

Today's Notes:

- 1. Senesco Technologies' IND**
- 2. Horseshoe Gold Golden Business Combination**
- 3. Critical Metal Stocks to Electrify our World**

1. Senesco Technologies

This past week Senesco Technologies (SNT AMEX) filed its first investigational new drug application (IND) with the US FDA. This is a milestone in the progression of the company from primarily an agricultural focus to a life-sciences company focused on treating cancer, diabetes and cytokine related diseases. The company will enter the clinic in a phase 1B/2A trial once the application is approved. We understand that the Mayo Clinic initially, and possibly other facilities, will test the effectiveness of SNT's new lead drug candidate SNS01 – T.

This drug is based on a Senesco proprietary gene called eukaryotic translation initiation Factor 5A (eIF5A). The gene which is contained in every cell in mammals and plants regulates programmed cell death, or apoptosis in humans and animals and senescence in plants. The company has developed a gene regulating technology, around Factor 5A, that allows Factor 5A to **selectively target and kill** cancer cells. at least in preclinical tests.

Think of the technology as increasing the power of the Factor 5A gene to seek out and kill only cancer cells. Cancer cells are human cells that try to live forever in your body because they have forgotten how to commit suicide when their wiring goes astray.

A second application of Senesco's technology could be to down regulate the action Factor 5A so that it keeps cells alive instead of killing them. This could be useful in the case of transplants in the treatment of diabetes. Much research has occurred at the University of Waterloo where the gene was discovered in 1998, the University of Virginia in Charlottesville and now at Indiana University.

In preclinical tests of the drug on mice, 95% cancer tumor load reduction has been achieved and in one or two cases complete remission from the human cancer in the mice, has occurred. In the test tube many different types of cancer cells have been killed by Factor 5A. Please see the company website.

Approval from the FDA is expected within 30 days. The company will begin tests on 15 patients suffering from multiple myeloma. Three weeks ago the company announced that its new lead drug had been granted "orphan drug status" for multiple myeloma cancer. Multiple myeloma is a blood-borne cancer that affects the bones and there are very few treatments available for it. We will await the clinical trial results which we would expect to see this year.

Although the company is focusing on cancer treatments, and we expect to see at least two more blood cancers tested, perhaps lymphoma and leukemia in the future, the company also has an impressive array of genetically modified plants such as corn, cotton, soybeans and trees **in the field** now that are showing remarkable stress-related tolerances due to the use of the same gene that will be tested to kill cancer cells.

A little over a year ago Dr. Harlan Waksal assumed the role of Chairman of Senesco Technologies and hired Dr. Leslie Browne as CEO. The company completed an \$11 million placement last year and another smaller placement this year and so has enough cash in concert with the orphan drug status of SNS 01 to move forward on these tests.

For shareholders it has been a long and somewhat tiring partnership. The stock price dropped to \$.30 - \$.32 and there seems to be significant overhead resistance at this level. We believe that shares from the placement last year are being sold into the market while the warrants are being held. We think that a success in the upcoming human clinical trials will be a very significant catalyst for the share price. There is significant trading volume in the stock and significant insider ownership of shares by the directors and management of the company. We believe the stock is putting a bottom \$.30 level and there is upside in the new direction of the company to move from the agricultural space where the gene technology is well proven into the life sciences space to tackle cancer and other scourges of mankind.



I include, in full, an article published by the well-known biotech publication SCRIP. I am proud to say that this gene discovery was made at the University of Waterloo in Waterloo, Ontario, Canada. The University of Waterloo is my alma mater known as one of the best math and engineering schools in the world. It may well now step up to take its place with this significant gene technology discovery. The discovery is emblematic of Canada's role in major Discovery Investing initiatives. Under Waterloo biologist Dr. John Thompson (Chief Science Officer of Senesco) and his team an amazing amount of progress has been achieved in both plants (disease, stress resistance and yield enhancement) and animal tests on cancer and transplantation. The company modified bananas, cotton, corn, trees, grass as well as a number of other plants. Simultaneously Dr. Thompson's team has performed the testing on mice that gives us hope for a cancer treatment that will be

successful. We offer our congratulations to Dr. Thompson and his staff for their tireless work and spectacular discovery.

As a footnote I should point out that most scientists believe that Factor 5A is more than a mere gene in the human genome. It is a most important gene, an old gene that sits atop a hierarchy of genes and controls many of the cancer pathways. This multi-pathway situation has always made an effective cancer therapy a difficult problem.

I include the full transcript from the article in yesterday's Scrip publication. This is a technical article so you will have to pick and choose the paragraphs that may be of interest to you. However I think it does, for the first time, highlight the real power of the Senesco Technologies approach to cancer solution, hope for the inflicted and loved ones and a better quality of life for everyone.

Senesco starts transition from agbio to drug maker with first IND

Today (01/27/11)

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It's not every day that a company goes from creating a technology that extends the shelf life of bananas to using the same platform approach to try to prolong the lives of patients with multiple myeloma – a disease in which two-thirds of patients are dead within five years.

But that's exactly the evolution New Brunswick, New Jersey-based Senesco Technologies has undertaken in the past couple of years, now with its first investigational new drug application filed with the US FDA.

