

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 10-QSB

X QUARTERLY REPORT UNDER TO SECTION 13 OR 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2005

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

For the transition period from _____ to _____
Commission File Number 000-24541

CORGENIX MEDICAL CORPORATION

(Name of Small Business Issuer in its Charter)

Nevada

93-1223466

(State or other jurisdiction of
incorporation or organization)

(I.R.S. Employer Identification No.)

12061 Tejon Street, Westminster, Colorado 80234

(Address of principal executive offices, including zip code)

(303) 457-4345

(Issuer's telephone number, including area code)

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

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

The number of shares of Common Stock outstanding was 5,346,964 as of May 11, 2005.

Transitional Small Business Disclosure Format. Yes No

CORGENIX MEDICAL CORPORATION

March 31, 2005

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PART I
Item 1. Consolidated Financial Statements
CORGENIX MEDICAL CORPORATION
AND SUBSIDIARIES
Consolidated Balance Sheets

	<u>March 31,</u> <u>2005</u>	<u>June 30, 2004</u>
	(Unaudited)	***
Assets		
Current Assets:		
Cash and equivalents	\$ 353,405	\$ 468,954
Accounts receivable, less allowance for doubtful accounts of \$30,410 and \$13,410	817,134	834,153
Inventories	1,163,548	982,227
Prepaid expenses	46,537	30,276
Total current assets	2,380,624	2,315,610
Equipment:		
Capitalized software costs	122,855	122,855
Machinery and laboratory equipment	639,152	588,219
Furniture, fixtures, leaseholds and office equipment	521,406	511,488
	1,283,413	1,222,562
Accumulated depreciation and amortization	(999,927)	(913,020)
Net equipment	283,486	309,542
Intangible assets:		
Licenses	18,275	-
Patents, net of accumulated amortization of \$1,075,346 and \$1,019,474	42,198	98,070
Goodwill	13,677	13,677
Net intangible assets	74,150	111,747
Due from officer	12,000	12,000
Other assets	92,775	98,925
Total assets	\$ 2,843,035	\$ 2,847,824
Liabilities and Stockholders' Equity		
Current liabilities:		
Current portion of notes payable	\$ 696,020	\$ 569,988
Current portion of capital lease obligations	36,895	51,395
Accounts payable	603,006	483,642
Accrued payroll and related liabilities	180,645	173,392
Accrued interest	154,509	127,831
Accrued liabilities	147,859	169,929
Total current liabilities	1,818,934	1,576,177
Notes payable, excluding current portion	181,165	238,445
Capital lease obligations, excluding current portion	26,590	9,712
Total liabilities	2,026,689	1,824,334
Redeemable common stock, 880,282 shares issued and outstanding at March 31, 2005, aggregate redemption value of \$500,000, net of unaccreted discount and issuance costs of \$0 and \$64,919	500,000	435,081
Stockholders' equity:		
Preferred stock, \$0.001 par value. Authorized 5,000,000 shares, none issued or outstanding	-	-
Common stock, \$0.001 par value. Authorized 40,000,000 shares; issued and outstanding 5,343,826 and 5,321,319 shares at March 31 and June 30, respectively	4,463	4,440
Additional paid-in-capital	5,461,107	5,449,100
Accumulated deficit	(5,135,248)	(4,853,767)
Accumulated other comprehensive income (loss)	(13,976)	(11,364)
Total stockholders' equity	316,346	588,409
Total liabilities and stockholders' equity	\$ 2,843,035	\$ 2,847,824

See accompanying notes to consolidated financial statements.

*** Derived from the audited financial statements for the year ended June 30, 2004

**CORGENIX MEDICAL CORPORATION
AND SUBSIDIARIES**
Consolidated Statements of Operations and Comprehensive Income (Loss)

	Three Months Ended		Nine Months Ended	
	March 31, 2005	March 31, 2004	March 31, 2005	March 31, 2004
	(Unaudited)		(Unaudited)	
Net sales	\$1,444,553	\$1,355,973	\$4,024,195	\$ 3,745,041
Cost of sales	508,571	419,341	1,516,844	1,337,146
Gross profit	935,982	936,632	2,507,351	2,407,895
Operating expenses:				
Selling and marketing	360,758	327,612	1,105,234	981,705
Research and development	146,918	193,254	442,363	563,482
General and administrative	273,804	305,982	907,345	846,029
Total expenses	781,480	826,848	2,454,942	2,391,216
Operating income (loss)	154,502	109,784	52,409	16,679
Interest expense, net	78,827	21,395	268,971	69,190
Net income (loss)	75,675	88,389	(216,562)	(52,511)
Accretion of discount on redeemable common stock	21,641	21,639	64,919	64,917
Net income (loss) available to common stockholders	<u>\$ 54,034</u>	<u>\$ 66,750</u>	<u>\$(281,481)</u>	<u>\$(117,428)</u>
Net income (loss) per share, basic	\$ 0.01	\$ 0.01	\$ (0.05)	\$(0.02)
Net income (loss) per share, diluted	\$ 0.01	\$ 0.01	\$ (0.05)	\$(0.02)
Weighted average shares outstanding, Basic (note 2)	5,341,715	5,307,084	5,338,421	5,300,216
Weighted average shares outstanding, diluted (note 2)	<u>5,367,863</u>	<u>5,971,572</u>	<u>5,338,421</u>	<u>5,300,216</u>
Net income (loss)	\$ 75,675	\$ 88,389	\$(216,562)	\$(52,511)
Other comprehensive income (loss)- foreign currency translation	<u>2,734</u>	<u>(9,322)</u>	<u>(2,612)</u>	<u>(9,759)</u>
Total comprehensive income (loss)	<u>\$ 78,409</u>	<u>\$ 79,067</u>	<u>\$(219,174)</u>	<u>\$(62,270)</u>

See accompanying notes to consolidated financial statements.

**CORGENIX MEDICAL CORPORATION
AND SUBSIDIARIES**
Consolidated Statement of Stockholders' Equity
For the nine months ended March 31, 2005

	Common Stock, Number of Shares	Common Stock, \$0.001 par	Additional paid-in capital	Accumulated Deficit	Accumulated other comprehensive income	Total stockholders' equity
Balance at June 30, 2004	5,321,319	\$4,440	\$5,449,100	\$(4,853,767)	\$(11,364)	\$588,409
Issuance of common stock and stock options for services	22,507	23	12,007			12,030
Foreign currency translation					(2,612)	(2,612)
Accretion of discount on redeemable common stock				(64,919)		(64,919)
Net loss				(216,562)		(216,562)
	<hr/>					
Balance at March 31, 2005	<u>5,343,826</u>	<u>\$4,463</u>	<u>\$5,461,107</u>	<u>\$(5,135,248)</u>	<u>\$(13,976)</u>	<u>\$316,346</u>

