458,095)	(55,434)
Increase in accounts payable and accrued liabilities	1,568,251	274,776
	508,139	(172,423)

19. Segmented information:

The Company operates in one reporting segment consisting in research, development, manufacturing and commercialization of a variety of commercial applications from its technology platform.

Revenues [1] by geographic segment are as follows:

	2002 $	2001 $
United States	332,336	1,425,130
United Kingdom	1,291,465	633,902
Europe (excluding United Kingdom)	838,533	296,922
Other countries	49,329	144,841
	2,511,663	2,500,795

[1] Revenues are attributed to countries based on location of customer.

Net losses by geographic segment are as follows:

	2002 $	2001 $
Canada	7,259,036	3,357,232
United States	13,715	393,763
United Kingdom	6,838,552	4,664,090
	14,111,303	8,415,085

The assets by geographic segment are as follows:

	2002 $	2001 $
Canada	31,460,699	17,695,636
United States	712,781	664,872
United Kingdom	7,283,735	5,951,487
	39,457,215	24,311,995

The capital assets and intellectual property by geographic segment are as follows:

	2002 $	2001 $
Canada	4,492,398	2,800,958
United States	24,079	22,460
United Kingdom	3,214,565	2,422,118
	7,731,042	5,245,536

19. Segmented information (continued):

Additions to capital assets and intellectual property by geographic segment are as follows:

	2002 $	2001 $
Canada	2,395,209	2,051,334
United States	6,324	6,990
United Kingdom	1,082,212	191,023
	3,483,745	2,249,347

20. Subsequent events:

Subsequent to year-end, the remaining Class A and B preferred shares, including cumulative dividends, were converted in accordance with the terms described in note 12. Therefore, the Company issued 277,661 and 1,201,988 subordinate voting shares respectively in consideration of Class A and B preferred shares.

21. Comparative figures:

Certain 2001 comparative figures have been reclassified to conform with the financial statement presentation adopted for 2002.

Board of Directors

Sadok Besrour [1]
President,
Placements Sadobex Inc.

John Bienenstock
University Professor, McMaster University
Director, Brain-Body Institute
St. Joseph's Healthcare Hamilton

Roger Garon [2]
Chairman of the Board,
Multivet Ltd.

Barry Gibson
Consultant

Robert Lacroix [1] [3]
Executive Vice-President,
CTI Capital Inc.

Pierre Laurin
Chairman of the Board,
President and
Chief Executive Officer,
ProMetic

Claude Lemire [1]
Claude Lemire
Consultant

Roger A. Perrault [2] [3]
President,
R.A. Perrault Consultants Inc.

Hans W. Schmid [2]
Chairman,
ASAT AG Applied Science and Technology

[1] Member of the Audit Committee

[2] Compensation Committee

[3] Governance Committee

Advisory Committees

The Company has Committees comprised of scientists with expertise in different areas such as biotechnology, bioprocessing and biopharmaceuticals. The members of these committees are as follows:

Max Arella, PH.D. [2] [3]
Professor INRS-Institute Armand-Frappier and adjunct Professor University of Montreal and P.E.I. University. A Virologist, member of various national and international committees on infectious diseases and expression of recombinant proteins.

John Bienenstock,
CM, MD (HON), FRCP, FRCPC, FRSC [2]
University Professor, McMaster University
Director, Brain-Body Institute
St. Joseph's Healthcare Hamilton.

Steve J. Burton, PH.D. [3] [4]
Research Director,
ProMetic BioSciences Ltd., (UK)
An acknowledged expert on downstream processing purification procedures for therapeutic proteins.

Dr. Ruben G. Carbonnel [4]
Director of the William R. Kenan Junior Institute for Engineering Technology and Science at North Carolina University.
Expert in affinity interactions, combinatorial screening methods and is pioneering the use of supercritical fluids in chemical and material processing.

Dan Chalker, MD., [1]
Clinical Professor, Medical College, Georgia. Diplomat, American Board of Dermatology. Fellow of American Academy of Dermatology. Conducted pioneering clinical research on alpha 1-antitrypsine used in the field of dermatology.

Ernest Charlesworth, MD., FRCPC [1]
Dermatologist, allergist and immunologist, San Antonio, Texas. Known authority in Dermatology. Working Group Member on Atopic Dermatitis Practice Parameters.

John C. Curling, PH.D. [3]
Independent Consultant. A recognized expert in plasma protein purification and known for his work in biotechnology process development.

Jean-Marie Dupuy, MD., PH.D. [2] [3]
Past Medical Director and Research Director, Immunology, Pasteur Mérieux Connaught, France. International authority in the field of immunology.

Pete Gagnon, PH.D. [3]
President, Validated Biosystems Inc.
A world expert on downstream process development, with particular emphasis on monoclonal antibodies and managing upstream contaminants.

David Gratton, MD., FRCPC [1]
Professor, McGill University
Health Science Centre
Past President Canadian Dermatology Association. Authority in the field of dermatology.

David J. Hammond, PH.D. [4]
Director, Plasma Derivatives, American Red Cross, Holland Laboratory
Expert in ligand design technologies, viral binding/removal and protein purification.

Barry L. Haymore, MD., PH.D. [3]
Consultant, Microbe Inotech Laboratories Inc., St. Louis, MO, U.S.A. A consultant, who is known internationally for his work in separation science and metal affinity chromatography.

Volker Helfrich, PH.D. [2] [3]
Registered Pharmacist, CEO of ASAT AG Applied Science & Technology, Zug, Switzerland. Expert in European and International drug regulatory affairs.

Roger A. Perrault,
MD., PH.D. FRCPC [1] [2] [3]
President of R.A. Perrault Consultants Inc.
A world authority on blood plasma fractionation and applications of plasma derivatives.

Dr. Robert G. Rohwer, PH.D. [4]
Internationally recognized as one of the most perceptive and independent thinkers in the field of the TSE's. Dr. Rohwer consults on the management of TSE risks for the World Health Organisation, the FDA, the American Red Cross, Health Canada, the U.S. Department of Agriculture and the European Commission.

Denis-Claude Roy, MD., [2]
Haematologist expert affiliated with the Maisonneuve-Rosemont hospital and the University of Montreal. Well-know authority in the field of immunobiology/molecular biology and lymphoma, allogeneic and autologous stem cell transplantation, engineering of haematopoietic cell grafts, immunotherapy and Graft-versus-Leukemia effect.

Hans. W. Schmid, PH.D. [2] [3]
Registered Pharmacist, Founder and Chairman of the Board of ASAT AG Applied Science & Technology, Zug, Switzerland. Former Managing Director of Cilag and Vice-President of Johnson & Johnson International and lecturer at the Swiss Federal Institute of Technology Zurich (ETHZ).

Sheldon Spector, MD., [1]
Clinical Professor of Medicine
UCLA Medical Centre, President, California Society of Allergy, Asthma and immunology. Internationally known authority in the field of allergy and immunology.

David J. Stewart, PH.D. [3]
Director of Meetings, Cold Spring Harbor Laboratory, NY, U.S.A.
An affinity chromatography expert who was directly involved in the development of synthetic alternatives to Protein A and Perfluorocarbon matrices.

[1] Clinical Advisory Committee—rAAT

[2] Clinical Advisory Committee—Others

[3] Scientific Advisory Committee—Bioseparation

[4] Scientific Advisory Committee—PRDT

DESIGN AND PRODUCTION: DESJARDINS DESIGN MARKETING

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Wednesday, May 28, 2003 (11:00 a.m.)
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PROMETIC

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