
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

Form 10-QSB

- QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended September 30, 2007

- 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

(State or other jurisdiction of
incorporation or organization)

93-1223466

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

11575 Main Street, Number 400, Broomfield, CO 80020

(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

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

The number of shares of Common Stock outstanding was 25,005,680 as of November 16, 2007.

Transitional Small Business Disclosure Format. Yes No

CORGENIX MEDICAL CORPORATION
September 30, 2007

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

Consolidated Balance Sheets

	September 30, 2007	June 30, 2007
	(Unaudited)	
Assets		
Current assets:		
Cash and cash equivalents.....	\$ 1,998,053	\$ 1,324,072
Accounts receivable, less allowance for doubtful accounts of \$94,097.....	1,058,672	1,225,677
Inventories.....	2,657,988	2,558,456
Prepaid expenses.....	110,759	99,767
Total current assets.....	5,825,472	5,207,972
Equipment:		
Capitalized software costs.....	255,617	255,617
Machinery and laboratory equipment.....	957,117	944,663
Furniture, fixtures, leaseholds & office equipment.....	1,666,870	1,808,698
	2,879,604	3,008,978
Accumulated depreciation and amortization.....	(881,374)	(798,362)
Net equipment.....	1,998,230	2,210,616
Intangible assets:		
License.....	356,473	332,838
	356,473	332,838
Other assets:		
Deferred financing costs net of amortization of \$950,580 and \$873,729.....	666,049	743,070
Due from officer.....	12,000	12,000
Due from Biosafe.....	—	125,000
Other assets.....	235,745	257,180
Total assets.....	\$ 9,093,969	\$ 8,888,676
Liabilities and Stockholders' Equity		
Current liabilities:		
Current portion of notes payable, net of discount.....	\$ 755,485	\$ 1,014,437
Current portion of capital lease obligations.....	227,264	223,127
Accounts payable.....	732,614	844,338
Accrued payroll and related liabilities.....	286,530	271,994
Accrued interest.....	22,053	26,741
Deferred revenue.....	320,375	465,615
Accrued liabilities.....	183,826	291,491
Total current liabilities.....	2,528,147	3,137,743
Notes payable, net of discount, less current portion.....	536,175	1,000,051
Capital lease obligations, less current portion.....	384,505	442,775
Deferred Facility Lease Payable, excluding current portion.....	935,715	1,065,227
Total liabilities.....	4,384,542	5,645,796
Redeemable common stock, \$0.001 par value 616,202 and 669,019 shares issued and outstanding, aggregate redemption value of \$350,003, and \$380,003 net of unaccreted discount and issue costs of \$0 (note 5).....	250,000	250,000
Stockholders' equity:		
Convertible Preferred stock, \$0.001 par value. Liquidation preference of \$108,569 and \$464,730. Authorized 5,000,000 shares, Issued and outstanding 310,198 and 1,327,800 on September 30 and June 30, respectively.....	310,198	1,327,800
Common stock, \$0.001 par value. Authorized 100,000,000 shares; Issued and outstanding 24,725,431 and 14,483,342 September 30 and June 30, respectively.....	24,109	13,814
Additional paid-in capital.....	16,604,295	13,444,483
Accumulated deficit.....	(12,496,258)	(11,808,129)
Accumulated other comprehensive income.....	17,083	14,912
Total stockholders' equity.....	4,459,427	2,992,880
Total liabilities and stockholders' equity.....	\$ 9,093,969	\$ 8,888,676

See accompanying notes to consolidated financial statements.

**CORGENIX MEDICAL CORPORATION
AND SUBSIDIARIES**

Consolidated Statements of Operations

	Three Months Ended	
	September 30, 2007	September 30, 2006
	(Unaudited)	(Unaudited)
Net sales.....	\$ 2,105,188	\$ 1,694,112
Cost of sales.....	964,137	645,109
Gross profit.....	1,141,051	1,049,003
Operating expenses:		
Selling and marketing.....	531,605	487,986
Research and development.....	163,693	232,687
General and administrative.....	443,730	596,300
	1,139,028	1,316,973
Operating income (loss).....	2,023	(267,970)
Other income (expense):		
Other expense.....	(9,828)	41,370
Interest expense.....	(680,324)	(616,603)
Net loss.....	\$ (688,129)	\$ (843,203)
Net loss per common share, basic and diluted.....	\$ (0.04)	\$ (0.08)
Weighted average shares outstanding, basic and diluted.....	19,340,384	11,125,859
Net loss.....	\$ (688,129)	\$ (843,203)
Other comprehensive gain—foreign currency translation gain.....	2,171	1,702
Total comprehensive loss.....	\$ (685,958)	\$ (841,501)

See accompanying notes to consolidated financial statements.

**CORGENIX MEDICAL CORPORATION
AND SUBSIDIARIES**
Consolidated Statement of Stockholders' Equity
For the three months ended September 30, 2007
(Unaudited)

	Preferred Stock, Number of Shares	Preferred Stock, \$0.001 par	Common Stock, Number of Shares	Common Stock, \$0.001 par	Additional Paid-in Capital	Accumulated Deficit	Accumulated other comprehensive income (loss)	Total stockholders' equity
Balance at June 30, 2007.....	1,327,800	\$ 1,327,800	14,483,342	\$ 13,814	\$ 13,444,483	\$ (11,808,129)	\$ 14,912	\$ 2,992,880
Issuance of common stock for cash.....	—	—	3,956,000	3,956	985,044	—	—	989,000
Issuance cost for common stock offering.....	—	—			(121,259)	—	—	(121,259)
Issuance of common stock for services.....	—	—	10,000	10	4,390	—	—	4,400
Issuance of common stock in exchange for debt and interest.....	—	—	2,746,501	2,746	683,879	—	—	686,625
Addition of discount on convertible notes due to contingent conversion feature.....	—	—	—	—	536,874	—	—	536,874
Conversion of preferred stock into common stock.....	(1,017,602)	(1,017,602)	3,129,591	3,130	1,014,472	—	—	—
Compensation expense recorded as a result of stock options issued.....	—	—	—	—	40,065	—	—	40,065
Exercise of warrants	—	—	452,813	453	(453)	—	—	—
Issuance of warrants for license.....	—	—	—	—	16,800	—	—	16,800
Cancellation of redeemable stock upon note paydown.....	—	—	(52,816)	—	—	—	—	—
Foreign currency translation.....	—	—	—	—	—	—	2,171	2,171
Net loss.....	—	—	—	—	—	(688,129)	—	(688,129)
Balance at September 30, 2007.....	<u>310,198</u>	<u>\$ 310,198</u>	<u>24,725,431</u>	<u>\$ 24,109</u>	<u>\$ 16,604,295</u>	<u>\$ (12,496,258)</u>	<u>\$ 17,083</u>	<u>\$ 4,459,427</u>

See accompanying notes to consolidated financial statements.

