SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-KSB

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

For the fiscal year ended June 30, 2002
Commission File No. 001-31326

SENESCO TECHNOLOGIES, INC.

(Exact Name of Registrant as Specified in Its Charter)

Delaware	84-1368850
(State or Other Jurisdiction of Incorporation or Organization)	(I.R.S. Employer Identification No.)

303 George Street, Suite 420, New Brunswick, New Jersey	08901
(Address of Principal Executive Offices)	(Zip Code)

(732) 296-8400
(Registrant's Telephone Number,
Including Area Code)

Securities registered under Section 12(b) of the Exchange Act:

Title of each class	Name of each exchange on which registered
Common Stock, $0.01 par value per share.	American Stock Exchange

Securities registered under Section 12(g) of the Exchange Act:

None.

Check whether the Registrant: (1) filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act during the past 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes: X No:

Check if there is no disclosure of delinquent filers in response to Item 405 of Regulation S-B contained in this form, and no disclosure will be contained, to the best of Registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-KSB or any amendment to this Form 10-KSB. [X]

State Registrant's revenues for fiscal year ended June 30, 2002: $200,000

State the aggregate market value of the voting stock held by non-affiliates of the Registrant: $13,903,629 at September 19, 2002 based on the closing sales price on that date.

Indicate the number of shares outstanding of each of the Registrant's classes of common stock, as of September 19, 2002:

Class	Number of Shares
Common Stock, $0.01 par value	11,880,045

Transitional Small Business Disclosure Format

Yes: No: X

The following documents are incorporated by reference into the Annual Report on Form 10-KSB: Portions of the Registrant's definitive Proxy Statement for its 2002 Annual Meeting of Stockholders are incorporated by reference into Part III of this Report.

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PART I

ITEM 1. BUSINESS.

BUSINESS OF THE COMPANY

The primary business of Senesco Technologies, Inc., a Delaware corporation incorporated in 1999 (the "Company"), and its wholly-owned subsidiary, Senesco, Inc., a New Jersey corporation incorporated in 1998 ("Senesco"), is the research, development and commercial exploitation of a potentially significant platform technology involving the identification and characterization of genes that the Company believes control the aging of plant cells (senescence) and may also control the programmed cell death of mammalian cells (apoptosis).

Agricultural Applications

The Company's technology goals for agricultural applications are to: (i) extend the shelf-life of perishable plant products; (ii) produce larger and more leafy crops; (iii) increase crop production (yield) in horticultural and agronomic crops; and (iv) reduce the harmful effects of environmental stress.

Senescence is the natural aging of plant tissues. Loss of cellular membrane integrity is an early event during the senescence of all plant tissues that prompts the deterioration of fresh flowers, fruits and vegetables. This loss of integrity, which is attributable to the formation of lipid metabolites in membrane bilayers that "phase-separate," causes the membranes to become "leaky." A decline in cell function ensues, leading to deterioration and eventual death (spoilage) of the tissue. A delay in senescence increases shelf-life and extends the plant's growth timeframe, which allows the plant to devote more time to the photosynthetic process. The Company has shown that the additional energy gained in this period leads directly to increased seed production, and therefore increases crop yield. Seed production is a vital agricultural function. For example, oil-bearing crops store oil in their seeds. The Company has also shown that delaying senescence allows the plant to allocate more energy toward growth, leading to larger plants (increased biomass) and more leafy crops. Most recently, the Company has demonstrated that delaying senescence results in crops which exhibit increased resilience to water deprivation. Drought resistant crops may ultimately be more cost effective due to reduced loss in the field and less time spent on crop management.

The technology presently utilized by the industry for increasing the shelf-life in certain flowers, fruits and vegetables relies on reducing ethylene biosynthesis, and hence only has application to a limited number of plants that are ethylene-sensitive.

The Company's research and development focuses on the discovery and development of new gene technologies, which are designed to confer positive traits on fruits, flowers, vegetables, forestry species and agronomic crops. To date, the Company has isolated and characterized the senescence-induced lipase gene, deoxyhypusine synthase ("DHS") gene and Factor 5A gene in certain species of plants. The Company's goal is to inhibit the expression of (or silence) these genes to delay senescence, which will in turn extend shelf-life, increase biomass, increase yield

and increase resistance to environmental stress, thereby demonstrating "proof of concept" in each category of crop. The Company has licensed this technology to strategic partners and has entered into a joint venture and the Company intends to continue to license this technology to additional strategic partners and/or enter into additional joint ventures.

The Company is currently working with lettuce, melon, tomato, canola, Arabidopsis (a model plant which produces oil in a manner similar to canola), banana plants and certain species of trees, and has obtained "proof of concept" for the lipase and DHS genes in several of these plants. Near-term research and development initiatives include: (i) silencing the Factor 5A gene in these plants; and (ii) further propagation of transformed plants with the Company's silenced genes. The Company has also completed its research and development initiative in carnation flower, which yielded a one hundred percent (100%) increase in shelf-life through the inhibition of the DHS reaction.

Human Health Applications

Inhibiting Apoptosis

The Company has also isolated the DHS and Factor 5A genes in mammalian tissue. The Company's preliminary research reveals that DHS and Factor 5A genes may regulate apoptosis in animal and human cells. The mammalian apoptosis isoforms of DHS and Factor 5A genes were first isolated from the ovarian tissue of rats, which undergoes apoptosis naturally at the end of the female reproductive cycle. The sequences of the mammalian apoptosis DHS and Factor 5A genes are very similar to those of the corresponding plant genes in keeping with their common functions. Moreover, inhibiting the function of the Factor 5A gene in rats has been shown to inhibit the induction of corpus luteum apoptosis. Apoptosis, as manifested by DNA fragmentation, was clearly detectable in super-ovulated control female rats within 3 hours of treatment with prostaglandin F2a. This hormone induces corpus luteum apoptosis naturally in mammals, but in super-ovulated animals in which the activation of Factor 5A had been inhibited, DNA fragmentation reflecting apoptosis was not apparent. Thus, just as these genes can be used to delay senescence in plants, this experiment shows that they may also be used to inhibit apoptosis in mammals. The Company believes that its technology has potential application as a means of controlling a broad range of diseases that are attributable to premature apoptosis, including neurodegenerative diseases (e.g. Alzheimer's disease, Parkinson's disease), retinal diseases (e.g. glaucoma, macular degeneration), heart and stroke disease and arthritis.

Accelerating Apoptosis

Conversely, Senesco has also established in pre-clinical studies that its apoptosis Factor 5A gene is able to kill cancer cells. Tumors arise when cells that have been targeted to undergo apoptosis are unable to do so because of an inability to activate the apoptotic pathways. When Senesco's apoptosis Factor 5A gene was introduced into RKO cells, a cell line derived from human carcinoma and COS7 cells, an immortal (cancer-like) cell line from monkeys, increased levels of apoptosis ranging from 50% to 250% were evident. Moreover, just as the senescence Factor 5A gene appears to facilitate expression of the entire suite of genes required for programmed cell death in plants, the apoptosis Factor 5A gene appears to regulate expression of a suite of genes required for programmed cell death in mammals. For example, over expression

of apoptosis Factor 5A up regulates p53, an important tumor suppressor gene of apoptosis in cells with damaged DNA and also down regulates bcl 2, a suppressor of apoptosis. Because the Factor 5A gene appears to function at the "wellhead" of the apoptotic pathways, the Company believes that its gene technology has potential application as a means of combating a broad range of cancers.

RESEARCH PROGRAM

Subsequent research initiatives include: (i) further expanding the lipase, DHS and Factor 5A gene technology in lettuce, melon and banana, and expanding the technology into a variety of other commercially viable agricultural crops such as trees and forestry products; (ii) developing transformed plants that possess new beneficial traits such as increased tolerance to disease and environmental stress; and (iii) assessing the function of the DHS and Factor 5A genes in human health through the accumulation of additional data from preclinical experiments with cell lines, mammalian tissue and animal models. The Company's strategy focuses on various plants to allow flexibility that will accommodate different plant reproduction strategies among the different sectors of the broad agricultural and horticultural markets.

The Company's research and development is performed by third party researchers at the direction of the Company pursuant to various research and license agreements. The primary research and development effort takes place at the University of Waterloo in Ontario, Canada, where the technology was developed, and at the University of Colorado. Additional research and development is performed in connection with the Harris Moran License, the ArborGen Agreement and the Cal/West License (each as defined below), as well as through the Joint Venture (as defined below) with Rahan Meristem Ltd. in Israel. During the fiscal years ended June 30, 2002 and June 30, 2001, the Company incurred aggregate research and development expenses of $370,191 and $479,468, respectively.

JOINT VENTURE

On May 14, 1999, the Company entered into a joint venture agreement with Rahan Meristem Ltd., an Israeli company ("Rahan"), engaged in the worldwide export marketing of banana germ-plasma (the "Joint Venture"). Rahan accounts for approximately ten percent (10%) of the worldwide export of banana seedlings. The Company has contributed, by way of a limited, exclusive, world-wide license to the Joint Venture, access to its technology, discoveries, inventions and know-how (patentable or otherwise), pertaining to plant genes and their cognate expressed proteins that are induced during senescence for the purpose of developing, on a joint basis, genetically enhanced banana plants which will result in a banana that has a longer shelf-life. Rahan has contributed its technology, inventions and know-how with respect to banana plants. The Joint Venture is equally owned by Rahan and the Company.

The Joint Venture applied for and received a conditional grant that totals approximately $340,000, which constitutes fifty percent (50%) of the Joint Venture's research and development budget over a four-year period, from the Israel - U.S. Binational Research and Development (the "BIRD") Foundation (the "BIRD Grant"). Such grant, along with certain royalty payments, shall only be repaid to the BIRD Foundation upon the commercial success of the Joint Venture's technology. The commercial success is measured based upon certain benchmarks and/or milestones achieved by the Joint Venture. These benchmarks are reported periodically to the

BIRD Foundation by the Joint Venture. As of June 30, 2002, Senesco has directly received a total of $67,972, of which $22,165 was received during the year ended June 30, 2002, from the BIRD Foundation for research and development expenses the Company has incurred which are associated with the research and development efforts of the Joint Venture. The Company expects to receive additional installments of the BIRD Grant as its expenditures associated with the Joint Venture increase above certain levels. The Company's portion of the Joint Venture's aggregate expenses totaled approximately $41,000 and $69,000 for the years ended June 30, 2002 and 2001, respectively, and is included in research and development expenses.

All aspects of the Joint Venture's research and development initiative are proceeding on time, or are ahead of the original schedule laid out at the inception of the Joint Venture. Both the DHS and lipase genes have been identified and isolated in banana, and the Joint Venture is currently in the process of silencing these genes. Once silenced, the goal is to transform banana plants, thereby yielding fruit with extended shelf-life and plants which are more tolerant to disease and environmental stress. Banana plants containing Senesco's technology are expected to be tested in field plantings during the 2002 calendar year.

Consistent with the Company's commercialization strategy, it intends to attract other companies interested in entering into strategic partnerships or joint ventures, or licensing its technology. The Harris Moran License, the ArborGen Agreement, the Cal/West License and the Joint Venture with Rahan are steps toward the execution of its strategy. However, there can be no assurance that the Company will be able to successfully implement its commercialization strategy.

AGRICULTURAL TARGET MARKETS

The Company's technology embraces crops that are reproduced both through seeds and propagation, which are the only two means of commercial crop reproduction. Propagation is a process whereby the plant does not produce fertile seeds and must reproduce through cuttings from the parent plant, which are planted and become new plants. In order to address the complexities associated with marketing and distribution in the worldwide produce market, the Company has adopted a multi-faceted commercialization strategy, in which it plans to enter into licensing agreements or other strategic relationships with a variety of companies on a crop-by-crop basis.

In November 2001, the Company entered into a worldwide exclusive development and license agreement (the "Harris Moran License"), with Harris Moran Seed Company ("Harris Moran"), to commercialize the Company's technology in lettuce and certain melons for an indefinite term, unless terminated by either party pursuant to the terms of the agreement. In connection with the Harris Moran License, the Company received an initial license fee of $125,000 in November 2001. Upon the completion of certain marketing and development benchmarks set forth in the Harris Moran License, the Company will receive an additional $3,875,000 in development payments over a multi-year period along with royalties upon commercial introduction.

The developmental steps being performed by the Company and Harris Moran have all been completed on schedule with the protocol set forth in the Harris Moran License. There has been extensive genetic identification and characterization of the Company's lettuce genes in a

laboratory setting. The initial lab work has produced genetically modified seed under greenhouse containment, which has been followed by substantial field trials for evaluation. These field trials represent a vital step in the process of genetic identification necessary to ultimately develop a viable commercial product. Harris Moran still foresees field trials of the selected seeds which incorporate the Company's technology in 2003.

In June 2002, the Company entered into a three-year worldwide exclusive development and option agreement (the "ArborGen Agreement") with ArborGen, LLC ("ArborGen") to develop the Company's technology in certain species of trees. In connection with the ArborGen Agreement, the Company recorded an initial development fee of $75,000 in June 2002. Upon the completion of certain development benchmarks set forth in the ArborGen Agreement, the Company will receive an additional $225,000 in periodic development payments over the term of the ArborGen Agreement. The ArborGen Agreement also grants ArborGen an option to acquire an exclusive worldwide license to commercialize the Company's technology in other various forestry products, and upon the execution of a license agreement, the Company will receive a royalty payment from ArborGen.

In September 2002, the Company entered into an exclusive development and license agreement (the "Cal/West License") with Cal/West Seeds ("Cal/West") to commercialize the Company's technology in certain varieties of alfalfa. The Cal/West License will continue until the expiration of the patents set forth in the agreement, unless terminated earlier by either party pursuant to the terms of the agreement. The Cal/West License also grants Cal/West an exclusive option to develop the Company's technology in various other forage crops. In connection with the execution of the Cal/West License, the Company will receive an initial fee of $10,000 from Cal/West. Upon the completion of certain development benchmarks, the Company will receive an additional $20,000 in periodic payments and upon the commercialization of certain products, the Company will receive royalty payments from Cal/West.

HUMAN HEALTH TARGET MARKETS

The Company believes that its gene technology could have broad applicability in the human health field by either inhibiting or accelerating apoptosis. Inhibiting apoptosis may be useful in preventing or treating a wide range of diseases attributed to premature apoptosis, including stroke, heart disease, arthritis, retinal diseases (e.g., glaucoma and macular degeneration) and neurodegenerative diseases (e.g., Alzheimer's disease and Parkinson's disease). Accelerating apoptosis may be useful in preventing or treating certain forms of cancer, because the body's immune system is not always able to force cancerous cells to undergo apoptosis.

AGRICULTURAL INDUSTRY MARKET TRENDS

The Company's competitors in the agricultural industry are primarily focused on research and development rather than commercialization. Those competitors which are presently attempting to distribute their technology have generally utilized one of the following commercialization distribution channels: (i) licensing technology to major marketing and distribution partners; (ii) distributing seedlings directly to growers; or (iii) entering into strategic alliances. In addition, some competitors are owned by established produce distribution companies, which alleviates the need for strategic alliances, while others are attempting to create their own distribution and marketing channels.

INTELLECTUAL PROPERTY

Research and Development Agreements

The inventor of the Company's technology, John E. Thompson, Ph.D., is the Associate Vice-President, Research and former Dean of Science at the University of Waterloo in Waterloo, Ontario, Canada, and is the Executive Vice President of Research and Development of the Company. Dr. Thompson is also a director and stockholder of the Company and owns 4.8% of the outstanding shares of the Company's common stock, $0.01 par value (the "Common Stock"), as of June 30, 2002. On September 1, 1998, Senesco entered into a three-year research and development agreement with the University of Waterloo and Dr. Thompson as the principal inventor (the "First Research and Development Agreement"). Effective September 1, 2001 and 2002, the Company extended the First Research and Development Agreement for an additional one-year period and two-year period, respectively. Effective May 1, 2002, the Company entered into a new one-year research and development agreement with the University of Waterloo and Dr. Thompson (the "Second Research and Development Agreement") (the First Research and Development Agreement and the Second Research and Development Agreement are collectively referred to herein as the "Research and Development Agreements").

The Research and Development Agreements provide that the University of Waterloo will perform research and development under the direction of the Company, and the Company will pay for the cost of this work and make certain payments to the University of Waterloo. In return for payments made under the Research and Development Agreements, the Company has all rights to the intellectual property derived from the research. As of September 1, 2002, the Company has paid the University of Waterloo an aggregate of approximately US $1,120,000 under the First Research and Development Agreement. Under the second extension to the First Research and Development Agreement, the Company is obligated to pay Can $1,092,800, which represented approximately US $720,000 as of June 30, 2002. Under the Second Research and Development Agreement, the Company is obligated to pay Can $50,000, which represented approximately US $33,000 as of June 30, 2002. During the twelve-month periods ended June 30, 2001 and June 30, 2002, the Company spent approximately $254,347 and $348,985, respectively, in connection with the Research and Development Agreements.

Effective May 1, 1999, the Company entered into a consulting agreement for research and development with Dr. Thompson. On July 1, 2001, the Company and Dr. Thompson renewed the consulting agreement for an additional three-year term as provided for under the terms and conditions of the agreement. This agreement provides for monthly payments of $3,000 through June 2004. The agreement shall be automatically renewable for an additional three-year term, unless either of the parties provides the other with written notice within six months of the end of the term.

The Company's future research and development program focuses on the discovery and development of new gene technologies which intend to extend shelf life and to confer other positive traits on fruits, flowers, vegetables and agronomic row crops and on expanding the Company's mammalian cell research programs. Over the next twelve months, the Company plans the following research and development initiatives: (i) the development of transformed plants that possess new beneficial traits, such as protection against drought and disease, with emphasis on lettuce, melon, corn, forestry products, alfalfa and the other species described below; (ii) the development of enhanced lettuce and melon plants through the Harris Moran License; (iii) the development of enhanced trees through the ArborGen Agreement; (iv) the

development of enhanced alfalfa through the Cal/West License; (v) the isolation of new genes in the Arabidopsis, tomato, lettuce, soybean, rape seed (canola) and melon plants, among others, at the University of Waterloo; (vi) the isolation of new genes in the banana plant through the Joint Venture; and (vii) assessing the function of the DHS and Factor 5A genes in mammalian tissue at the University of Waterloo and the University of Colorado. The Company may further expand its research and development program beyond the initiatives listed above.

Patent Applications

Dr. Thompson and his colleagues, Dr. Yuwen Hong and Dr. Katalin Hudak, filed a patent application on June 26, 1998 (the "Original Patent Application") to protect their invention, which is directed to methods for controlling senescence in plants. By assignment dated June 25, 1998 and recorded with the United States Patent and Trademark Office (the "PTO"), on June 26, 1998, Drs. Thompson, Hong and Hudak assigned all of their rights in and to the Original Patent Application and any other applications filed in the United States or elsewhere with respect to the invention and/or improvements thereto to Senesco, L.L.C. Senesco succeeded to the assignment and ownership of the Original Patent Application. Drs. Thompson, Hong and Hudak filed an amendment to the Original Patent Application on February 16, 1999 (the "Amended Patent Application" and together with the Original Patent Application, the "First Patent Application") titled "DNA Encoding A Plant Lipase, Transgenic Plants and a Method for Controlling Senescence in Plants." The Amended Patent Application serves as a continuation of the Original Patent Application. Concurrent with the filing of the Amended Patent Application with the PTO and as in the case of the Original Patent Application, Drs. Thompson, Hong and Hudak assigned all of their rights in and to the Amended Patent Application and any other applications filed in the United States or elsewhere with respect to such invention and/or improvements thereto to Senesco. Drs. Thompson, Hong and Hudak have received shares of restricted Common Stock of the Company in consideration for the assignment of the First Patent Application. The inventions, which were the subject of the First Patent Application, include a method for controlling senescence of plants, a vector containing a cDNA whose expression regulates senescence, and a transformed microorganism expressing the lipase of the cDNA. Management believes that the inventions provide a means for delaying deterioration and spoilage, which could greatly increase the shelf-life of fruits, vegetables, and flowers by silencing or substantially repressing the expression of the lipase gene induced coincident with the onset of senescence.

The Company filed a second patent application (the "Second Patent Application," and together with the First Patent Application, collectively, the "Patent Applications") on July 6, 1999, titled "DNA Encoding A Plant Deoxyhypusine Synthase, Transgenic Plants and a Method for Controlling Programmed Cell Death in Plants." The inventors named on the patent are Drs. John E. Thompson, Tzann-Wei Wang and Dongen Lily Lu. Concurrent with the filing of the Second Patent Application with the PTO and as in the case of the First Patent Application, Drs. Thompson, Wang and Lu assigned all of their rights in and to the Second Patent Application and any other applications filed in the United States or elsewhere with respect to such invention and/or improvements thereto to Senesco. Drs. Thompson, Wang and Lu have received options to purchase Common Stock of the Company in consideration for the assignments of the Second Patent Application. The inventions include a method for the genetic modification of plants to control the onset of either age-related or stress-induced senescence, an isolated DNA molecule encoding a senescence induced gene, and an isolated protein encoded by the DNA molecule.

The Company has broadened the scope of its intellectual property protection by utilizing the Patent Cooperation Treaty ("PCT") to facilitate international filing and prosecution of the Patent Applications. The First Patent Application was published through the PCT in August 2000, and then between August 2001 and October 2001 was filed in Australia, Canada, China, Japan, Korea, New Zealand and Europe through the European Patent Office, which has twenty member states. Israel and Mexico are the last remaining countries in which the Company opted to file that have yet to issue a filing date. The Second Patent Application was published by the PCT in January 2001.

The Company has filed several new Continuations in Part ("CIPs") on both the First Patent Application and the Second Patent Application to ensure, on an ongoing basis, that its intellectual property pertaining to new technological developments is appropriately protected. The Company has also drafted and filed one additional application followed by a substantial CIP, in addition to those listed above, which pertain to the possible mammalian applicability of its technology. The new application is focused on suppressing cell death as a prospective therapy for a wide range of diseases and the CIP focuses on enhancing cell death as a means of treating cancer. The Company intends to continue its strategy of enhancing these new patent applications through the addition of data as it is collected.

There can be no assurance that patent protection will be granted with respect to all of the foregoing Patent Applications, or any other applications, or that, if granted, the validity of such patents will not be challenged. Furthermore, there can be no assurance that claims of infringement upon the proprietary rights of others will not be made, or if made, could be successfully defended against.

