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**SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

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**Form 8-K**

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**Current Report**

**Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

**June 30, 2009**

**Date of Report**

**(Date of earliest event reported)**

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**PRO-PHARMACEUTICALS, INC.**

(Exact name of Registrant as specified in its charter)

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**Nevada**  
(State or other jurisdiction of  
incorporation or organization)

**000-32877**  
(Commission File Number)

**04-3562325**  
(I.R.S. Employer  
Identification No.)

**7 Wells Avenue**  
**Newton, Massachusetts 02459**  
(Address of principal executive offices) (Zip code)

**(617) 559-0033**  
(Registrant's telephone number, including area code)

(Former name or former address, if changed since last report)

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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:

- 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))
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**Item 1.01 Entry into a Material Definitive Agreement**

In a Current Report on Form 8-K filed with the Commission on February 18, 2009 (the "February 18, 2009 Form 8-K Current Report"), Pro-Pharmaceuticals, Inc., a Nevada corporation (the "Company"), reported, among other things, that the Company (i) had entered into a Securities Purchase Agreement (the "Purchase Agreement") and related agreements on February 12, 2009 with 10X Fund, L.P., a Delaware limited partnership (the "Purchaser") and (ii) had completed an initial closing under the Purchase Agreement. The February 18, 2009 Form 8-K Current Report also reported that under the Purchase Agreement the Company agreed to issue and sell to the Purchaser, and the Purchaser agreed to purchase, at one or more subsequent closings: (i) up to 2,100,000 shares of Series B-2 Preferred Stock (the "Series B-2 Preferred Stock") convertible into up to 8,400,000 shares of the Company's common stock, par value \$0.001 per share (the "Common Stock"); (ii) Class A-1 Warrants exercisable to purchase up to 4,200,000 shares of Common Stock (the "Class A-1 Warrants"); (iii) Class A-2 Warrants exercisable to purchase up to 4,200,000 shares of Common Stock (the "Class A-2 Warrants"); and (iv) Class B Warrants exercisable to purchase up to 16,800,000 shares of Common Stock (the "Class B Warrants") for an aggregate purchase price of \$4.2 million (less the origination fees and expenses described below).

In a subsequent closing on June 30, 2009, pursuant to the Purchase Agreement, the Company issued and sold an aggregate of (i) 250,000 shares of Series B-2 Preferred Stock convertible into 1,000,000 shares of Common Stock, (ii) Class A-1 Warrants exercisable to purchase 500,000 shares of Common Stock, (iii) Class A-2 Warrants exercisable to purchase 500,000 shares of Common Stock, and (iv) Class B Warrants exercisable to purchase 2,000,000 shares of Common Stock for gross proceeds of \$500,000. Net proceeds of these sales were approximately \$472,500 after reimbursement of the Purchaser's expenses (including legal expenses) in connection with the subsequent closings and an origination fee in the amount of three percent of the gross proceeds from the sale of these securities. As a result of the closing held on May 13, 2009, under the terms of the Purchase Agreement, the final purchase date for the remaining shares of Series B-2 Preferred Stock, Series A-1 Warrants, Series A-2 Warrants and Series B Warrants has been extended to August 11, 2009.

The terms and conditions of the Purchase Agreement, the Certificate of Designation of Preferences, Rights and Limitations for the Series B-1 Convertible Preferred Stock and Series B-2 Convertible Preferred Stock that established the Series B-2 Preferred Stock, the Series A-1 Warrants, the Series A-2 Warrants and the Series B Warrants were disclosed in the February 18, 2009 Form 8-K Current Report including the exhibits thereto. The description of the Class A-1 Warrants, the Class A-2 Warrants and the Class B Warrants issued by the Company in the subsequent closings reported in this report is not complete and is qualified in its entirety by reference to the full text of the Form of Class A-1 Warrants, the Form of Class A-2 Warrants and the Form of Class B Warrants, copies of which are filed as Exhibit 4.1, Exhibit 4.2 and Exhibit 4.3, respectively, in the February 18, 2009 Form 8-K Current Report and incorporated herein by reference.