**CORGENIX MEDICAL CORPORATION
AND SUBSIDIARIES**

Consolidated Statements of Cash Flows

	Three Months Ended	
	September 30, 2007 (Unaudited)	September 30, 2006 (Unaudited)
Cash flows from operating activities:		
Net loss	\$ (688,129)	\$ (843,203)
Adjustments to reconcile net loss to net cash provided (used) in operating activities:		
Depreciation and amortization	82,460	77,406
Accretion of discount on note payable	499,357	336,075
Common stock issued for services	4,400	19,488
Common stock issued for interest	27,314	37,554
Compensation expense recorded for stock options issued	40,065	40,375
Amortization of deferred financing costs	76,851	135,206
Changes in operating assets and liabilities:		
Accounts receivable, net	173,898	(79,334)
Inventories	(97,261)	(355,320)
Prepaid expenses and other assets, net	130,181	(72,434)
Accounts payable	(125,678)	13,805
Accrued payroll and related liabilities	12,602	102,086
Accrued interest and other liabilities	(230,126)	(5,853)
Net cash provided (used) in operating activities	<u>(94,066)</u>	<u>(594,149)</u>
Cash flows used in investing activities:		
Additions to equipment	<u>(25,304)</u>	<u>(192,733)</u>
Cash flows from financing activities:		
Proceeds from issuance of common stock, net of financing costs	867,741	—
Payments on notes payable	(26,000)	(218,282)
Payments on capital lease obligations	<u>(54,133)</u>	<u>(40,297)</u>
Net cash provided by (used in) financing activities	<u>787,608</u>	<u>(258,579)</u>
Net increase (decrease) in cash and cash equivalents	668,238	(1,045,461)
Impact of exchange rate changes on cash	5,743	2,869
Cash and cash equivalents at beginning of period	1,324,072	3,118,494
Cash and cash equivalents at end of period	<u>\$ 1,998,053</u>	<u>\$ 2,075,902</u>
Supplemental cash flow disclosures:		
Cash paid for interest	\$ 85,569	\$ 119,479
Noncash investing and financing activities-		
Equipment acquired under capital leases	\$ —	\$ 589,116
Issuance of warrants for license	\$ 16,800	\$ —
Issuance of stock for debt	\$ 659,311	\$ 118,719
Conversion of preferred stock into common stock	\$ 1,017,602	\$ —
Conversion of redeemable common stock to note payable	\$ —	\$ 180,000
Landlord buildout of new facility	\$ —	\$ 1,207,705
Restricted asset applied to note	\$ —	\$ 250,000
Addition of discount on convertible notes due to contingent conversion feature	<u>\$ 536,874</u>	<u>\$ —</u>

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

Outlook

In fiscal 2008, we are focused on accelerating the market launch of our AspirinWorks assay, continuing to seek clearance by the FDA of our Anti-AtherOx Test Kit, submission of a 510(k) Premarket Notification to the FDA for the Company's Atherox Test Kit, completing further clinical studies for our Hyaluronic Test Kit and our Fibromyalgia Test Kit and continuing the development and strategic collaboration towards the development of a group of products to detect potential bio-terrorism agents.

Our balance sheet, cash flow and liquidity positions have continued to improve and hopefully will allow us to take advantage of opportunities, as we focus primarily on the organic growth of our business.

Company Overview

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. We currently sell 52 diagnostic products on a worldwide basis to hospitals, clinical testing laboratories, universities, biotechnology and pharmaceutical companies and research institutions. In the United States and the United Kingdom, we sell directly to these customers. Elsewhere in the world, we primarily sell to independent distributors that in turn sell to the laboratories.

Our corporate headquarters is located in Broomfield, Colorado. We have two wholly owned operating subsidiaries:

- Corgenix, Inc. (formerly REAADS Medical Products, Inc.), established in 1990 and located in Broomfield, Colorado. Corgenix, Inc. is responsible for sales and marketing activities for North America, and also executes product development, product support, clinical and regulatory affairs, and product manufacturing.
- Corgenix (UK) Ltd, incorporated in the United Kingdom in 1996 (formerly REAADS Bio-Medical Products (UK) Limited) and located in Peterborough, England. Corgenix UK manages our international sales and marketing activities except for distribution in North America, which is the responsibility of Corgenix, Inc.

We continue to use the REAADS trademark and trade name in the sale of products that we manufacture.

Recent Developments

On July 25, 2007 and September 17, 2007, we entered into subscription and other agreements to complete a private placement with certain institutional and other accredited investors.

Our offering consisted of common stock in the Company (the "Shares") at the price of \$0.25 per share. For each Share purchased, every investor received an equal number of common stock purchase warrants (the "Warrants"). One-third of the Warrants issued to each investor are exercisable at \$0.34 per share with a one-year term, one-third are exercisable at \$0.375 per share with a two-year term, and the remaining third are exercisable at \$0.40 per share with a five-year term.

The Shares and Warrants were offered and sold in reliance on exemptions from registration pursuant to Section 4(2) of the Securities Act of 1933, and Rule 506 of Regulation D there under. Each investor is an "accredited investor" as defined in Rule 501 of the same.

The sale of the Shares and Warrants also included a Registration Rights Agreement whereby we provided the purchasers with "piggy back" registration rights if we propose to register securities under the 1933 Act.

As of September 17, 2007, we had sold the maximum amount plus over allotment amounting to \$989,000 in Shares and Warrants.

Terra Nova Financial, LLC, an Illinois limited liability company (“Terra Nova”), acted as a placement agent for the Company. Iliad Advisors, LLC, an Illinois limited liability company (“Iliad Advisors”), provided advisory services to Terra Nova on the transaction. As compensation for Terra Nova’s services, we paid Terra Nova a fee equal to 7% of the aggregate offering price, at each close of each stage of the transaction.

Terra Nova’s fee also included warrants, due to Terra Nova at the close of the transaction, to purchase shares of our common stock at the exercise price of \$0.25 per share. Since Terra Nova succeeded in selling the maximum offering plus the over-allotment, totaling an aggregate of \$989,000, it received \$69,230 in cash, and warrants to purchase 276,920 shares of common stock at an exercise price of \$0.25 per share.

On March 1, 2007, we executed an exclusive license agreement (the “License Agreement”) with Creative Clinical Concepts, Inc. (“CCC”). The License Agreement provides that CCC license to us certain products and assets related to determining the effectiveness of aspirin and / or anti-platelet therapy (collectively, “Aspirin Effectiveness Technology,” or the “Licensed Products”). The Aspirin Effectiveness Technology includes US trademark registration number 2,688,842, which includes the term “AspirinWorks”® and related designs.

We believe that there is a present and growing need for non-invasive, simple and accurate confirmation of aspirin effectiveness and aspirin therapy, and that the License Agreement will position us to provide products to meet this need. Since 2005, Corgenix and CCC have been engaged in a collaborative partnership to develop, manufacture and market products for aspirin monitoring, including the AspirinWorks® Test Kit, a simple urine test that measures a person’s response to aspirin and allows physicians to determine the effect of aspirin therapy on an individual basis. Under terms of the original agreement, CCC and Corgenix had agreed to equally share expenses and revenues that resulted from the business. Under the License Agreement, Corgenix will acquire the remaining 50 percent of the license to CCC’s Aspirin Effectiveness Technology, thereby owning 100 percent of the rights to CCC’s Aspirin Effectiveness Technology.

The License Agreement requires CCC to provide us with a worldwide, perpetual license for the use of CCC’s Aspirin Effectiveness Technology. Additionally, CCC will provide us with the names of contacts, customer lists, market information, competitive information and technology related to CCC’s already-developed market in Aspirin Effectiveness Technology. The License Agreement requires CCC to assist with the manufacture of products derived from the Aspirin Effectiveness Technology, and also provide us with a right of first refusal with regard to any new products developed by CCC for the purpose of measuring aspirin effectiveness and the use of thromboxane and prostacyclin metabolites to determine the effect of aspirin on platelets or endothelial cells.

