

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): September 3, 2002

PRO-PHARMACEUTICALS, INC.
(Exact Name of Registrant as Specified in its Charter)

Nevada
(State or Other Jurisdiction of Incorporation)

000-32877
(Commission File Number)

04-3562325
(IRS Employer Identification No.)

189 Wells Avenue, Suite 200, Newton, Massachusetts
(Address of Principal Executive Offices)

02459
(Zip Code)

(617) 559-0033
(Registrant's Telephone Number, Including Area Code)

Not Applicable
(Former Name or Former Address, If Changed Since Last Report)

Item 5. Other Events

Pro-Pharmaceuticals, Inc. (the "Company") is undertaking as of September 3, 2002 to offer and sell at one dollar per share up to 10,000,000 shares of its common stock in a private placement exempt from registration pursuant to Rule 506 of Regulation D under the Securities Act of 1933. As previously reported in the Company's Quarterly Report on Form 10-QSB for the quarter ended June 30, 2002, the Company had commenced in August 2002 a private placement of up to 910,000 units, offered at \$7.24 each, of one share of the Company's Series A Preferred Stock and one warrant exercisable at \$5.50 to purchase one share of its common stock. Due to the difficult capital market conditions for biotechnology companies, as well as investor response to the Company's August private placement, the Company has determined to terminate that private placement and to offer shares at a price it believes will be more attractive to investors. The Company plans to use proceeds from this private placement consistent with planned uses disclosed in connection with the August placement, namely working capital primarily for Phase I clinical trials in humans of the Company's DAVANAT(TM) product in combination with 5-Fluorouracil (5-FU), a widely-used cancer chemotherapy, preparation and filing of additional investigational new drug applications with the U.S. Food and Drug Administration, and continuation of preclinical experiments. The Company is conducting the Phase I trials following the FDA's acceptance as of June 26, 2002 of the Company's IND based on data obtained from preclinical toxicity studies in animals of 5-FU in combination with DAVANAT(TM). The Quarterly Report noted above discloses additional detail as to the results of such preclinical studies.

SIGNATURE

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 thereunto duly authorized.

PRO-PHARMACEUTICALS, INC.
(Registrant)

By: /s/ Maureen Foley

Maureen Foley, Chief Operating Officer

Date: September 5, 2002