**Item 2.03 Creation of Direct Financial Obligation or an Obligation under an Off-Balance Arrangement of Registrant.**

The information contained in Item 1.01 of the February 18, 2009 Form 8-K Current Report under the caption "Securities Purchase Agreement - Terms of the Series B Preferred Stock - Redemption" is incorporated by reference into this Item 2.03.

**Item 3.02 Unregistered Sales of Equity Securities.**

The information contained in Item 1.01 of this report is incorporated by reference into this Item 3.02. The Series B-2 Convertible Stock and warrants sold at the subsequent closing on June 30, 2009, under the Purchase Agreement were issued in reliance on the exemption from registration under Section 4(2) of the Securities Act of 1933, as amended (the "Securities Act"), and Rule 506 of Regulation D promulgated thereunder. The Series B-2 Preferred Stock and warrants were not registered under the Securities Act and are "restricted securities" as such term is defined in Rule 144 under the Securities Act.

**Item 9.01 Financial Statements and Exhibits.**

- (a) Financial Statements of Businesses Acquired.  
Not applicable.
- (b) Pro Forma Financial Information.  
Not applicable.
- (c) Shell Company Transactions  
Not applicable.
- (d) Exhibits.

Exhibit Number

- 4.1 Form of Class A-1 Common Stock Purchase Warrant\*
- 4.2 Form of Class A-2 Common Stock Purchase Warrant\*
- 4.3 Form of Class B Common Stock Purchase Warrant\*
- 99.1 News release dated July 6, 2009, "Pro-Pharmaceuticals Closes \$500,000 Tranche Brings Total to \$3.2 Million of \$6 Million Private Placement."

\* Incorporated by reference to the Company's Current Report on Form 8-K filed with the Commission on February 18, 2009.

**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.

By: /s/ Anthony D. Squeglia  
Anthony D. Squeglia  
Chief Financial Officer

Date: July 6, 2009

**EXHIBIT INDEX**

<u>Exhibit Number</u>	<u>Description</u>
10.1	Form of Class A-1 Common Stock Purchase Warrant.*
10.2	Form of Class A-2 Common Stock Purchase Warrant.*
10.3	Form of Class B Common Stock Purchase Warrant.*

\* Incorporated by reference to the Company's Current Report on Form 8-K filed with the Commission on February 18, 2009.



**PRO-PHARMACEUTICALS CLOSES \$500,000 TRANCHE;  
BRINGS TOTAL TO \$3.2 MILLION OF \$6.0 MILLION  
PRIVATE PLACEMENT**

**Newton, MA (July 6, 2009) Pro-Pharmaceuticals, Inc. (OTCBB: PRWP)** (the "Company"), today announced that it has closed a \$500,000 tranche of a private placement of up to \$6.0 million with 10X Fund, L.P., which is purchasing unregistered Series B convertible preferred stock and warrants. This tranche brings the total raised to date to \$3.2 million.

At the closing, which occurred on June 30, 2009, the Company issued and sold 250,000 shares of Series B-2 preferred stock convertible into 1,000,000 shares of common stock, a Class A-1 and a Class A-2 warrant each exercisable to purchase 500,000 shares of common stock and a Class B warrant exercisable to purchase 1,000,000 shares of common stock, for a gross purchase price of \$500,000.

On February 12, 2009, the Company closed a \$1.8 tranche of Series B-1 convertible preferred stock and warrants and on May 13, 2009 closed a \$900,000 tranche of Series B-2 convertible preferred stock and warrants. At one or more subsequent closings, which the Company expects to occur on or before August 11, 2009, the Company has agreed to issue and sell, subject to certain conditions, up to an additional \$2.8 million of Series B-2 preferred stock and warrants.