We may use the Licensed Products in connection with any other asset or trademark. We may also enter into sublicense agreements with any other entity for the rights, privileges and licenses granted to us under the License Agreement. We must seek CCC’s consent before entering any sublicense agreement, but CCC may not unreasonably withhold its consent so long as the sublicensee will use its commercially reasonable best efforts to market and sell the Licensed Products. We must use our commercially reasonable best efforts to market and sell the Licensed Products. To this end, within ninety days of the date the FDA grants clearance for the Licensed Products, and for five years thereafter, we must develop and maintain an interactive website dedicated to the Licensed Products. CCC may not use or license or in any way transfer rights to any of the Licensed Products to any third party.

The License Agreement provides that responsibility for manufacture, distribution, and administration of the sale of the Licensed Products is with us. However, the Agreement requires CCC to assist and cooperate with us in this regard.

Our first payment to CCC became due at the execution of the Agreement. We have provided a combination of cash, shares of the Company’s common stock, and warrants to purchase the Company’s common stock. Following FDA clearance of the first Licensed Product, we are required to make additional payments to CCC. On the first, second and third anniversary of that clearance, we will be obligated to make payments consisting of cash, shares of common stock, and warrants to purchase shares of common stock. The amount of cash and number of shares and warrants due in these anniversary payments will be determined by application of a formula including a certain dollar value, the total cumulative revenue received by us from sales of the Licensed Products during that year, and our common stock share price on the relevant anniversary. The dollar value applicable to that ratio increases with each anniversary.

The License Agreement imposes caps on the total amount of cash, common stock, and warrant payments from us to CCC from the date of execution through to and including the third anniversary payment. Under that cap limitation, the total anniversary payments will not exceed \$200,000 in cash, \$300,000 in value of shares of common stock (as valued on the date of issue), and 300,000 warrants to purchase shares of common stock at an exercise price of \$0.35 per share.

The License Agreement also requires that, for all sales of the Licensed Products subsequent to the execution of the agreement, we pay CCC a quarterly royalty fee equal to seven percent of net sales of the Licensed Products during the immediately preceding quarter. The License Agreement's caps on payments from us to CCC do not apply to royalty payments. Royalty payments for the quarter ended September 30, 2007 were minimal.

The Company and CCC anticipate that the License Agreement will remain in effect in perpetuity; however, the License Agreement provides for termination in the event of material breach, or if we become insolvent or file for protection under the U.S. Bankruptcy Code. Termination would cause all of our rights under the License Agreement to revert to CCC, although any rights sublicensed to a third party would not be revoked or infringed by any such termination.

The License Agreement required that we forgive all unpaid fees, costs and expenses due to us under that certain Product Developing, Manufacturing, and Distribution Agreement between us and CCC dated May 13, 2005. The License Agreement also requires that we forgive all unpaid fees, costs, expenses and charges due to us under that certain license agreement between the parties and McMaster University, dated October 19, 2005. The total value of such forgiven fees, costs, expenses and charges was approximately \$230,000 and was capitalized as part of the license on the accompanying balance sheet.

Certain information and note disclosures normally included in financial statements prepared in accordance with accounting principles generally accepted in the United States of America (GAAP) have been omitted from these unaudited consolidated financial statements. These unaudited consolidated financial statements should be read in conjunction with the financial statements and notes thereto included in the Company's Annual Report on Form 10-KSB for the fiscal year ended June 30, 2007. The results of operations for the three months ended September 30, 2007 and 2006 are not necessarily indicative of the operating results for the full year.

In the opinion of management, all adjustments, consisting only of normal recurring accruals, have been made to present fairly the Company's financial position at September 30, 2007 and the results of operations and its cash flows for the three months ended September 30, 2007 and 2006.

Our Business

Introduction

Our business includes the research, development, manufacture, and marketing of in vitro diagnostic products for use in disease detection and prevention. We currently sell 52 diagnostic products on a worldwide basis to hospitals, clinical testing laboratories, universities, biotechnology and pharmaceutical companies and research institutions. We have developed and we manufacture most of our products at our Colorado facility, and we purchase what we refer to as OM Products from other healthcare manufacturers for resale by us. All of these products are used in clinical laboratories for the diagnosis and/or monitoring of three important areas of health care:

- Autoimmune disease (diseases in which an individual creates antibodies to one's self, for example systemic lupus erythematosus ("SLE") and rheumatoid arthritis ("RA"));
- Vascular disease (diseases associated with certain types of thrombosis or clot formation, for example antiphospholipid syndrome, deep vein thrombosis, stroke and coronary occlusion); and
- Liver diseases (fibrosis, and cirrhosis).

In addition to our current products, we are actively developing new laboratory tests in other important diagnostic testing areas. See "— Other Strategic Relationships." We manufacture and market to clinical laboratories and other testing sites worldwide. Our customers include large and emerging health care companies such as diaDexus, Inc., Bio Rad Laboratories, Inc., Instrumentation Laboratories, Helena Laboratories and Diagnostic Grifols, S.A.

Most of our products are based on our patented and proprietary application of Enzyme Linked ImmunoSorbent Assay, or ELISA, technology, a clinical testing methodology commonly used worldwide. Most of our current products are based on this platform technology in a delivery format convenient for clinical testing laboratories. The delivery format, which is referred to as "Microplate," allows the testing of up to 96 samples per plate, and is one of the most commonly used formats, employing conventional testing equipment found in virtually all clinical laboratories. The availability and broad acceptance of ELISA Microplate products reduces entry barriers worldwide for our new products that employ this technology and delivery format. Our products are sold as "test kits" that include all of the materials required to perform the test, except for routine laboratory chemicals and instrumentation. A test using ELISA technology involves a series of reagent additions

into the Microplate, triggering a complex immunological reaction in which a resulting color occurs. The amount of color developed in the final step of the test is directly proportional to the amount of the specific marker being tested for in the patient or unknown sample. The amount of color is measured and the results calculated using routine laboratory instrumentation. Our technology specifies a process by which biological materials are attached to the fixed surface of a diagnostic test platform. Products developed using this unique attachment method typically demonstrate a more uniform and stable molecular configuration, providing a longer average shelf life, increased accuracy and superior specificity than the products of our competitors.

Some of the OM products which we obtain from other manufacturers and sell through our distribution network utilize technologies other than our patented and proprietary ELISA technology.

Our diagnostic tests are intended to aid in the identification of the causes of illness and disease, enabling a physician to select appropriate patient therapy.

Internally and through collaborative arrangements, we are developing additional products that are intended to broaden the range of applications for our existing products and to result in the introduction of new products.

Since 1990, our sales force and distribution partners have sold over 12 million tests worldwide under the READS and Corgenix labels, as well as products sold under other manufacturers' labels, referred to as OEM products. An integral part of our strategy is to work with corporate partners to develop market opportunities and access important resources. We believe that our relationships with current and potential partners will enable us to enhance our menu of diagnostic products and accelerate our ability to penetrate the worldwide markets for new products.

We currently use the READS and Corgenix trademarks and trade names in the sale of the products which we manufacture. These products constitute the majority of our product sales.

