

OPEXA THERAPEUTICS, INC.

FORM 8-K (Current report filing)

Filed 05/15/06 for the Period Ending 05/12/06

Address	2635 TECHNOLOGY FOREST BLVD. THE WOODLANDS, TX 77381
Telephone	(281) 272-9331
CIK	0001069308
Symbol	OPXA
SIC Code	2834 - Pharmaceutical Preparations
Industry	Biotechnology & Drugs
Sector	Healthcare
Fiscal Year	12/31

PHARMAFRONTIERS CORP.

FORM 8-K (Unscheduled Material Events)

Filed 5/15/2006 For Period Ending 5/12/2006

Address	2635 N. CRESCENT RIDGE DRIVE THE WOODLANDS, Texas 77381
Telephone	(281) 272-9331
CIK	0001069308
Industry	Biotechnology & Drugs
Sector	Healthcare
Fiscal Year	12/31

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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): May 12, 2006

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.)

2635 N. Crescent Ridge Drive
The Woodlands, Texas

(Address of Principal Executive Offices)

77381

(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 8.01. Other Events.

On May 12, 2006, Registrant filed its Quarterly Report on Form 10-QSB for the quarter ended March 31, 2006. On May 15, 2006, Registrant announced its results of operations in a press release. 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 exhibit is to be filed as part of this 8-K:

Exhibit No. -----	Description -----
99.1	Press release issued May 15, 2006

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: May 15, 2005

EXHIBIT INDEX

Exhibit No. -----	Description -----
99.1	Press release issued May 15, 2006

PharmaFrontiers Reports First Quarter 2006 Results

THE WOODLANDS, Texas--(BUSINESS WIRE)--May 15,

2006--PharmaFrontiers Corp. (OTCBB:PFTR), a company involved in the development and commercialization of cell therapies, today reported financial results for the quarter ended March 31, 2006.

Highlights of the first quarter of 2006 and recent weeks include:

- Completion of \$23 million financing to fund Phase IIb trial for Tovaxin(TM) and other clinical programs
- Reconstitution of board of directors with two new board members
- Lynne Hohlfield, CPA named as vice president of finance

David B. McWilliams, chief executive officer of PharmaFrontiers, commented, "We anticipate starting our Phase IIb trial during the second quarter of this year, so we have moved aggressively to ensure that our financial resources, capital structure and management team are all optimally organized and aligned to support this important milestone in our clinical program. We are ready in every sense to focus our energy and resources on our next stage of development."

Financial Results

The Company reported no revenue for the three months ended March 31, 2006 or in its comparative period the year before. General and administrative expenses during the three months ended March 31, 2006 were \$1,075,882, compared with \$1,206,715 during the same period in 2005. The decrease in general and administrative expenses is due primarily to a reduction in legal fees associated with patent filings, a lower allocation of facilities costs and overhead now allocated to research and development. This was offset in part by an increase in stock-based compensation expense. In January 1, 2006, we adopted Statement of Financial Accounting Standards No. 123 (revised 2004), "Share-Based Payment," ("SFAS 123R") which requires the measurement and recognition of compensation expense for all share-based payment awards made to our employees and directors including stock options and restricted stock based on estimated fair values. We elected to adopt the modified prospective transition method as provided by SFAS 123R and, accordingly, prior year results have not been restated. Stock-based compensation expense recognized under SFAS 123R for the three months ended March 31, 2006 was \$484,392.

Research and development expenses were \$738,450 for the first quarter of 2006, compared with \$644,264 for the same period in 2005. The increase is primarily related to an increase in consulting fees related to the rheumatoid arthritis program and a higher allocation of facilities and over costs to research and development due to increased development activities.

Interest expense was \$429 for the three months ended March 31, 2006, compared with \$1,487,384 for the comparable quarter in 2005. The interest expense during 2005 was due to notes that were outstanding during the first quarter of 2005 which were subsequently converted into equity in June 2005.

PharmaFrontiers had a net loss for the three months ended March 31, 2006 of (\$2,224,450) or (\$0.11) per share (basic and diluted), compared with a net loss of (\$3,747,304) or (\$0.37) per share (basic and diluted) for the same period of 2005.

The Company had cash of \$1,059,856 as of March 31, 2006 as compared with \$2,560,666 as of December 31, 2005. After the close of the first quarter of 2006, the Company completed a private placement of equity, which raised \$23,000,000.

About PharmaFrontiers Corp.

PharmaFrontiers' strategy is to develop and commercialize cell therapies to treat several major disease areas such as multiple sclerosis, rheumatoid arthritis, pancreatic and cardiac conditions. PharmaFrontiers has exclusive license from Baylor College of Medicine for individualized cell therapies that will be starting an FDA Phase IIb clinical trial to evaluate effectiveness in treating MS. The company also holds the exclusive worldwide license for an autologous T cell vaccine for rheumatoid arthritis from the Shanghai Institutes for Biological Sciences (SIBS), Chinese Academy of Sciences of the People's Republic of China. The company also holds the exclusive worldwide license from the University of Chicago, through its prime contractor relationship with Argonne National Laboratory, for patents relating to the use of adult pluripotent stem cells derived from patients' own circulating blood.

For more information, visit PharmaFrontiers' website at www.pharmafrontierscorp.com.

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.

(Tables to follow)

PHARMAFRONTIERS CORP.
FINANCIAL HIGHLIGHTS
(UNAUDITED)

	Three Months Ended March 31, 2006	Three Months Ended March 31, 2005	Inception through March 31, 2006

Consolidated Statements of Operations Data:			
Expenses			
General and administrative	\$1,075,882	\$1,206,715	\$2,279,396
Depreciation and amortization	432,333	418,315	2,432,362
Research and development	738,450	644,264	13,096,337
Loss on disposal of assets	362	-	480,294

Operating Loss	(2,247,027)	(2,269,294)	(18,288,389)

Interest income	19,621	6,930	107,543
Other income	3,385	2,444	33,938
Interest expense	(429)	(1,487,384)	(8,238,408)

Net Loss	(2,224,450)	(3,747,304)	(26,385,316)
=====			
Basic and diluted loss per share	\$(0.11)	\$(0.37)	N/A
Weighted average shares outstanding	20,654,294	10,224,456	N/A
	As of March 31, 2006	As of December 31, 2005	

Consolidated Balance Sheet Data:			
Cash and cash equivalents and prepaid expenses	\$1,268,344	\$2,743,190	
Intangible assets	25,846,159	26,130,441	
Fixed Assets	549,574	479,996	
Other assets	450,943	388,210	

Total assets	\$28,115,020	\$29,741,837	
=====			
Current liabilities	\$2,363,019	\$2,429,776	
Common stock	1,048,351	1,030,977	
Additional paid in capital	51,088,966	50,441,948	
Deficit accumulated during the development stage	(26,385,316)	(24,160,864)	

Total stockholders' equity	25,752,001	27,312,061	

Total liabilities and stockholders' equity	\$28,115,020	\$29,741,837	
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