The publicly traded company, initially founded in 1998 as a plant biology firm with technology from the University of Waterloo in Ontario, is seeking to start its first Phase I dose-escalation trial as early as the second quarter of its lead drug candidate SNS01-T in up to 15 patients with relapsed or refractory multiple myeloma, CEO Dr Leslie Browne told *Scrip*.

SNS01-T incorporates a short interfering RNA (siRNA), a DNA plasmid and polyethylenimine and is based on Senesco's eucaryotic translation initiation Factor 5A (eIF5A) gene-regulating technology, Dr Browne explained.

SNS01-T modulates two proteins: a lysine amino acid-containing protein, which regulates apoptosis, or cell death, and a hypusine-containing protein, which promotes cell survival, he said.

SNS01-T's DNA plasmid up-regulates the apoptotic pathways within cancer cells. The siRNA down-regulates anti-apoptotic proteins, NF-kB, ICAM and pro-inflammatory cytokines, which are proliferation factors for multiple myeloma. The polyethylenimine, a cationic polymer, promotes self-assembly of a nanoparticle with the other two components for intravenous delivery.

Under the control of a plasma cell promoter, the DNA plasmid selectively expresses the stable arginine form of the Factor 5A death message in target cells of B-cell origin. The siRNA down regulates eiF5A expression including the survival message contained in the hypusine form of eiF5A, and the nanoencapsulation with polyethylenimine protects the combination from degradation in the blood stream until it is taken up by the tumor cell and the siRNA/DNA plasmid active ingredients are released inside the cell.

Senesco's Factor 5A platform technology has been validated through its agricultural uses in plants, such as increased biomass production and growth rates, enhanced shelf life, protection against drought and salinity, disease resistance and reduced fertilizer needs, Dr. Browne said.

The company has licensed its technology to several agriculture companies, including its long-time partner Rahan Meristem, an Israeli banana germplasm firm, which accounts for about 10% of the worldwide export of banana seedlings, he said.

Senesco also has licensed its technology, on which it holds 78 patents, 21 of which were issued in the US, to Bayer CropScience and Monsanto – two of the largest agribusinesses.

But when Harlan Waksal, founder of ImClone Systems, the developer of the colon and head and neck cancer drug Erbitux (cetuximab), joined Senesco's board – eventually becoming chairman in 2008 – he took the firm down a new path of developing human therapeutics, Dr. Browne said.

And in just a short period of only a few years, the firm's efforts have led to an IND seeking to test SNS01-T in humans, he said.

Preclinical studies in a severe combined immunodeficiency, or SCID, mouse model of multiple myeloma showed that SNS01-T significantly inhibited tumor growth compared with untreated mice, Dr. Browne said.

Although Senesco is convinced that its approach of modulating the Factor 5A protein is relevant in "essentially any cancer type," the firm decided on multiple myeloma as its first target for SNS01-T for clinical and pragmatic reasons, he said.

Chief among the company's reasoning for pursuing that disease is the "serious unmet medical need" in that patient population, Dr. Browne said.

While Revlimid (lenalidomide), marketed by Celgene, and Velcade (bortezomide), marketed by Takeda's oncology unit, Millennium Pharmaceuticals, have worked well in inducing remission in newly diagnosed multiple myeloma patients, ultimately, most patients succumb to the disease in less than five years, he said.

A pragmatic reason for pursuing multiple myeloma as a first disease target, Dr Browne said, is that it is a liquid tumour, and therefore, "easier to get a drug to the site of action". Another compelling reason for testing SNS01-T in multiple myeloma is that the disease has a surrogate marker that circulates in the blood, called the M protein, which can be measured by taking routine blood samples from the patients, he explained.

"That is a relatively straightforward readout if there is a beneficial effect of administering the drug," Dr. Browne said.

Multiple myeloma also is an orphan designated disease in the US, which not only provides certain incentives, such as seven years of additional marketing exclusivity if a drug beats others with the same mechanism of action to the market, but that status also "helps to facilitate working one's way through the regulatory process" by having the added guidance from the FDA's Office of Orphan Products Development, Dr Browne said.

SNS01-T recently was granted orphan drug designation by the FDA, he noted.

Senesco so far has selected the Mayo Clinic in Rochester, Minnesota, as a clinical site for its first trial of the experimental therapy, with expectations of adding potentially two more sites, Dr. Browne said.

He noted that company is well-funded for its trial – raising \$11.5 million last spring through a private placement offering of its common stock.

"We expect to be able to get to at least our first preliminary data from our clinical trial before we need to go back to the equity markets again," Dr. Browne said.

For now, he said, the smallish company of five employees is celebrating the IND filing as a "significant milestone" in Senesco's evolution from plants to humans.

2. Horseshoe Gold

Ah yes, good old Horseshoe Gold (HSX TSXV). I've been in this Incubator Discovery Company for a couple of decades also. You see value creation from discovery does not always happen in the short run. However you may remember Horseshoe Gold discovered the very first diamond kimberlite, in the Northwest Territories in 1992. From the wealth created (\$.25 to \$11.00) (Tli Kwi Cho) I bought a home and put my children through school.