2. EARNINGS (LOSS) PER SHARE

Basic earnings (loss) per share is computed by dividing net loss attributable to common stockholders by the weighted average number of common shares outstanding. Diluted earnings (loss) per share is computed by dividing net loss attributable to common stockholders by the weighted average number of common shares outstanding increased for potentially dilutive common shares outstanding during the period. The dilutive effect of stock options and their equivalents is calculated using the treasury stock method. Stock options to purchase 1,085,000 shares were granted in fiscal 2007. Stock options to purchase 150,000 shares were granted during the quarter ended September 30, 2007. Options and warrants to purchase common stock totaling 34,366,238 and 33,998,526 shares as of September 30, 2007 and 2006, 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 income (loss) per share.

	<u>3 Months ended September 30, 2007</u>	<u>3 Months ended September 30, 2006</u>
Net loss	\$ (688,129)	\$ (843,203)
Common and common equivalent shares outstanding:		
Historical common shares outstanding at beginning of year	14,483,342	10,723,205
Weighted average common equivalent shares issued during year	<u>4,857,042</u>	<u>402,654</u>
Weighted average common shares — basic and diluted.....	<u>19,340,384</u>	<u>11,125,859</u>
Net loss per share — basic and diluted.....	<u>\$ (0.04)</u>	<u>\$ (0.08)</u>

3. INCOME TAXES

On July 1, 2007, the Company adopted FASB Interpretation No. 48 ("FIN 48"), "Accounting for Uncertainty in Income Taxes — an interpretation of FASB Statement 109," which was issued in July 2006. FIN 48 prescribes a comprehensive model for recognizing, measuring, presenting and disclosing in the financial statements, tax positions taken or expected to be taken on a tax return, including a decision whether to file or not to file in a particular jurisdiction. If there are changes in net assets as a result of application of FIN 48, these will be accounted for as an adjustment to retained earnings. There were no unrecognized tax benefits as of July 1, 2007, the date that FIN 48 was adopted. If there was an adjustment

related to implementation of FIN 48, there would be a reduction to the deferred tax assets and a corresponding reduction to the valuation allowance, resulting in no net effect on accumulated deficit. If any unrecognized benefit would be recognized, it would not affect the Company's effective tax rate since it is subject to a full valuation allowance.

The Company's practice is to recognize interest and/or penalties related to income tax matters in income tax expense. The Company has accrued \$0 for interest and penalties as of September 30, 2007.

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.

The Company did not record a provision for income taxes for the three month periods ended September 30, 2007 or 2006 as a result of operating losses and current estimated operating results for the current fiscal year. The Company has recorded valuation allowances to fully reserve its deferred tax assets, as management believes it is more likely than not that these assets will not be realized. It is possible that management's estimates as to the likelihood of realization of its deferred tax assets could change as a result of changes in estimated operating results. Should management conclude that it is more likely than not that these deferred tax assets are, at least in part, realizable, the valuation allowance will be reduced and recognized as a deferred income tax benefit in the statement of operations in the period of change, except as noted herein.

4. SEGMENT INFORMATION

The Company has two segments of business: North American and International operations. North American operations transacts all sales in North America (US, Canada and Mexico). International operations transacts all other sales. The following table sets forth selected financial data for these segments for the three-month periods ended September 30, 2007 and 2006.

		Three Months Ended September 30		
		North America	International	Total
Net sales.....	2007	\$ 1,630,689	\$ 474,499	\$ 2,105,188
	<u>2006</u>	<u>\$ 1,245,518</u>	<u>\$ 389,435</u>	<u>\$ 1,634,953</u>
Net income (loss).....	2007	\$ (797,423)	\$ 109,294	\$ (688,129)
	<u>2006</u>	<u>\$ (968,639)</u>	<u>\$ 125,436</u>	<u>\$ (843,203)</u>
Depreciation and..... amortization	2007	\$ 81,270	\$ 1,190	\$ 82,460
	<u>2006</u>	<u>\$ 76,302</u>	<u>\$ 1,104</u>	<u>\$ 77,406</u>
Interest expense, net.....	2007	\$ 679,293	\$ 1,031	\$ 680,324
	<u>2006</u>	<u>\$ 616,078</u>	<u>\$ 525</u>	<u>\$ 616,603</u>
Segment assets September 30,	2007	\$ 8,296,678	\$ 797,291	\$ 9,093,969
	<u>2007</u>	<u>\$ 8,156,103</u>	<u>\$ 732,573</u>	<u>\$ 8,888,676</u>

5. REDEEMABLE COMMON STOCK

On July 1, 2002, as part of the Medical & Biological Laboratories Co., Ltd. (MBL) Agreement, MBL purchased shares of the Company's common stock for \$500,000, which 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. 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 to the first date whereupon the put option may be exercised, which was the expiration date of the distribution agreement between the Company and RhiGene, Inc. (March 31, 2005). 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 our distribution agreement with RhiGene expired, and the Company signed a new distribution and OEM Supply Agreement with MBL International, Inc. ("MBLI"), a wholly owned subsidiary of MBL, which grants the Company 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, on August 1, 2005 the Company and MBL executed an Amendment to the Common Stock Purchase Agreement and Common Stock Purchase Warrant wherein one-half or 440,141 of the original redeemable shares are exchanged for a three-year promissory note payable with interest at prime (7.75% as of September 30, 2007) plus two percent with payments commencing before September 1, 2005. The shares being exchanged for the promissory note will be returned to the Company quarterly on a pro rata basis as payments are made on the promissory note. As of September 30, 2007, 264,080 redeemable shares have been returned to the Company under this agreement. The remaining 440,141 shares will be redeemable by the Company at \$0.568 per share as of August 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 August 1, 2005 through August 30, 2008. Finally, the warrants originally issued to MBL to purchase 880,282 shares have been extended to August 31, 2008 and re-priced from \$0.568 per share to \$0.40 per share.

6. STOCK-BASED COMPENSATION

Adoption of SFAS 123(R)

Effective July 1, 2006, the Company adopted the provisions of Statement of Financial Accounting Standard No. 123 (revised 2004), "*Share-Based Payment*", (SFAS 123(R)) using the modified prospective transition method. In addition, the Securities and Exchange Commission issued Staff Accounting Bulletin No. 107 "*Share-Based Payment*" ("SAB 107") in March 2005, which provides supplemental SFAS 123(R) application guidance based on the views of the SEC. Under the modified prospective transition method, compensation cost recognized in the quarterly period ended September 30, 2007 includes: (a) compensation cost for all share-based payments granted prior to, but not yet vested as of July 1, 2006, based on the grant date fair value estimated in accordance with the original provisions of SFAS No. 123, and (b) compensation cost for all share-based payments granted beginning July 1, 2006, based on the grant date fair value estimated in accordance with the provision so SFAS 123(R). In accordance with the modified prospective transition method, results for prior periods have not been restated.

The adoption of SFAS 123(R) resulted in stock compensation expense for the quarterly period ended September 30, 2007 of \$40,065 charged to general and administrative expenses. This expense increased basic and diluted loss per share by less than \$0.01 for the quarter, compared to reported basic and diluted loss per share of \$.03. The Company did not recognize a tax benefit from the stock compensation expense because the Company considers it more than likely than not that the related deferred tax assets, which have been reduced by a full valuation allowance, will not be realized.