**CORGENIX MEDICAL CORPORATION
AND SUBSIDIARIES**

Consolidated Statements of Cash Flows

	Nine Months Ended	
	March 31, 2005	March 31, 2004
	(Unaudited)	
Cash flows from operating activities:		
Net loss	\$ (216,562)	\$ (52,511)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
Depreciation and amortization	141,972	148,041
Accretion of discount on notes payable	204,315	-
Equity instruments issued for services	12,030	10,643
Changes in operating assets and liabilities:		
Accounts receivable	28,184	(112,351)
Inventories	(180,400)	(108,804)
Prepaid expenses and other assets	(27,845)	(22,059)
Accounts payable	101,653	(183,315)
Accrued payroll and related liabilities	10,949	18,644
Accrued interest and other liabilities	397	7,803
Net cash provided by (used in) operating activities	74,693	(293,909)
Cash flows used in investing activities:		
Purchases of equipment	(14,229)	(3,370)
Cash flows from financing activities:		
Proceeds from issuance of common stock, redeemable common stock, warrants and exercise of stock options	-	5,990
Proceeds from issuance of notes payable	-	666,031
Payments on notes payable	(135,562)	(159,295)
Payments on capital lease obligations	(43,021)	(72,064)
Payments for costs of issuance of common stock	-	(22)
Net cash (used in) provided by financing activities	(178,583)	440,640
Net increase (decrease) in cash and cash equivalents	(118,119)	143,361
Impact of foreign currency translation adjustment on cash	2,570	2,695
Cash and cash equivalents at beginning of period	468,954	342,406
Cash and cash equivalents at end of period	\$ 353,405	\$ 488,462
Supplemental cash flow disclosures:		
Cash paid for interest	\$ 40,358	\$ 49,089
Noncash investing and financing activity—		
Equipment acquired under capital leases	\$ 45,400	\$ -

See accompanying notes to consolidated financial statements.

CORGENIX MEDICAL CORPORATION AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. DESCRIPTION OF BUSINESS AND BASIS OF PRESENTATION

Corgenix Medical Corporation (which we refer to as Corgenix or the Company) is engaged in the research, development, manufacture, and marketing of in vitro (outside the body) diagnostic products for use in disease detection and prevention. The Company currently sells 73 diagnostic products (the "Diagnostic Products") on a worldwide basis to hospitals, clinical laboratories, commercial reference laboratories, and research institutions.

The Company's corporate headquarters is located in Westminster, Colorado. Corgenix has two wholly owned operating subsidiaries:

- Corgenix, Inc., established in 1990 and located in Westminster, Colorado. Corgenix, Inc. is responsible for sales and marketing activities for North America and Japan, and also conducts product development, product support, regulatory affairs and product manufacturing of the Diagnostic Products.
- Corgenix (UK) Ltd., is located in Peterborough, England. Corgenix UK manages the Diagnostic Business' international sales and marketing activities except for distribution in North America and Japan which is under the responsibility of Corgenix, Inc.

On October 15, 2004 the Company and Genesis Bioventures, Inc. (which we refer to as GBI or Genesis) a biomedical development company focused on the development of diagnostic tests signed an amendment to the May 21, 2004 Amended and Restated Plan of Merger (the "Merger Agreement"), extending the closing date for the proposed merger to on or before February 28, 2005. The extension was executed in the form of Amendment No. 1 (the "Amendment") to the Merger Agreement, a copy of which was filed on Form 8-K on October 20, 2004.

The Amendment, among other changes, allowed the Company to terminate the Merger Agreement at any time prior to November 30, 2004 if it were not satisfied with the terms or the progress of the new equity financing. A new equity financing in an amount of at least \$6,000,000 was a condition to the closing of the Merger pursuant to section 9.13 of the Merger Agreement. On November 30, 2004, the Company and Genesis agreed to extend the date for obtaining the financing to December 10, 2004. On December 9, 2004, the parties agreed to extend the date to December 31, 2004, and on December 31, 2004, the parties agreed to extend the deadline for terminating the Merger Agreement to January 15, 2005. These extensions are documented as Amendments No. 2, 3 and 4 to the Merger Agreement. Management of Corgenix believed that, given the delays experienced during the holiday season, and given the timing delays that are often associated with seeking funds in overseas markets, it was appropriate and in the best interests of the Company to allow Genesis additional time to pursue the new equity financing.

On January 14, 2005 Corgenix terminated the Amended and Restated Agreement and Plan of Merger with Genesis Bioventures, Inc. due to the lack of progress towards the completion of the \$6.0 million merger-related financing and the expiration of key dates within the Merger Agreement (as amended).

On March 24, 2004, Genesis advanced \$500,000 to Corgenix, which is represented by a promissory note ("Bridge Note"). As of March 31, 2005, the Company owed \$470,000 on the Bridge Note. As a result of the termination of the Merger Agreement, the note will convert to a fixed two-year term note bearing interest at the prime rate in effect as of the date of termination of the Merger Agreement, or 5.25%. The note will be fully-amortized over four semi-annual payments of principal and accrued interest; however, the note is convertible, at the election of Genesis, into Corgenix common stock at a conversion price of \$.568 per share.

The market value of the Company's stock had increased from the date of the letter of intent to the date the Bridge Note was executed, resulting in a beneficial conversion feature that was credited to equity, and an equal amount is being recognized as interest expense over the term of the Bridge Note, using the effective interest method.

The accompanying consolidated financial statements have been prepared without audit and in accordance with accounting principles generally accepted in the United States of America for interim financial information and with the instructions to Form 10-QSB and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by accounting principles generally accepted in the United States of America for complete financial statements. In the opinion of the Company's management, the financial statements include all adjustments (consisting of normal recurring accruals and adjustments) required to present fairly the Company's financial position at March 31, 2005 and June 30, 2004 and the results of operations for each of the three and nine month periods ended March 31, 2005 and 2004, and the cash flows for each of the nine month periods then ended. The operating results for the three and nine months ended March 31, 2005 are not necessarily indicative of the results that may be expected for the year ended June 30, 2005. For further information, refer to the consolidated financial statements and footnotes thereto included in the Company's annual report on Form 10-KSB for the fiscal year ended June 30, 2004.

Management of the Company has made a number of estimates and assumptions relating to the reporting of assets and liabilities and the disclosure of contingent assets and liabilities to prepare these financial statements in conformity with accounting principles generally accepted in the United States of America. Significant assumptions inherent in the preparation of the accompanying financial statements include, but are not limited to, revenue recognition and allowances for doubtful accounts, the provision for excess and obsolete inventories, and commitments and contingencies. Actual results could differ from those estimates.