GOVERNMENT REGULATION

At present, the U.S. federal government regulation of biotechnology is divided among three agencies: (i) the U.S. Department of Agriculture (the "USDA") regulates the import, field-testing and interstate movement of specific types of genetic engineering that may be used in the creation of transformed plants; (ii) the Environmental Protection Agency (the "EPA") regulates activity related to the invention of plant pesticides and herbicides, which may include certain kinds of transformed plants; and (iii) the Food and Drug Administration (the "FDA") regulates foods derived from new plant varieties. The FDA requires that transformed plants meet the same standards for safety that are required for all other plants and foods in general. Except in the case of additives that significantly alter a food's structure, the FDA does not require any additional standards or specific approval for genetically engineered foods but expects transformed plant developers to consult the FDA before introducing a new food into the market place.

The Company believes that its current activities, which to date have been confined to research and development efforts, do not require licensing or approval by any governmental regulatory agency. The Company or its licensees may be required, however, to obtain such licensing or approval from governmental regulatory agencies prior to the commercialization of its transformed plants. There can be no assurance that such licensing or approval by any governmental regulatory agency will be obtained in a timely manner, if at all. In addition, government regulations are subject to change and, in such event, the Company may be subject to additional regulations or require such licensing or approval in the future.

COMPETITION

The Company's competitors in the field of delaying plant senescence are companies that develop and produce transformed plants in which ethylene biosynthesis has been silenced. Such companies include: Paradigm Genetics; Aventis Crop Science; Mendel Biotechnology; Bionova Holding Corporation; Renessen LLC; Exelixis Plant Sciences, Inc.; and Eden Bioscience, among others.

Other companies working in the field of apoptosis research include, among others: Cell Pathways, Inc.; Trevigen, Inc.; Idun Pharmaceuticals; Novartis; Introgen Therapeutics, Inc.; and Oncogene, Inc.

The Company believes that its proprietary technology is unique and, therefore, places the Company at a competitive advantage in the industry. However, there can be no assurance that the Company's competitors will not develop a similar product with properties superior to its own or at greater cost-effectiveness.

MARKETING

Based upon the Company's multi-faceted commercialization strategy described above, the Company anticipates that there may be a significant period of time before plants enhanced using the Company's technology reach consumers. Thus, the Company has not begun to actively market its technology directly to consumers, but rather, the Company has sought to establish itself within the industry through its advertising program in trade journals and a national magazine, as well as through its website and through direct communication with prospective licensees.

EMPLOYEES

In addition to the scientists performing funded research for the Company at the University of Waterloo and the University of Colorado, as of June 30, 2002 and currently, the Company has five employees and one consultant, four of whom are executive officers and are involved in the management of the Company.

The officers are assisted by a Scientific Advisory Board that consists of prominent experts in the fields of plant and mammalian cell biology. Alan Bennett, Ph.D., who serves as the Chairman of the Scientific Advisory Board, is the Executive Director of the Office of Technology Transfer at the University of California. His research interests include: the molecular biology of tomato fruit development and ripening; the molecular basis of membrane transport; and cell wall disassembly. Charles A. Dinarello, M.D., who joined the Scientific Advisory Board effective March 1, 2002, is a Professor of Medicine at the University of Colorado School of Medicine, a member of the U.S. National Academy of Sciences and the author of over 500 published research articles. In addition to his active academic research career, Dr. Dinarello has held advisory positions with two branches of the National Institutes of Health and positions on the Board of Governors of both the Weizmann Institute and Ben Gurion University. Russell L. Jones, Ph.D., who also joined the Scientific Advisory Board effective March 1, 2002, is a professor at the University of California, Berkeley and an expert in plant cell

biology and cell death. Dr. Jones is also an editor of Planta, Annual Review of Plant Physiology and Plant Molecular Biology as well as Research Notes in Plant Science. Additionally, he has held positions on the editorial boards of Plant Physiology and Trends in Plant Science.

In addition to his service on the Scientific Advisory Board, the Company utilizes Dr. Bennett as a consultant experienced in plant transformation. Effective November 1, 2001, the Company entered into a one-year consulting agreement with Dr. Bennett, which provides for monthly payments of $2,400 to Dr. Bennett through October 31, 2002.

Furthermore, pursuant to the Research and Development Agreements, the majority of the Company's research and development activities are conducted at the University of Waterloo under the supervision of Dr. Thompson. The Company utilizes the University's substantial research staff including graduate and post-graduate researchers.

The Company has also undertaken preclinical apoptosis research at the University of Colorado under the supervision of Dr. Dinarello. This research is performed pursuant to specific project proposals that have agreed-upon research outlines, timelines and budgets. The Company may also contract research to additional university laboratories or to other companies in order to advance development of the Company's technology.

The Company may hire additional employees over the next twelve months to meet needs created by possible expansion of its marketing activities and product development.

SAFE HARBOR STATEMENT

The statements contained in this Annual Report on Form 10-KSB that are not historical facts are forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended and the Private Securities Litigation Reform Act of 1995. Such forward-looking statements may be identified by, among other things, the use of forward-looking terminology such as "believes," "expects," "may," "will," "should," or "anticipates" or the negative thereof or other variations thereon or comparable terminology, or by discussions of strategy that involve risks and uncertainties. In particular, the Company's statements regarding the anticipated growth in the markets for the Company's technologies, the continued advancement of the Company's research, the approval of the Company's Patent Applications, the possibility of governmental approval in order to sell or offer for sale to the general public a genetically engineered plant or plant product, the successful implementation of the Company's commercialization strategy, including the success of the Harris Moran License, the ArborGen Agreement, the Cal/West License, the successful implementation of the Joint Venture with Rahan, the success of the Research and Development Agreements, statements relating to the Company's Patent Applications, the anticipated longer term growth of the Company's business, and the timing of the projects and trends in future operating performance are examples of such forward-looking statements. The forward-looking statements include risks and uncertainties, including, but not limited to, the timing of revenues due to the variability in size, scope and duration of research projects, regulatory delays, research study results which lead to cancellations of research projects, and other factors, including general economic conditions and regulatory developments, not within the Company's control. The factors discussed herein and expressed from time to time in the Company's filings with the Securities and Exchange

Commission could cause actual results and developments to be materially different from those expressed in or implied by such statements. The forward-looking statements are made only as of the date of this filing and the Company undertakes no obligation to publicly update such forward-looking statements to reflect subsequent events or circumstances.

FACTORS THAT MAY AFFECT THE COMPANY'S BUSINESS, FUTURE OPERATING RESULTS AND FINANCIAL CONDITION

The more prominent risks and uncertainties inherent in the Company's business are described below. However, additional risks and uncertainties may also impair the Company's business operations. If any of the following risks actually occur, the Company's business, financial condition or results of operations may suffer.

THE COMPANY HAS A LIMITED OPERATING HISTORY AND HAS INCURRED SUBSTANTIAL LOSSES AND EXPECTS FUTURE LOSSES.

The Company is a developmental stage biotechnology company with a limited operating history and limited assets or capital. The Company has incurred losses each year since inception and has an accumulated deficit of $7,430,321 at June 30, 2002. The Company has generated minimal revenues by licensing certain of its technology to companies willing to share in the Company's development costs. However, the Company's technology may not be ready for widespread commercialization for several years. The Company expects to continue to incur losses over the next two to three years because it anticipates that its expenditures on research, product development, marketing and administrative activities will significantly exceed its revenues during that period. The Company cannot predict when, if ever, it will become profitable.

THE COMPANY DEPENDS ON A SINGLE PRINCIPAL INVENTION.

The Company's primary business is the development and commercial exploitation of technology to identify, isolate, characterize, and silence genes which control the aging and death of cells in plants and mammals. The Company's future revenue and profitability critically depend upon the Company's ability to successfully develop senescence and apoptosis gene technology and later market and license such technology at a profit. The Company has conducted experiments on certain crops with favorable results and has conducted certain preliminary cell-line experiments, which have provided it with data upon which the Company has designed additional research programs. However, the Company cannot give any assurance that its technology will be commercially successful or economically viable for all crops or mammalian applications.

In addition, no assurance can be given that adverse consequences might not result from the use of the Company's technology such as the development of negative effects on plants or mammals or reduced benefits in terms of crop yield or protection. The Company's failure to develop a commercially viable product, to obtain market acceptance of the Company's technology or to successfully commercialize such technology would have a material adverse effect on the Company's business.

THE COMPANY OUTSOURCES ALL OF ITS RESEARCH AND DEVELOPMENT ACTIVITIES.

The Company relies on third parties to perform all of its research and development activities. The Company's primary research and development effort takes place at the University of Waterloo in Ontario, Canada, where its technology was developed, and at the University of Colorado. At this time, the Company does not have the internal capabilities to perform its research and development activities. Accordingly, the failure of third-party research partners, such as the University of Waterloo, to perform under agreements entered into with the Company, or the Company's failure to renew important research agreements with these third parties, would have a material adverse effect on the Company's ability to develop and exploit the Company's technology.

THE COMPANY HAS SIGNIFICANT FUTURE CAPITAL NEEDS.

As of June 30, 2002, the Company had cash and highly-liquid investments valued at $4,664,678 and working capital of $3,425,367. The Company believes that it can operate according to its current business plan for at least 18 months using its available reserves. To date, the Company has generated minimal revenues and anticipates that its operating costs will exceed any revenues generated over the next several years. Therefore, the Company anticipates that it will be required to raise additional capital in the future in order to operate according to its current business plan. The Company may require additional funding in less than 18 months, and additional funding may not be available on favorable terms, if at all. In addition, in connection with such funding, if the Company needs to issue more equity securities than its certificate of incorporation currently authorizes, or more than 20% of the shares of Common Stock outstanding, the Company may need stockholder approval. If stockholder approval is not obtained or if adequate funds are not available, the Company may be required to curtail operations significantly or to obtain funds through arrangements with collaborative partners or others that may require the Company to relinquish rights to certain of its technologies, product candidates, products or potential markets. Investors may experience dilution in their investment from future offerings of the Company's Common Stock. For example, if the Company raises additional capital by issuing equity securities, such an issuance would reduce the percentage ownership of existing stockholders. In addition, assuming the exercise of all options and warrants granted, as of June 30, 2002, the Company had 2,301,802 shares of Common Stock authorized but unissued, which may be issued from time to time by the Company's board of directors without stockholder approval required. Furthermore, the Company may need to issue securities that have rights, preferences and privileges senior to its Common Stock. Failure to obtain financing on acceptable terms would have a material adverse effect on the Company's liquidity.

Since inception, the Company has financed all of its operations through private equity financings. The Company's future capital requirements depend on numerous factors, including:

- the scope of the Company's research and development;
- the Company's ability to attract business partners willing to share in its development costs;
- the Company's ability to successfully commercialize its technology;
- competing technological and market developments;
- the Company's ability to enter into collaborative arrangements for the development, regulatory approval and commercialization of other products; and
- the cost of filing, prosecuting, defending and enforcing patent claims and other intellectual property rights.

THE COMPANY'S BUSINESS DEPENDS ON ITS PATENTS, LICENSES AND PROPRIETARY RIGHTS AND THE ENFORCEMENT OF THESE RIGHTS.

As a result of the substantial length of time and expense associated with developing products and bringing them to the marketplace in the agricultural and biotechnology industries, obtaining and maintaining patent and trade secret protection for technologies, products and processes is of vital importance. The success of the Company will depend in part on several factors, including, without limitation:

- the Company's ability to obtain patent protection for technologies, products and processes;
- the Company's ability to preserve trade secrets; and
- the Company's ability to operate without infringing the proprietary rights of other parties both in the United States and in foreign countries.

The Company has filed three patent applications in the United States for its technology which is vital to its primary business, two of which have been filed internationally. The Company has also filed six Continuations in Part on these patent applications. The Company's success depends in part upon patents being granted from its pending patent applications and, if granted, the enforcement of its patent rights.

Furthermore, although the Company believes that its technology is unique and will not violate or infringe upon the proprietary rights of any third party, there can be no assurance that such claims will not be made or if made, could be successfully defended against. If the Company does not obtain and maintain patent protection, it may face increased competition in the United States and internationally, which would have a material adverse effect on its business.

Since patent applications in the United States are maintained in secrecy until patents are issued, and since publication of discoveries in the scientific and patent literature tend to lag behind actual discoveries by several months, the Company cannot be certain that it was the first creator of the inventions covered by its pending patent applications or that the Company was the first to file patent applications for these inventions.

In addition, among other things, the Company cannot guarantee that:

- the Company's patent applications will result in the issuance of patents;
- any patents issued or licensed to the Company will be free from challenge and that if challenged, would be held to be valid;
- any patents issued or licensed to the Company will provide commercially significant protection for its technology, products and processes;
- other companies will not independently develop substantially equivalent proprietary information which is not covered by the Company's patent rights;
- other companies will not obtain access to the Company's know-how;
- other companies will not be granted patents that may prevent the sale of one or more of the Company's products; or
- the Company will not require licensing and the payment of significant fees or royalties to third parties for the use of their intellectual property in order to enable it to conduct its business.

If any relevant claims of third-party patents which are adverse to the Company are upheld as valid and enforceable, the Company could be prevented from commercializing its technology or could be required to obtain licenses from the owners of such patents. The Company cannot guarantee that such licenses would be available or, even if available, would be on acceptable terms.

The Company could become involved in infringement actions to enforce and/or protect its patents, which could be very expensive. Regardless of the outcome, patent litigation is expensive and time consuming and would distract the Company's management from other activities.

The laws of some foreign countries do not protect proprietary rights to the same extent as the laws of the United States, and many companies have encountered significant problems and costs in protecting their proprietary rights in these foreign countries.

Patent law is still evolving relative to the scope and enforceability of claims in the fields in which the Company operates. The Company is like most biotechnology companies in that its patent protection is highly uncertain and involves complex legal and technical questions for which legal principles are not yet firmly established. In addition, if issued, the Company's patents may not contain claims sufficiently broad to protect it against third parties with similar technologies or products, or provide it with any competitive advantage.

The U.S. Patent and Trademark Office and the courts have not established a consistent policy regarding the breadth of claims allowed in biotechnology patents. The allowance of broader claims may increase the incidence and cost of patent interference proceedings and the risk of infringement litigation. On the other hand, the allowance of narrower claims may limit the value of the Company's proprietary rights.

The Company's success also depends upon know-how, unpatentable trade secrets, and the skills, knowledge and experience of its scientific and technical personnel. As a result, the Company requires all employees to agree to a confidentiality provision that prohibits the disclosure of confidential information to anyone outside of the Company, during the term of employment and thereafter. The Company also requires all employees to disclose and assign to the Company the rights to their ideas, developments, discoveries and inventions. The Company also attempts to enter into similar agreements with its consultants, advisors and research collaborators. The Company cannot guarantee adequate protection for its trade secrets, know-how or other proprietary information against unauthorized use or disclosure. The Company occasionally provides information to research collaborators in academic institutions and requests the collaborators to conduct certain tests. The Company cannot guarantee that the academic institutions will not assert intellectual property rights in the results of the tests conducted by the research collaborators, or that the academic institutions will grant licenses under such intellectual property rights to the Company on acceptable terms or at all. If the assertion of intellectual property rights by an academic institution is substantiated, and the academic institution does not grant intellectual property rights to the Company, these events could have a material adverse effect on the Company's business and financial results.

THE COMPANY WILL HAVE TO PROPERLY MANAGE ITS GROWTH.

As the Company's business grows, it may need to add employees and enhance its management, systems and procedures. The Company will need to successfully integrate its internal operations with the operations of its marketing partners, manufacturers, distributors and suppliers to produce and market commercially viable products. Although the Company does not presently intend to conduct research and development activities in-house, it may undertake those activities in the future. Expanding the Company's business will place a significant burden on the management and operations of the Company. The Company's failure to effectively respond to changes brought about by its growth may have a material adverse effect on its business and financial results.

THE COMPANY HAS NO MARKETING OR SALES HISTORY AND DEPENDS ON THIRD-PARTY MARKETING PARTNERS.

The Company has no history of marketing, distributing or selling biotechnology products and is relying on its ability to successfully establish marketing partners or other arrangements with third parties to market, distribute and sell a commercially viable product both here and abroad. The Company's business plan also envisions creating strategic alliances to access needed commercialization and marketing expertise. The Company may not be able to attract qualified sub-licensees, distributors or marketing partners, and even if qualified, such marketing partners may not be able to successfully market products or human health applications developed with the Company's technology. If the Company fails to successfully establish distribution channels, or if its marketing partners fail to provide adequate levels of sales, the Company will not be able to generate significant revenue.

THE COMPANY DEPENDS ON PARTNERS TO DEVELOP AND MARKET PRODUCTS.

At its current state of development, the Company's technology is not ready to be marketed to consumers. The Company intends to follow a multi-faceted commercialization strategy that involves the licensing of its technology to business partners for the purpose of further technological development, marketing and distribution. The Company is seeking business partners who will share the burden of its development costs while its products are still being developed, and who will pay the Company royalties when they market and distribute the Company's products upon commercialization. The establishment of joint ventures and strategic alliances may create future competitors, especially in regions abroad where the Company does not pursue patent protection. If the Company fails to establish beneficial business partners and strategic alliances, the Company's growth will suffer and its product development may be harmed.

COMPETITION IN THE AGRICULTURAL AND BIOTECHNOLOGY INDUSTRIES IS INTENSE AND TECHNOLOGY IS CHANGING RAPIDLY.

Many agricultural and biotechnology companies are engaged in research and development activities relating to senescence and apoptosis. The market for plant protection and yield enhancement products is intensely competitive, rapidly changing and undergoing consolidation. The Company may be unable to compete successfully against its current and future competitors, which may result in price reductions, reduced margins and the inability to achieve market acceptance for the Company's products. The Company's competitors in the field

of plant senescence gene technology are companies that develop and produce transgenic plants and include major international agricultural companies, specialized biotechnology companies, research and academic institutions and, potentially, the Company's joint venture and strategic alliance partners. Such companies include: Paradigm Genetics; Aventis Crop Science; Mendel Biotechnology; Bionova Holding Corporation; Renessen LLC; Exelixis Plant Sciences, Inc.; and Eden Bioscience, among others. Some of the companies involved in apoptosis research include: Cell Pathways, Inc.; Trevigen, Inc.; Idun Pharmaceuticals; Novartis; Introgen Therapeutics, Inc.; and Oncogene, Inc. Many of these competitors have substantially greater financial, marketing, sales, distribution and technical resources than the Company and have more experience in research and development, clinical trials, regulatory matters, manufacturing and marketing. The Company anticipates increased competition in the future as new companies enter the market and new technologies become available. The Company's technology may be rendered obsolete or uneconomical by technological advances or entirely different approaches developed by one or more of its competitors.

THE COMPANY'S BUSINESS IS SUBJECT TO VARIOUS GOVERNMENT REGULATION.

At present, the U.S. federal government regulation of biotechnology is divided among three agencies: (i) the USDA regulates the import, field testing and interstate movement of specific types of genetic engineering that may be used in the creation of transgenic plants; (ii) the EPA regulates activity related to the invention of plant pesticides and herbicides, which may include certain kinds of transgenic plants; and (iii) the FDA regulates foods derived from new plant varieties. The FDA requires that transgenic plants meet the same standards for safety that are required for all other plants and foods in general. Except in the case of additives that significantly alter a food's structure, the FDA does not require any additional standards or specific approval for genetically engineered foods, but expects transgenic plant developers to consult the FDA before introducing a new food into the marketplace. Use of the Company's technology, if developed for human health applications, will also be subject to FDA regulation.

The Company believes that its current activities, which to date have been confined to research and development efforts, do not require licensing or approval by any governmental regulatory agency. However, federal, state and foreign regulations relating to crop protection products and human health applications developed through biotechnology are subject to public concerns and political circumstances, and, as a result, regulations have changed and may change substantially in the future. Accordingly, the Company may become subject to governmental regulations or approvals or become subject to licensing requirements in connection with its research and development efforts. The Company may also be required to obtain such licensing or approval from the governmental regulatory agencies described above, or from state agencies, prior to the commercialization of its genetically transformed plants and mammalian technology. In addition, the Company's marketing partners who utilize the Company's technology or sell products grown with the Company's technology may be subject to government regulations. The imposition of unfavorable governmental regulations on the Company's technology or the failure to obtain licenses or approvals in a timely manner would have a material adverse effect on the Company's business.

THE HUMAN HEALTH APPLICATIONS OF THE COMPANY'S TECHNOLOGY ARE SUBJECT TO A LENGTHY AND UNCERTAIN REGULATORY PROCESS.

The FDA must approve any drug or biologic product before it can be marketed in the United States. In addition, prior to being sold outside of the U.S., any products resulting from the application of the Company's mammalian technology must be approved by the regulatory agencies of foreign governments. Prior to filing a new drug application or biologics license application with the FDA, the Company would have to perform extensive preclinical testing and clinical trials, which could take several years and may require substantial expenditures. Any failure to obtain regulatory approval could delay or prevent the Company from commercializing its mammalian technology.

CLINICAL TRIALS ON THE COMPANY'S HUMAN HEALTH APPLICATIONS MAY BE UNSUCCESSFUL IN DEMONSTRATING EFFICACY AND SAFETY, WHICH COULD DELAY OR PREVENT REGULATORY APPROVAL.

Clinical trials may reveal that the Company's mammalian technology is ineffective or harmful, which would significantly limit the possibility of obtaining regulatory approval for any drug or biologic product manufactured with its technology. The FDA requires submission of extensive preclinical, clinical and manufacturing data to assess the efficacy and safety of potential products. Furthermore, the success of preliminary studies does not ensure commercial success, and later-stage clinical trials may fail to confirm the results of the preliminary studies.

CONSUMERS MAY NOT ACCEPT THE COMPANY'S TECHNOLOGY.

The Company cannot guarantee that consumers will accept products containing its technology. Recently, there has been consumer concern and consumer advocate activism with respect to genetically engineered consumer products. The adverse consequences from heightened consumer concern in this regard could affect the markets for the Company's proposed products and could also result in increased government regulation in response to that concern. If the public or potential customers perceive the Company's technology to be genetic modification or genetic engineering, agricultural products grown with the Company's technology may not gain market acceptance.

THE COMPANY DEPENDS ON ITS KEY PERSONNEL.

