

OPEXA THERAPEUTICS, INC.

FORM 8-K (Current report filing)

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Address	2635 TECHNOLOGY FOREST BLVD. THE WOODLANDS, TX 77381
Telephone	(281) 272-9331
CIK	0001069308
Symbol	OPXA
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**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

**CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934**

Date of report (Date of earliest event reported): FEBRUARY 14, 2005

PHARMAFRONTIERS CORP.

(Exact Name of Registrant as Specified in Its Charter)

TEXAS

(State or Other Jurisdiction of Incorporation)

000-25513

(Commission File Number)

76-0333165

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

2408 TIMBERLOCH PLACE, SUITE B-7
THE WOODLANDS, TEXAS

(Address of Principal Executive Offices)

77380

(Zip Code)

Registrant's telephone number, including area code: (281) 272-9331

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

ITEM 3.02. UNREGISTERED SALES OF EQUITY SECURITIES.

On February 14, 2005 the Company completed the second tranch of a private offering of 15% convertible promissory notes (the "Notes"); the Company issued Notes with an aggregate principal amount of \$6.1 million. As previously announced, the Notes are mandatorily exchangeable for securities at the earlier of an "Equity Financing" (as defined below) or upon maturity on November 30, 2005. The Notes and accrued interest are convertible at a purchase price equal to the weighted average gross offering price of the Company common stock or common stock equivalents issued in an Equity Financing. If no such Equity Financing occurs, the Notes and accrued interest are convertible at \$3.00 per share. An Equity Financing is defined as a Company raise of at least \$10,000,000 in one or a series of transactions of common stock or common stock equivalent securities prior to the maturity of the Notes. As additional consideration for the purchase of Notes, the Company is obligated to issue to the investors an aggregate of 612,486 shares of Company common stock and, upon the earlier of an Equity Financing or maturity of the Notes, each investor will receive a one-year warrant to purchase shares of the Company's common stock. Each warrant will be exercisable for that number of shares of common stock equal to the principal amount of the Note purchased by each investor divided by the warrant's exercise price. The warrant's exercise price will be equal to 50% of the weighted average gross offering price of Company equity issued in an Equity Financing or, if there is no Equity Financing, \$3.

The Company received gross proceeds of \$6.1 million as of February 14, 2005 from the private placement of convertible promissory notes and netted \$5.6 Million after deducting broker commissions.

In connection with the private placement, the Company granted certain registration rights whereby it agreed to use its best efforts to register the resale of shares of Company common stock issuable to investors upon conversion of the Notes and granted piggyback registration rights with respect to the resale of the common stock underlying the warrants.

The securities were offered and sold to 92 "accredited investors," as such term is defined in Rule 501 under the Securities Act ("Act"). The offers and sales were made without registration under the Act, or the securities laws of certain states, in reliance on the exemptions provided by Section 4(2) of Act and Regulation D under the Act and in reliance on similar exemptions under applicable state laws.

ITEM 8.01. OTHER EVENTS.

February 14, 2005, Registrant announced that it had reached significant milestones in two Phase I/II clinical trials of its Tovaxin(TM) autologous T Cell therapy for the treatment of multiple sclerosis. A copy of the press release is attached as Exhibit 99.1.

ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS

(c) Exhibit 99.1

The following exhibits are to be filed as part of this 8-K:

Exhibit No. -----	Description -----
99.1	Press release issued February 14, 2005

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

PHARMAFRONTIERS CORP.

By: */s/ David B. McWilliams*

David B. McWilliams,
Chief Executive Officer

DATE: *February 14, 2005*

EXHIBIT INDEX

Exhibit No. -----	Description -----
99.1	Press release issued February 14, 2005.

For further information:

Tom Sommers
(713) 222-1600

**PHARMAFRONTIERS COMPLETES INTERIM FINANCING,
MAKES KEY RESEARCH ADVANCES
Key Clinical Milestones in Multiple Sclerosis**

THE WOODLANDS, Texas, February 14, 2005 -- Cell therapy developer PharmaFrontiers Corp. (OTCBB:PFTR) has completed the second tranch of its interim financing, issuing a total of \$6.1 million in convertible notes, and reached critical milestones in two Phase I/II clinical trials to evaluate the application of its T Cell therapy in multiple sclerosis.

Interim Financing

The \$6.1 million convertible notes will be automatically exchanged for stock if PharmaFrontiers raises \$10 million through the sale of common stock or common stock equivalent securities prior to the notes' maturity on November 30, 2005. As previously disclosed, \$1.6 million of the \$6.1 million convertible notes was closed in August 2004. "Securing this interim financing is important for the company to finish consolidation after the Opexa merger, and to continue moving our proprietary multiple sclerosis, cardiology, and diabetes cell therapy programs forward," said PharmaFrontiers CEO David McWilliams.

Multiple Sclerosis T Cell Therapy

Two clinical studies of its Tovaxin(TM) autologous T Cell therapy for treatment of multiple sclerosis have reached critical milestones. In one study, a first group of 10 patients has been enrolled and received two doses of Tovaxin(TM) in a repeat treatment Phase I/II protocol designed to determine whether patients who received clinical benefit from T Cell therapy in a previous study conducted at the Baylor College of Medicine can be safely and effectively retreated with a second-generation T Cell therapy. Six-month clinical results evaluating safety, tolerability, dosage timing and efficacy are expected to be available by early Q305.

Additionally, in a Phase I/II dose-escalating study designed to evaluate safety, tolerability and efficacy in 9 to 15 patients, 6 patients have completed the initial four dose injection series for two dosage levels and the 28-week portion of the study. One-year clinical results evaluating safety, tolerability, dosage timing and efficacy are expected to be available by early Q305.

The company intends to submit data from these two clinical studies to the FDA for approval to commence a pivotal Phase IIb study in Q405.

About PharmaFrontiers Corp.

PharmaFrontiers' strategy is to develop and commercialize cell therapies to treat several major disease areas including Cardiology, Diabetes, and Multiple Sclerosis. The company is commercializing its proprietary stem cell technology, monocyte-derived adult pluripotent stem cells derived from patients' own circulating blood, and is initially pursuing indications in heart failure and Type I Diabetes. The company also owns patented and proprietary individualized T Cell therapies that are in FDA Phase I/II human dose ranging clinical trials to evaluate their safety and effectiveness in treating Multiple Sclerosis.

Safe Harbor Statement

This press release contains "forward-looking statements," including statements about PharmaFrontiers' growth and future operating results, discovery and development of products, strategic alliances and intellectual property, as well as other matters that are not historical facts or information. These forward-looking statements are based on management's current assumptions and expectations and involve risks, uncertainties and other important factors, specifically including those relating to PharmaFrontiers' ability to obtain additional funding, develop its stem cell technologies, achieve its operational objectives, and obtain patent protection for its discoveries, that may cause PharmaFrontiers' actual results to be materially different from any future results expressed or implied by such forward-looking statements. PharmaFrontiers undertakes no obligation to update or revise any such forward-looking statements, whether as a result of new information, future events or otherwise.

KEYWORDS: Health & Medical, Finance, Stem Cells, Multiple Sclerosis, Cardiology, Diabetes Houston, Texas

COMPANIES: PharmaFrontiers Corp. (OTCBB:PFTR)

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