2. EARNINGS PER SHARE

Basic earnings (loss) per share is computed by dividing net income (loss) available to common stockholders by the weighted average number of common shares outstanding. Diluted earnings (loss) per share is computed by dividing net income (loss) available to common stockholders by the weighted average number of common shares outstanding increased for the dilutive effect of potentially dilutive securities outstanding during the period. The dilutive effect of stock options, warrants and their equivalents is calculated using the treasury stock method. No stock options were granted in the most recent quarter or nine months ended March 31, 2005 or 2004. Options, warrants and the rights under convertible debt to purchase common stock totaling 1,252,820 shares for the quarter ended March 31, 2005, and totaling 917,350 shares for the quarter ended March 31, 2004 respectively, are not included in the calculation of weighted average common shares-diluted below as their effect is anti-dilutive. Redeemable common stock is included in the common shares outstanding for purposes of calculating net loss per share.

The components of basic and diluted income (loss) per share are as follows:

	3 months ended March 31, 2005	3 months ended March 31, 2004	9 months ended March 31, 2005	9 months ended March 31, 2004
Net income (loss) available to common stockholders	<u>\$ 54,034</u>	<u>\$ 66,750</u>	<u>\$ (281,481)</u>	<u>\$ (117,428)</u>
Common and common equivalent shares outstanding:				
Weighted average common shares-basic	5,341,715	5,307,084	5,338,421	5,300,216
Dilutive effect of potentially dilutive securities Outstanding	26,148	664,488	-	-
Weighted average common shares-diluted	<u>5,367,863</u>	<u>5,971,572</u>	<u>5,338,421</u>	<u>5,300,216</u>
Net income (loss) per share-basic	<u>\$ 0.01</u>	<u>\$ 0.01</u>	<u>\$ (0.05)</u>	<u>\$ (0.02)</u>
Net income (loss) per share-diluted	<u>\$ 0.01</u>	<u>\$ 0.01</u>	<u>\$ (0.05)</u>	<u>\$ (0.02)</u>

3. INCOME TAXES

A valuation allowance was provided for deferred tax assets, as the Company is unable to conclude under relevant accounting standards that it is more likely than not that deferred tax assets will be realizable.

4. SEGMENT INFORMATION

The Company has two segments of business: domestic and international operations. International operations primarily transact sales with customers in Europe and continents other than North America, while domestic operations transact sales primarily in North America. The following table sets forth selected financial data for these segments for the three and nine month periods ended March 31, 2005 and 2004.

		<u>Three Months Ended March 31,</u>			<u>Nine Months Ended March 31,</u>		
		<u>Domestic</u>	<u>International</u>	<u>Total</u>	<u>Domestic</u>	<u>International</u>	<u>Total</u>
Net sales	2005	\$ 1,014,058	430,495	1,444,553	2,893,021	1,131,174	4,024,195
	2004	\$ 1,022,509	333,464	1,355,973	2,873,996	871,045	3,745,041
Net income (loss)	2005	\$ (134,014)	209,689	75,675	(600,708)	384,146	(216,562)
	2004	\$ (5,965)	94,354	88,389	(252,468)	199,957	(52,511)
Depreciation and amortization	2005	\$ 47,363	576	47,939	140,263	1,709	141,972
	2004	\$ 49,444	512	49,956	146,502	1,539	148,041
Interest expense, net	2005	\$ 77,775	1,052	78,827	265,894	3,077	268,971
	2004	\$ 19,918	1,477	21,395	62,204	6,986	69,190
Segment assets	2005	\$ 2,415,526	423,509	2,839,035	2,415,526	423,509	2,839,035
	June 30, 2004	\$ 2,411,152	412,133	2,823,285	2,411,152	412,133	2,823,285

5. REDEEMABLE COMMON STOCK

On July 1, 2002, the Company entered into an agreement (“MBL Agreement”) with Medical & Biological Laboratories Co., Ltd. (MBL), a strategic partner and manufacturer of autoimmune diagnostic kits located in Nagoya, Japan under which the Company sold 880,282 shares, on a redeemable basis, of its \$.001 par value common stock to MBL for gross proceeds of \$500,000. Pursuant to the MBL Agreement, MBL can require the Company to repurchase at the same price in the event that a previously existing distribution agreement with RhiGene, Inc. is terminated or once it expires. For no additional consideration, MBL was also issued warrants to purchase an additional 880,282 shares of Common Stock at a price of \$.568 per share, which is equal to an aggregate amount of \$500,000. These warrants expire on July 3, 2007 and may be exercised in whole or in part at any time prior to their expiration. The estimated fair value of the warrant upon issuance was calculated as \$401,809 using the Black-Scholes option-pricing model with the following assumptions: no expected dividend yield, 143% volatility, risk free interest rate of 4.2% and an expected life of five years. The gross proceeds of \$500,000 were allocated \$277,221 to redeemable common stock and \$222,779 to the related warrants based on the relative fair values of the respective instruments to the fair value of the aggregate transaction. Issuance costs and the discount attributed to the redeemable common stock upon issuance were accreted over the 33-month period ended March 31, 2005 which was the first date on which the put option could be exercised, and the expiration date of the distribution agreement between the Company and RhiGene, Inc. Furthermore, pursuant to the agreement with MBL, as long as MBL holds at least 50% of the common stock purchased under the MBL agreement, MBL must give its written consent with respect to the payment of any dividend, the repurchase of any of the Company’s equity securities, the liquidation or dissolution of the Company or the amendment of any provision of the Company’s Articles of Incorporation or Bylaws which would adversely affect the rights of MBL under the stock purchase transaction documents. MBL was granted standard anti-dilution rights with respect to stock issuances not registered under the Securities Act. MBL also received standard piggyback registration rights along with certain demand registration rights. On March 31, 2005 we signed a new distribution and OEM Supply Agreement with MBL International, Inc., (MBLI), a wholly owned subsidiary of MBL, which will grant us non-exclusive rights to distribute MBL’s complete diagnostic line of autoimmune testing products in the United States and exclusive distribution rights to the OEM Label products worldwide excluding the United States, Japan, Korea, and Taiwan. In addition, Corgenix and MBL are negotiating a new stock redemption agreement with MBL wherein, in principle, one-half (440,141) of the original redeemable shares were converted into a three year note

payable with interest at prime (6% as of May 5, 2005) plus two percent with payments commencing June 1, 2005. The remaining 440,181 shares will be redeemable by the Company at \$.568 per share as of June 1, 2008 for any shares still owned at that time by MBL and only to the extent that MBL has not realized at least \$250,000 in gross proceeds upon the sales of its redeemable shares in the open market for the time period June 1, 2005 through May 31, 2008. Finally, the warrants originally issued to MBL to purchase 880,282 shares are expected to be extended one year to July 3, 2008 and will be re-priced with respect to their exercise price.