The Black-Scholes option-pricing model was used to estimate the option fair values. The option-pricing model requires a number of assumptions, of which the most significant are expected stock price volatility, the expected pre-vesting forfeiture rate and the expected option term (the amount of time from the grant date until the options are exercised or expire). Expected volatility was calculated based upon actual historical stock price movements over recent periods equal to the expected option term. Expected pre-vesting forfeitures were estimated based on actual historical pre-vesting forfeitures over recent periods for the expected option term. The expected option term was calculated using the "simplified" method permitted by SAB 107.

Stock Options as of the Quarterly Period Ended September 30, 2007

The Company's Amended and Restated 1999 Incentive Stock Plan, the 2006 and 2007 Incentive Compensation Plans (the "Plans") provide for two separate components. The Stock Option Grant Program, administered by the Compensation Committee (the "Committee") appointed by the Company's Board of Directors, provides for the grant of incentive and non-statutory stock options to purchase common stock to employees, directors or other independent advisors designated by the Committee. The Restricted Stock Program administered by the Committee, provides for the issuance of Restricted Stock Awards to employees, directors or other independent advisors designated by the Committee.

The following table summarizes stock options outstanding and changes during the quarterly period ended September 30, 2007:

	Outstanding Options			
	Number of Shares	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term (in months)	Aggregate Intrinsic Value
Options outstanding at June 30, 2007	2,305,600	0.38	64.38	\$ —
Granted	150,000	0.44	84.0	
Exercised	—	—	—	—
Cancelled or forfeited	—	—	—	—
Options outstanding at September 30, 2007	2,455,600	0.382	64.38	\$ 313,865
Options exercisable at September 30, 2007	1,588,933	0.43	42.93	\$ 169,517

The total intrinsic value, or the difference between the exercise price and the market price on the exercise dates, of all options exercised during the quarterly period ended September 30, 2007, was zero as no options were exercised. Consequently, no cash was received, nor did the Company realize any tax deductions related to exercise of stock options during the quarter.

Stock options outstanding and currently exercisable at September 30, 2007 are as follows:

Range of exercise price	Outstanding options			Exercisable options		
	Number	Weighted average remaining contractual life (months)	Weighted average exercise price	Number	Weighted average exercise price	
0.625 — 1.375	83,500	4.975	\$ 0.787	83,500	\$ 0.79	
0.30-0.46	2,372,100	61.020	0.368	1,505,433	0.41	
	<u>2,455,600</u>	64.38	\$ 0.382	<u>1,588,933</u>	\$ 0.43	

Total estimated unrecognized compensation cost from unvested stock options as of September 30, 2007 was approximately \$152,926 which is expected to be recognized over a weighted average period of approximately 65 months.

The weighted average per share fair value of stock options granted during the quarterly periods ending September 30, 2007 and 2006 was \$0.34 and \$0.33, respectively. The fair value was estimated as of the grant date using the Black-Scholes option pricing model with the following assumptions:

	Three Months Ended September 30,	
	2007	2006
Volatility	84.7 %	111.5 %
Expected option term	7 years	7 years
Risk-free interest rate	4.40 %	4.39 %
Expected dividend yield	0 %	0 %

In addition to the stock options discussed above, the Company recognized share-basis compensation expense related to Restricted Stock awards, of \$3,333 for the three months ended September 30, 2007 and 2006. The following table summarizes Non-vested Restricted Stock and the related activity as of and for the quarter ended September 30, 2007:

	Shares	Weighted Average Grant-Date Fair Value
Non-vested at July 1, 2007	66,667	\$ 0.40
Granted	—	—
Vested	—	—
Non-vested at September 30, 2007	66,667	\$ 0.40

7. RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS

FAS 157, Fair Value Measurements. In September, 2006, the FASB issued Statement of Financial Accounting Standards No. 157, Fair Value Measurements (“SFAS 157”). SFAS 157 defines fair value, establishes a framework and gives guidance regarding the methods used for measuring fair value, and expands disclosures about fair value measurements. SFAS 157 is effective for financial statements issued for fiscal years beginning after November 15, 2007, and interim periods within those fiscal years. We are currently assessing the impact that SFAS 157 will have on our results of operations and financial position.

SFAS 159, “The Fair Value Option for Financial Assets and Financial Liabilities — Including an Amendment of FASB Statement No. 115.” In November 2007, the FASB issued Statement of Financial Accounting Standards No. 159, The Fair Value Option for Financial Assets and Financial Liabilities — Including an Amendment of FASB Statement No. 115 (“SFAS 159”). SFAS 159 is effective for fiscal years beginning after November 15, 2007. SFAS 159 permits an entity to choose to measure many financial instruments and certain other items at fair value at specified election dates. Subsequent unrealized gains and losses on items for which the fair value option has been elected will be reported in earnings. We do not believe that the adoption of SFAS 159 will have a material impact on our consolidated financial statements.

8. NOTES PAYABLE

Notes payable consist of the following at September 30, 2007 and June 30, 2007:

	<u>September 30, 2007</u>	<u>June 30, 2007</u>
Convertible term note payable to institutional investors, net of discount of \$137,680 with interest at the greater of 12%, as adjusted by a stock trading formula, or prime plus 3% (10.75% and 11.25% as of September 30, 2007 and June 30, 2007), interest only from June 1, 2006 through October 1, 2006 and, via a note modification dated November 30, 2006, December 1, 2006 through November 1, 2007 and then due in monthly installments of \$19,350.71 plus interest from December 1, 2007 through November 1, 2009, collateralized by all assets of the company and a partial guaranty by an officer of the Company	\$ 326,735	\$ 720,992
Convertible term note payable to institutional investors, net of discount of \$620,178 with interest at the greater of 12%, as adjusted by a stock trading formula, or prime plus 3% (10.75% and 11.25% as of September 30, 2007 and June 30, 2007), interest only from December 28, 2006 through June, 2006 and, via a note modification dated November 30, 2006, December 1, 2006 through November 1, 2007 and then due in monthly installments of \$42,546.04 plus interest from December 1, 2007 through November 1, 2009, collateralized by all assets of the company and a partial guaranty by an officer of the Company	400,926	703,496
Term note payable to institutional investors, with interest at the greater of 12% or prime plus 3% (10.75% and 11.25% as of September 30, 2007 and June 30, 2007), interest only payments commencing June 1, 2006 until May 19, 2008, collateralized by all assets of the Company	500,000	500,000
Note payable, unsecured, to redeemable common stockholders, with interest at prime plus 2.0% (9.75% and 10.25% as of September 30, 2007 and June 30, 2007) due in monthly installments with principal payments ranging from \$5,000 to \$10,000 plus interest through August 2008.....	64,000	90,000
	<u>1,291,661</u>	<u>2,014,488</u>
Current portion, net of current portion of discount	<u>(755,485)</u>	<u>(1,014,437)</u>
Notes payable, excluding current portion and net of long-term portion of discount	<u>\$ 536,175</u>	<u>\$ 1,000,051</u>

The convertible notes payable restrict the payment of dividends on the Company’s common stock.

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 52 products covering autoimmune disorders, vascular diseases, infectious diseases and liver disease. Our products are sold in the United States, the UK and other countries through our marketing and sales organization that includes direct sales representatives, 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 operate with a significant customer order backlog.