The Company is highly dependent on its scientific advisors, consultants and third-party research partners. Dr. Thompson is the inventor of the Company's technology and the driving force behind its current research. The loss of Dr. Thompson would severely hinder the Company's technological development. The Company's success will also depend in part on the continued service of its key employees and the Company's ability to identify, hire and retain additional qualified personnel in an intensely competitive market. The Company does not maintain key person life insurance on any member of management. The failure to attract and retain key personnel could limit the Company's growth and hinder its research and development efforts.

CERTAIN PROVISIONS OF THE COMPANY'S CHARTER, BY-LAWS AND DELAWARE LAW COULD MAKE A TAKEOVER DIFFICULT.

Certain provisions of the Company's certificate of incorporation and by-laws could make it more difficult for a third party to acquire control of the Company, even if the change in control would be beneficial to stockholders. The Company's certificate of incorporation authorizes its board of directors to issue, without stockholder approval (except as may be required by the rules of the American Stock Exchange), 5,000,000 shares of preferred stock with voting, conversion and other rights and preferences that could adversely affect the voting power or other rights of the holders of the Company's Common Stock. Similarly, the Company's by-laws do not restrict its board of directors from issuing preferred stock without stockholder approval.

In addition, the Company is subject to the Business Combination Act of the Delaware General Corporation Law which, subject to certain exceptions, restricts certain transactions and business combinations between a corporation and a stockholder owning 15% or more of the corporation's outstanding voting stock for a period of three years from the date such stockholder becomes a 15% owner. These provisions may have the effect of delaying or preventing a change of control of the Company without action by its stockholders and, therefore, could adversely affect the value of its Common Stock.

Furthermore, in the event of the Company's merger or consolidation with or into another corporation, or the sale of all or substantially all of the Company's assets in which the successor corporation does not assume outstanding options or issue equivalent options, the Company's board of directors is required to provide accelerated vesting of outstanding options.

THE COMPANY'S MANAGEMENT AND OTHER AFFILIATES HAVE SIGNIFICANT CONTROL OF THE COMPANY'S COMMON STOCK AND COULD CONTROL ITS ACTIONS IN A MANNER THAT CONFLICTS WITH THE COMPANY'S INTERESTS AND THE INTERESTS OF OTHER STOCKHOLDERS.

As of June 30, 2002, the Company's executive officers, directors and affiliated entities together beneficially own approximately 51.62% of the outstanding shares of the Company's Common Stock, assuming the exercise of options and warrants which are currently exercisable, held by these stockholders. As a result, these stockholders, acting together, will be able to exercise considerable influence over matters requiring approval by the Company's stockholders, including the election of directors, and may not always act in the best interests of other stockholders. Such a concentration of ownership may have the effect of delaying or preventing a change in control of the Company, including transactions in which its stockholders might otherwise receive a premium for their shares over then current market prices.

THE COMPANY'S STOCKHOLDERS MAY EXPERIENCE SUBSTANTIAL DILUTION AS A RESULT OF OUTSTANDING OPTIONS AND WARRANTS TO PURCHASE ITS COMMON STOCK.

As of June 30, 2002, the Company has granted options outside of its stock option plan to purchase 10,000 shares of its Common Stock and warrants to purchase 4,192,153 shares of its Common Stock. In addition, the Company has reserved 2,000,000 shares of its Common Stock for issuance upon the exercise of options granted pursuant to its stock option plan, 1,616,000 of which have been granted and 384,000 of which may be granted in the future. The exercise of these options and warrants could have a material adverse effect on the Company's stock price.

SHARES ELIGIBLE FOR PUBLIC SALE.

As of June 30, 2002, the Company had 11,880,045 shares of its Common Stock issued and outstanding, of which approximately 8,000,000 shares are registered pursuant to a registration statement on Form S-3, which was deemed effective on June 28, 2002, and the remainder of which are in the public float. In addition, the Company will be registering 2,000,000 shares of its Common Stock underlying options granted or to be granted under its stock option plan. Consequently, sales of substantial amounts of the Company's Common Stock in the public market, or the perception that such sales could occur, may adversely affect the market price of the Company's Common Stock.

THE COMPANY'S STOCK HAS A LIMITED TRADING MARKET.

The Company's Common Stock is quoted on the American Stock Exchange and currently has a limited trading market. The Company cannot assure that an active trading market will develop or, if developed, will be maintained. As a result, the Company's stockholders may find it difficult to dispose of shares of the Company's Common Stock and, as a result, may suffer a loss of all or a substantial portion of their investment.

THE COMPANY'S STOCK PRICE MAY FLUCTUATE.

The market price of the Company's Common Stock may fluctuate significantly in response to a number of factors, some of which are beyond the Company's control. These factors include:

- quarterly variations in operating results;
- the progress or perceived progress of the Company's research and development efforts;
- changes in accounting treatments or principles;
- announcements by the Company or its competitors of new product and service offerings, significant contracts, acquisitions or strategic relationships;
- additions or departures of key personnel;
- future offerings or resales of the Company's Common Stock or other securities;
- stock market price and volume fluctuations of publicly-traded companies in general and development companies in particular; and
- general political, economic and market conditions.

IF THE COMPANY'S COMMON STOCK IS DELISTED FROM THE AMERICAN STOCK EXCHANGE, IT MAY BE SUBJECT TO THE "PENNY STOCK" REGULATIONS WHICH MAY AFFECT THE ABILITY OF THE COMPANY'S STOCKHOLDERS TO SELL THEIR SHARES.

In general, regulations of the SEC define a "penny stock" to be an equity security that is not listed on a national securities exchange or Nasdaq and that has a market price of less than $5.00 per share or with an exercise price of less than $5.00 per share, subject to certain exceptions. If the American Stock Exchange delists the Company's Common Stock, it could be deemed a penny stock, which imposes additional sales practice requirements on broker-dealers that sell such securities to persons other than certain qualified investors. For transactions involving a penny stock, unless exempt, a broker-dealer must make a special suitability determination for the purchaser and receive the purchaser's written consent to the transaction prior to the sale. In addition, the rules on penny stocks require delivery, prior to and after any penny stock transaction, of disclosures required by the SEC.

If the Company's Common Stock were subject to the rules on penny stocks, the market liquidity for its Common Stock could be severely and adversely affected. Accordingly, the ability of holders of the Company's Common Stock to sell their shares in the secondary market may also be adversely affected.

INCREASING POLITICAL AND SOCIAL TURMOIL, SUCH AS TERRORIST AND MILITARY ACTIONS, INCREASE THE DIFFICULTY FOR THE COMPANY AND ITS STRATEGIC PARTNERS TO FORECAST ACCURATELY AND PLAN FUTURE BUSINESS ACTIVITIES.

Recent political and social turmoil, including the terrorist attacks of September 11, 2001 and the current crisis in the Middle East, can be expected to put further pressure on economic conditions in the United States and worldwide. These political, social and economic conditions may make it difficult for the Company to plan future business activities. Specifically, if the current crisis in Israel escalates, the Company's Joint Venture could be adversely affected.

ITEM 2. PROPERTIES.

The Company leases office space in New Brunswick, New Jersey for a monthly rental fee of $2,838, subject to certain escalations for the Company's proportionate share of increases, over the base year of 2001, in the building's operating costs. The lease expires in May 2006. The space is in good condition and the Company believes it will adequately serve as the Company's headquarters over the term of the lease. The Company believes that this office space is adequately insured by the lessor.

All office equipment and office furniture used by the Company is in good working condition and is located at the office described above. The Company believes such equipment will suit its business needs over the next twelve months.

ITEM 3. LEGAL PROCEEDINGS.

The Company is not a party to any material legal proceedings.

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

None.

PART II

ITEM 5. MARKET FOR THE COMPANY'S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS.

From January 25, 1999 through May 16, 2002, the Company's Common Stock had been trading on the NASD OTC Bulletin Board under the symbol SENO. On May 17, 2002, the Company's Common Stock began trading on the American Stock Exchange under the symbol SNT.

The following table sets forth the range of the high and low sales price for the Common Stock for each of the quarters since the quarter ended June 30, 2000, as reported on the NASD OTC Bulletin Board and the American Stock Exchange.(1)

Quarter Ended	Common Stock	
	High	Low
June 30, 2000	$ 3.1875	$ 1.25
September 30, 2000	$ 4.5625	$ 1.875
December 31, 2000	$ 3.375	$ 1.75
March 31, 2001	$ 4.3125	$ 1.75
June 30, 2001	$ 5.00	$ 2.50
September 30, 2001	$ 3.08	$ 1.57
December 31, 2001	$ 2.99	$ 1.74
March 31, 2002	$ 3.13	$ 2.20
June 30, 2002	$ 3.55	$ 1.30

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(1) In prior disclosures contained in the Company's Form 10-KSB for the year ended June 30, 2000, the Company reported the range of high and low bid quotations for its Common Stock for each of the appropriate quarters. Thereafter, the Company restated the stock prices for the quarter ended June 30, 2000 to reflect the high and low sales prices, because in accordance with the Securities and Exchange Commission's interpretation of its existing rules, the Company is permitted to report high and low sales prices. Currently, in accordance with the SEC's existing rules for exchange-traded registrants, the Company is expressly permitted to report high and low sales prices.

As of September 19, 2002, the approximate number of holders of record of the Common Stock was 298.

The Company has neither paid nor declared dividends on its Common Stock since its inception and does not plan to pay dividends on its Common Stock in the foreseeable future. The Company expects that any earnings, which the Company may realize, will be retained to finance the growth of the Company.

CRITICAL ACCOUNTING POLICIES

Financial Reporting Release No. 60, which was recently released by the Securities and Exchange Commission (the "SEC"), requires all companies to include a discussion of critical accounting policies or methods used in the preparation of financial statements. Note 1 of the Notes to Consolidated Financial Statements includes a summary of the significant accounting policies and methods used in the preparation of the Company's financial statements. The following is a brief discussion of the more significant accounting policies and methods used by the Company. In addition, Financial Reporting Release No. 61 was recently released by the SEC to require all companies to include a discussion to address, among other things, liquidity, off-balance sheet arrangements, contractual obligations and commercial commitments.

The Company's discussion and analysis of its financial condition and results of operations are based upon its consolidated financial statements, which have been prepared in accordance with accounting principles generally accepted in the United States. The preparation of financial statements in accordance with generally accepted accounting principles in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, including the recoverability of tangible and intangible assets, disclosure of contingent assets and liabilities as of the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period.

The Company recognizes revenue in accordance with SEC Staff Accounting Bulletin No. 101, Revenue Recognition in Financial Statements, as amended by SAB 101A and 101B (collectively, "SAB 101"). SAB 101 requires that four basic criteria must be met before revenue can be recognized: (1) persuasive evidence of an arrangement exists; (2) delivery has occurred or services rendered; (3) the fee is fixed and determinable; and (4) collectibility is reasonably assured. Under the provisions of SAB 101, the Company recognizes revenue from license and development agreements as services are provided and milestones are achieved.

The Company measures stock-based compensation cost using APB Opinion No. 25 as is permitted by Statement of Financial Accounting Standards No. 123, Accounting for Stock-Based Compensation. In accordance with APB Opinion No. 25, the Company does not recognize a compensation cost related to the issuance of stock options granted to the Company's employees and board members under the Company's 1998 Stock Incentive Plan.

The Company records a valuation allowance to reduce its deferred tax assets to an amount that is more likely than not to be realized. While the Company considers historical levels of income, expectations and risks associated with estimates of future taxable income and ongoing prudent and feasible tax planning strategies in assessing the need for the valuation allowance, in the event that the Company determines that it would be able to realize deferred tax assets in the future in excess of the net recorded amount, an adjustment to the deferred tax asset would increase income in the period such determination was made. Likewise, should the Company determine that it would not be able to realize all or part of the net deferred tax asset in the future, an adjustment to the deferred tax asset would be charged to income in the period such determination was made. The Company has recorded valuation allowances against its entire deferred tax assets of $2,227,000 at June 30, 2002. The valuation allowances relate primarily to the net operating loss carry forward deferred tax asset where the tax benefit of such asset is not assured.

The Company assesses the impairment in value to its long-lived assets whenever events or circumstances indicate that their carrying value may not be recoverable. Factors considered important which could trigger an impairment review include the following:

- significant negative industry trends;
- significant underutilization of the assets; and
- significant changes in how the Company uses the assets or plans for their use.

If the Company determines that the future undiscounted cash flows related to these assets will not be sufficient to recover their carrying value, then the Company will reduce the carrying values of these assets down to the Company's estimate of their fair market value and will continue depreciating or amortizing them over their remaining useful lives.

The Company does not have any off-balance sheet arrangements.

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

LIQUIDITY AND CAPITAL RESOURCES

As of June 30, 2002, the Company's cash balance and investments totaled $4,664,678, and the Company had a working capital of $3,425,367. As of June 30, 2002, the Company had a federal tax loss carry-forward of approximately $5,690,000, and a state tax loss carry-forward of approximately $3,250,000 available to offset future taxable income. There can be no assurance, however, that the Company will be able to take advantage of any or all of such tax loss carry-forwards in future fiscal years.

During the year ended June 30, 2002 and from inception, the Company has generated revenues of $200,000 in connection with the initial fees received under the Harris Moran License and the ArborGen Agreement. Also, the Company expects to generate revenues from the Cal/West License. The Company has not been profitable since inception, will incur additional operating losses in the future, and will require additional financing to continue the development and subsequent commercialization of its technology. While the Company does not expect to generate significant revenues from the sale of products in the near future, the Company may enter into additional licensing or other agreements with marketing and distribution partners that may result in additional license fees, receive revenues from contract research, or other related revenue.

The Company has employment agreements with certain employees, some of whom are also stockholders of the Company, which provide for a base compensation and additional amounts, as set forth in each agreement. The agreements expire between January 2003 and October 2004. As of June 30, 2002, future base compensation to be paid under the agreements through October 2004 totals $497,775.

The Company expects its capital requirements to increase significantly over the next several years as it commences new research and development efforts, undertakes new product development, increases its sales and administration infrastructure and embarks on developing in-house business capabilities and facilities. The Company's future liquidity and capital funding requirements will depend on numerous factors, including, but not limited to, the levels and costs of the Company's research and development initiatives and the cost and timing of the expansion of the Company's sales and marketing efforts.

From November 2001 through April 2002, the Company consummated a series of private placements for an aggregate investment amount of approximately $7,000,000, less costs of approximately $850,000. The purchase price of one unit, which consisted of one share of Common Stock and a warrant to purchase a fraction of a share of Common Stock, was equal to $1.75 per unit.

During the years ending June 30, 2002 and 2001, pursuant to the New Jersey Technology Tax Credit Transfer Program, the Company sold its New Jersey net operating loss tax benefit of $174,325 and $71,296 for the years ending June 30, 2000 and 1999, respectively and received net proceeds of $150,551 and $60,331, respectively, pursuant to the sale of the entire New Jersey net operating loss tax benefit for each of those years. The Company has applied to sell its New Jersey net operating loss tax benefit in the amount of approximately $151,000 for the year ended June 30, 2001. However, there can be no assurance that the Company will be approved, or if approved, that the Company will be able to sell all or part of the New Jersey net operating loss tax benefit.

During the year ended June 30, 2002, the Company received $22,165 from the BIRD Foundation for research and development expenses that the Company has incurred in connection with the Joint Venture. In addition, the Company anticipates receiving additional funds from the BIRD Foundation in the future to assist in funding its Joint Venture. See "Item 1. Business - Joint Venture."

In November 2001, the Company entered into a worldwide exclusive development and license agreement with Harris Moran Seed Company to commercialize the Company's technology in lettuce and certain melons for an indefinite term, unless terminated by either party pursuant to the terms of the agreement. In connection with the Harris Moran License, the Company received an initial license fee of $125,000 in November 2001. Upon the completion of certain marketing and development benchmarks set forth in the Harris Moran License, the Company will receive an additional $3,875,000 in development payments over a multi-year period along with certain royalties upon commercial introduction.

In June 2002, the Company entered into a three-year worldwide exclusive development and option agreement with ArborGen to develop the Company's technology in certain species of trees. In connection with the ArborGen Agreement, the Company recorded an initial development fee of $75,000 in June 2002. Upon the completion of certain development benchmarks set forth in the ArborGen Agreement, the Company will receive an additional $225,000 in periodic development payments over the term of the ArborGen Agreement. The ArborGen Agreement also grants ArborGen an option to acquire an exclusive worldwide license to commercialize the Company's technology in various forestry products, and upon the execution of a license agreement, the Company will receive a royalty payment from ArborGen.

In September 2002, the Company entered into an exclusive development and license agreement with Cal/West to develop the Company's technology in certain varieties of alfalfa. The Cal/West License will continue until the expiration of the patents set forth in the agreement, unless terminated earlier by either party pursuant to the terms of the agreement. The Cal/West License also grants Cal/West an exclusive option to develop the Company's technology in various other forage crops. In connection with the execution of the Cal/West License, the Company will receive an initial fee of $10,000 from Cal/West. Upon the completion of certain development benchmarks, the Company will receive an additional $20,000 in periodic payments and upon the commercialization of certain products, the Company will receive royalty payments from Cal/West.

Consistent with the Company's commercialization strategy, the Company intends to attract other companies interested in strategic partnerships or licensing the Company's technology. There can be no assurance, however, that the Company will be successful in attracting other companies willing to form strategic partnerships or license its technology.

The Company anticipates that, based upon it current cash balance, it will be able to fund operations for at least the next twelve months. Over the next twelve months, the Company plans to fund its research and development and commercialization activities by utilizing its current cash balance and investments and through the consummation of additional licensing agreements for the Company's technology. However, there can be no assurance that the Company will be able to enter into additional licensing agreements or achieve the milestones set forth in the Company's current licensing agreements.

FOREIGN CURRENCY RISK

Except for the Company's Research and Development Agreements with the University of Waterloo, which is payable in Canadian dollars, the Company has no other agreements or transactions denominated in foreign currency. Thus, the Company does not believe that any fluctuations in foreign currency exchange rates would have a material impact on the Company's financial condition or results of operations.

RESEARCH AND DEVELOPMENT INITIATIVES

The Company's future research and development programs focus on the discovery and development of new gene technologies whose goals are to: (i) extend shelf life; (ii) increase biomass; (iii) increase yield; (iv) increase resistance to environmental stress; and (v) confer other positive traits on fruits, flowers, vegetables and row crops. Over the next twelve months, the Company plans the following research and development initiatives: (i) the development of transformed plants that possess new beneficial traits, such as protection against drought and disease, with emphasis on lettuce, melon, corn, forestry products, alfalfa and the other species described below; (ii) the development of enhanced lettuce and melon plants through the Harris Moran License; (iii) the development of enhanced trees through the ArborGen Agreement; (iv) the development of enhanced alfalfa through the Cal/West License; (v) the isolation of new genes in the Arabidopsis, tomato, lettuce, soybean, rape seed (canola) and melon plants, among others, at the University of Waterloo; and (vi) the isolation of new genes in the banana plant through the Joint Venture. Transformed plants that possess new beneficial traits such as drought and disease resistance will then be developed in each of these varieties. The Company also plans to expand its research and development initiative beyond these plants into a variety of other crops. Additionally, the Company will be expanding its research initiative to assess the function of the DHS and Factor 5A genes in animals and humans through the accumulation of additional data from preclinical experiments with cell lines, mammalian tissue and animal models being conducted at the University of Colorado.

RESULTS OF OPERATIONS

Fiscal Years ended June 30, 2002 and June 30, 2001

The Company is a development stage company. Revenues for the twelve-month period ending June 20, 2002 ("Fiscal 2002"), which consist of the initial license and development payments in connection with the Harris Moran License and the ArborGen Agreement, were $200,000. The Company did not have any revenues since inception through the twelve-month period ending June 30, 2001 ("Fiscal 2001").

Operating expenses consist of general and administrative expenses, research and development expenses and non-cash advertising, consulting and legal costs. Operating expenses for Fiscal 2002 and Fiscal 2001 were $2,314,233 and $1,971,071, respectively, an increase of $343,162 or 17.4%. This increase in operating expenses was primarily the result of an increase in non-cash advertising, consulting and legal costs, which were partially offset by a decrease in general and administrative and research and development expenses.

General and administrative expenses consist primarily of payroll and benefits, depreciation and amortization, professional and consulting services, investor relations, office rent and corporate insurance. General and administrative expenses for Fiscal 2002 and Fiscal 2001 were $1,308,856 and $1,339,883, respectively, a decrease of $31,027 or 2.3%. This decrease was primarily the result of a decrease in consulting services, rent and corporate insurance, which were mostly offset by an increase in payroll, professional services and investor relations.

Research and development expenses consist primarily of professional salaries and benefits, fees associated with the Research and Development Agreements, direct expenses charged to research and development projects and allocated overhead charged to research and development projects. Research and development expenses for Fiscal 2002 and Fiscal 2001 were $370,191 and $479,468, respectively, a decrease of $109,277 or 22.8%. This decrease was primarily the result of a decrease in the research and development costs charged by the University of Waterloo because it had inadvertently overcharged the Company approximately $40,000 during Fiscal 2001. Therefore, during Fiscal 2002, the University of Waterloo billed the Company approximately $40,000 less than it otherwise would have. Had the overcharge not occurred, research and development expenses for Fiscal 2002 and Fiscal 2001 would have been approximately $410,191 and $439,468, respectively, a decrease of $29,277 or 6.7%. This decrease was primarily the result of a decrease in the amount of fees paid to Dr. Sascha Vainstein due to the conclusion of his portion of the carnation research program, which was being conducted at Hebrew University and a reduction in fees paid to Dr. Bennett in connection with his consulting agreement with the Company.

For Fiscal 2002 and Fiscal 2001, non-cash advertising, consulting and legal costs were $635,186 and $151,720, respectively, an increase of $483,466 or 318.7%. Such costs consist of non-employee stock options and warrants granted as consideration for certain professional consulting, legal and advertising services. This increase was primarily the result of an increase in the amount of options and warrants issued in Fiscal 2002.

The Company has incurred losses since inception and had an accumulated deficit of $7,430,321 at June 30, 2002. The Company expects to continue to incur expenditures for research, product development and administrative activities.