6. STOCK PLANS

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

Had the Company determined compensation cost based on the fair value at the date of grant for its stock options under SFAS No. 123, the Company's net income would have been decreased or net loss would have been increased to the pro forma amounts indicated as follows:

	Three Months Ended March 31, 2005	Three Months Ended March 31, 2004	Nine Months Ended March 31, 2005	Nine Months Ended March 31, 2004
Net income (loss) available to common stockholders as reported	\$ 54,034	\$ 66,750	\$(281,481)	\$(117,428)
Deduct total stock-based employee compensation expense determined under fair-value method for all awards, net of tax	(10,679)	(15,107)	(32,037)	(45,321)
Net income (loss) available to common stockholders pro forma	<u>\$ 43,355</u>	<u>\$ 51,643</u>	<u>\$(313,518)</u>	<u>\$(162,749)</u>
Net income (loss) per share as reported	\$0.01	\$0.01	\$(0.06)	\$(0.02)
Net income (loss) per share pro forma	\$0.01	\$0.01	\$(0.06)	\$(0.03)

Fair value was determined using the Black Scholes option – pricing model. There were no stock options granted during the nine months ended March 31, 2005 and 2004.

7. NOTES PAYABLE

Certain of the notes payable restrict the payment of dividends on the Company's common stock. Notes payable consist of the following at March 31, 2005 and June 30, 2004:

	<u>March 31, 2005</u>	<u>June 30, 2004</u>
Bridge Note payable to Genesis Bioventures, Inc., net of discount of \$210,884 and \$415,199. See discussion of terms below.	\$259,116	\$84,801
Note payable to a bank, with interest at prime plus 2.75% (7.0% at June 30, 2004), due in monthly installments of principal and interest of \$13,369 through January 2007, collateralized by commercial security agreements and a key man life insurance policy.	266,174	369,351
Variable Rate Loan payable to a bank, with interest at prime plus 1.0% (minimum rate of 5.5%), due in monthly installments of principal and interest through January 2005. This loan payable is collateralized by accounts receivable and is an extension and conversion of a revolving credit agreement with the same bank which matured on March 31, 2004. *	291,121	292,507
Notes payable, unsecured, to former preferred stockholders, with interest at 17%, due on demand. At March 31, 2005 and June 30, 2004, the Company was in default on these notes.	60,774	61,774
	<u>877,185</u>	<u>808,433</u>
Less current portion	(696,020)	(569,988)
Notes payable, excluding current portion	<u>\$181,165</u>	<u>\$238,445</u>

* The variable note payable to a bank was due in full at January 31, 2005. The Company has not repaid the loan and has informed the Bank of the status of its current institutional financing. No demand for repayment has been made. It is the intention of the Company to pay the note in full with the proceeds from the current institutional financing, or alternatively to attempt to convert this loan to a term loan with a due date of three to five years. There is no assurance that the current institutional financing will be successful or, in the alternative, that the bank will agree to such terms in which case a near-term infusion of capital will be necessary to satisfy this note. Since the Company needs additional financing to meet our debt requirements, there is no assurance that we will be able to obtain such financing on terms satisfactory to us, if at all. The effects on the financial statements of not obtaining suitable financing cannot be determined.

Aggregate maturities of notes payable by year, net of discount amount of \$210,884, as of March 31, 2005, are as follows:

Years ending June 30:	
2005	\$ 379,626
2006	364,462
2007	<u>343,981</u>
	1,088,069
Less unaccrued discount on Bridge Note	<u>210,884</u>
Net maturities	\$ 877,185

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

As described in Note 1, on March 24, 2004, Genesis advanced \$500,000 to Corgenix, which is represented by the Bridge Note. As of March 31, 2005, the Company owed \$470,000 on the Bridge Note. As a result of the termination of the Merger Agreement, the note has converted to a fixed two-year term note bearing interest at the prime rate in effect as of the date of termination of the Merger Agreement, or 5.25%. The note is fully-amortized over four semi-annual payments of principal and accrued interest, with the first payment expected to be due six months after the January 14, 2005 merger termination date; however, the note is convertible, at the election of Genesis, into Corgenix common stock at a conversion price of \$.568 per share. The market value of the Company's stock was in excess of the potential conversion price at the date the note was executed, resulting in a beneficial conversion feature of approximately \$660,000. As required by Emerging Issues Task Force Bulletin 98-5, "Accounting for Convertible Securities with Beneficial Conversion Features of Contingently Adjustable Conversion Ratios" and 00-27, "Application of Issue 98-5 to Certain Convertible Instruments", the entire proceeds of the Bridge Note were credited to additional paid-in capital. The Bridge Note was recorded net of a \$500,000 discount, which is being accreted to interest expense over the expected term of the Bridge Note, using the effective interest method.

Item 2.

CORGENIX MEDICAL CORPORATION Management's Discussion and Analysis of Financial Condition and Results of Operations

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

General

Since the Company's inception, we have been primarily involved in the research, development, manufacturing and marketing/distribution of diagnostic tests for sale to clinical laboratories. We currently market 73 products covering autoimmune disorders, cardiovascular diseases, and liver disease. Our products are sold in the United States, the UK and other countries through our marketing and sales organization that include contract sales representatives, internationally through an extensive distributor network, and to several significant OEM partners.

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

Except for the fiscal year ending June 30, 1997, we have experienced annual revenue growth since our inception, primarily from sales of products and contract revenues from strategic partners. Contract revenues consist of service fees from research and development agreements with strategic partners.

Beginning in fiscal year 1996, we began adding third-party OEM licensed products to our diagnostic product line. Currently we sell 70 products licensed from or manufactured by third party manufacturers. We expect to expand our relationships with other companies in the future to gain access to additional products.

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

Critical Accounting Policies

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

The Company maintains an allowance for doubtful accounts based on its historical experience and provides for any specific collection issues that are identified. Such allowances have historically been adequate to provide for our doubtful accounts but involve a significant degree of management judgment and estimation. Worse than expected future economic conditions, unknown customer credit problems and other factors may require additional allowances for doubtful accounts to be provided for in future periods. Equipment and software are recorded at cost. Equipment under capital leases is recorded initially at the present value of the minimum lease payments. Depreciation and amortization is calculated primarily using the straight-line method over the estimated useful lives of the respective assets that range from 3 to 7 years. The internal and external costs of developing and enhancing software costs related to website development, other than initial design and other costs incurred during the preliminary project stage, are capitalized until the software has been completed. Such capitalized amounts began to be amortized commencing when the website was placed in service on a straight-line basis over a three-year period. When assets are sold, retired or otherwise disposed of, the cost and related accumulated depreciation are eliminated from the accounts and a gain or loss is recognized. Repair and maintenance costs are expensed as incurred. We evaluate the realizability of our long-lived assets, including property and equipment, whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Revenue from sale of products is recognized upon shipment of products. Revenue from research and development contracts represents amounts earned pursuant to agreements to perform research and development activities for third parties and is recognized as earned under the respective agreement. Because research and development services are provided evenly over the contract period, revenue is recognized ratably over the contract period. Research and development agreements in effect in 2004 and 2003 provided for fees to the Company based on time and materials in exchange for performing specified research and development functions. Research and development and advertising costs are expensed when incurred. Inventories are recorded at the lower of cost or market, using the first-in, first-out method.