Except for the fiscal year ending June 30, 1997, we have experienced 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 OM licensed products to our diagnostic product line. Currently we sell 128 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.

Recently Issued Accounting Pronouncements

FAS 157, Fair Value Measurements. In September, 2006, the FASB issued Statement of Financial Accounting Standards No. 157, Fair Value Measurements ("SFAS 157"). SFAS 157 defines fair value, establishes a framework and gives guidance regarding the methods used for measuring fair value, and expands disclosures about fair value measurements. SFAS 157 is effective for financial statements issued for fiscal years beginning after November 15, 2007, and interim periods within those fiscal years. We are currently assessing the impact that SFAS 157 will have on our results of operations and financial position.

SFAS 159, "The Fair Value Option for Financial Assets and Financial Liabilities — Including an Amendment of FASB Statement No. 115." In November 2007, the FASB issued Statement of Financial Accounting Standards No. 159, The Fair Value Option for Financial Assets and Financial Liabilities — Including an Amendment of FASB Statement No. 115 ("SFAS 159"). SFAS 159 is effective for fiscal years beginning after November 15, 2007. SFAS 159 permits an entity to choose to measure many financial instruments and certain other items at fair value at specified election dates. Subsequent unrealized gains and losses on items for which the fair value option has been elected will be reported in earnings. We do not believe that the adoption of SFAS 159 will have a material impact on our consolidated financial statements.

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 disclosed in Note 1 to its consolidated financial statements included in the Form 10-KSB those accounting policies that it considers to be significant in determining its results of operations and financial position. There have been no material changes to or application of the accounting policies previously identified and described in the Form 10-KSB.

Prior to July 1, 2006, the Company accounted for stock option awards granted under the Company's Incentive Compensation Plan in accordance with the recognition and measurement provisions of Accounting Principles Board Opinion No. 25, *Accounting for Stock Issued to Employees*, ("APB 25") and related Interpretations, as permitted by Statement of Financial Accounting Standards No. 123, *Accounting for Stock-Based Compensation*, ("SFAS 123). Share-based employee compensation expense was not recognized in the Company's consolidated statements of operations prior to July 1, 2006 as all stock option awards granted to employees had an exercise price equal to or greater than the market value of the common stock on the date of the grant. As permitted by SFAS 123, the Company reported pro-forma disclosures presenting results and earnings (loss) per share as if the Company had used the fair value recognition provisions of SFAS 123 in the Notes to Consolidated Financial Statements. Stock-based compensation related to non-employees was accounted for based on the fair value of the related stock or options in accordance with SFAS 123 and its interpretations.

Effective July 1, 2006, the Company adopted the provisions of Statement of Financial Accounting Standard No. 123 (revised 2004), *Share-Based Payment*, (SFAS 123(R)) using the modified prospective transition method. See Note 2 for further detail on the impact of SFAS 123(R) to the Company's consolidated financial statements.

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 2007 and 2006 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 September 30, 2007 compared to 2006

Net sales. Net sales for the quarter ended September 30, 2007 were \$2,105,188 a 24.3% increase from \$1,694,112 for the quarter ended September 30, 2006. This increase resulted primarily from an increase in worldwide demand for most of our product lines. Total North American sales increased \$385,171 or 30.9% to \$1,630,689 while total sales to international distributors increased \$85,064 or 21.8% to \$474,499 from year to year. With respect to the Company's major revenue categories and product lines, North American direct product-only sales increased \$137,120 or 13.9% to \$1,122,332 whereas international direct product-only sales increased \$13,206 or 3.6% to \$376,667. Worldwide category results were as follows: Phospholipids kit sales increased \$56,917 or 6.5% to \$931,803 for the period. Coagulation kit sales increased \$117,716 or 30.6% to \$502,617. HA kit sales increased \$61,041 or 34.1% to \$240,298, and Autoimmune kit sales increased \$7,842 or 30.2% to \$33,794. Additionally, worldwide OEM/contract manufacturing revenues increased \$128,077, or 45.1% to \$412,073. Overall, worldwide non-product revenue increased \$96,907, or 99.7% to \$194,116. Sales of products manufactured for us by other companies while still relatively small, are expected to continue to increase during fiscal 2008.

Cost of sales. Cost of sales, as a percentage of sales, increased to 45.8% for the quarter ended September 30, 2007 from 38.1% in 2005. This increase was primarily attributable to an unexpected scrapping of numerous production lots of one of our larger product lines. This, normally difficult to produce product, encountered numerous difficulties during the quarter which resulted in a much higher than normal failure rate. Management has implemented a number of changes to the manufacturing process and the quality control testing protocols, but at this time it is not known whether or not this will be a recurring problem.

Selling and marketing. For the quarter ended September 30, 2007, selling and marketing expenses increased 8.9% to \$531,605 from \$487,986 for the quarter ended September 30, 2006. The increase was primarily due to increases in advertising, sales commissions, consulting fees, trade shows and royalties.

Research and development. Research and development expenses decreased 29.7% to \$163,693 for the quarter ended September 30, 2007, from \$232,687 for the quarter ended September 30, 2006. This decrease primarily involved decreases in labor-related costs, clinical studies expense, travel-related expenses, and consulting fees, partially offset by reductions in legal fees and laboratory supplies.

General and administrative. For the quarter ended September 30, 2007, general and administrative expenses decreased \$152,570 or 25.6% to \$443,730 from \$596,300 for the quarter ended September 30, 2006. This decrease was primarily attributable to decreases in labor-related expenses, outside services, consulting expenses, and supplies, partially offset by increases in equipment lease expense, rent and legal expenses.

Interest expense. Interest expense increased \$63,721 or 10.3% to \$680,324 for the quarter ended September 30, 2007, from \$616,603 for the quarter ended September 30, 2006 due primarily to the additional discount and acceleration of the discount amortization on the convertible notes due to the contingent conversion feature, partially offset by a reduction of the amortization of deferred financing costs and discount on the notes payable as a result of the recently completed (November 2006) principal payment deferral on the Company's convertible debt.

Liquidity and Capital Resources

For the quarter ended September 30, 2007, cash used by operating activities amounted to \$94,066, versus cash used by operating activities of \$594,149 for the quarter ended September 30, 2006. The cash used by operations for the quarter resulted primarily from the net loss for the current period, plus a decrease in accounts payable, an increase in inventories and a decrease in accrued liabilities.

Net cash used in investing activities, the purchase of laboratory equipment, leasehold improvements and computer equipment was \$25,304 for the quarter ended September 30, 2007, compared to purchases of laboratory, computer and office equipment totaling \$192,733 for the quarter ended September 30, 2006. This substantial decrease was due to a reduction of capital expenditures compared to the prior year's move to a new and larger facility, which necessitated increased spending on new furniture, computers, laboratory and refrigeration equipment and flooring.

Net cash provided by financing activities amounted to \$787,608 for the quarter ended September 30, 2007 compared to cash used by financing activities of \$258,579 for the quarter ended September 30, 2006. This large difference in cash provided by financing activities versus the amount used by financing activities in the comparable prior year was primarily

due to the proceeds of the recently closed common stock private placement, in addition to the decreased principal payments on notes payable in the current period as a result of the principal deferral agreement reached in November 2006.