The Company does not expect to generate significant revenues from product sales for approximately the next two to three years, during which time the Company will engage in significant research and development efforts. However, the Company has entered into the Harris Moran License, the ArborGen Agreement, and the Cal/West License to develop and commercialize the Company's technology in certain varieties of lettuce, melons, trees and alfalfa. These agreements provide that, upon the achievement of certain benchmarks, the Company will receive an aggregate of $4,130,000 in development payments over a multi-year period. The Harris Moran License and the Cal/West License also provide for royalty payments to the Company upon commercial introduction. The ArborGen Agreement contains an option for ArborGen to execute a license to commercialize developed products, and upon the execution of a license agreement, the Company will receive a royalty payment from ArborGen. The license terms would include additional fees and royalties to be paid to the Company. The Cal/West License contains an option for Cal/West to develop the Company's technology in various other forage crops.

Consistent with the Company's commercialization strategy, the Company intends to attract other companies interested in strategic partnerships or licensing the Company's technology that may result in license fees, revenues from contract research and other related revenues. There can be no assurance, however, that the Company will be successful in attracting other companies willing to form strategic partnerships or license its technology. Furthermore, no assurance can be given that the Company's research and development efforts will result in any commercially viable products, or that any licensing or other agreements with marketing and distribution partners will result in revenues sufficient to support the business. Successful future operations will depend on the Company's ability to transform its research and development activities into commercializable technology.

ITEM 7. FINANCIAL STATEMENTS.

The financial statements required to be filed pursuant to this Item 7 are included in this Annual Report on Form 10-KSB. A list of the financial statements filed herewith is found at "Item 13. Exhibits, List and Reports on Form 8-K."

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

None.

PART III

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

The information relating to the Company's directors, nominees for election as directors and executive officers under the headings "Election of Directors" and "Executive Officers" in the Company's definitive proxy statement for the 2002 Annual Meeting of Stockholders is incorporated herein by reference to such proxy statement.

ITEM 10. EXECUTIVE COMPENSATION.

The discussion under the heading "Executive Compensation" in the Company's definitive proxy statement for the 2002 Annual Meeting of Stockholders is incorporated herein by reference to such proxy statement.

ITEM 11. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT.

The discussion under the heading "Security Ownership of Certain Beneficial Owners and Management" in the Company's definitive proxy statement for the 2002 Annual Meeting of Stockholders is incorporated herein by reference to such proxy statement.

ITEM 12. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS.

The discussion under the heading "Certain Relationships and Related Transactions" in the Company's definitive proxy statement for the 2002 Annual Meeting of Stockholders is incorporated herein by reference to such proxy statement.

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

(a) (1) Financial Statements.

Reference is made to the Index to Financial Statements on Page F-1.

(a) (2) Financial Statement Schedules.

None.

(a) (3) Exhibits.

Reference is made to the Exhibit Index on Page 33.

(b) Reports on Form 8-K.

The Company's Current Report on Form 8-K was filed on May 20, 2002, announcing the listing of the Company's Common Stock on the American Stock Exchange, effective May 17, 2002.

The Company's Current Report on Form 8-K was filed on July 3, 2002, announcing the posting of the letter to stockholders and the research and development update on the Company's website.

ITEM 14. CONTROLS AND PROCEDURES.

Not applicable.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized this 30th day of September 2002.

SENESCO TECHNOLOGIES, INC.

By: /s/ Bruce C. Galton

Bruce C. Galton, President and
Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the dates indicated.

SIGNATURE	TITLE	DATE
/s/ Ruedi Stalder Ruedi Stalder	Chairman and Director	September 30, 2002
/s/ Bruce C. Galton Bruce C. Galton	President and Chief Executive Officer (principal executive officer)and Director	September 30, 2002
/s/ Joel Brooks Joel Brooks	Chief Financial Officer and Treasurer (principal financial and accounting officer)	September 30, 2002
/s/ John E. Thompson John E. Thompson	Executive Vice President of Research and Development and Director	September 30, 2002
/s/ Christopher Forbes Christopher Forbes	Director	September 30, 2002
/s/ Thomas C. Quick Thomas C. Quick	Director	September 30, 2002
/s/ David Rector David Rector	Director	September 30, 2002

CERTIFICATIONS

I, Bruce C. Galton, certify that:

1. I have reviewed this annual report on Form 10-KSB of Senesco Technologies, Inc.;

2. Based on my knowledge, this annual report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this annual report; and

3. Based on my knowledge, the financial statements, and other financial information included in this annual report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this annual report.

Date: September 30, 2002

/s/ Bruce C. Galton

Bruce C. Galton
President and Chief Executive Officer
(principal executive officer)

I, Joel Brooks, certify that:

1. I have reviewed this annual report on Form 10-KSB of Senesco Technologies, Inc.;

2. Based on my knowledge, this annual report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this annual report; and

3. Based on my knowledge, the financial statements, and other financial information included in this annual report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this annual report.

Date: September 30, 2002

/s/ Joel Brooks

Joel Brooks
Chief Financial Officer and Treasurer
(principal financial and accounting officer)

EXHIBIT INDEX

Exhibit No.	Description of Exhibit
2.1	Merger Agreement and Plan of Merger by and among Nava Leisure USA, Inc., an Idaho corporation, the Principal Stockholders (as defined therein), Nava Leisure Acquisition Corp., and Senesco, Inc., dated October 9, 1998. (Incorporated by reference to the Company's definitive proxy statement on Schedule 14A dated January 11, 1999.)
2.2	Merger Agreement and Plan of Merger by and between Senesco Technologies, Inc., an Idaho corporation, and Senesco Technologies, Inc., a Delaware corporation, dated September 30, 1999. (Incorporated by reference to the Company's quarterly report on Form 10-QSB for the period ended September 30, 1999.)
3.1	Certificate of Incorporation of the Company filed with the State of Delaware on September 30, 1999. (Incorporated by reference to the Company's quarterly report on Form 10-QSB for the period ended September 30, 1999.)
3.2	Amended and Restated By-laws of the Company as adopted on October 2, 2000. (Incorporated by reference to the Company's quarterly report on Form 10-QSB for the period ended December 31, 2000.)
4.1	Form of Common Stock Purchase Agreement by and among the Company and the Purchasers (as defined therein), dated May 11, 1999. (Incorporated by reference to the Company's quarterly report on Form 10-QSB for the period ended March 31, 1999.)
4.2	Form of Registration Rights Agreement by and among the Company and the Purchasers (as defined therein), dated May 11, 1999. (Incorporated by reference to the Company's quarterly report on Form 10-QSB for the period ended March 31, 1999.)
4.3	Form of Warrant with Forbes, Inc. (Incorporated by reference to the Company's quarterly report on Form 10-QSB for the period ended September 30, 1999.)
4.4	Form of Option Agreement with Kenyon & Kenyon. (Incorporated by reference to the Company's quarterly report on Form 10-QSB for the period ended September 30, 1999.)
4.5	Form of Warrant with Parenteau Corporation. (Incorporated by reference to the Company's quarterly report on Form 10-QSB for the period ended December 31, 1999.)
4.6	Form of Warrant with Strategic Growth International, Inc. (Incorporated by reference to the Company's quarterly report on Form 10-QSB for the period ended December 31, 1999.)
4.7	Form of Warrant with Fahnestock & Co. Inc., dated March 30, 2000. (Incorporated by reference to the Company's annual report on Form 10-KSB for the period ended June 30, 2000.)

4.8 Form of Registration Rights Agreement by and between the Company and Fahnestock & Co. Inc., dated as of March 30, 2000. (Incorporated by reference to the Company's annual report on Form 10-KSB for the period ended June 30, 2000.)

4.9 Form of Common Stock Purchase Agreement by and among the Company and the Purchasers (as defined therein), dated as of May 31, 2000 and June 14, 2000, respectively. (Incorporated by reference to the Company's annual report on Form 10-KSB for the period ended June 30, 2000.)

4.10 Form of Registration Rights Agreements by and among the Company and the Purchasers (as defined therein), dated May 31, 2000 and June 14, 2000, respectively. (Incorporated by reference to the Company's annual report on Form 10-KSB for the period ended June 30, 2000.)

4.11 Form of Warrant Agreement with Fahnestock & Co. Inc., dated October 2, 2000. (Incorporated by reference to the Company's quarterly report on Form 10-QSB for the period ended December 31, 2000.)

4.12 Warrant Agreement by and between the Company and Christenson, Hutchinson, McDowell, LLC. (Incorporated by reference to the Company's quarterly report on Form 10-QSB for the period ended September 30, 2001.)

4.13 Form of Warrant issued to Stanford Venture Capital Holdings, Inc. and certain officers of Stanford Venture Capital Holdings, Inc. (with attached schedule of parties and terms thereto). (Incorporated by reference to Exhibit 4.1 of the Company's quarterly report on Form 10-QSB for the period ended December 31, 2001.)

4.14 Form of Warrant issued to certain accredited investors (with attached schedule of parties and terms thereto). (Incorporated by reference to Exhibit 4.2 of the Company's quarterly report on Form 10-QSB for the period ended March 31, 2002.)

4.15 Form of Warrant issued to Pond Equities, Inc. (with attached schedule of terms thereto). (Incorporated by reference to Exhibit 4.3 of the Company's quarterly report on Form 10-QSB for the period ended March 31, 2002.)

4.16 Form of Warrant issued to Perrin, Holden & Davenport Capital Corp. and certain principals thereof (with attached schedule of parties and terms thereto). (Incorporated by reference to Exhibit 4.4 of the Company's quarterly report on Form 10-QSB for the period ended March 31, 2002.)

4.17 Form of Warrant issued to certain accredited investors (with attached schedule of parties and terms thereto). (Incorporated by reference to Exhibit 4.2 of the Company's quarterly report on Form 10-QSB for the period ended December 31, 2002.)

4.18 Form of Warrant issued to certain third parties for services rendered (with attached schedule of parties and terms thereto). (Incorporated by reference to Exhibit 4.3 of the Company's quarterly report on Form 10-QSB for the period ended December 31, 2002.)

10.1 Indemnification Agreement by and between the Company and Phillip O. Escaravage, dated January 21, 1999. (Incorporated by reference to the Company's quarterly report on Form 10-QSB for the period ended December 31, 1998.)

10.2 Indemnification Agreement by and between the Company and Christopher Forbes, dated January 21, 1999. (Incorporated by reference to the Company's quarterly report on Form 10-QSB for the period ended December 31, 1998.)

10.3 Indemnification Agreement by and between the Company and Steven Katz, dated January 21, 1999. (Incorporated by reference to the Company's quarterly report on Form 10-QSB for the period ended December 31, 1998.)

10.4 Indemnification Agreement by and between the Company and Thomas C. Quick, dated February 23, 1999. (Incorporated by reference to the Company's quarterly report on Form 10-QSB for the period ended March 31, 1999.)

10.5 Indemnification Agreement by and between the Company and Ruedi Stalder, dated March 1, 1999. (Incorporated by reference to the Company's quarterly report on Form 10-QSB for the period ended March 31, 1999.)

10.6* Employment Agreement by and between Senesco, Inc. and Phillip O. Escaravage, dated January 21, 1999. (Incorporated by reference to the Company's quarterly report on Form 10-QSB for the period ended December 31, 1998.)

10.7* Employment Agreement by and between Senesco, Inc. and Sascha P. Fedyszyn, dated January 21, 1999. (Incorporated by reference to the Company's quarterly report on Form 10-QSB for the period ended December 31, 1998.)

10.8 Research Agreement by and among the Company, Dr. John E. Thompson and the University of Waterloo, dated September 1, 1998, as amended. (Incorporated by reference to the Company's quarterly report on Form 10-QSB for the period ended December 31, 1998.)

10.9* Consulting Agreement by and between the Company and John E. Thompson, Ph.D., dated July 12, 1999. (Incorporated by reference to the Company's annual report on Form 10-KSB for the period ended June 30, 2000.)

10.10 Office lease by and between the Company and Matrix/AEW NB, LLC, dated March 16, 2001. (Incorporated by reference to the Company's quarterly report on Form 10-QSB for the period ended March 31, 2001.)

10.11 Form of Promissory Note issued to Directors. (Incorporated by reference to the Company's annual report on Form 10-KSB for the period ended June 30, 2001.)

10.12 Securities Purchase Agreement by and between the Company and Stanford Venture Capital Holdings, Inc., dated November 30, 2001. (Incorporated by reference to Exhibit 10.1 of the Company's quarterly report on Form 10-QSB for the period ended December 31, 2001.)

10.13 Securities Purchase Agreement by and between the Company and Stanford Venture Capital Holdings, Inc., dated January 16, 2002. (Incorporated by reference to Exhibit 10.2 of the Company's quarterly report on Form 10-QSB for the period ended December 31, 2001.)

10.14 Form of Securities Purchase Agreement by and between the Company and certain directors of the Company (with attached schedule of parties and terms thereto). (Incorporated by reference to Exhibit 10.3 of the Company's quarterly report on Form 10-QSB for the period ended December 31, 2001.)

10.15 Form of Securities Purchase Agreement by and between the Company and certain accredited investors (with attached schedule of parties and terms thereto). (Incorporated by reference to Exhibit 10.4 of the Company's quarterly report on Form 10-QSB for the period ended December 31, 2001.)

10.16 Form of Securities Purchase Agreement by and between the Company and certain accredited investors (with attached schedule of parties and terms thereto). (Incorporated by reference to Exhibit 10.2 of the Company's quarterly report on Form 10-QSB for the period ended March 31, 2002.)

10.17 Form of Registration Rights Agreement by and between the Company and each of certain accredited investors (with attached schedule of parties and terms thereto). (Incorporated by reference to Exhibit 10.6 of the Company's quarterly report on Form 10-QSB for the period ended December 31, 2001.)

10.18 Form of Registration Rights Agreement by and between the Company and each of certain accredited investors (with attached schedule of parties and terms thereto). (Incorporated by reference to Exhibit 10.4 of the Company's quarterly report on Form 10-QSB for the period ended March 31, 2002.)

10.19* 1998 Stock Incentive Plan, as amended on November 29, 2001. (Incorporated by reference to Exhibit 10.7 of the Company's quarterly report on Form 10-QSB for the period ended December 31, 2001.)

10.20^ License Agreement by and between the Company and Harris Moran Seed Company, dated November 19, 2001. (Incorporated by reference to Exhibit 10.8 of the Company's quarterly report on Form 10-QSB for the period ended December 31, 2001.)

10.21* Employment Agreement by and between the Company and Bruce C. Galton, dated October 4, 2001. (Incorporated by reference to Exhibit 10.9 of the Company's quarterly report on Form 10-QSB for the period ended December 31, 2001.)

10.22 Indemnification Agreement by and between the Company and Bruce C. Galton, dated October 4, 2001. (Incorporated by reference to Exhibit 10.10 of the Company's quarterly report on Form 10-QSB for the period ended December 31, 2001.)

10.23 Consulting Agreement by and between the Company and Alan B. Bennett, Ph.D., dated November 1, 2001 (Incorporated by reference to Exhibit 10.11 of the Company's quarterly report on Form 10-QSB for the period ended December 31, 2001.)

10.24 Agreement for Service on the Company's Scientific Advisory Board by and between the Company and Dr. Russell A. Jones, dated February 12, 2002. (Incorporated by reference to Exhibit 10.5 of the Company's quarterly report on Form 10-QSB for the period ended March 31, 2002.)

10.25 Agreement for Service on the Company's Scientific Advisory Board by and between the Company and Dr. Charles A. Dinarello, dated February 12, 2002. (Incorporated by reference to Exhibit 10.6 of the Company's quarterly report on Form 10-QSB for the period ended March 31, 2002.)

10.26 Letter Agreement by and between the Company and Perrin, Holden & Davenport Capital Corp., dated March 25, 2002. (Incorporated by reference to Exhibit 10.7 of the Company's quarterly report on Form 10-QSB for the period ended March 31, 2002.)

10.27 Letter Agreement by and between the Company and Pond Equities, Inc., dated March 6, 2002. (Incorporated by reference to Exhibit 10.8 of the Company's quarterly report on Form 10-QSB for the period ended March 31, 2002.)

10.28 Letter Agreement by and between the Company and Lippert/Heilshorn & Associates, Inc., dated April 18, 2002. (Incorporated by reference to Exhibit 10.9 of the Company's quarterly report on Form 10-QSB for the period ended March 31, 2002.)

10.29+ Research Agreement by and among the Company, Dr. John E. Thompson and the University of Waterloo, dated May 1, 2002.

10.30+ Financial Representation Agreement by and between the Company and Perrin, Holden & Davenport Capital Corp., dated June 26, 2002.

10.31+# Development Agreement by and between the Company and ArborGen, LLC, dated June 28, 2002.

21 Subsidiaries of the Registrant. (Incorporated by reference to the Company's annual report on Form 10-KSB for the period ended June 30, 1999.)

23.1+ Consent of Goldstein Golub Kessler LLP

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* A management contract or compensatory plan or arrangement required to be filed as an exhibit pursuant to Item 13(a) of Form 10-KSB.

\+ Filed herewith.

^ The SEC granted Confidential Treatment for portions of this Exhibit.

\# Confidential Treatment has been requested for portions of this Exhibit.

SENESCO TECHNOLOGIES, INC. AND SUBSIDIARY
(a development stage company)

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of
Senesco Technologies, Inc.

We have audited the accompanying consolidated balance sheet of Senesco Technologies, Inc. and Subsidiary (a development stage company) as of June 30, 2002, and the related consolidated statements of operations, stockholders' equity, and cash flows for each of the two years in the period then ended and cumulative amounts from inception to June 30, 2002. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Senesco Technologies, Inc. and Subsidiary as of June 30, 2002, and the results of their operations and their cash flows for each of the two years in the period then ended and cumulative amounts from inception to June 30, 2002 in conformity with accounting principles generally accepted in the United States of America.

GOLDSTEIN GOLUB KESSLER LLP
New York, New York

August 13, 2002

SENESCO TECHNOLOGIES, INC. AND SUBSIDIARY
(a development stage company)
CONSOLIDATED BALANCE SHEET

JUNE 30, 2002	
ASSETS	
Current Assets:	
Cash and cash equivalents	$ 798,711
Short-term investments	2,872,432
Accounts receivable	75,000
Prepaid expenses and other current assets	55,772
TOTAL CURRENT ASSETS	3,801,915
Long-term Investments	993,535
Property and Equipment, at cost, net of accumulated depreciation and amortization of $61,216	79,581
Intangibles	347,978
Deferred Income Tax Asset, net of valuation allowance of $2,227,000	-
Security Deposit	7,187
TOTAL ASSETS	$ 5,230,196
LIABILITIES AND STOCKHOLDERS' EQUITY	
Current Liabilities:	
Accounts payable	$ 80,201
Accrued expenses	296,347
TOTAL CURRENT LIABILITIES	376,548
Grant Payable	67,972
TOTAL LIABILITIES	444,520
Commitments	
Stockholders' Equity:	
Preferred stock - $0.01 par value; authorized 5,000,000 shares, no shares issued	-
Common stock - $0.01 par value; authorized 20,000,000 shares, issued and outstanding 11,880,045 shares	118,800
Capital in excess of par	12,157,679
Deferred compensation related to issuance of options and warrants	(60,482)
Deficit accumulated during the development stage	(7,430,321)
STOCKHOLDERS' EQUITY	4,785,676
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$ 5,230,196

See Notes to Consolidated Financial Statements

SENESCO TECHNOLOGIES, INC. AND SUBSIDIARY
(a development stage company)

CONSOLIDATED STATEMENT OF OPERATIONS

	Year ended June 30, 2002	2001	Cumulative Amounts from Inception
Revenue	$ 200,000	-	$ 200,000
Operating expenses:			
General and administrative	1,308,856	$ 1,339,883	5,027,777
Research and development	370,191	479,468	1,499,576
Noncash advertising, consulting and legal costs	635,186	151,720	1,361,258
Total operating expenses	2,314,233	1,971,071	7,888,611
Loss from operations	(2,114,233)	(1,971,071)	(7,688,611)
Sale of state income tax loss	150,551	60,331	210,882
Interest income - net	24,263	33,749	47,408
Net loss	$(1,939,419)	$(1,876,991)	$(7,430,321)
Basic and diluted loss per common share	$ (.20)	$ (.24)	
Basic and diluted weighted-average number of common shares outstanding	9,624,563	7,872,626	

See Notes to Consolidated Financial Statements

CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY

YEARS ENDED JUNE 30, 1999, 2000, 2001 AND 2002

	Common Stock Number of Shares	Common Stock Amount	Capital in Excess of Par	Deficit Accumulated During the Development Stage	Deferred Compensation Related to Issuance of Options and Warrants	Total Stockholders' Equity (Deficiency)
Common stock outstanding	2,000,462	$ 20,005	$ (20,005)	-	-	-
Contribution of capital	-	-	85,179	-	-	$ 85,179
Issuance of common stock in reverse merger on January 22, 1999 at $0.01 per share	3,400,000	34,000	(34,000)	-	-	-
Issuance of common stock for cash on May 21, 1999 for $2.63437 per share	759,194	7,592	1,988,390	-	-	1,995,982
Issuance of common stock for placement fees on May 21, 1999 at $0.01 per share	53,144	531	(531)	-	-	-
Net loss	-	-	-	$(1,168,995)	-	(1,168,995)
Balance at June 30, 1999	6,212,800	62,128	2,019,033	(1,168,995)	-	912,166
Fair market value of options and warrants granted on September 7, 1999	-	-	252,578	-	$ (72,132)	180,446
Fair market value of warrants granted on October 1, 1999	-	-	171,400	-	(108,600)	62,800
Fair market value of warrants granted on December 15, 1999	-	-	331,106	-	-	331,106
Issuance of common stock for cash on January 26, 2000 for $2.867647 per share	17,436	174	49,826	-	-	50,000
Issuance of common stock for cash on January 31, 2000 for $2.87875 per share	34,737	347	99,653	-	-	100,000
Issuance of common stock for cash on February 4, 2000 for $2.924582 per share	85,191	852	249,148	-	-	250,000
Issuance of common stock for cash on March 15, 2000 for $2.527875 per share	51,428	514	129,486	-	-	130,000
Issuance of common stock for cash on June 22, 2000 for $1.50 per share	1,471,700	14,718	2,192,833	-	-	2,207,551

(continued)