The Series B-1 and Series B-2 convertible preferred stock have the same terms and conditions, other than with respect to redemption rights. Holders of Series B preferred stock will vote with the holders of the Company's common stock on an as-converted basis. Each share of Series B preferred stock will pay a 12% per annum dividend, payable quarterly in cash or common stock at the Company's option. Each share of Series B preferred stock is convertible into four shares of the Company's common stock at the conversion price of \$0.50 per share at the option of: (i) the holder, at any time and (ii) the Company, at any time after February 12, 2010 if the Company's common stock is quoted at or above \$1.50 for 15 consecutive trading days and an effective registration statement regarding the underlying shares of common stock is in effect (subject to certain monthly volume limits). Upon notice of not less than 30 trading days, the any holder of Series B preferred stock may require that the Company redeem its shares, in whole or in part, (i) at any time on or after March 12, 2010 in the case of Series B-1 preferred stock, and (ii) at any time on or after two years from the date of issuance of such shares of Series B-2 preferred stock. The redemption price will be equal to the sum of the stated value of the Series B preferred stock, plus all accrued but unpaid dividends thereon, as of the redemption date.

Each Class A-1 Warrant, Class A-2 Warrant and Class B Warrant is exercisable at \$0.50 per share of Common Stock at any time on or after the date of issuance until the fifth anniversary of the respective issue date. The Class A-1 and Class A-2 Warrants may be redeemed by the Company upon the occurrence of certain conditions.

The Company expects to use the proceeds from the financing to complete the submission of a New Drug Application to the U.S. Food and Drug Administration for its lead product candidate, DAVANAT<sup>®</sup>, as well as for general corporate purposes.

The Series B Preferred Stock, the Class A-1 Warrants, the Class A-2 Warrants and the Class B Warrants, including the common stock underlying the Series B Preferred Stock and warrants, have not been registered under the Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from registration requirements.

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## About DAVANAT®

DAVANAT®, the Company's lead product candidate, is a carbohydrate polymer composed of mannose and galactose. DAVANAT®'s mechanism of action is based on interacting with lectins on the cell surface. DAVANAT® targets specific lectin receptors (galectins) that are over-expressed on cancer cells. Current research indicates that galectins affect cell development and play important roles in cancer, including tumor cell survival, angiogenesis and tumor metastasis. DAVANAT® is a drug that is not yet approved for commercial use by the FDA.

## Pro-Pharmaceuticals, Inc.

Pro-Pharmaceuticals, OTCBB: PRWP, is engaged in the discovery, development and commercialization of carbohydrate therapeutics for advanced treatment of cancer and fibrosis. Initially, the product pipeline is focused on increasing the efficacy and decreasing the toxicity of chemotherapy drugs. The Company is headquartered in Newton, Mass. Additional information is available at [www.pro-pharmaceuticals.com](http://www.pro-pharmaceuticals.com).

**FORWARD LOOKING STATEMENTS:** Any statements in this news release about future expectations, plans and prospects for the company, including without limitation statements containing the words "believes," "anticipates," "plans," "expects," "intends," and similar expressions, constitute forward-looking statements as defined in the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995. These forward-looking statements are based on management's current expectations and are subject to a number of factors and uncertainties, which could cause actual results to differ materially from those described in such statements. We caution investors that actual results or business conditions may differ materially from those projected or suggested in forward-looking statements as a result of various factors including, but not limited to, the following: uncertainties as to the utility and market for our potential products; uncertainties associated with pre-clinical and clinical trials of our product candidates; and uncertainties as to the results of the financing. More information about those risks and uncertainties is contained in the Company's most recent quarterly or annual report and in the Company's other reports filed with the Securities and Exchange Commission. While the Company anticipates that subsequent events may cause the Company's views to change, the Company disclaims any obligation to update such forward-looking statements.

Contact: Pro-Pharmaceuticals, Inc., Anthony D. Squeglia: 617.559.0033; [squeglia@pro-pharmaceuticals.com](mailto:squeglia@pro-pharmaceuticals.com).

DAVANAT is a registered trademark of Pro-Pharmaceuticals.