Results of Operations

Three Months Ended March 31, 2005 compared to 2004

Net sales. Net sales for the quarter ended March 31, 2005 were approximately \$1,445,000, a 6.6% increase from approximately \$1,356,000 for the quarter ended March 31, 2004. Domestic sales decreased 0.8% while sales to international distributors increased 29.1% from year to year. With respect to the Company's major product lines, Phospholipids kit sales decreased 2.1% for the fiscal quarter, Coagulation kit sales decreased 1.5 %, HA kit sales increased 52.8%, primarily due to the timing of orders, and Autoimmune kit sales increased 102.7%. Additionally, OEM sales decreased 27.9%. Sales of products manufactured for us by other companies while still relatively small, are expected to continue to increase during fiscal 2005.

Cost of sales. Cost of sales, as a percentage of sales, increased to 35.2% in the quarter ended March 31, 2005 from 30.9% in 2004 primarily due to higher raw material costs associated with the new manufacturing format of the Company's main product line and the purchase of certain raw materials which were formerly manufactured in-house.

Selling and marketing. Selling and marketing expenses increased 10.1% to approximately \$361,000 in the quarter ended March 31, 2005 from approximately \$328,000 in 2004. The majority of this increase involved increases in royalties, labor-related costs and other promotion related expenses.

Research and development. Research and development expenses decreased 23.8% to approximately 147,000 in the quarter ended March 31, 2005 from approximately \$193,000 for the quarter ended March 31, 2004. The majority of this decrease involved reductions in labor-related costs, consulting and laboratory supplies resulting from recently ended development projects and head-count reductions.

General and administrative. General and administrative expenses decreased approximately \$32,000 or 10.5% to approximately \$274,000 in the quarter ended March 31, 2005 from approximately \$306,000 for the quarter ended March 31, 2004, primarily due to decreases in merger-related expenses, outside services, and equipment lease expense.

Interest expense. As mentioned in the Notes to Consolidated Financial Statements, the market value of the Company's stock had increased from the date of the letter of intent to the date the Bridge Note was executed, resulting in a beneficial conversion feature that was credited to equity, and an equal amount is being recognized as interest expense over the potential term of the Bridge Note, using the effective interest method. Interest expense increased 276.2% to approximately \$79,000 in the quarter ended March 31, 2005 from approximately \$21,000 for the quarter ended March 31, 2004 due primarily to the accretion of discount on the Bridge Note payable to Genesis.

Accretion of discount on redeemable common stock. This item represents the accretion of the discount on redeemable common stock over the 33 month period from the date the stock was issued to the presently expected first date on which the related embedded put option may be exercised (March 31, 2005). The redeemable common stock was issued in July 2002.

Nine Months Ended March 31, 2005 compared to 2004

Net sales Net sales for the nine months ended March 31, 2005 were approximately \$4,024,000, a 7.4% increase from approximately \$3,745,000 for the nine months ended March 31, 2004. Domestic sales increased .6% while sales to international distributors increased 29.9% from year to year. With respect to the Company's major product lines, Phospholipids kit sales increased 0.9% for the current six month period, Coagulation kit sales increased 19.9%, HA kit sales increased 33.6%, and Autoimmune kit sales increased 81.6%. Additionally, OEM sales decreased 9.7%. Sales of products manufactured for us by other companies while still relatively small, are expected to continue to increase during fiscal 2005.

Cost of sales. Cost of sales, as a percentage of sales, increased to 37.7% in the nine months ended March 31, 2005 from 35.7% in 2004 primarily due to higher raw material costs associated with the new manufacturing format of the Company's main product line, the purchase of certain raw materials which were formerly manufactured in-house.

Selling and marketing. Selling and marketing expenses increased 12.6% to approximately \$1,105,000 in the nine months ended March 31, 2005 from approximately \$982,000 in 2003. The majority of this increase involved increases in royalties, labor-related costs and other promotion related expenses.

Research and development. Research and development expenses decreased 21.5% to approximately \$442,000 in the nine months ended March 31, 2005 from approximately \$563,000 for the nine months ended March 31, 2004. The majority of this decrease involved reductions in labor-related costs, consulting and laboratory supplies resulting from recently ended development projects and head-count reductions.

General and administrative. General and administrative expenses increased approximately \$61,000 or 7.2% to approximately \$907,000 in the nine months ended March 31, 2005 from approximately \$846,000 for the nine months ended March 31, 2004, primarily due to increases in merger-related expenses, outside services and legal expense.

Interest expense. Interest expense increased 289.9% to approximately \$269,000 in the nine months ended March 31, 2005 from approximately \$69,000 for the nine months ended March 31, 2004 due primarily to the accretion of discount on the Bridge Note payable to Genesis.

Liquidity and Capital Resources

The Company has \$353,405 of cash at March 31, 2005 compared to \$255,223 at March 31, 2004 and has not repaid a loan of \$291,121 due on January 31, 2005. Cash provided by operating activities was \$74,693 for the nine months ended March 31, 2005 compared to cash used in operating activities of \$293,909 during the prior year's comparable period. This change compared to the year earlier period resulted primarily from an increase in operating income and an increase in accounts payable partially offset by an increase in inventories. The Company believes that uncollectible accounts receivable will not have a significant effect on future liquidity, as a significant portion of its accounts receivable are due from financially sound enterprises.

Net cash used in investing activities, the purchase of equipment, was \$14,229 in the nine months ended March 31, 2005 compared to \$3,370 for the year earlier period. The increase was mainly attributable to increased spending on refrigeration and manufacturing equipment and computers.

Net cash used in financing activities amounted to \$178,583 during the nine months ended March 31, 2005 compared to cash provided by financing activities of \$440,640 for the year earlier period. This change compared to the year earlier period was primarily due to a substantial decrease in the proceeds from notes payable as a result of the Company's reduced borrowing capacity pursuant to restrictions imposed by its existing bank loan agreements.

Historically, we have financed our operations primarily through long-term debt and by sales of common and preferred stock. Other than sales of stock to our employees through our Employee Stock Purchase Plan, no common or preferred stock was sold in the nine month periods ended March 31, 2005 or 2004.

We have also financed operations through sales of diagnostic products and agreements with strategic partners. Accounts receivable decreased 2% to \$817,134 at March 31, 2005 from \$834,153 at March 31, 2004 primarily as a result the accelerated collection of certain accounts.