See Notes to Consolidated Financial Statements

CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY

YEARS ENDED JUNE 30, 1999, 2000, 2001 AND 2002

	Common Stock Number of Shares	Amount	Capital in Excess of Par	Deficit Accumulated During the Development Stage	Deferred Compensation Related to Issuance of Options and Warrants	Total Stockholders' Equity (Deficiency)
Commissions, legal and bank fees associated with issuances for the year ended June 30, 2000	-	-	$ (260,595)	-	-	$ (260,595)
Net loss	-	-	-	$(2,444,916)	-	(2,444,916)
Balance at June 30, 2000	7,873,292	$ 78,733	5,234,468	(3,613,911)	$ (180,732)	1,518,558
Fair market value of warrants granted on October 2, 2000	-	-	80,700	-	-	80,700
Change in fair market value of options and warrants granted	-	-	154,583	-	(83,563)	71,020
Net loss	-	-	-	(1,876,991)	-	(1,876,991)
Balance at June 30, 2001	7,873,292	78,733	5,469,751	(5,490,902)	(264,295)	(206,713)
Fair market value of warrants granted on September 4, 2001	-	-	41,800	-	-	41,800
Fair market value of warrants granted on October 15, 2001	-	-	40,498	-	-	40,498
Fair market value of warrants granted on November 1, 2001	-	-	138,714	-	-	138,714
Issuance of common stock and warrants for cash on November 30, 2001 at $1.75 per unit	1,142,858	11,429	1,988,571	-	-	2,000,000
Fair market value of warrants granted on December 1, 2001	-	-	131,300	-	-	131,300
Fair market value of options granted on December l, 2001 in lieu of payment of expenses	-	-	131,250	-	-	131,250
Issuance of common stock and warrants associated with bridge loan conversion on December 3, 2001	305,323	3,053	531,263	-	-	534,316
Issuance of common stock and warrants for cash on December 26, 2001 at $1.75 per unit	665,714	6,657	1,158,343	-	-	1,165,000
Fair market value of options vested and extended on January 1, 2002	-	-	94,146	-	-	94,146

(continued)

See Notes to Consolidated Financial Statements

SENESCO TECHNOLOGIES, INC. AND SUBSIDIARY
(a development stage company)

CONSOLIDATED STATEMENT OF STOCKHOLDERS' EQUITY

YEARS ENDED JUNE 30, 1999, 2000, 2001 AND 2002

	Common Stock		Capital	Deficit	Deferred	Total
	Number of Shares	Amount	in Excess of Par	Accumulated During the Development Stage	Compensation Related to Issuance of Options and Warrants	Stockholders' Equity (Deficiency)
Issuance of common stock and warrants for cash on January 16, 2002 at $1.75 per unit	285,715	$ 2,858	$ 497,142	-	-	$ 500,000
Issuance of common stock and warrants for cash on January 23, 2002 at $1.75 per unit	285,714	2,857	497,143	-	-	500,000
Issuance of common stock and warrants for cash on February 21, 2002 at $1.75 per unit	100,000	1,000	174,000	-	-	175,000
Issuance of common stock and warrants for cash on February 27, 2002 at $1.75 per unit	57,143	571	99,429	-	-	100,000
Issuance of common stock and warrants for cash on March 12, 2002 at $1.75 per unit	50,000	500	87,000	-	-	87,500
Issuance of common stock and warrants for cash on March 15, 2002 at $1.75 per unit	57,143	571	99,429	-	-	100,000
Issuance of common stock and warrants for cash on April 12, 2002 at $1.75 per unit	857,143	8,571	1,491,429	-	-	1,500,000
Issuance of common stock and warrants for cash on April 17, 2002 at $1.75 per unit	200,000	2,000	348,000	-	-	350,000
Commissions, legal and bank fees associated with issuances for the year ended June 30, 2002	-	-	(846,444)	-	-	(846,444)
Fair value of options and warrants vested and change in fair market value of options and warrants granted	-	-	(15,085)	-	$ 203,813	188,728
Net loss	-	-	-	$ (1,939,419)	-	(1,939,419)
Balance at June 30, 2002	11,880,045	$118,800	$12,157,679	$ (7,430,321)	$ (60,482)	$ 4,785,676

See Notes to Consolidated Financial Statements

SENESCO TECHNOLOGIES, INC. AND SUBSIDIARY
(a development stage company)

CONSOLIDATED STATEMENT OF CASH FLOWS

	Year ended June 30, 2002	2001	Cumulative Amounts from Inception
Cash flows from operating activities:			
Net loss	$ (1,939,419)	$ (1,876,991)	$ (7,430,321)
Adjustments to reconcile net loss to net cash used in operating activities:			
Noncash capital contribution	-	-	85,179
Noncash conversion of accrued expenses into equity	131,250	-	131,250
Issuance of common stock and warrants for interest	9,316	-	9,316
Issuance of stock options and warrants for services	635,186	151,720	1,361,258
Depreciation and amortization	24,356	24,161	71,233
(Increase) decrease in operating assets:			
Accounts receivable	(75,000)	-	(75,000)
Prepaid expenses and other current assets	(40,218)	(6,331)	(55,772)
Security deposit	-	3,676	(7,187)
Increase (decrease) in operating liabilities:			
Accounts payable	(88,721)	92,779	80,201
Accrued expenses	30,615	127,144	296,347
NET CASH USED IN OPERATING ACTIVITIES	(1,312,635)	(1,483,842)	(5,533,496)
Cash flows from investing activities:			
Patent costs	(190,058)	(66,403)	(357,995)
Purchase of investments, net	(3,865,967)	-	(3,865,967)
Purchase of property and equipment	(25,180)	(26,408)	(140,797)
CASH USED IN INVESTING ACTIVITIES	(4,081,205)	(92,811)	(4,364,759)
Cash flows from financing activities:			
Proceeds from grant	22,165	35,234	67,972
Proceeds from issuance of bridge notes	525,000	-	525,000
Proceeds from issuance of common stock and warrants	5,631,056	-	10,103,994
CASH PROVIDED BY FINANCING ACTIVITIES	6,178,221	35,234	10,696,966
Net increase (decrease) in cash and cash equivalents	784,381	(1,541,419)	798,711
Cash and cash equivalents at beginning of period	14,330	1,555,749	-
Cash and cash equivalents at end of period	$ 798,711	$ 14,330	$ 798,711
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:			
Cash paid during the period for interest	$ -	$ -	$ 22,317
SUPPLEMENTAL SCHEDULE OF NONCASH FINANCING ACTIVITY:			
Conversion of bridge notes into stock	$ 534,316	$ -	$ 534,316

See Notes to Consolidated Financial Statements

1. PRINCIPAL BUSINESS ACTIVITY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The accompanying consolidated financial statements include the accounts of Senesco Technologies, Inc. ("ST") and its wholly owned subsidiary, Senesco, Inc. ("SI") (collectively, the "Company"). All significant intercompany accounts and transactions have been eliminated in consolidation.

The Company is a development stage functional genomics company whose mission is to enhance the quality and productivity of fruits, flowers, vegetables and agronomic crops through the control of aging in plants (senescence). The Company has also commenced research into the applicability of its technology as it relates to cell death in mammals (apoptosis).

SI, a New Jersey corporation, was incorporated on November 24, 1998 and is the successor entity to Senesco, L.L.C., a New Jersey limited liability company, which was formed on June 25, 1998 but commenced operations on July 1, 1998. This transfer was accounted for at historical cost in a manner similar to a pooling of interests with the recording of net assets acquired at their historical book value.

On January 21, 1999, Nava Leisure USA, Inc. ("Nava"), an Idaho corporation and the predecessor registrant to the Company, effected a one-for-three reverse stock-split, restating the number of shares of common stock outstanding from 3,000,025 to 1,000,321. In addition, the number of authorized common stock was decreased from 50,000,000 shares, $.0005 par value, to 16,666,667 shares, $.0015 par value (the "Common Stock").

On January 22, 1999, Nava consummated a merger (the "Merger") with SI. Nava issued 1,700,000 shares of Common Stock, on a post-split basis, for all of the outstanding capital stock of SI. Pursuant to the Merger, the stockholders of SI acquired majority control of Nava, and the name of Nava was changed to Senesco Technologies, Inc. and SI remained a wholly owned subsidiary of ST. For accounting purposes, the Merger has been treated as a recapitalization of the Company with SI as the acquirer (a reverse acquisition).

On September 30, 1999, the board of directors of the Company approved the reincorporation of the Company solely for the purpose of changing its state of incorporation from Idaho to Delaware. In order to facilitate such reincorporation, the Company, an Idaho corporation, on September 30, 1999, merged with and into the newly formed Senesco Technologies, Inc., a Delaware corporation.

Cash equivalents consist of investments which are readily convertible into cash with original maturities of three months or less. The Company maintains its cash in bank deposit accounts which, at times, may exceed federally insured limits. The Company believes that there is no significant credit risk with respect to these accounts.

The Company's investments consist of United States treasury notes and highgrade corporate and federal governmental agency debt instruments. Based on the Company's intentions regarding these instruments, the Company has classified all marketable debt securities and long-term debt investments as held-to-maturity and has accounted for these investments at amortized cost.

Marketable securities maturing in one year or less are classified as current assets.

Depreciation of property and equipment is provided for by the straight-line method over the estimated useful lives of the assets. Leasehold improvements are amortized over the lesser of the assets' useful lives or the remaining term of the lease.

Intangible assets consist of costs related to acquiring patents, which will be amortized when the patents are issued.

The Company assesses the impairment in value of intangible assets whenever events or circumstances indicate that their carrying value may not be recoverable. Factors the Company considers important which could trigger an impairment review include the following:

o significant negative industry trends

o significant underutilization of the assets

o significant changes in how the Company uses the assets or its plans for its use.

If the Company's review determines that the future undiscounted cash flows related to these assets will not be sufficient to recover their carrying value, the Company will reduce the carrying values of these assets down to its estimate of fair market value and continue amortizing them over their remaining useful lives.

Deferred income tax assets and liabilities are recognized for the future tax consequences attributable to differences between financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted rates expected to apply when the differences are expected to be realized.

The Company recognizes revenue from development and progress payments in connection with license and development agreements when persuasive evidence of an arrangement exists; the fee is fixed and determinable; delivery has occurred or milestones have been achieved; and collectability is reasonably assured.

Research and development expenses are charged to operations when incurred.

The Company measures stock-based compensation cost using APB Opinion No. 25 as is permitted by Statement of Financial Accounting Standards ("SFAS") No. 123, Accounting for Stock-Based Compensation.

Loss per common share is computed by dividing the loss by the weighted-average number of common shares outstanding during the period. Shares to be issued upon the exercise of the outstanding options and warrants are not included in the computation of loss per share as their effect is antidilutive.

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and judgments that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the

reporting period. The critical accounting policies that require management's most significant estimate and judgment are the assessment of the recoverability of intangible assets and the valuation allowance on deferred tax assets. Actual results experienced by the Company may differ from management's estimates.

Management does not believe that any recently issued, but yet effective, accounting standards if currently adopted would have a material effect on the accompanying consolidated financial statements.

2. INVESTMENTS: At June 30, 2002, the amortized cost basis, aggregate fair value, gross unrealized gains (losses) and maturity by majority security type were as follows:

	Gross Unrealized Gain (Loss)	Aggregate Fair Value	Amortized Cost Basis
Held-to-maturity securities:			
Debt securities issued by United States (maturing within one year)	$ (2,630)	$2,869,802	$2,872,432
Corporate debt securities (maturing between one and two years)	4,887	998,422	993,535
	$ 2,257	$3,868,224	$3,865,967

Realized gains and losses are determined based on the specific-identification method.

3. PROPERTY AND EQUIPMENT: Property and equipment, at cost, consists of the following:

		Estimated Useful Life
Equipment	$ 52,079	4 years
Leasehold improvements	23,733	5 years
Furniture and fixtures	64,985	7 years
	140,797	
Accumulated depreciation and amortization	(61,216)	
	$ 79,581	

Depreciation and amortization aggregated $24,356 and $18,264 for the years ended June 30, 2002 and 2001, respectively.

4. ACCRUED EXPENSES: The following are included in accrued expenses at June 30, 2002:

Accrued payroll	$ 87,918
Accrued stock exchange listing fees	51,500
Accrued research	49,542
Accrued accounting	45,000
Accrued patent costs	22,207
Accrued fees associated with issuances of common stock	20,398
Accrued legal	18,665
Other accrued expenses	1,117
	$ 296,347

5. RELATED PARTY TRANSACTIONS: During the year ended June 30, 1999, a director and stockholder of the Company contributed capital aggregating $85,179. This capital was used to pay expenses of the Company.

During the year ended June 30, 2002, the Company issued bridge notes to certain directors of the Company in the aggregate principal amount of $525,000 (see Note 6).

6. STOCKHOLDERS' EQUITY: On May 21, 1999, the Company consummated a private placement of 759,194 shares of its Common Stock for cash consideration of $2,000,000 less costs of $4,018. Pursuant to the Placement Agency Agreement, the Placement Agent was to receive $140,000 in either cash or common stock, as defined. The Placement Agent received 53,144 shares of common stock valued at $2.63437 per share for its services. In connection with the Private Placement, the Company also executed a Common Stock Purchase Agreement with each purchaser of Common Stock, dated as of May 11, 1999. Pursuant to the Stock Purchase Agreement, the purchase price per share of Common Stock was determined by taking 80% of the average closing bid and ask prices of the Company's Common Stock during the 20 trading days ending three days prior to the closing date, as defined. The Stock Purchase Agreement also provides for price protection whereby upon issuance or sale by the Company of any additional Common Stock or Common Stock equivalents within a period of 60 days following the closing date, other than options or warrants currently outstanding as of the date of the Stock Purchase Agreement, for a consideration per share less than the purchase price provided for in the Stock Purchase Agreement (the "Reduced Purchase Price"), then the Company shall immediately issue such additional shares of Common Stock to the purchaser which each such purchaser's investment would have purchased at the Reduced Purchase Price. In addition, the Company entered into a Registration Rights Agreement with each purchaser dated May 11, 1999. The Registration Rights Agreement provides for, among other things, a demand registration right beginning after January 22, 2000, as well as piggy-back registration rights for a three-year period from the closing date. Certain directors of the Company participated in the Private Placement. Specifically, such directors of the Company purchased, in the aggregate, 341,636 shares of Restricted Common Stock on the same terms and conditions as all purchasers thereunder.

On September 29, 1999, the board of directors of the Company approved and declared a 2-for-1 stock split (the "Stock Split"). Stockholders of record as of the close of business on October 8, 1999 received one additional share of the Company's Common Stock for every one share of Common Stock held on that date. The Stock Split became effective on the NASD OTC Bulletin Board on October 25, 1999. All share and per share amounts provided in the foregoing financial statements and notes have been restated to reflect the Stock Split as of September 29, 1999.

In December 1999, the Company initiated a private placement of shares of its restricted Common Stock (the "December Private Placement"). The Company did not engage a placement agent for the sale of such securities. The Company issued an aggregate of 188,792 shares of the Company's restricted Common Stock for a net purchase price of $508,689 (which is net of $21,311 in legal fees) in connection with the December Private Placement. The Company also executed Common Stock Purchase Agreements with each purchaser of Common Stock. Pursuant to the Stock Purchase Agreements, the purchase price per share of Common Stock was equal to 80% of the average closing bid and ask prices of the Company's Common Stock during the 20 trading days ending three days prior to the Closing Date (as defined therein). In addition, the Company entered into Registration Rights Agreements with each purchaser. The Registration Rights Agreements provide for, among other things, a demand registration right beginning one year from the final Closing Date of the December Private Placement, as well as piggy-back registration rights for a three-year period from the Closing Date. Certain directors of the Company participated in the December Private Placement. Specifically, such directors of the Company purchased, in the aggregate, 52,173 shares of restricted Common Stock on the same terms and conditions as all purchasers thereunder.

In June 2000, the Company consummated a private placement of 1,471,700 shares of Common Stock for cash consideration of $2,207,551 less costs of $239,284. Pursuant to the Stock Purchase Agreements, the purchase price per share of Common Stock was equal to $1.50 per share. In addition, the Company entered into Registration Rights Agreements with each purchaser. The Registration Rights Agreements provide for, among other things, a demand registration right beginning nine months from the final Closing Date of the Placement, as well as piggy-back registration rights for a three-year period from the Closing Date. In addition, the Company has caused its directors, officers and holders of more than 5% of the outstanding shares of Common Stock of the Company to enter into Lock-up Agreements for a period of nine months from the Closing Date with the Placement Agent for the benefit of the Purchasers. A director and officer of the Company participated in this Private Placement. Specifically, such director and officer of the Company purchased, in the aggregate, 66,667 shares of Restricted Common Stock on the same terms and conditions as all purchasers hereunder.

In November 2001, the Company consummated a private placement (the "Stanford Private Placement"), with Stanford Venture Capital Holdings, Inc. ("Stanford") of 1,142,958 shares of Common Stock and warrants to purchase 1,000,000 shares of Common Stock for the aggregate cash consideration of $2,000,000. Costs associated with the Stanford Private Placement totaled $256,347. The Company did not engage a placement agent for the sale of such

securities. Fifty percent (50%) of the warrants were issued with an exercise price equal to $2.00 per share and fifty percent (50%) of the warrants were issued with an exercise price equal to $3.25 per share, with all such warrants vesting on the date of grant. Pursuant to the Securities Purchase Agreement, the purchase price of one unit, which consisted of one share of Common Stock and a warrant to purchase 0.875 shares of Common Stock, was equal to $1.75 per unit. In addition, the Company entered into a Registration Rights Agreement with Stanford. The Registration Rights Agreement provides, among other things, that a shelf registration statement be filed on or before June 30, 2002, as well as piggy-back registration rights for a three-year period from the date of the agreement.

During the period from July 10, 2001 through November 5, 2001, the Company issued six unsecured bridge notes (the "Notes") payable to certain directors of the Company in the aggregate principal amount of $525,000. The Notes had an annual interest rate equal to the prime rate on the date that the Notes were issued (5.50% to 6.75%) and such interest was payable upon maturity of the Notes. The Notes and accrued interest were due on January 15, 2002. On December 3, 2001, the directors converted the Notes and accrued interest in the aggregate amount of $534,316 into 305,323 shares of Common Stock and warrants to purchase 267,158 shares of Common Stock on the same terms and conditions as the Stanford Private Placement.

Also, in November 2001, the Company initiated a private placement, as later amended in March 2002, to certain accredited investors (the "Accredited Investor Private Placement") for a minimum aggregate investment of $1,000,000 and a maximum aggregate investment of $4,000,000. For investments of less than $1,500,000, the Accredited Investor Private Placement offered units of one share of Common Stock and a warrant to purchase 0.4375 shares of Common Stock at a price equal to $1.75 per unit. For investments of $1,500,000 or greater, the Accredited Investor Private Placement offered units of one share of Common Stock and a warrant to purchase 0.875 shares of Common Stock at a price equal to $1.75 per unit. Fifty percent (50%) of the warrants were offered with an exercise price equal to $2.00 per share and fifty percent (50%) of the warrants were offered with an exercise price of $3.25 per share, with all such warrants vesting on the date of grant. From December 26, 2001 through April 17, 2002, when the Company terminated the offering, the Company entered into Securities Purchase Agreements for the aggregate amount of 1,987,143 shares of Common Stock and warrants to purchase 1,244,375 shares of Common Stock for the aggregate cash consideration of $3,477,500. Costs associated with these transactions totaled $447,236. The Company did not engage a placement agent for the sale of such securities. In addition, the Company entered into Registration Rights Agreements with the purchasers. The Registration Rights Agreements provide for, among other things, piggy-back registration rights for a three-year period from the date of each agreement.

In January 2002, the Company consummated another private placement with Stanford for 571,429 shares of Common Stock and warrants to purchase 500,000 shares of Common Stock for the aggregate cash consideration of $1,000,000, on the same terms and conditions as the initial Stanford Private Placement. Costs associated with this transaction totaled $142,861.

In connection with the above private placements, on December 26, 2001 and March 15, 2002, the board of directors unanimously approved the issuance of warrants to certain entities to purchase an aggregate of 571,869 shares of Common Stock on the same terms and conditions as the warrants issued in the Accredited Investor Private Placement and warrant for an additional 18,750 shares of Common Stock at an exercise price equal to $2.00 per share.

Also in connection with the above private placements, in May 2002, the Company filed a registration statement with the Securities and Exchange Commission (the "SEC") to register all of its 8,102,642 shares of previously issued restricted common stock and all of its 4,202,153 previously issued warrants and options issued outside of the Company's 1998 Stock Incentive Plan. The registration statement was declared effective by the SEC on June 28, 2002 and will remain in effect, subject to the Company being in compliance with all the applicable rules and regulations, until June 28, 2004.

In December 2001, a director and former executive officer of the Company converted accrued consulting fees in the amount of $131,250 into options to purchase shares of the Company's Common Stock at an exercise price of $2.05 per share.

In 1999, the Company adopted the 1998 Stock Incentive Plan, as amended (the "Plan"), which provides for the grant of stock options and stock purchase rights to certain designated employees and certain other persons performing services for the Company, as designated by the board of directors. Pursuant to the Plan, an aggregate of 2,000,000 shares of common stock have been reserved for issuance.

Stock option activity under the Plan is summarized as follows:

Year ended June 30,	2002		2001	
	Shares	Weighted-average Exercise Price	Shares	Weighted-average Exercise Price
Options outstanding at beginning of year	450,000	$ 3.40	432,000	$ 3.56
Granted	1,181,000	2.46	60,000	2.25
Expired	(15,000)	3.50	(42,000)	3.43
Options outstanding at end of year	1,616,000	$ 2.63	450,000	$ 3.40
Options exercisable at end of year	1,095,666	$ 2.80	374,666	$ 3.47
Weighted-average fair value of options granted during the year	2,369,714	$ 2.46	60,000	$ 2.25

The following table summarizes information about stock options outstanding at June 30, 2002:

	Options Outstanding			Options Exercisable	
Range of Exercise Prices	Number Outstanding at June 30, 2002	Weighted-average Remaining Contractual Life (Years)	Weighted-average Exercise Price	Number Exercisable at June 30, 2002	Weighted-average Exercise Price
$1.50 - $4.00	1,616,000	8.46	$2.63	1,095,666	$2.80

The Company applies APB Opinion No. 25 and related interpretations in accounting for its plans. Options to purchase common stock have been granted at or above the fair market value of the stock on the date of grant. Accordingly, no compensation cost has been recognized for the stock option plans. Had compensation cost been determined based on the fair value at the grant dates for those awards consistent with the method of FASB No. 123, the Company's net loss and net loss per share would have been increased to the pro forma amounts indicated below:

Year ended June 30,	2002	2001
Net loss:		
As reported	$(1,939,419)	$(1,876,991)
Pro forma	$(2,972,019)	$(2,009,235)
Loss per share:		
As reported	$ (.20)	$ (.24)
Pro forma	$ (.31)	$ (.26)

The estimated grant date present value reflected in the above table is determined using the Black-Scholes model. The material factors incorporated in the Black-Scholes model in estimating the value of the options reflected in the above table for the years ended June 30, 2002 and 2001 include the following: (i) an exercise price equal to the fair market value of the underlying stock on the dates of grant; (ii) an option term of 5 and 10 years; (iii) a risk-free rate range of 4.24% to 5.18% and 5.46% to 5.73%, respectively, that represents the interest rate on a U.S. Treasury security with a maturity date corresponding to that of the option term; (iv) volatility of 147.83%; and (v) no annualized dividends paid with respect to a share of Common Stock at tine date of grant. The ultimate values of the options will depend on the future price of the Company's Common Stock, which cannot be forecast with reasonable accuracy.