Cash on the balance sheet amounted to \$1,998,053 as of September 30, 2007 compared to \$1,324,072 as of June 30, 2007.

Working capital as of September 30, 2007 amounted to \$3,297,325 compared to \$2,070,229 as of June 30, 2007.

Total liabilities were \$4,384,542 as of September 30, 2007 compared to \$5,645,796 as of June 30, 2007.

Stockholders' equity amounted to \$4,459,427 as of September 30, 2007 compared to \$2,992,880 as of June 30, 2007.

The Company has incurred operating losses and negative cash flow from operations for most of its history. Losses incurred since its inception, net of dividends on convertible preferred stock, have aggregated \$10,216,258, and there can be no assurance that the Company will be able to generate positive cash flows to fund its operations in the future or to pursue its strategic objectives. Historically, the Company has financed its operations primarily through long-term debt and the sales of common, redeemable common, and preferred stock. The Company has also financed operations through sales of diagnostic products and agreements with strategic partners. Accounts receivable decreased 13.6% to \$1,058,672 from \$1,225,677 as of September 30, 2006, primarily as a result of accelerated collection procedures.

We have developed and are continuing to strive to implement an operating plan intended to eventually achieve sustainable profitability and positive cash flow from operations. Key components of this plan include accelerating revenue growth and the cash to be derived from existing product lines as well as new diagnostic products, expansion of our strategic alliances with other biotechnology and diagnostic companies, improving operating efficiencies to reduce cost of sales, thereby improving gross margins, and lowering overall operating expenses. Management has been successful in increasing revenues in the current quarter ended September 30, 2007 by \$411,076 or 24.3%, and is forecasting continued revenue growth for the remainder of the fiscal year ended June 30, 2008. However, management has not yet achieved the necessary level of operating efficiencies to lower our cost of sales and operating expenses, and consequently, we have scaled back expenditures, periodically delayed payments on accounts payable, and, in November of 2006, entered into a twelve month principal deferral agreement with our convertible debt holders in order to maintain financial liquidity. This deferral was previously reported in filings to the SEC. There are significant risks associated with the operating plan and we might be forced to further modify the plan if circumstances change, in order to achieve the goals of sustained profitability and positive cash flow from operations.

Although the operating plan is intended to achieve sustainable profitability and positive cash flow from operations, it is possible that we may not be successful in our efforts. Even with our operating plan, we expect to continue incurring operating losses for the first three to six months of fiscal 2008, as it will take time for our strategic and operating initiatives to have a positive effect on our business operations and cash flow. In view of this, in July 2007, we reported that we had entered into subscription and other agreements to complete a private placement with certain institutional and other accredited investors. As of September 30, we had sold the maximum \$989,000 in interests in this placement. .

Should any other significant negative events occur, our financial liquidity position will most likely be negatively impacted by our not achieving positive cash flow from operations. Given all of these circumstances, as noted above, we have secured additional equity financing. It is also possible that we may also experience future defaults under the agreements with our convertible debt holders and/or redeemable common shareholder, e.g., for non payment of amounts due, in which case they would be entitled to accelerate the amounts payable to them. We do not believe that any defaults will occur in fiscal 2008. In order to help satisfy our working capital requirements we have raised additional funds through the sale of equity securities. In addition, if we are not able to achieve the hoped-for sales increases, we may need to enter into collaborative agreements with third parties or evaluate the possible divestiture of product lines. In addition, we may be required to reduce our sales and marketing activities, reduce the scope of or eliminate our research and development programs, or relinquish rights to technologies or products that we might otherwise seek to develop or commercialize. Management believes that we will have adequate resources to continue operations for longer than 12 months.

Off -Balance Sheet Arrangements

We do not have any off-balance sheet arrangements.

Contractual Obligations and Commitments

On February 8, 2006, we entered into a Lease Agreement (the “Lease”) with York County, LLC, a California limited liability company (“Landlord”) pursuant to which we leased approximately 32,000 rentable square feet (the “Property”) of Landlord’s approximately 102,400 square foot building, commonly known as Broomfield One and located at 11575 Main Street, Broomfield, Colorado 80020. The Property is part of Landlord’s multi-tenant real property development known as the Broomfield Corporate Center. We use the Property for our headquarters, laboratory research and development facilities and production facilities.

On the following dates, we executed the following amendments to the Lease:

- December 1, 2006- The First Amendment to the Lease Agreement (the “First Amendment”) established July 6, 2006 as the date of the commencement of the Lease
- June 19, 2007- The Second Amendment to the Lease Agreement (the “Second Amendment”) redefined the amount of available rental space from 32,480 to 32,000 square feet and recalculated the lease rates per square foot, and
- July 19, 2007- The Third Amendment to the Lease Agreement (the “Third Amendment”) established the base rent matrix for the period 11/28/2013 to 12/05/2013 which was inadvertently omitted in the Second Amendment.

The term of the Lease (the “Term”) is seven years and five months and commenced on July 6, 2006 with tenant options to extend the Term for up to two five-year periods. We have a one time right of first refusal to lease contiguous premises.

Initially there was no base lease rate payable on 25,600 square feet of the Property, plus estimated operating expenses of \$1.61 per square foot.

The base lease rate payable on 25,600 square feet of the Property increased to \$4.00 per square foot on January 28, 2007, plus amortization of tenant improvements of \$5.24 per square foot, plus estimated operating expenses of \$1.61 per square foot. The base lease rate on 25,600 square feet of the Property increases to \$5.64 per square foot on January 28, 2008, with fixed annual increases each January 28 thereafter during the initial Term, plus the amortization of tenant improvements of \$5.24 per square foot, and estimated operating expenses of \$1.61 per square foot.

Initially, there was no base lease rate payable on 6,400 square feet of the Property, plus estimated operating expenses of \$1.61 per square foot. The base lease rate on 6,400 square feet of the Property increases to \$3.00 per square foot commencing on August 28, 2007, and increases to \$3.09 on January 28, 2008, with fixed annual increases each January 28 thereafter during the initial Term, plus estimated operating expenses of \$1.61 per square foot.

Thus, the estimated total rent (this is dependent upon the actual operating expenses) on the entire 32,000 square feet of the Property is initially \$1.61 per square foot, then increased to approximately \$9.00 per square foot on January 28, 2007, then increased to approximately \$9.60 per square foot on August 28 2007, then increases to approximately \$10.93 per square foot on January 28, 2008, with annual increases in the base lease rate each January 28 thereafter during the initial Term, up to an estimated total rent of \$13.18 per square foot during the final year of the initial Term.

The base lease rate for an extension period is 100% of the then prevailing market rental rate (but in no event less than the rent for the last month of the then current Term) and shall thereafter increase annually by 3% for the remainder of the applicable extension period.

We have not invested in any real estate or real estate mortgages.

Item 3.

Controls and Procedures

Under the supervision and with the participation of the Company’s President and Chief Accounting Officer, the Company’s management has evaluated the effectiveness of the Company’s disclosure controls and procedures as of the end

of the period covered by this report as defined in Rule 13a-15(b) or Rule 15(d)-15(e) under the Securities Exchange Act of 1934 (the "Exchange Act"). Based on that evaluation, the President and Chief Accounting Officer have concluded that, as of the end of the period covered by this report, the Company's disclosure controls and procedures are effective and ensure that information required to be disclosed in the Company's Exchange Act reports is (1) recorded, processed, summarized and reported in a timely manner, and (2) accumulated and communicated to management, including the President and our Chief Accounting Officer, as appropriate, to allow timely decisions regarding required disclosure.