Our future capital requirements will depend on a number of factors, including the ability to complete new equity or debt financing, the possible redemption of common stock, our profitability or lack thereof, the rate at which we grow our business and our investment in proprietary research activities, the ability of our current and future strategic partners to fund outside research and development activities, our success in increasing sales of both existing and new products and collaborations, expenses associated with unforeseen litigation, regulatory changes, competition, technological developments, general economic conditions and potential future merger and acquisition activity. Our principal sources of liquidity have been, cash raised from the private sale of redeemable common and common stock, the Bridge Note from Genesis, and long-term debt financing. Since the Takeout Financing and the planned merger with Genesis did not occur, and if we are required to repurchase our redeemable common stock or repay our variable rate bank note, we will need to implement new expense reductions and seek new debt agreements and/or sell additional equity securities in fiscal year 2005 to generate additional operating capital, to develop the markets and obtain the regulatory approvals for our products in the United States, and to pursue all of our strategic objectives. As a result, the Company announced in January 2005 the engagement of Ascendant Securities for investment banking services. Specifically, Ascendant and the Company are in the midst of pursuing an institutional private placement which, if consummated, will include convertible debt and the Company's common or preferred stock. The variable note payable to a bank was due in full at January 31, 2005. The Company has not repaid the loan nor have we had any discussions with the bank since early January. It is the intention of the Company to pay the note in full with the proceeds from the current institutional financing, or alternatively to attempt to convert this loan to a term loan with a due date of three to five years. There is no assurance that the current institutional financing will be successful, or in the alternative, that the bank will agree to such terms in which case a near-term infusion of capital will be necessary to satisfy this note. Since the Company needs additional financing to meet our debt requirements, there is no assurance that we will be able to obtain such financing on terms satisfactory to us, if at all. Alternatively, any additional equity financing may be dilutive to existing stockholders, and debt financing, if available, may include restrictive covenants. If adequate funds are not available, we might be required to limit our research and development activities or our selling, marketing and administrative activities any of which could have a material adverse effect on the future of the business. We believe that our current availability of cash, working capital, future proceeds from the issuance of common or preferred stock and debt financing and expected cash flows from operations resulting from, if necessary, further expense reductions, will be adequate to meet our ongoing needs for at least the next twelve months. Management believes that the successful completion of an equity or debt financing, referred to above, will be necessary to meet the Company's expected debt service. However, as stated above, additional financing cannot be assured. The effects on the financial statements of not obtaining suitable financing cannot be determined.

Certain of the notes payable restrict the payment of dividends on the Company's common stock.

Item 3.

Controls and Procedures

Evaluation of disclosure controls and procedures. The Company, under the supervision and with the participation of the Company's management, including its Chief Executive Officer and Chief Financial Officer, carried out an evaluation of the effectiveness of the design and operation of the Company's disclosure controls and procedures (as defined in Rules 240.13a-14(c) and 15d-14(c) under the Securities Exchange Act of 1934 (the "Exchange Act") as of a date within ninety days before the filing date of this quarterly report (the "Evaluation Date"). Based upon this evaluation, the Chief Executive Officer and Chief Financial Officer concluded that, as of the Evaluation Date, the Company's disclosure controls and procedures were effective for the purposes of recording, processing, summarizing and timely reporting information required to be disclosed by the Company in the reports that it files under the Securities Exchange Act of 1934 and that such information is accumulated and communicated to the Company's management in order to allow timely decisions regarding required disclosure.

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

Forward-Looking Statements and Risk Factors

This 10-QSB includes statements that are not purely historical and are "forward-looking statements" within the meaning of Section 21E of the Securities Act of 1934, as amended, including statements regarding our expectations, beliefs, intentions or strategies regarding the future. All statements other than historical fact contained in this 10-QSB, including, without limitation, statements regarding our planned merger with Genesis, the Takeout Financing, future product developments, strategic partnership expectations, technological developments, research and development programs and distribution plans, are forward-looking statements. All forward-looking statements included in this 10-QSB are based on information available to us on the date hereof, and we assume no obligation to update such forward-looking statements. Although we believe that the assumptions and expectations reflected in such forward-looking statements are reasonable, we can give no assurance that such expectations will prove to have been correct or that we will take any actions that may presently be planned.

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

Merger-related charges were incurred.

Corgenix estimates that, in pursuing the proposed merger with Genesis, the company has thus far incurred approximately \$100,000 in certain merger-related expenses consisting of legal, accounting fees, valuation, and other related charges. The foregoing amounts are preliminary estimates and the actual amounts may be higher or lower. In addition, these merger-related expenses are, per verbal agreement with Genesis, to be shared equally with Genesis and thus, approximately half of said expenses would be reimbursed by Genesis or offset against the Bridge Note. Corgenix and Genesis are currently discussing the details of such expense sharing and the management of Corgenix expects that the amounts due from Genesis will be offset against the amount due on the Bridge Note.

We continue to incur losses and the Company requires additional financing.

We have incurred operating losses and negative cash flow from operations for most of our history. Losses incurred since our inception have aggregated \$5,135,248 and there can be no assurance that we will be able to generate positive cash flows or raise the necessary capital to fund our operations in the future or to pursue our strategic objectives. The variable note payable to a bank was due in full at January 31, 2005. The Company has not repaid the loan nor have we had any discussions with the bank since early January. It is the intention of the Company to pay the note in full with the proceeds from the current institutional financing, or alternatively to attempt to convert this

loan to a term loan with a due date of three to five years. There is no assurance that the current institutional financing will be successful or, in the alternative, that the bank will agree to such terms in which case a near-term infusion of capital will be necessary to satisfy this note. We believe that our current availability of cash, working capital, future proceeds from the issuance of common or preferred stock and debt financing and expected cash flows from operations resulting from, if necessary, further expense reductions, will be adequate to meet our ongoing needs for at least the next twelve months. Since the Company needs additional financing to meet our debt requirements, there is no assurance that we will be able to obtain such financing on terms satisfactory to us, if at all. Alternatively, any additional equity financing may be dilutive to existing stockholders, and debt financing, if available, may include restrictive covenants. If adequate funds are not available, we might be required to limit our research and development activities or our selling, marketing and administrative activities any of which could have a material adverse effect on the future of the business. The effects of such actions on our financial statements cannot be determined.

We depend upon collaborative relationships and third parties for product development and commercialization.

We have historically entered into research and development agreements with collaborative partners, from which we derived revenues in past years. Pursuant to these agreements, our collaborative partners have specific responsibilities for the costs of development, promotion, regulatory approval and/or sale of our products. We will continue to rely on future collaborative partners for the development of products and technologies. There can be no assurance that we will be able to negotiate such collaborative arrangements on acceptable terms, if at all, or that current or future collaborative arrangements will be successful. To the extent that we are not able to establish such arrangements, we could experience increased capital requirements or be forced to undertake such activities at our own expense. The amount and timing of resources that any of these partners devotes to these activities will generally be based on progress by us in our product development efforts. Collaborative arrangements may be terminated by the partner upon prior notice without cause and there can be no assurance that any of these partners will perform its contractual obligations or that it will not terminate its agreement. With respect to any products manufactured by third parties, there can be no assurance that any third-party manufacturer will perform acceptably or that failures by third parties will not delay clinical trials or the submission of products for regulatory approval or impair our ability to deliver products on a timely basis.

There can be no assurance of successful or timely development of additional products.

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

Competition in the human medical diagnostics industry is, and is expected to remain, significant.

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

Our products and activities are subject to regulation by various governments and government agencies.