On September 7, 1999, the Company granted to its patent counsel, as partial consideration for services rendered, options to purchase 10,000 shares of the Company's Common Stock at an exercise price equal to $3.50 per share, with

3,332 options vesting on the date of grant, 3,334 options vesting on the first anniversary of the date of grant, and 3,334 options vesting on the second anniversary of the date of grant. Such options were granted outside of the Company's Plan.

As of June 30, 2002, the Company had warrants outstanding for the purchase of 4,192,153 shares of Common Stock. Information on outstanding warrants is as follows:

Exercise Price	Warrants
$ 3.50	280,000
3.25	1,791,703
3.19	30,000
2.15	110,000
2.00	1,810,450
1.50	100,000
1.00	50,000
0.01	20,000
	4,192,153

For the years ended June 30, 2002 and 2001, the Company incurred a compensation charge of $635,186 and $151,720, respectively, relating to the above warrants. As of June 30, 2002, 4,075,486 of the above warrants are exercisable.

The Company uses the Black-Scholes model to determine the compensation charge relating to the above warrants. The material factors used in the Black-Scholes model include the following: (i) an exercise price equal to or below the fair market value of the underlying stock on the dates of grant; (ii) an option term of 5 and 10 years; (iii) a risk-free rate range of 4.24% to 5.15% and 5.12% to 5.9%, respectively, that represents the interest rate on a U.S. Treasury security with a maturity date corresponding to that of the option term; (iv) volatility of 147.83%; and (v) no annualized dividends paid with respect to a share of Common Stock at the date of grant.

7. INCOME TAXES: The Company files a consolidated federal income tax return. The subsidiary files separate state and local income tax returns.

The reconciliation of the effective income tax rate to the federal statutory rate is as follows:

Year ended June 30,	2002	2001
Federal statutory rate	(34)%	(34)%
Increase in valuation allowance	34	34
	-0-%	-0-%

At June 30, 2002, the deferred income tax asset consists of the following:

Deferred tax asset:	
Net operating loss carryforward	$ 2,227,000
Valuation allowance	(2,227,000)
Net deferred tax asset	$ -0-

In December 2001 and 2000, the Company sold its entire state net operating losses for the years ended June 30, 2000 and 1999, and received net proceeds of $150,551 and $60,331, respectively.

At June 30, 2002, the Company has federal and state net operating loss carryforwards of approximately $5,690,000 and $3,250,000, respectively, available to offset future taxable income expiring on various dates through 2022.

8. COMMITMENTS: Effective September l, 1998, the Company entered into a three-year research and development agreement with a university that a stockholder of the Company is affiliated with. Pursuant to the agreement, the university provides research and development under the direction of the stockholder and the Company. The agreement is renewable annually by the Company which has the right of termination upon 30 days' advance written notice. Effective September 1, 2001 and 2002, the Company extended the research and development agreement for an additional one-year and two-year period, respectively, in the amount of Can $433,700 and Can $1,092,800, respectively, or approximately U.S. $285,000 and U.S. $720,000, respectively. Research and development expense for the years ended June 30, 2002 and 2001 aggregated U.S. $254,347 and U.S. $348,987 respectively, and U.S. $1,072,964 for the cumulative period through June 30, 2002.

Effective May 1, 1999, the Company entered into a consulting agreement for research and development with such stockholder. This agreement provides for monthly payments of $3,000 through June 2004. The agreement shall be automatically renewable for an additional three-year term, unless either of the parties provides the other with written notice within six months of the end of the term.

The Company has employment agreements with certain employees, some of whom are also stockholders of the Company. These agreements provide for a base compensation and additional amounts, as defined. The agreements expire between January 2003 and October 2004. Future base compensation to be paid through October 2004 under the agreements as of June 30, 2002 is $497,775.

Effective May 18, 2001, the Company entered into a five-year lease for office space. Rent is payable in monthly installments of $2,838, subject to certain escalations. Future minimum rent payments as of June 30, 2002 are as follows:

Year ending June 30,

2003	$ 34,056
2004	34,056
2005	34,056
2006	28,380
	$130,548

Rent expense charged to operations for the years ended June 30, 2002 and 2001 is $37,037 and $65,726, respectively.

9. JOINT VENTURE: On May 14, 1999, the Company entered into a joint venture agreement ("Joint Venture") with an Israeli partnership that is engaged in the worldwide marketing of genetically engineered banana plants. The purpose of the Joint Venture is to develop genetically altered banana plants which will result in a longer shelf life banana. The Joint Venture is owned 50% by the Company and 50% by the Israeli partnership. For the period from inception on May 14, 1999 to June 30, 2002, the Joint Venture had no revenue. The Company's portion of the Joint Venture's expenses approximated $41,000 and $69,000 for the years ended June 30, 2002 and 2001, respectively, and is included in research and development expenses.

In July 1999, the Joint Venture applied for and received a conditional grant from the Israel - United States Binational Research and Development Foundation (the "BIRD Foundation"). This agreement will allow the Joint Venture to receive $340,000 over a four-year period. Grants received from the BIRD Foundation will be paid back only upon the commercial success of the Joint Venture's technology, as defined. The Company has received a total of $67,972, of which $22,165 and $35,234 was received during the years ended June 30, 2002 and 2001, respectively, from the BIRD Foundation for research and development expenses the Company has incurred which are associated with research and development efforts of the Joint Venture.

10. LICENSE AND DEVELOPMENT AGREEMENTS: In November 2001, the Company entered into a worldwide exclusive license with Harris Moran Seed Company (the "License") to commercialize the Company's technology in lettuce and certain melons. In connection with the License, the Company received an initial license fee of $125,000 in November 2001. Upon the completion of certain marketing and development benchmarks set forth in the License, the Company will receive additional development payments in the aggregate amount of $3,875,000 over a multiyear period along with royalties upon commercial introduction.

In June 2002, the Company entered into a three-year exclusive worldwide development and option agreement with ArborGen, LLC (the "Agreement") to develop the Company's technology in certain species of trees. In July 2002, the Company received an initial fee of $75,000. Upon the completion of certain development benchmarks set forth in the Agreement, the Company will receive an additional $225,000 in periodic development payments over the term of the Agreement. The Agreement also grants ArborGen, LLC an option to acquire an exclusive worldwide license to commercialize the Company's technology in various forestry products.

RESEARCH AGREEMENT

between

THE UNIVERSITY OF WATERLOO
and Dr. John E. Thompson

and

SENESCO TECHNOLOGIES, INC.

THIS AGREEMENT, effective as of the 1st day of May, 2002 by and between THE UNIVERSITY OF WATERLOO ("Waterloo"), located in the town of Waterloo and the Province of Ontario, N2L 3G1, of the country of Canada, Dr. John E. Thompson ("Thompson") of the University of Waterloo and Senesco Technologies, Inc. ("Senesco"), a Delaware Corporation located in the United States at 303 George Street, Suite 420, New Brunswick, New Jersey 08901, U.S.A.

WITNESSETH:

WHEREAS Waterloo and Senesco have in common the desire to encourage and facilitate the discovery, dissemination and application of new knowledge;

WHEREAS Senesco has conceived of certain inventions, currently holds intellectual property rights in such inventions and desires to further research and develop such inventions on a worldwide basis,

WHEREAS Waterloo and Thompson are equipped and well-qualified to perform research and development in the subject area of this Agreement; and

WHEREAS Senesco wishes to retain Waterloo to perform research and development services under the guidance of Thompson;

NOW, THEREFORE, in consideration of the foregoing and the mutual premises and covenants contained herein, the parties hereto agree as follows:

AGREEMENT

ARTICLE I. DEFINITIONS.

"Confidential Information" shall mean:

A. Any and all knowledge, know-how, practices, processes or other information disclosed by Senesco directly or indirectly to Waterloo and/or Thompson whether said disclosure is made orally, in writing, by submission of samples, or otherwise, including without limitation information relating to the matters which are the subject of this Agreement and all other information regarding Senesco's past, present and future research, technology, know-how, ideas, concepts, designs, products, prototypes, processes, machines, compositions of matter, business plans, technical information, drawings, specifications and the like, and any knowledge or information developed by Waterloo and/or Thompson as a result of work in connection with this Agreement.

B. Any and all discoveries, inventions, conceived inventions and know-how, whether or not patentable, and whether or not reduced to practice, including without limitation any and all biological isolates, compositions or matter, methods or processes, test data, findings, designs, machines, devices, apparatus, manufactures, and any improvements and/or any utility for the foregoing, which are made, conceived, discovered or developed by Waterloo or Thompson, whether alone or in conjunction with others, which arise in any way from, during or as a result of the performance of Waterloo's and Thompson's services to Senesco under this Agreement, and which relate to the Scope of Work (as herein below defined), including, but not limited to the subject matter set forth in the Protocol or which arose prior to this Agreement, but, as of the effective date hereof, has not been publicly disclosed. Such information may or may not be protectable in the form of a patent, a copyright or as a trade secret.

C. This does not include information which:

(1) is established by written records to be in the public domain other than as a consequence or an act of Waterloo or Thompson;

(2) if disclosed to Waterloo or Thompson, was in Waterloo's possession prior to the disclosure and is demonstrated through written records that such information was in Waterloo's or Thompson's possession prior to disclosure from Senesco, and was not the subject of an earlier confidential relationship with Senesco; or

(3) was rightfully acquired by Waterloo or Thompson from a third party, who was lawfully in possession of such information after the disclosure and was under no obligation to Senesco to maintain its confidentiality.

The work performed hereunder shall be under the supervision of Dr. John E. Thompson, of the Department of Biology, at the University of Waterloo. No substitution of Thompson may be made without prior written consent of Senesco.

"Employee" means an employee of the University of Waterloo involved either directly or indirectly within the Scope of Work, as herein below defined, under this Agreement.

"Scope of Work" means the research and development on Primary Open Angle Glaucoma (POAG) via the use of fetal brain astrocytes, as a model for retinal ganglion cells, to establish proof of principal and the subsequent establishment of retinal ganglion cell lines which will undergo apoptosis induction, characterization, transfection and efficacy testing of the transfection. These early stage tests will act as the basis for development of a therapeutic for POAG.

"Technology and Inventions" shall mean any and all discoveries, inventions, conceived inventions and know-how, whether or not patentable, and whether or not reduced to practice, including any and all biological isolates, compositions of matter, methods or processes, test data, findings, designs, machines, devices, apparatus, manufactures, and any improvements, and/or any utility for the foregoing, which are made, conceived, discovered or developed by Waterloo, whether alone or in conjunction with others, which arise in any way from, during or as a result of the performance of Waterloo's and Thompson's services to Senesco under this Agreement and which relate to the Scope of Work, including, but not limited to the subject matter set forth in the Protocol. Such Technology and Inventions may or may not be protectable in the form of a patent, a copyright or as a trade secret.

ARTICLE II. STATEMENT OF THE WORK.

Waterloo shall perform research to enhance the Intellectual Property rights of Senesco in accordance with the protocol entitled Thompson, Sechyna and Flanagan Glaucoma Collaboration ("Protocol"), which is attached hereto and incorporated herein as Exhibit A.

ARTICLE III. PERIOD OF PERFORMANCE.

The period of performance of this Agreement is contemplated to be one (1) year, annually renewable by Senesco at the cost indicated below, unless sooner terminated or extended as elsewhere provided herein or by mutual agreement.

ARTICLE IV. COST AND PAYMENT.

A. Senesco agrees to pay for the cost of work specified in the Budget as set forth in Exhibit A. Payment is to be made by Senesco in Canadian dollars.

B. The total financial obligation of Senesco for the one year period is limited to $50,000 Canadian, which shall not be exceeded without the written authorization of Senesco.

C. Payments shall be sent to: Mr. Barry C. Scott, Director, Research Finance, the University of Waterloo, 200 University Avenue West, Waterloo, Ontario N2L 3G1, Canada.

D. Invoices to Senesco shall be sent to: Mr. Joel Brooks, Chief Financial Officer, Senesco Technologies, Inc., 303 George Street, Suite 420, New Brunswick, New Jersey, 08901, U.S.A.

ARTICLE V. RELATIONSHIPS OF THE PARTIES.

A. Waterloo's relationship to Senesco in the performance of this Agreement is that of an independent contractor. The work performed hereunder shall be under the supervision of Thompson, who is considered essential to the work being performed. No substitution of Thompson may be made without the prior written consent of Senesco. Waterloo and Thompson shall ensure that all Employees, researchers and other personnel involved with performing work in connection with this Agreement are familiar with and understand the terms of this Agreement prior to their performance hereunder, including, without limitation, their obligation to take all actions necessary to vest title to any Technology and Inventions to Senesco.

B. Neither party is authorized or empowered to act as an agent for the other for any purpose and shall not on behalf of the other enter into any contract, warranty or representation as to any matter. Neither shall be bound by the acts or conduct of the other.

C. Waterloo and its Employees acknowledge they are aware of this Agreement and are bound by its terms.

ARTICLE VI. CONFIDENTIALITY.

A. In order to carry out the terms of this Agreement and to facilitate performance of the work hereunder, Senesco may disclose certain Confidential Information, defined under Article I, to Waterloo and Thompson which Senesco considers confidential and proprietary.

B. Senesco possesses all right, title and interest to all Confidential Information, whether disclosed by Senesco or developed under this Agreement. Waterloo and Thompson each agree that the Confidential Information will be kept in strict confidence.

C. Prior to the commencement of work under this Agreement, each Waterloo Employee to undertake work relating to this Agreement shall agree to be bound by the

Confidentiality and non-compete provisions of this Agreement by signing a copy of the form Acknowledgement attached as Exhibit B.

D. Waterloo and Thompson shall not, without the express written consent of Senesco, directly or indirectly disclose, furnish, disseminate, or make available such Confidential Information in any way, in whole or in part, to any person or entity other than Employees of Waterloo directly or indirectly involved in the work under this Agreement, and then only on a need to know basis as required for performance of this Agreement; said Employees are subject to the same restrictions upon disclosure of this Confidential Information as Waterloo and Thompson.

E. Waterloo and/or Thompson will promptly inform Senesco if they discover that third party is making or threatening to make unauthorized use of Confidential Information.

F. The above obligations with respect to Confidential Information shall survive for a period of ten (10) years after the termination of this Agreement, and any extensions or renewals.

ARTICLE VII. PATENT RIGHTS.

A. Waterloo and Thompson hereby assign and agree to assign to Senesco all right, title and interest to any Technology and Inventions made, conceived of or arising under this Agreement within the Scope of Work.

B. All information and know-how relating to any Technology and Inventions made, conceived of or arising under this Agreement is deemed Confidential Information and shall be kept in strict confidence by Waterloo and Thompson pursuant to this Agreement.

C. Waterloo and Thompson shall promptly disclose to Senesco, in writing, any technology and Inventions made, conceived of or arising under the Agreement.

D. Senesco has the sole discretion for the selection of the means for intellectual property protection for the Technology and Inventions, whether to maintain trade secret protection or seek protection by patent. Senesco has the sole discretion for the selection of the technology to protect by patent and will make all decisions regarding the scope of protection sought.

E. Senesco has the sole discretion to select patent counsel or other legal representatives to help secure patent rights to any Technology and Inventions arising out of this Agreement.

F. If Senesco decides that a patent application is to be filed, Senesco, shall, at its own cost, prepare file and prosecute such application. Designation of inventors in a patent application is a matter of patent law and shall be solely within the discretion of qualified patent counsel or other legal representative for Senesco.

G. Waterloo and Thompson shall at the request and expense of Senesco, at any time during or after the termination of this Agreement, execute all documents and perform all such acts as Senesco may deem necessary or advisable to confirm Senesco's sole and exclusive ownership right, title and interest in such Technology and Inventions in any country. Waterloo and Thompson each agree to do all acts and execute all documents at the expense and request of Senesco, that Senesco may deem necessary to enforce its rights to the Technology and Inventions, including but not limited to assisting in the preparation of patent applications, assisting in litigation, appearing for depositions and appearing as trial witnesses.

ARTICLE VIII. PUBLICITY.

A. Waterloo and Thompson shall not disclose this Agreement with Senesco in any publicity, advertising or news release without the prior written approval of an authorized representative of Senesco. Senesco will not use the name of Waterloo in any publicity, advertising or news release without the prior written approval of Waterloo, except as provided for under Article VIII.C.

B. Except: Waterloo may, at its own discretion, provide a brief listing of the research conducted under this Agreement, including the name of the sponsor, Senesco, as part of a public compendium of Waterloo research.

C. Senesco may, at its own discretion, provide information relating to or arising from this Agreement to investors, licensees, relevant government agencies and other such parties.

ARTICLE IX. PUBLICATION.

A. Senesco recognizes that Waterloo may be desirous of publishing information as part of Waterloo's policy and function as a university to disseminate information for the purpose of scholarship. Waterloo and Thompson recognize that such publication may jeopardize the protection of intellectual property rights contemplated under this Agreement.

B. Waterloo shall not publish any Confidential Information relating to this Agreement or any Technology and Inventions conceived of, made or arising under this Agreement until permission in writing is given by Senesco. Senesco agrees that Waterloo personnel shall be permitted to present at symposia, national or regional professional meetings, and to publish in journals, theses or dissertations, or otherwise of their own choosing, methods and results of the Protocol, PROVIDED: (1) that Senesco shall have been provided copies or any proposed publication or presentation at least ninety (90) days in advance of the submission of such proposed publication or presentation; and (2) Senesco shall have thirty (30) days after receipt of said copies to object to such proposed presentation or proposed publication; and (3) in the event that Senesco makes such objection, Thompson and Waterloo personnel shall refrain from making

such presentation or publication for a period of sixty (60) days to allow Senesco to file patent application(s) or seek other protection for its proprietary subject matter contained in the proposed presentation or publication; and (4) in the event Senesco is unable to obtain meaningful protection within sixty (60) days on the subject matter under the terms of this Article, Waterloo and Thompson agree to postpone publication for up to an additional ninety (90) days during which time the parties shall negotiate a version of the publication which does not compromise Senesco's proprietary interests in the subject matter and is otherwise acceptable to Senesco. Under no circumstances will Waterloo or Thompson be allowed to disclose Confidential Information of Senesco.

ARTICLE X. NONCOMPETITION.

A. Notwithstanding any provisions of this Agreement to the contrary, the parties agree that Waterloo independently works on many projects which may be similar in some respects to the subject matter set forth in the Protocol. The parties agree that Waterloo shall not be precluded from pursuing such projects through its own personnel, EXCEPT:

(1) Thompson agrees not to conduct any research, act as a consultant or perform any other services, either directly or indirectly, for any entity in the world which is competitive with Senesco relating to the subject matter provided in Article X.B. herein, for a period of two (2) years after the termination of this Agreement; and

(2) Each person working on this project agrees to first notify Senesco prior to accepting employment or undertaking services for any entity in the world which is competitive with Senesco relating to the subject matter provided in Article X.B. herein. In view of the confidentiality obligations herein, each person working on this project agrees to use his best efforts not to personally conduct any research, act as a consultant, or perform any other services relating to the subject matter provided in Article X.B. herein, either directly or indirectly for any entity for a period of two (2) years after termination of this Agreement.

B. The scope of noncompetition shall include research and development on fetal brain astrocytes as a means of establishing proof of principal and the subsequent establishment of retinal ganglion cell lines which undergo apoptosis induction, characterization, transfection and efficacy testing of the transfection, along with all subsequent testing on prospective therapeutics derived from Senesco's deoxyhypusine synthase and eukaryotic initiation factor-5A genes for POAG that are derived herefrom.

C. The parties agree that the period of time and scope of the restrictions specified herein are both reasonable and justifiable to prevent harm to the legitimate business interests of Senesco, including but not limited to preventing transfer of Confidential Information to Senesco's competitors and/or preventing other unauthorized disclosures or use of Senesco's Technology and Inventions.

ARTICLE XI. REPORTS AND CONFERENCES.

A. Written project reports shall be provided by Waterloo to Senesco monthly, to be received by the seventh day of the following month. A final report shall be submitted by Waterloo within thirty (30) days of completion of the project or within thirty (30) days of the termination of this Agreement. The content of the written project reports will be agreed upon by the parties.

B. During the term of this Agreement, representatives of Waterloo will meet with representatives of Senesco at times and places mutually agreed upon to discuss the progress and results, as well as ongoing plans, or changes therein, of the Protocol to be performed hereunder.

ARTICLE XII. ASSIGNMENT.

No right or obligation to this Agreement shall be assigned by Waterloo without the prior written permission of Senesco. Senesco has the right to assign its rights and obligations; however, it must also seek permission of Waterloo, such permission not to be unreasonably withheld. Waterloo shall not subcontract any work to be performed without Senesco's prior written consent. Any work by any subcontractor shall be under the direct supervision of Thompson.

ARTICLE XIII. SUPPLIES AND EQUIPMENT.

Waterloo shall provide laboratory space, personnel and equipment already owned by Waterloo for conducting the research contemplated by the Agreement. Waterloo shall retain title to any equipment purchased with funds provided by Senesco under this Agreement.

ARTICLE XIV. TERMINATION.

A. Senesco has the right to terminate this Agreement upon thirty (30) days advance written notice to Waterloo. In the event of such a termination, Waterloo shall refund all unexpended and unobligated funds to Senesco after withholding amounts necessary to discharge obligations that cannot be canceled. Waterloo agrees to provide Senesco with copies of all work products which exist at the time of termination.

B. In the event Senesco terminates this Agreement, then Dr. John E. Thompson shall not be obligated under the non-competition provision, specifically Article X.A., paragraph (1).