There were no changes in the Company's internal control over financial reporting as of the end of the period covered by this report that materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

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 future capital requirements, acquisition strategies, strategic partnership expectations, technological developments, the development, the availability of necessary components, 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.

An investment in Corgenix entails certain risks that should be carefully considered. In addition, these risk factors could cause actual results to differ materially from those expected include the following:

We continue to incur losses and are likely to require additional financing.

We have incurred operating losses and negative cash flow from operations for most of our history. Losses incurred since our inception, net of dividends on convertible preferred stock, have aggregated \$10,216,258, and there can be no assurance that we will be able to generate positive cash flows to fund our operations in the future or to pursue our strategic objectives. Historically, we have financed our operations primarily through long-term debt and the sales of common, redeemable common and preferred stock. We have also financed operations through sales of diagnostic products and agreements with strategic partners. Accounts receivable decreased 13.6% to \$1,058,672, from \$1,225,677 as of June 30, 2007 primarily as a result of accelerated collection procedures.

We have developed and are continuing to strive to implement an operating plan intended to eventually achieve sustainable profitability and positive cash flow from operations. Key components of this plan include accelerating revenue growth and the cash to be derived from existing product lines as well as new diagnostic products, expansion of our strategic alliances with other biotechnology and diagnostic companies, improving operating efficiencies to reduce cost of sales, thereby improving gross margins, and lowering overall operating expenses. Management has been successful in increasing revenues in the current fiscal quarter ended September 30, 2007 by \$411,075 or 24.3%, and is forecasting continued revenue growth for the fiscal year ended June 30, 2008. However, management has not yet achieved the necessary level of operating efficiencies to lower our cost of sales and operating expenses, and consequently, we have scaled back expenditures, periodically delayed payments on accounts payable, and, in November of 2006, entered into a twelve month principal deferral agreement with our convertible debt holders in order to maintain financial liquidity. This deferral was previously reported in filings to the SEC. There are significant risks associated with the operating plan and we might be forced to further modify the plan if circumstances change, in order to achieve the goals of sustained profitability and positive cash flow from operations.

Although the operating plan is intended to achieve sustainable profitability and positive cash flow from operations, it is possible that we may not be successful in our efforts. Even with our operating plan, we expect to continue incurring operating losses for the first three to six months of fiscal 2008, as it will take time for our strategic and operating initiatives to have a positive effect on our business operations and cash flow. In view of this, in July 2007, we reported that we have entered into subscription and other agreements to complete a private placement with certain institutional and other accredited investors. As of September 30, 2007, we sold the maximum \$989,000 in Shares and Warrants in this offering. See *Recent Developments*.

Should any other significant negative events occur, our financial liquidity position will likely be negatively impacted by our not achieving positive cash flow from operations. Given all of these circumstances, as noted above, we have secured additional equity financing. It is also possible that we may also experience future defaults under the agreements with our convertible debt holders and/or redeemable common shareholder, in which case they would be entitled to accelerate the amounts payable to them. In order to help satisfy our working capital requirements we have raised additional funds through the sale of equity securities. In addition, if we are not able to achieve the hoped-for sales increases, we may need to enter into collaborative agreements with third parties or evaluate the possible divestiture of product lines. In addition, we may be required to reduce our sales and marketing activities, reduce the scope of or eliminate our research and development programs, or relinquish rights to technologies or products that we might otherwise seek to develop or commercialize. Management believes that we will have adequate resources to continue operations for longer than 12 months.

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 be forced to undertake such activities entirely at our own expense. The amount and timing of resources that any of these partners devotes to these activities may 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 for the diagnostic 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 ability to remain competitive in our product niches would be impaired.

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 and biotechnology 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 also greater than ours. Moreover, the diagnostics industry continues to demonstrate a degree consolidation, whereby some 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 limited in our ability to commence

marketing or commercial sales in the United States of new products under development until we receive clearance or approval 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 pre-market 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 negatively impact our sales and thus 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 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 would decrease our net income or increase our net loss and thus have a potentially material adverse effect upon our business, financial conditions and results of operations.

Distribution of diagnostic products outside the United States is subject to extensive foreign 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 United States commercial distribution may be subject to FDA export restrictions. Failure to obtain necessary regulatory approval or the failure to comply with regulatory requirements could reduce our product sales and thus have a potentially 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 reduce our sales and cash flow and thus have a potentially 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 patent will afford meaningful protection against a competitor, or that patents issued or licensed 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. The potential for reduced sales and increased legal expenses would have a negative impact on our cash flow and thus our overall business could be adversely affected.

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

Our growth strategy includes 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, which could result in significant dilution to its existing stockholders. If we do complete one or more acquisitions, a number of risks arise, such as disruption of our existing business, 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. Any of these factors could materially harm Corgenix's business or its operating results.

We depend on suppliers for our products' components.

The components of our products include chemical, biological and packaging supplies that are generally available from several suppliers, except certain antibodies and other critical components, which we purchase 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. If, for some reason, we lose our main supplier for a given material, there can be no assurance that we will be able to substitute a new supplier in a timely manner and failure to do so could impair the manufacturing of certain of our products and thus 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 limited 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 certain key officers and employees, 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 cash flow and thus potentially a materially 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.” Such rules require the delivery prior to any penny stock transaction of a disclosure schedule explaining the penny stock market and all associated risks and impose various sales practice requirements on broker-dealers who sell penny stocks to persons other than established customers and accredited investors, which are generally defined as institutions or an investor with a net worth in excess of \$1,000,000 or annual income exceeding \$200,000 or \$300,000 together with the spouse. For these types of transactions the broker-dealer must make a special suitability determination for the purchaser and have received the purchaser’s written consent to the transaction prior to sale. The additional burdens imposed upon broker-dealers by such requirements may discourage broker-dealers from effecting transactions in securities subject to the penny stock rules.

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 adversely affected.

CORGENIX MEDICAL CORPORATION

PART II

Other Information

Item 1. Legal Proceedings

None

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

None

Item 3. Defaults Upon Senior Securities

None

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.

Exhibit Number	Description of Exhibit
31.1*	Certification of Chief Executive Officer pursuant to section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Certification of Chief Financial Officers pursuant to section 302 of the Sarbanes-Oxley Act of 2002.
32.1*	Certification by Chief Executive Officer and Chief 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 July 23, 2007 *Entry into Material Agreements*
2. Form 8-K filed September 21, 2007 *Entry into Material Agreements*

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

November 19, 2007

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

By: /s/ William H. Critchfield
Chief Financial Officer
(Principal Financial and Accounting Officer)

CERTIFICATION

I, Douglass T. Simpson, President and Chief Executive 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)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) 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 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 a quarterly 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: November 19, 2007

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

CERTIFICATION

I, William H. Critchfield, Senior Vice President and 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)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) 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 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 a quarterly 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: November 19, 2007

/s/ William H. Critchfield
Senior Vice President and Chief Financial Officer

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), the undersigned officers 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, 2006 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: November 19, 2007

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 upon 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
President and Chief Executive Officer

/s/ William H. Critchfield
Senior Vice President and Chief Financial Officer