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

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

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

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

We depend upon distribution partners for sales of diagnostic products in international markets.

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

Third party reimbursement for purchases of our diagnostic products is uncertain.

In the United States, health care providers that purchase diagnostic products, such as hospitals and physicians, generally rely on third party payers, principally private health insurance plans, federal Medicare and state Medicaid, to reimburse all or part of the cost of the purchase. Third party payers are increasingly scrutinizing and challenging the prices charged for medical products and services and they can affect the pricing or the relative

attractiveness of the product. Decreases in reimbursement amounts for tests performed using our diagnostic products, failure by physicians and other users to obtain reimbursement from third party payers, or changes in government and private third party payers' policies regarding reimbursement of tests utilizing diagnostic products, may affect our ability to sell our diagnostic products profitably. Market acceptance of our products in international markets is also dependent, in part, upon the availability of reimbursement within prevailing health care payment systems.

Our success depends, in part, on our ability to obtain patents and license patent rights, to maintain trade secret protection and to operate without infringing on the proprietary rights of others.

There can be no assurance that our issued patents will afford meaningful protection against a competitor, or that patents issued to us will not be infringed upon or designed around by others, or that others will not obtain patents that we would need to license or design around. We could incur substantial costs in defending the Company or our licensees in litigation brought by others. Our business could be adversely affected.

We may not be able to successfully implement our plans to acquire other companies or technologies.

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

We depend on suppliers for our products' components.

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

We have only limited manufacturing experience with certain products.

Although we have manufactured over twelve million diagnostic tests based on our proprietary applications of ELISA (enzyme linked immuno-absorbent assay) technology, certain of our diagnostic products in consideration for future development, incorporate technologies with which we have little manufacturing experience. Assuming successful development and receipt of required regulatory approvals, significant work may be required to scale up production for each new product prior to such product's commercialization. There can be no assurance that such work can be completed in a timely manner and that such new products can be manufactured cost-effectively, to regulatory standards or in sufficient volume.

Due to the specialized nature of our business, our success will be highly dependent upon our ability to attract and retain qualified scientific and executive personnel.

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

The testing, manufacturing and marketing of medical diagnostic devices entails an inherent risk of product liability claims.

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

There has, to date, been no active public market for our Common Stock, and there can be no assurance that an active public market will develop or be sustained.

Although our Common Stock has been traded on the OTC Bulletin Board® since February 1998, the trading has been sporadic with insignificant volume.

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

There are risks associated with fluctuating exchange rates.

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

CORGENIX MEDICAL CORPORATION

Part II

Other Information

Item 1. Legal Proceedings

Corgenix is not a party to any material litigation or legal proceedings.

Item 2. Changes in Securities and Use of Proceeds

None

Item 3. Defaults Upon Senior Securities

The variable note payable to a bank was due in full at January 31, 2005. The Company has not repaid the loan and has informed the Bank of the status of its current institutional financing. No demand for repayment has been made. It is the intention of the Company to pay the note in full with the proceeds from the current institutional financing, or alternatively to attempt to convert this loan to a term loan with a due date of three to five years. There is no assurance that the current institutional financing will be successful or, in the alternative, that the bank will agree to such terms in which case a near-term infusion of capital will be necessary to satisfy this note. Since the Company needs additional financing to meet our debt requirements, there is no assurance that we will be able to obtain such financing on terms satisfactory to us, if at all. The effects on the financial statements of not obtaining suitable financing cannot be determined.

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

None

Item 5. Other Information

None

Item 6. Exhibits and Reports on Form 8-K.

a. Index to and Description of Exhibits

<u>Exhibit Number</u>	Description of Exhibit
2.1	Agreement and Plan of Merger dated as of March 12, 2004 by and among Genesis Bioventures, Inc., GBI Acquisition Corporation and Corgenix Medical Corporation.
2.2	Amended and Restated Agreement and Plan of Merger as of May 21, 2004 by and among Genesis Bioventures, Inc., GBI Acquisition Corporation and Corgenix Medical Corporation.
2.3	Amendment No. 1 to Amended and Restated Agreement and Plan of Merger as of October 15, 2004 by and among Genesis Bioventures, Inc., GBI Acquisition Corporation and Corgenix Medical Corporation.

- 2.4 Amendment No. 2 to Amended and Restated Agreement and Plan of Merger as of November 30, 2004 by and among Genesis Bioventures, Inc., GBI Acquisition Corporation and Corgenix Medical Corporation.
- 2.5 Amendment No. 3 to Amended and Restated Agreement and Plan of Merger as of December 9, 2004 by and among Genesis Bioventures, Inc., GBI Acquisition Corporation and Corgenix Medical Corporation.
- 2.6 Amendment No. 4 to Amended and Restated Agreement and Plan of Merger as of December 31, 2004 by and among Genesis Bioventures, Inc., GBI Acquisition Corporation and Corgenix Medical Corporation.
- 3.1 Articles of Incorporation, as amended, filed with the Company's Registration Statement on Form 10-SB filed June 29, 1998, and incorporated herein by reference.
- 3.2 Bylaws, filed with the Company's Registration Statement on Form 10-SB filed June 29, 1998, and incorporated herein by reference.
- 10.4 License Agreement dated June 30, 2001 between Chugai Diagnostic Science Co., Ltd. and Corgenix Medical Corporation, filed with the Company's Form 10-KSB, and incorporated herein by reference.
- 10.5 Office Lease dated May 5, 2001 between Crossroads West LLC/Decook Metrotech LLC and Corgenix, Inc., filed with the Company's Form-10KSB, and incorporated herein by reference.
- 10.6 Guarantee dated November 1, 1997 between William George Fleming, Douglass Simpson and Geoffrey Vernon Callen, filed with the Company's Registration Statement on Form 10-SB filed June 29, 1998, and incorporated herein by reference.
- 10.7 Employment Agreement dated April 1, 2001 between Luis R. Lopez and the Company, filed with the Company's Form 10-KSB, and incorporated herein by reference.
- 10.8 Employment Agreement dated April 1, 2001 between Douglass T. Simpson and the Company, filed with the Company's Form 10-KSB, and incorporated herein by reference.
- 10.9 Employment Agreement dated April 1, 2001 between Ann L. Steinbarger and the Company, filed with the Company's Form 10-KSB, and incorporated herein by reference.
- 10.10 Employment Agreement dated April 1, 2001 between Taryn G. Reynolds and the Company, filed with the Company's Form 10-KSB, and incorporated herein by reference.
- 10.11 Employment Agreement dated April 1, 2001 between Catherine (O'Sullivan) Fink and the Company, filed with the Company's Form 10-KSB, and incorporated herein by reference.
- 10.14 Note dated January 6, 1997 between REAADS Medical Products, Inc. and Eagle Bank, filed with the Company's Registration Statement on Form 10-SB filed June 29, 1998, and incorporated herein by reference.
- 10.15 Form of Indemnification Agreement between the Company and its directors and officers, filed with the Company's Registration Statement on Form 10-SB/A-1 filed September 24, 1998 and incorporated herein by reference.
- 10.16 Warrant agreement dated June 1, 2000 between the Company and Taryn G. Reynolds, filed with the Company's Form 10-KSB, and incorporated herein by reference.
- 10.17 Employment Agreement dated March 1, 2001 between William H. Critchfield and the Company, filed with the Company's filing on Form 10-QSB for the fiscal quarter ended March 31, 2001.
- 10.19 Consulting Agreement dated September 29, 2002 between Eiji Matsuura, Ph.D and the Company, filed with the Company's Form 10-QSB, and incorporated herein by reference.