C. Senesco's rights under Articles VI, VII, VIII, X and XI shall survive termination of this Agreement.

D. In the event Senesco wishes to abandon its interest in the Technology and Inventions, Waterloo and Senesco will enter into good faith negotiations for Waterloo to acquire said Technology and Inventions.

ARTICLE XV. INDEMNIFICATION.

A. Waterloo shall defend, indemnify and hold Senesco, its officers, employees and agents harmless from and against any and all liability, loss, expense (including reasonable attorneys' fees) or claims for injury or damages arising our of the performance of this Agreement but only in proportion to and to the extent such liability, loss, expense, attorneys' fees or claims for injury or damages are caused by or result from the negligent or intentional acts or omissions of Waterloo, its officers, agents or employees.

B. Senesco shall defend, indemnify and hold Waterloo, its officers, employees and agents harmless from and against any and all liability, loss, expense (including reasonable attorneys' fees) or claims for injury or damages arising out of the performance of this Agreement but only in proportion to an to the extent such liability, loss, expense, attorneys' fees or claims for injury or damages are caused by or result from the negligent or intentional acts or omissions of Senesco, its officers, agents or employees.

ARTICLE XVI. GOVERNING LAW.

This Agreement shall be construed in accordance with and governed by the laws, statutes, rules, court decisions and customs prevailing in the Sate of New Jersey and the United States, except to the extent that the laws of the Province of Ontario and the Federal Government of Canada shall govern Workman's Compensation, Employment Standards Act, Ontario Human Rights Code, Environmental Protection Act, Occupational Health and Safety Act or any other similar statutes that would take priority.

ARTICLE XVII. INTEGRATION.

This Agreement states the entire contract between the parties in respect to the subject matter of the Agreement and supersedes any previous written or oral representations, statements, negotiations or agreements. This Agreement may be modified only by written amendment executed by the authorized representatives of both parties.

ARTICLE XVIII. AGREEMENT MODIFICATION.

Any agreement to change the terms of this Agreement in any way shall be valid only if the change is made in writing and approved by mutual agreement of authorized representatives of the parties hereto.

ARTICLE XIX. GOVERNING LANGUAGE.

In the event that a translation of this Agreement is prepared and signed by the parties, this English language Agreement shall be the official version and shall govern if there is a conflict between the translation and this English language Agreement.

ARTICLE XX. NOTICES.

Notices under this Agreement shall be sent by registered mail, return receipt requested, or delivered by hand, to the following address of either party unless changed by written notice.

Senesco:

Bruce Galton, President and CEO
Senesco Technologies, Inc.
Suite 420
303 George Street
New Brunswick, NJ 08901 USA
Telephone: (732) 296-8400
Fax: (732) 296-9292

Waterloo:

Judy Brown, Contracts Manager
Office of Research
University of Waterloo
200 University Avenue West
Waterloo, Ontario N2L 3G1
CANADA
Telephone: (519) 888-4567, x2022
Fax: (519) 746-7151

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized representatives as of the day and year first written above.

SENESCO TECHNOLOGIES, INC.
("Senesco")

BY: /s/ Sascha P. Fedyszyn
Title: Vice President, Corporate Development

THE UNIVERSITY OF WATERLOO
("Waterloo")

BY: /s/ Judy Brown
Title: Senior Manager
Contracts Research &
Industrial Grants

BY: /s/ B.C. Scott
Title: Director
Contracts Research &
Industrial Grants

EXHIBIT A

THOMPSON, SENCHYNA AND FLANAGAN GLAUCOMA COLLABORATION

1. BACKGROUND.

Glaucoma describes a group of potentially blinding ocular disorders that involve progressive optic neuropathy of unknown etiology, frequently associated with elevated intraocular pressure (IOP)[1]. The Canadian National Institute for the Blind identifies glaucoma as the second leading cause of blindness in people over the age of 50 in Canada. Recent estimates of world-wide prevalence state that approximately 67 million people are afflicted with glaucoma, and that 6.7 million are bilaterally blind [2]. The majority (50% to 66%) of the glaucomas have open, normal-appearing anterior chamber angles, in which case the condition is known as Primary Open Angle Glaucoma (POAG).

Although the clinical features of POAG are reasonably well described, the pathogenesis of optic nerve damage in glaucoma remains unclear. Intraocular pressure (IOP) is well accepted as an important risk factor for the development of glaucomatous optic nerve damage. However, evidence shows that the severity of the disease depends upon the individual susceptibility of a given eye, i.e. the IOP capable of causing damage can vary dramatically from patient to patient [3]. It has even been argued that there is no "safe" level of IOP per se; but rather that increasing IOP is associated with a continuously increasing risk level for the development of optic nerve damage and visual field loss [4,5].

1.1 THE ANATOMY, PHYSIOLOGY AND PATHOPHYSIOLOGY OF THE OPTIC NERVE HEAD

The optic nerve is formed by the axons of the ganglion cells, which form the innermost neuronal layer of the retina, i.e. the nerve fibre layer (see Figure 1 for anatomical overview and terminology) [3,6-9]. The axons carry partially processed visual information from the retina to the brain. The clinically visible portion of the optic nerve is known as the optic nerve head (ONH), and consists of the unmyelinated nerve fibres that converge, turn and exit the eye. These nerve fibres pass through the back of the eye via the scleral canal, which is partially filled with a perforated, collagenous connective tissue known as the lamina cribrosa (LC). Early studies [10-13] demonstrated that elevated IOP leads to axoplasmic blockade at the level of the LC, and eventually to retinal ganglion cell (RGC) death. Further, it is known that LC morphology is distorted in POAG, and that such changes can pre-date the development of visual field loss [14,15]. Such observations have led to much attention being focused on the LC, with the goal of understanding how elevated IOP leads to optic neuropathy.

The LC typically consists of approximately 10 cribriform plates, or lamellae, which contain collagen type IV, laminin, and elastin. Each plate is perforated by between 150-600 pores [16], through which the axonal bundles run. There is general alignment of pores through successive lamellae, although they do sometimes branch and divide. There is no decrease in the number of pores with age, but a proportion are filled with connective tissue, probably due to loss of axons [16-18]. The lamellae are anchored peripherally to the sclera, centrally to the connective tissue envelope of the central retinal vessels and posteriorly to the septa of the retrolaminar optic nerve [19,20]. The anterior surface of the

lamina is shaped like a saddle, with the nasal and temporal regions more anterior than the superior and inferior [19,20].

The blood supply to the optic nerve is somewhat complex, but important to understand since it is hypothesized to play a role in glaucoma. Unlike the retina and the superficial layer of the optic nerve, the arterial supply to the LC is from the short posterior ciliary arteries (SPCAs) that penetrate the sclera. Vascular casting studies have shown that there are no capillary beds between the optic nerve and the peripapillary choroid, with only small arterial and venous connections present. Arterial flow is away from this peripapillary region, flowing toward either the choroid or the optic nerve. This has led to the concept of the peripapillary region being a low flow area compared to the rest of the choroid, and thus it has been postulated that a "peripapillary watershed zone" exists that may be prone to localised ischemia [6,9]. When combined with the vertically oriented "watershed zones" of Hayreh [7,8], the superior and inferior temporal regions of this peripapillary zone would be particularly vulnerable to ischemic damage [6].

Despite many years of research, we still do not understand the initial insult that leads to the development of glaucoma. Several theories have been proposed and debated:

- The mechanical theory hypothesizes that elevated IOP deforms (stretches) the LC, leading to several effects. First, it causes misalignment of pores between lamellae, which in turn causes kinking and distortion of nerve fibre bundles as they traverse the LC. Second, LC deformation may alter local cellular function. This hypothesis is consistent with histologic and other studies showing that elevated IOP causes retrograde bowing of the LC [21-25], can disrupt the organisation of the LC [26-28], and that there is decreased connective tissue density in the superior and inferior poles of the optic nerve head [29,30]. The latter observation correlates with clinical findings that the arcuate bundles that enter the optic nerve head at the superior and inferior poles are usually first affected in glaucoma [31-41]. In this theory, differences in the rigidity of the LC are thought to account for differences in susceptibility to IOP-induced damage. In other words, individuals with "weak" laminas, or more specifically with weak regions within their LC, are at increased risk of optic neuropathy due to elevated IOP.

- The vasogenic theory proposes that glaucomatous optic neuropathy is due to insufficient vascular perfusion at the level of the LC, resulting in ischemic injury. Inadequate autoregulatory function in the branches of the SPCAs supplying the laminar region, complications in the haemodynamics between the peripapillary choroidal flow and the anterior ON flow [6], or other haemotologic factors could then account for differences in susceptibility to IOP-induced damage (for recent reviews see [6,8,9,42]).

In the absence of conclusive proof it seems reasonable to presume that optic neuropathy is due to a combination of these mechanisms. It is also possible that such effects could interact; for example, mechanical deformation of the LC could lead to ischemia due to distortion of capillary beds or raised IOP could cause localised hypo-perfusion in the "peripapillary watershed zone". As summarised by Anderson [3], "the jury is still hung" as to whether connective tissue damage, microvascular damage, or both, are primary pressure-induced changes in glaucomatous optic neuropathy. In summary, a variety of mechanisms play a role in the development of glaucomatous optic neuropathy; these mechanisms have not been definitively identified, but likely include ischemia and IOP-

induced deformation of the lamina cribrosa leading to an altered mechanical environment within this tissue.

1.2 ROLE OF ASTROCYTES IN GLAUCOMA

Although debate regarding the initial insult remains unresolved, our understanding of the early cellular changes associated with glaucoma has improved substantially over the last decade. Based on animal models and study of postmortem human tissue, the evidence suggests that retinal ganglion cell (RGC) death in GLAUCOMA OCCURS BY APOPTOSIS [43-51]. An important event in the sequence leading to apoptosis is the transformation of type 1(beta) astrocytes from a quiescent to a reactive state (for recent and extensive reviews see [52-55]) and the subsequent remodelling of the LC.

Astrocytes are the predominant cell type in the optic nerve, e.g. they make up approximately 50% of the prelaminar region of the optic nerve [56]. They are among the first cell type to respond to injury, and they play an essential role in the mechanical and metabolic support of the optic nerve axons. For example, astrocytes help form the inner limiting membrane, the thin coat surrounding the optic nerve and the fasciculi or bundles of axons. Furthermore, the capillaries that support the axons within these bundles are found within surrounding astrocytec columns [56,57]. The astrocytes often end as footplates forming sheaths around the capillaries, indicating the close relationship between astrocytes and the vascular supply. In fact, the close inter-relationship between astrocytes, capillaries, and connective tissue elements of the LC implies that astrocytes have the potential to sense and respond to local mechanical effects and ischemia. Astrocytes thus represent a natural pathway through which changes in the LC can affect the function of optic nerve axons and ultimately lead to RGC death by apoptosis followed by the development of glaucomatous optic neuropathy.

2. TIME LINE AND OBJECTIVES - IN BRIEF.

The following briefly summarizes a time line and explanation of objectives as laid out in a meeting between John Thompson, Michelle Senchyna, John Flanagan and Catherine Taylor (April 17, 2002). Detailed protocols will be prepared through meeting between Michelle Senchyna and Catherine Taylor to start Monday April 22, 2002.

2.1 OUTLINE OF LABORATORY OBJECTIVES.

2.1.1. CULTURE OF PURCHASED FETAL BRAIN ASTROCYTES

Astrocytes will serve as a model for retinal ganglion cells and allow us to establish "proof of principle". Culture of these cells has already been started and we have considerable experience in handling these cells. Unfortunately, we have used our entire stock of cells and thus require the purchase of a new vial of stock cells. For purposes of efficiency and optimum behaviour, these new cells will be subcultured over three successive passages. At which time, We will characterize the action of these cells (based on cytokine stimulation) to verify their actions are analogous to cells in the optic nerve head. Characterization is based on antibody surface staining to selected markers and the ability

to induce the expression of TGF(beta)2 and iNOS. Expected time line = 7 - 10 weeks (cells grow very slowly and require several passage prior to experimentation).

Once characterized, apoptosis inducement and characterization will be carried out under direction and guidance with the Thompson Lab. Once pattern of apoptosis has been established, astrocytes will be stably transfected with anti-sense oligo, and a second set of apoptosis experiments will be conducted.

2.1.2. ESTABLISHMENT OF RETINAL GANGLION CELL (RGC) LINES

Starting week of April 22, procedures/protocols will be established to facilitate RGC cell culture.

Human eyes will be purchased from a facility in the US - 2 pairs of eyes will be purchased - 1 set from a person clinically diagnosed with glaucoma and the other set pathology free. From these eyes, the optic nerve will be dissected and from that a mixed cell population will be isolated and seeded. Via a variety of culture-selection procedures, RGC enriched populations will be established (ultimately we will be able to, using antibody staining for cell surface markers, verify that our cultures are 95% enriched for RGCs). The expected time line for the establishment of these cell lines is difficult to judge - the cells grow very slowly and in truth are quite difficult to establish. However, we are confident that with the combined expertise of the two Waterloo Labs plus contacts that we have with the Departments of Ophthalmology at both Dalhousie University and the University of Toronto, we should be able to establish the RGC cell lines within six - eight months of starting (thus by the end of October - December).

Once established, the RGC cells will undergo apoptosis induction, characterization, transfection and "testing" to assess the efficacy of the transfection.

It is anticipated that these two sets of experiments will provide sufficient data (along with all the Thompson Lab results) to support the next potential phase of experiments, which would involve the design and testing of a therapeutic formulation.

2.2. DIVISION OF LABOR.

In terms of division of labor, all cell lines will be established in Senchyna/Flanagan Labs. Once established, Michelle and Catherine will establish which location is best suited for each procedure. Experiments will be conducted by Michelle Senchyna, Liz Heikkila (1/2 time technician in Senchyna/Flanagan Lab), Catherine Taylor and additional support from the Thompson Lab if required.

2.3. BUDGET.

Item	Cost ($ Can)
Support of 1/2 of Research Assistant for 1 year (May 1 2002 - May 1 2003) to be employed in the Senchyna/Flanagan Lab. This person (Liz Heikkila) is already working with us and has 25 years of cell culture experience. 1/2 her salary + benefits	25 000
Purchase of 1 vial of astrocytes (Cambrex Life Sciences - cat CC 2565)	900
Purchase of required astrocyte cell culture media and subculture reagents (Cambrex Life Sciences - cat CC 3186 and CC 5034)	2 600
Purchase of two pairs of human eyes for preparation of RGC cultures	750
Purchase of required cell culture media, subculture reagents, cell surface marker antibodies	5 000
General lab supplies, culture materials	5 000
Miscellaneous	3 000
Total	42 225

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EXHIBIT B

ACKNOWLEDGEMENT OF EMPLOYEES AND RESEARCHERS OF THE UNIVERSITY OF WATERLOO

In consideration of the substantial benefits that I have or will continue to receive as an employee and/or researcher of the University of Waterloo, and as a condition to being able to participate in the project described in the Research Agreement executed between Senesco Technologies, Inc. ("Senesco") and The University of Waterloo ("Waterloo"), effective as of May 1, 2002, I hereby agree to be bound to the confidentiality and nondisclosure provisions set forth as the obligations required of the University of Waterloo pursuant to the Agreement as if I were a signatory to such Agreement. I acknowledge and agree that any inventions or rights which may be protectable under intellectual property law developed, created, or conceived of by me (either in whole or in part) within the Scope of Work, as defined in the Research Agreement, shall be owned solely by Senesco, and I hereby agree to take any actions requested by Senesco in order to more fully vest title in the same in Senesco as required by such Agreement.

/s/ John Thompson

(Employee Name)

/s/ John Thompson

(Signature)

PERRIN, HOLDEN & DAVENPORT CAPITAL CORP.
5 Hanover Square
Mezzanine Level
New York, New York 10004

June 26, 2002

Bruce Galton
President & CEO
Senesco Technologies, Inc.
303 George Street
Suite 420
New Brunswick. NJ 08901

Re: Financial Representation Agreement

Dear Bruce:

Under the terms and conditions of this agreement, Senesco Technologies, Inc. (the "Company") agrees to engage Perrin, Holden & Davenport Capital (specifically, Joseph DiLustro & Chet Dubov) to perform various investment representation services for the Company during a ninety-day period commencing on July 1, 2002. These services shall primarily include: a research report on the Company, to represent the Company to institutional investment funds and as well as, to advise the Company on various strategic media options.

Our all-inclusive services shall include:

- PHDC Investment Brief
- PHDC Research Report (due between 7/15 & 7/31)
- Organize institutional investor meetings
- Arrange conference calls with institutional investors
- Provide follow-on research notes to the investment community
- Coordinate investor events with management
- Advise management on strategic media options

Accordingly, Senesco Technologies, Inc. agrees to pay Perrin, Holden & Davenport Capital the sum of $35,000 for the services to be provided under the three-month representation agreement. In addition, travel costs to visit John Thompson and related printing charges shall be reimbursed by the Company.

PERRIN, HOLDEN & DAVENPORT CAPITAL CORP.
5 Hanover Square
Mezzanine Level
New York, New York 10004

The applicable payment schedule is as follows:

Due Dates:	Amount
7/15/02	$ 20,000
8/1/02	5,000
9/1/02	5,000
10/1/02	5,000

We can discuss an extension to our representation agreement as we approach the conclusion of the initial three-month phase, scheduled to conclude on October 1, 2002.

SincereIy,

/s/ Joseph DiLustro
Joseph DiLustro
Senior Investment Banking Specialist

Agreed and Accepted by
Senesco Technologies, Inc.

/s/ Bruce Galton
Bruce Galton
President & CEO

- ---

CONFIDENTIAL MATERIALS OMITTED AND FILED SEPARATELY
WITH THE SECURITIES AND EXCHANGE COMMISSION.
ASTERISKS DENOTE OMISSIONS

- ---

DEVELOPMENT AND OPTION AGREEMENT

This Development and Option Agreement ("Agreement") dated as of June 28, 2002 (the "Effective Date") is entered into by and between Senesco Technologies, Inc., a Delaware corporation with principal offices at 303 George Street, Suite 420, New Brunswick, NJ 08901 ("STI") and ArborGen, LLC, a Delaware limited liability company with principal offices at 180 Westvaco Rd., Summerville, SC 29484 ("AG").

RECITALS

WHEREAS, STI owns and controls technology, know-how and United States and foreign patent applications concerning methods for controlling plant senescence involving altering the expression of genes and their cognate expressed proteins that are induced during or coincident with the onset of senescence;

WHEREAS, AG is a forestry biotech company in the business of research, development, and commercialization of genetically improved trees;

WHEREAS, STI desires to grant to AG rights under the STI Patents and to provide access to STI Confidential Information to enable STI and AG to use the STI Technology for purposes of research and development of Licensed Products, and STI desires to grant to AG an option to obtain a license to commercialize Licensed Products; and

WHEREAS, AG desires to have access to STI Confidential Information and to acquire rights under the STI Patents to use the STI Technology for research and development purposes in the Field, and AG desires to acquire an option to obtain a license to commercialize Licensed Products;

NOW THEREFORE, in consideration of the premises and the faithful performance of the mutual covenants hereinafter set forth, the parties hereto hereby agree as follows:

1. DEFINITIONS

As used in this Agreement, the following defined terms shall have the respective meanings set forth below:

1.1 "Field" means all trees cultivated, harvested, or produced for any purpose, excluding those grown for the purpose of edible fruit and nut production, but including all derivative products resulting from such trees regardless of end use.

1.2 "Licensed Product" means any product developed pursuant to this Agreement within the Field.

1.3 "STI Patents" means (i) all U.S. and foreign patent applications owned or controlled by or licensed to STI or its Affiliates, pending as of the Effective Date or at any time thereafter during the term hereof, to the extent pertaining to controlling senescence, including original applications, provisionals, divisions, continuations, continuations in part, extensions, PCT applications, renewals, reissues, or reexamination applications or supplemental prosecution certificates, including, but not limited to, all applications listed in Appendix A; (ii) all U.S. and foreign patents that have issued or will issue from any application identified in Section (i) of this paragraph; and (iii) all U.S. and foreign applications that claim priority in any way from any application or patent identified in subparagraphs (i) or (ii) of this paragraph.

1.4 "Confidential Information" means any information received by either party (STI or AG) from the other, including all business, technical and other information, whether disclosed in writing, orally or in any other form, tangible or intangible, including but not limited to: information concerning inventions (including patent applications and related documents), discoveries, techniques, processes, designs, biological materials, specifications, algorithms, data, finances and plans, customer lists, business plans, contracts, marketing plans, production plans, distribution plans, system implementations plans, business concepts, supplier information, business procedures, business operations; all know-how and trade secrets; and all other unpublished copyrightable material. Confidential Information does not include information which:

(i) is in the public domain prior to disclosure by the disclosing party or later enters the public domain through no act or omission of the receiving party in breach of this Agreement;

(ii) the receiving party possessed or controlled prior to disclosure by the disclosing party;

(iii) a Third Party discloses or makes available, without an obligation of confidentiality, to the receiving party;

(iv) the receiving party develops or discovers independently of any

Confidential Information of the disclosing party; or

(v) the receiving party is required to disclose or make available in order to comply with a Federal, state, local, or foreign law, but only to the extent reasonably necessary to so comply and only upon, to the extent permitted, providing the disclosing party with prior notice and an opportunity to restrict or prevent the disclosure.

1.5 "STI Technology" means the STI Patents, STI Confidential Information, and all STI know-how, materials, information and methods (whether developed by STI or acquired from a third party), including, but not limited to methods for controlling plant senescence

involving altering the expression of plant genes and their cognate expressed proteins that are induced during or coincident with the onset of senescence.

1.6 "Joint Development" means an improvement to an invention disclosed in one or more STI Patents, whether or not such improvement is patentable or protectable as a trade secret, made by STI and/or AG, which could not have been made but for the direct use of the STI Technology, pursuant to and during the term of this Agreement, including all patents and patent applications to be filed relating to any such improvement.

1.7 "Affiliate" means any entity which controls, is controlled by, or is under common control with another entity. An entity is deemed to be in control of another entity (controlled entity) if such company directly or indirectly owns 50% or more in nominal value of the issued equity share capital of such other company, or 50% or more of the shares entitled to vote upon the election of: (i) the directors; (ii) persons performing functions similar to those performed by directors; or (iii) persons otherwise having the right to elect or appoint (a) directors having the majority vote of the Board of Directors, or (b) other persons having the majority vote of the highest and most authoritative directive body of such other company. Notwithstanding the foregoing, Affiliates of AG include, without limitation, Genesis Research and Development Corporation Limited, International Paper Company, Rubicon Limited and MeadWestvaco Corporation.