I met with Horseshoe Gold (Jim McInnes) and Cosigo management (Millburn, Rendle, Montgomery) while in Vancouver this past week. Horseshoe has been halted for several months while approval for a reverse business combination with Cosigo Resources Inc. (a privately held company) is approved. The merger, I understand, will entail a 1 for 3 share swap (1 share of Cosigo for every 3 shares of Horseshoe).

We expect the new combined company will be called Cosigo Resources and so dies our old friend Horseshoe Gold and with it lots of memories of Ralph Rooney, Ralph Roberts and others. Cosigo is led by Dennis Milburn and Andy Rendle. Dr. Joseph Montgomery, however, is the key player in Cosigo Resources. He along with Mr. Rendle and Mr. Milburn have discovered and acquired a **very large** sedimentary gold target in the Taraira gold belt on the Colombian / Brazilian border in southeast Colombia.

This gold belt has geology that is identical to the famous Witwatersrand belt in South Africa that has produced ~40% of all of SA's gold. Cosigo controls more than 30,000 hectares of the Taraira. Gold was first discovered in the area in the 1980s. Since the 1990s there have been over 160

artisanal gold mining operations. The Colombian government drilled 12 holes here, six of which contained visible gold. Cosigo acquired this property in a bidding process in 2007.

Cosigo has taken samples and had them assayed in Vancouver. One sample 840 kg of rock yielded 6.47 and 6.11 grams per ton of gold. 69.45% of the sample was recoverable by gravity alone.

The second sample, of 617 kg of rock, yielded assays of 37.6 and 27.2 grams per ton of gold (~1 ounce). 87.95% of this sample's gold was recoverable by gravity.

Caution: Because this is "coarse or nugget effect" gold, some samples yield little or no gold and some samples significant assays. Bulk mining is the name of this game.

The mineralization here remains open-ended in all directions. Post combination Cosigo Resources will be capitalized at 57.6 million shares outstanding, 85.2 million fully diluted and 2.5 millions of options outstanding. Insider ownership is currently 22.5%. The company is finalizing a non-brokered private placement of up to \$5 million at \$.50 per unit with a callable warrant exercisable in one year at \$1, two years at \$1.25 and three years at \$1.50.

Many of my readers have owned Horseshoe Gold over the years as have I. Currently I hold a significant position in Horseshoe from as far back as 1990. If you own shares of Horseshoe Gold I suggest you wait for this is business combination come to fruition. There is currently a backlog of transactions for approval at TSX V and I do not expect this to happen before the end of February.

Dr. Joseph Montgomery is Executive VP of Exploration and a director of Cosigo. He was a director of Anglo Potash which was acquired by BHP Billiton 2008. I have spoken with Dr. Montgomery many times in the past six months regarding this deposit. He believes this is his most significant discovery, perhaps the most valuable of his professional experience which extends back many years. Horseshoe Gold was halted trading at C\$.20 up from C\$.01 the year before. It is possible that the Oldco / Newco will begin trading north of \$.50 a share. This implies a market cap at time of first trade of ~\$30 million. Time will tell. There is significant Colombian investment in Cosigo as well. I like the chances of this discovery company.

4. Please plan to attend my internet-based presentation next Thursday February 3 at 6 PM. I expect over 2000 attendees. I will be speaking on the topic:

"The Discovery of Critical Metals Stocks for Our New Electric World"

LINK: www.retailinvestorconferences.com

You can even ask me questions!

Dr. Michael A. Berry of Discovery Investing to Present Live at RetailInvestorConferences.com on February 03, 2011
Company invites investors and analysts to attend new interactive virtual conference

Whippany, New Jersey / January 28, 2011 –

DiscoverInvesting.com today announced that Dr. Michael A. Berry will present, "Discovery of Critical Metals Stocks, for Our New Electric World"

at RetailInvestorConferences.com.

DATE: February 03, 2011

TIME: 6:00 PM ET

LINK: www.retailinvestorconferences.com

This will be a live, interactive online event where investors are invited to ask Dr. Berry questions in real-time both in the presentation hall as well as in his "virtual trade booth." If attendees are not able to join the event live, an archive will be available for 90 days. It is recommended that investors pre-register to save time and receive event updates.

The material herein is for informational purposes only and is not intended to and does not constitute the rendering of investment advice or the solicitation of an offer to buy securities. The foregoing discussion contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 (The Act). In particular when used in the preceding discussion the words "plan," confident that, believe, scheduled, expect, or intend to, and similar conditional expressions are intended to identify forward-looking statements subject to the safe harbor created by the ACT. Such statements are subject to certain risks and uncertainties and actual results could differ materially from those expressed in any of the forward looking statements. Such risks and uncertainties include, but are not limited to future events and financial performance of the company which are inherently uncertain and actual events and / or results may differ materially. In addition Dr. Berry may review investments that are not registered in the U.S. We cannot attest to nor certify the correctness of any information in this note. Please consult your financial advisor and perform your own due diligence before considering any companies mentioned in this informational bulletin. We own shares and options in Horseshoe Gold and Senesco Technologies.