- 10.20 License Agreement dated September 29, 2002 between Eiji Matsuura, Ph.D and the Company, filed with the Company's Form 10-QSB, and incorporated herein by reference.
- 10.23 Amended and Restated 1999 Incentive Stock Plan filed with the Company's filing of Proxy Statement Schedule 14A Information, and incorporated herein by reference.
- 10.24 Amended and Restated Employee Stock Purchase Plan, filed with the Company's filing of Proxy Statement Schedule 14A Information, and incorporated herein by reference.
- 10.28 Warrant Agreement dated October 11, 2001, between Phillips V. Bradford and the Company, filed with the Company's Form 10-QSB, and incorporated herein by reference.
- 10.29 Warrant Agreement dated October 11, 2001 between Charles F. Ferris and the Company, filed with the Company's Form 10-QSB, and incorporated herein by reference.
- 10.30 Underlease Agreement dated October 3, 2001 between G.V. Calen, A.G. Pirmohamed and Corgenix UK, Ltd., filed with the Company's Form 10-QSB, and incorporated herein by reference.
- 10.31 Distribution Agreement and OEM Agreement dated March 14, 2002 between RhiGene, Inc., and the Company, filed with the Company's Form 10-QSB, and incorporated herein by reference.
- 10.32 License Agreement dated October 19, 2004 between McMaster University, Creative Clinical Concepts, Inc., and the Company.
- 21.1 Subsidiaries of the Registrant, filed as Exhibit 21.1 to the Company's Registration Statement on Form 10-SB, filed June 29, 1998.
- 31.1* Certification pursuant to section 302 of the Sarbanes-Oxley Act of 2002.
- 31.2* Certification pursuant to section 302 of the Sarbanes-Oxley Act of 2002
- 32.1* Certification by Chief Executive Officer pursuant to 18 U.S.C. Section 1350, or adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
- 32.2* Certification by Principal Financial Officer pursuant to 18 U.S.C. Section 1350, or adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.

* Filed Herewith

(b) Reports on Form 8-K.

1. Form 8-K filed March 14, 2005 *Changes in Accountant*
2. Form 8-K/A filed March 22, 2005 *Changes in Accountant*
3. Form 8-K/A filed April 13, 2005 *Changes in Accountant*

CERTIFICATIONS

I, Douglass T. Simpson, Chief Executive Officer and President, certify that:

1. I have reviewed this quarterly report on Form 10-QSB of Corgenix Medical Corporation.
2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report.
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;
4. The small business issuer's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the small business issuer and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the small business issuer, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;
 - b. Evaluated the effectiveness of the small business issuer's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - c. Disclosed in this report any change in the small business issuer's internal control over financial reporting that occurred during the small business issuer's most recent fiscal quarter (the small business issuer's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the small business issuer's internal control over financial reporting; and
5. The small business issuer's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the small business issuer's auditors and the audit committee of registrant's board of directors:
 - a. All significant deficiencies in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the small business issuer's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the small business issuer's internal control over financial reporting.

Date: May 11, 2005

/S/Douglass T. Simpson

CERTIFICATIONS

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

1. I have reviewed this quarterly report on Form 10-QSB of Corgenix Medical Corporation.
2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report.
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this quarterly report;
4. The small business issuer's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) for the small business issuer and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the small business issuer, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;
 - b. Evaluated the effectiveness of the small business issuer's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - c. Disclosed in this report any change in the small business issuer's internal control over financial reporting that occurred during the small business issuer's most recent fiscal quarter (the small business issuer's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the small business issuer's internal control over financial reporting; and
5. The small business issuer's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the small business issuer's auditors and the audit committee of registrant's board of directors:
 - a. All significant deficiencies in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the small business issuer's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the small business issuer's internal control over financial reporting.

Date: May 11, 2005

/S/William H. Critchfield
Chief Financial Officer

Exhibit 32.1

**CERTIFICATION
PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002
SUBSECTIONS (a) AND (b) OF SECTION 1350, CHAPTER 63 OF TITLE 18, UNITED STATES CODE**

Pursuant to section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of section 1350, chapter 63 of Title 18, United States Code), I Douglass T. Simpson, Chief Executive Officer and President of Corgenix Medical Corporation, a Nevada corporation (the "Company"), does hereby certify with respect to the Quarterly Report of the Company on Form 10-QSB for the quarter ended September 30, 2004 as filed with the Securities and Exchange Commission (the "10-QSB Report") that:

- (i) the 10-QSB Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (ii) the information contained in the 10-QSB Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: May 11, 2005

This Certification is made solely for purposes of 18 U.S.C. Section 1350, subject to the knowledge standard contained therein, and not for any other purpose.

A signed original of this written statement required by Section 906 of the Sarbanes-Oxley Act has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff request. This written statement shall not be deemed to be "filed" as part of the quarterly report on Form 10-QSB that it accompanies.

/S/ Douglass T. Simpson
Chief Executive Officer and President

**CERTIFICATION
PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002
SUBSECTIONS (a) AND (b) OF SECTION 1350, CHAPTER 63 OF TITLE 18, UNITED STATES CODE**

Pursuant to section 906 of the Sarbanes-Oxley Act of 2002 (subsections (a) and (b) of section 1350, chapter 63 of Title 18, United States Code), I William H. Critchfield, Chief Financial Officer of Corgenix Medical Corporation, a Nevada corporation (the "Company"), does hereby certify with respect to the Quarterly Report of the Company on Form 10-QSB for the quarter ended September 30, 2004 as filed with the Securities and Exchange Commission (the "10-QSB Report") that:

- (i) the 10-QSB Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (ii) the information contained in the 10-QSB Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: May 11, 2005

This Certification is made solely for purposes of 18 U.S.C. Section 1350, subject to the knowledge standard contained therein, and not for any other purpose.

A signed original of this written statement required by Section 906 of the Sarbanes-Oxley Act has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff request. This written statement shall not be deemed to be "filed" as part of the quarterly report on Form 10-QSB that it accompanies.

/S/ William H. Critchfield
Chief Financial Officer

SIGNATURES

In accordance with the requirements of the Securities Exchange Act of 1934, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

CORGENIX MEDICAL CORPORATION

May 11, 2005

By: /s/ Douglass T. Simpson
Douglass T. Simpson
Chief Executive Officer and President