1.8 "Terms of License Agreement" means the general terms of agreement contemplated by the parties for the grant of a license by STI to AG in connection with AG's option to commercialize Licensed Products as set forth in Paragraph 2.2, as set forth in Appendix B.

1.9 "Timeline" means the timetable for the development by STI and/or AG of technology relating to Licensed Products, as set forth in Appendix C.

1.10 "Third Party" means all persons and entities other than STI and AG and their respective Affiliates.

1.11 "Valid Claim" means an issued claim of any unexpired patent included among the STI Patents, which claim has not been held unenforceable, unpatentable or invalid by a decision of a court or governmental body of competent jurisdiction, unappealable or unappealed within the time allowed for appeal, which has not been rendered unenforceable through disclaimer or otherwise or which has not been lost through an interference or opposition proceeding.

2. LICENSE GRANT

2.1 STI grants to AG and its designated Affiliates an exclusive, worldwide license to develop and use the STI Technology for purposes of research and development of Licensed Products. In addition, STI grants to AG and its designated Affiliates an irrevocable, perpetual, exclusive, royalty-free, transferable, worldwide license, under the Joint Developments, to develop, make, have made, use, sell, offer to sell, and import Licensed Products.

2.2 STI grants to AG and its designated Affiliates an option to acquire an irrevocable, perpetual, exclusive, worldwide license in the Field under the STI Technology to develop, make, have made, use, sell, offer to sell, and import Licensed Products. Said option is exercisable upon the completion of Phase III as set forth in Appendix C and shall remain exercisable by AG for a period of [**] after the completion of Phase III, provided that AG has fulfilled its obligations herein and has paid all monies due as set forth Section 6. Upon notice from AG of its exercise of the option granted herein, the parties promptly shall negotiate, in good faith, a license agreement on commercially reasonable terms and conditions, including the Terms of License Agreement.

2.3 The parties acknowledge and agree that the property licensed hereunder, the option granted hereunder, and the property to be licensed upon the exercise of such option to AG constitutes "intellectual property" as defined in Section 101(56) of the U.S. Bankruptcy Code, and that this Agreement is governed by Section 365(n) of the U.S. Bankruptcy Code in the event that STI commences a case under same.

3. TERM

The term of this Agreement shall commence as of the Effective Date, and shall continue thereafter for Thirty-Six (36) Months unless earlier terminated pursuant to Article 11, below or extended by mutual written agreement of the parties. AG shall have the option to extend the initial term hereof for an additional period of Twelve (12) Months, which option may be exercised no later than Ninety (90) Days prior to the expiration of the initial term. Notwithstanding the foregoing, if no Valid Claim issues on a STI Patent within Twenty-Four (24) Months of the Effective Date, AG shall have the option to terminate this Agreement upon prior written notice to STI of ninety (90) days.

4. PROOF OF CONCEPT

4.1 STI shall carry out its development obligations in each of the Phases as set forth in the Timeline attached hereto as Appendix C.

4.2 AG shall carry out its development obligations in each of the Phases as set forth in the Timeline attached hereto as Appendix C.

4.3 During the term of this agreement, STI shall provide AG access to the STI Technology, pursuant to the terms set forth herein.

4.4 STI shall provide technical support to AG, as necessary to enable AG to meet its development obligations as set forth in the Timeline attached hereto as Appendix C. STI technical support shall be provided without a fee; however, reasonable travel expenses for any AG or STI technical personnel and any reasonable out-of-pocket disbursements necessary for such technical support shall be paid by AG, any unusually large disbursements subject to AG approval, subject to substantiation of such expenses or disbursements as reasonably required by AG.

4.5 Pursuant to the provisions herein, STI and AG each agree to promptly provide to the other all Confidential Information reasonably necessary for the other to fulfill its duties hereunder.

4.6 AG shall be responsible, and STI shall fully cooperate with AG, to obtain any required state, federal, national, or international approval needed to carry out the terms of this Agreement.

5. PATENTS, PATENT APPLICATIONS AND PATENT ENFORCEMENT

5.1 AG acknowledges that all the STI Technology is and shall remain the property of STI, and except as provided herein, all right, title and interest in the STI Technology is and shall remain with STI.

5.2 AG and STI agree that all Joint Developments are and shall remain the property of STI, and except as provided herein, all right, title and interest in the Joint Developments is and shall remain with STI. AG assigns all patentable Joint Developments to STI and agrees to execute all documents, provide all information and materials (including any biological materials necessary for deposit) and do all acts, at STI's sole expense, reasonably necessary to perfect and maintain STI's rights to all patentable Joint Developments.

5.3 During the term hereof, STI shall retain the sole right to prosecute and maintain any and all patents and patent applications on STI Technology and Joint Developments in its sole and absolute discretion. In the event that STI decides not to file a patent application on any Joint Development in [**], then STI will notify AG of the decision at least sixty (60) days prior to any applicable patent deadline, and AG thereafter shall have the right to file, at AG's expense, and in AG's name, patent applications throughout the world on such Joint Development, and to practice, worldwide, without any compensation to STI, such Joint Development.

5.4 During the term hereof, STI shall have sole and absolute discretion over whether to bring any claims for patent infringement under the STI Patents, shall have complete control of any suits, claims or counterclaims it asserts, and shall retain 100% of any monies received, including all damage awards and settlement payments.

6. BENCHMARK PAYMENTS TO STI

6.1 AG shall make the following payments to STI:

(i) [**] in U.S. dollars to STI upon execution of this Agreement;
(ii) [**] upon completion of Phase 1;
(iii) [**] upon completion of Phase 2;
(iv) [**] upon completion of Phase 3.

7. [INTENTIONALLY OMITTED]

8. ASSIGNMENT

8.1 All rights granted under this Agreement are personal to AG. AG may not assign this Agreement or its rights or obligations hereunder. Notwithstanding the foregoing, upon prior written notice to STI, AG may assign this Agreement and its rights and obligations

hereunder to an Affiliate or as incident to a business combination, merger, or reorganization.

8.2 This Agreement shall inure to the benefit of and be binding upon the parties hereto and their successors and permitted assigns.

9. CONFIDENTIALITY

9.1 AG and STI each agree that it will respect the other's Confidential Information and treat it in the same manner as if it were its own Confidential Information. Such Confidential Information shall not be disclosed by the receiving party to any third person or entity or to the public except as provided herein.

9.2 AG and STI shall designate their Confidential Information, when disclosed in writing, by stating that such information is confidential. When disclosed orally or visually, the disclosing party shall use its best efforts to orally state that such information is considered confidential at the time of the disclosure, and shall use its best efforts to reduce to writing a notice regarding said confidentiality within thirty (30) days of such disclosure.

9.3 AG and STI each agree to treat and hold as confidential and not disclose to or provide access to any Third Parties or to the public any and all Confidential Information received pursuant to this Agreement and will cause its respective agents, representatives, Affiliates and employees to do likewise.

9.4 AG and STI shall use the other's Confidential Information only for the uses as agreed upon in this Agreement and only in connection with the development of Licensed Products, the development of processes for the production of such Licensed Products; and any other purpose mutually agreeable to the parties.

9.5 AG or STI, as the case may be, may disclose Confidential Information received, to the extent it is required to do so pursuant to a final court order; provided, however, that the receiving party (i) promptly notifies the disclosing party upon its receipt of any pleading, discovery request, interrogatory, motion or other paper that requests or demands disclosure of the Confidential Information, (ii) at the disclosing party's expense, opposes any request for disclosure, and that failing, seeks to have access and use limited by a protective order, and (iii) provides the disclosing party a reasonable opportunity to contest and assist, at the disclosing party's expense, in opposing any requirement of disclosure, to seek judicial protection against the disclosure and to have such disclosure as is required made under a protective secrecy order.

9.6 AG and STI each agree that, upon the expiration of the term hereof, the receiving party will return or destroy any materials containing Confidential Information (and destroy its notes and copies related thereto). If destroyed, the receiving party shall provide the disclosing party with written certification of destruction of the materials containing said Confidential Information, said certification to be signed by an officer of the receiving party.

9.7 AG and STI each agree that only those of its employees and Affiliates who need to know the Confidential Information will have access to same, and then only to the extent necessary to carry out their respective tasks. Each employee and Affiliate to which Confidential Information will be disclosed agrees to be bound to the terms of the confidentiality provisions of this Agreement in accordance with this Section 9 as if he or she were a party hereto. AG and STI each agree to be responsible for any use by its respective employees and Affiliates of the Confidential Information of the disclosing party.

9.8 In the event AG or STI wishes to use a Third Party contractor or consultant and disclose to that contractor or consultant the other party's Confidential Information, the receiving party shall, prior to disclosure, (i) secure written permission from the disclosing party (which shall not be unreasonably withheld or delayed) and (ii) secure from the Third Party a signed undertaking in which the Third Party agrees to be bound to the terms of the Confidentiality provisions of this Agreement in accordance with this Section 9 as if he or she were a party hereto.

9.9 STI and AG each agree not to disclose the terms of this Agreement other than as required by law to any regulatory or judicial body, or as necessary to potential investors or financiers (provided such potential investors or financiers are subject to confidentiality undertakings) without the express prior written consent of the other party, which consent shall not be unreasonably withheld or delayed. The parties, however, shall be permitted to prepare press releases disclosing the existence of the Agreement in accordance with the provisions of Paragraph 9.10.

9.10 Prior to issuing any reports, statements, press releases, publications, or other disclosures to third parties regarding this Agreement or the transactions contemplated herein, STI and AG shall exchange copies of said disclosure at least ten (10) days in advance in the case of press releases and at least thirty (30) days in advance in the case of any other disclosures, and the parties shall consult with each other regarding the content of said disclosure. Except as otherwise required by law, neither STI nor AG shall issue any such disclosure without the prior written approval of the other, which approval shall not be unreasonably withheld or delayed. STI and AG acknowledge and agree that any such disclosure shall not include Confidential Information of the other and that any such disclosure shall be delayed to take into account any patent filing requirements. This paragraph does not apply to disclosures necessary for filing documents with the U.S. Securities and Exchange Commission.

10. REPRESENTATIONS AND WARRANTIES

10.1 STI represents to AG that, to the best of its knowledge, it is legally entitled to disclose the STI Confidential Information disclosed by it, and that, to the best of its knowledge, the disclosure of the STI Confidential Information under this Agreement does in no event violate any right of any Third Party. Except for the warranty provided in Section 10.3, no other warranties concerning the STI Confidential Information are made, whether express or implied, and STI expressly disclaims all other warranties concerning, including without limitation, merchantability, fitness for a particular purpose, and non-infringement.

10.2 AG represents to STI that, to the best of its knowledge, it is legally entitled to disclose the AG Confidential Information disclosed by it, and that, to the best of its knowledge, the disclosure of the AG Confidential Information under this Agreement does in no event violate any right of any Third Party. No other warranties concerning the AG Confidential Information are made, whether express or implied, and AG expressly disclaims all other warranties concerning, including without limitation, merchantability, fitness for a particular purpose, and non-infringement.

10.3 STI represents to AG (a) that STI is the sole and exclusive assignee and owner of the STI Patents and the STI Technology, (b) that STI has not previously assigned, transferred, conveyed, or otherwise encumbered any right, title, and interest in or to the rights licensed hereunder or to be licensed upon exercise of the option granted in Section 2.2, (c) that no issued STI Patent has been held invalid or unenforceable, in whole or in part, and (d) that there are no claims, judgments, or settlements to be paid by STI or pending or threatened claims or litigation relating to the STI Patents and the STI Technology.

11. DEFAULT AND TERMINATION

11.1 STI or AGI may terminate this Agreement upon ninety (90) days notice if the other party fails to fulfill or perform any one or more of its material duties, obligations, or responsibilities pursuant to this Agreement and does not cure said failure within sixty (60) days after receiving notice of said failure.

11.2 STI may terminate this agreement if AG declares or petitions for bankruptcy, is the subject of a bankruptcy petition filed against it, makes an assignment for the benefit of creditors or seeks similar relief under state law, or becomes insolvent.

11.3 Upon termination of this Agreement pursuant to this Section 11, (i) AG shall cease to be licensed under the STI Patents; (ii) all Confidential Information exchanged pursuant to this Agreement shall be returned immediately to the disclosing party; and (iii) neither party to this Agreement shall be responsible to the other for any damages arising from the termination of this Agreement, including any claim for lost or anticipated profits, expenditures, reliance, or other damages.

12. CHOICE OF LAW; CHOICE OF FORUM

This Agreement shall be construed and interpreted in accordance with the laws of the State of New York without reference to its choice of law principles. The state and federal courts in Southern District of New York shall have exclusive jurisdiction of any dispute arising under this Agreement.

13. ENTIRE AGREEMENT; NO ORAL MODIFICATIONS; WAIVER

13.1 This Agreement contains the entire understanding and agreement between STI and AG with respect to the subject matter hereof, and supersedes all prior oral or written understandings and agreements relating thereto. Neither party shall be bound by any conditions, definitions, warranties, understandings, or representations concerning the subject matter hereof except as are (i) provided in this Agreement, (ii) contained in any

prior existing written agreement between the parties, or (iii) duly set forth on or after the Effective Date of this Agreement in a written instrument subscribed by an authorized representative of the party to be bound thereby.

13.2 No waiver by either party, whether express or implied, of any provision of this Agreement, or of any breach or default thereof, shall constitute a continuing waiver of such provision or of any other provision of this Agreement. Either party's acceptance of payments by the other under this Agreement shall not be deemed a waiver of any violation of or default under any of the provisions of this Agreement.

14. RELATIONSHIP OF THE PARTIES

Nothing herein contained shall be construed to constitute the parties hereto as partners or as joint venturers, or either as agent or employee of the other. Neither party shall take any action that purports to bind the other.

15. SEVERABILITY

If any provision or any portion of any provision of this Agreement shall be held to be void or unenforceable, the remaining provisions of this Agreement and the remaining portion of any provision held void or unenforceable in part shall continue in full force and effect.

16. CONSTRUCTION

This Agreement shall be construed without regard to any presumption or other rule requiring construction against the party causing this Agreement to be drafted. If any words or phrases in this Agreement shall have been stricken out or otherwise eliminated, whether or not any other words or phrases have been added, this Agreement shall be construed as if those words or phrases were never included in this Agreement, and no implication or inference shall be drawn from the fact that the words or phrases were so stricken out or otherwise eliminated.

17. HEADINGS

The captions and paragraph headings appearing in this Agreement are inserted for convenience and reference only and in no way define, limit or describe the scope or intent of this Agreement or any of the provisions thereof.

18. NOTICES

All reports, approvals, requests, demands and notices required or permitted by this Agreement to be given to a party (hereafter "Notices") shall be in writing. Notices shall be hand delivered, sent by certified or registered mail, return receipt requested, or sent via a reputable private express service which requires the addressee to acknowledge receipt thereof. Notices may also be transmitted by fax, provided that a confirmation copy is also sent by one of the above methods. Except as otherwise provided in this Agreement,

Notices shall be effective upon dispatch. Notices shall be sent to the party concerned as follows (or at such other address as a party may specify by notice to the other):

As to STI:

Senesco Technologies, Inc.
303 George Street, Suite 420
New Brunswick, NJ 08901
Facsimile: (732) 296-9292
Attn: Sascha P. Fedyszyn, Vice President, Corporate Development

As to AG:

ArborGen, LLC
180 Westvaco Road
P.O. Box 840001
Summerville, SC 29484
Facsimile: (843) 832-2164
Attn: Dr. Maud Hinchee, Chief Technology Officer
Dr. James Mann, Business Director

19. SURVIVAL OF TERMS

The obligations set forth in Section 9 shall survive the termination of this Agreement.

20. APPENDICES

All Appendices referenced herein are hereby made a part of this Agreement.

IN WITNESS WHEREOF, each of the parties has caused this Agreement to be executed by its duly authorized representative as of the day and year first above written.

SENESCO TECHNOLOGIES, INC.	ARBORGEN, LLC
By: /s/ Bruce C. Galton	By: /s/ Maud A.W. Hinchee
Title: President and CEO	Title: CTO
	By: /s/ James Mann
	Title: Business Director

APPENDIX A
STI PATENTS

LIPASE APPLICATIONS:

[**]
Title: "DNA Encoding a Plant Lipase, Transgenic Plants and a Method for Controlling Senescence in Plants"
Filed: February 14, 2000
Priority: [**]
Published: [**]

[**] [**]
[**] [**]

[**] [**]
[**] [**]

[**] [**]
[**] [**]

[**] [**]
[**] [**]

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[**]
Title: "DNA Encoding a Plant Lipase, Transgenic Plants and a Method for Controlling Senescence in Plants"
Filed: July 5, 2000
Priority: [**]

[**]
[**]
Title: "DNA Encoding a Plant Lipase, Transgenic Plants and a Method for Controlling Senescence in Plants"
Filed: June 19, 2001
Priority: [**]
Published: [**]

DHS APPLICATIONS:

[**]
Title: "DNA Encoding a Plant Deoxyhypusine Synthase, a Plant Eukaryotic Initiation Factor-5A, Transgenic Plants and a Method for Controlling Senescence Programmed Cell Death in Plants"
Filed: June 19, 2000
Priority: [**]

[**]
Title: "DNA Encoding a Plant Deoxyhypusine Synthase, a Plant Eukaryotic Initiation Factor-5A, Transgenic Plants and a Method for Controlling Senescence Programmed Cell Death in Plants"
Filed: July 6, 2000
Priority: [**]
Published: [**]

[**] [**]
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Title: "DNA Encoding a Plant Deoxyhypusine Synthase, a Plant Eukaryotic Initiation Factor-5A, Transgenic Plants and a Method for Controlling Senescence Programmed Cell Death in Plants"
Filed: November 29, 2000
Priority: [**]

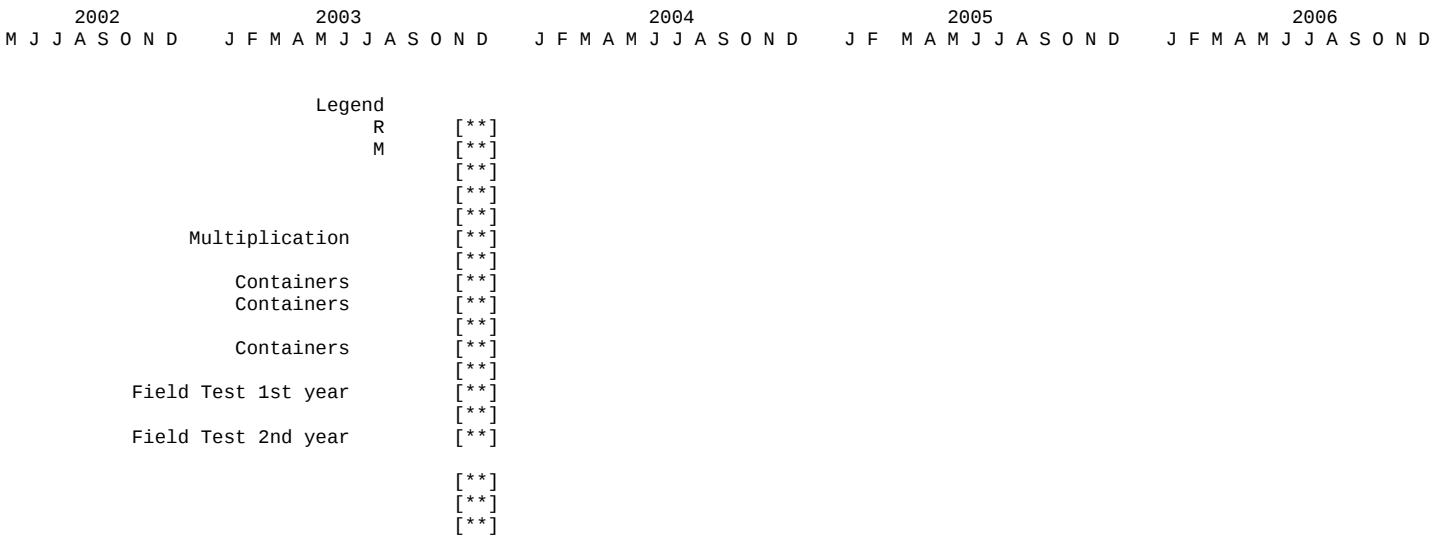
[**]
Title: "DNA Encoding a Plant Deoxyhypusine Synthase, a Plant Eukaryotic Initiation Factor-5A, Transgenic Plants and a Method for Controlling Senescence Programmed Cell Death in Plants"
Filed: November 29, 2001
Priority: [**]

APPENDIX B

Terms of License Agreement

- License, under the STI Patents and STI Technology, to develop, make, have made, use, sell, offer to sell, and import Licensed Products.
- License shall be worldwide.
- License shall be exclusive in the Field.
- AG shall pay STI a nonrefundable upfront royalty of [**]. AG shall [**] under the License Agreement.
- AG shall be [**].
- License is [**].
- License includes [**], provided (a) that [**] and (b) that the [**] under the License Agreement.
- AG may [**], provided, however, that [**], and that the [**] the terms and conditions of the license.
- AG shall pay to STI a royalty of [**]% of net sales on Licensed Products, [**]. For each Licensed Product, AG shall pay to STI the foregoing royalty on the net sales in each country [**]. For each Licensed Product, AG shall pay to STI, for [**] years from the date of the License Agreement, the foregoing royalty on the net sales in each country [**].
- Effective with the effective date of the License Agreement, [**], provided, however, (I) that the foregoing [**] any Licensed Product [**], and (II) that [**] as of such effective date.

APPENDIX C
Timeline



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GOLDSTEIN GOLUB KESSLER LLP
Certified Public Accountants and Consultants
1185 Avenue of the Americas
Suite 500
New York, NY 10036

CONSENT OF GOLDSTEIN GOLUB KESSLER LLP, INDEPENDENT AUDITORS

To the Board of Directors and Stockholders of
Senesco Technologies Inc.

We consent to the incorporation by reference in the Amendment No. 1 to the Registration Statement on Form S-3 file number 333-89548 of Senesco Technologies Inc. ("the Company") of our report dated August 13, 2002, appearing in the Company's Annual Report on Form 10-KSB for the year ended June 30, 2002.

/s/ Goldstein Golub Kessler LLP

Goldstein Golub Kessler LLP
New York, New York

September 30, 2002