
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES AND EXCHANGE ACT OF 1934

Date of report (date of earliest event reported): November 9, 2004

COMMONWEALTH BIOTECHNOLOGIES, INC.

(Exact name of registrant as specified in its charter)

Virginia
(State or Other Jurisdiction
of Incorporation)

001-13467
(Commission File Number)

56-1641133
(IRS Employer
Identification No.)

601 Biotech Drive
Richmond, Virginia 23235
(Address of principal executive offices)

Registrant's telephone number, including area code: **(804) 648-3820**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligations 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.

On November 9, 2004, Commonwealth Biotechnologies, Inc. closed a loan with Branch Bank and Trust Company of Virginia in the principal amount of \$3,900,000.00. The proceeds of the loan were used to fund the redemption price of the Bonds (as defined below) on November 15, 2004. The term of the loan is five years with an interest rate of Prime subject to a floor of 5.00% and a ceiling of 9.50%. The loan provides for monthly payments of accrued interest and a monthly payment of principal in the amount of \$25,347.33, with a balloon payment of outstanding principal and unpaid and accrued interest on November 10, 2009. The loan is secured by a first lien upon CBI's headquarters facility located in Richmond, Virginia.

ITEM 1.02. TERMINATION OF A MATERIAL DEFINITIVE AGREEMENT.

On November 15, 2004, Commonwealth Biotechnologies, Inc. caused SunTrust Bank, as Trustee (the "Trustee"), to optionally redeem, in full, two series of Industrial Development Revenue Bonds, (the "Bonds"), the proceeds of which were used to finance construction of CBI's physical plant. A copy of the press release announcing such redemption is attached as an exhibit hereto. On November 12, 2004, Commonwealth Biotechnologies, Inc. ("CBI") deposited \$3,376,158.12 with the Trustee, having previously given the Trustee conditional instructions to redeem the Bonds on November 15, 2004. The Bonds were issued on March 24, 1998 in the original aggregate principal amount of \$4,000,000 by the Virginia Small Business Financing Authority (the "Authority") pursuant to an Indenture of Trust dated as of March 15, 1998 between the Authority and the Trustee (the "Indenture"). CBI borrowed the proceeds of the Bonds, and agreed to make payments to the Trustee in amounts sufficient to repay the principal of and interest on the Bonds, all pursuant to a Loan Agreement dated as of March 15, 1998 between CBI and the Authority (the "Loan Agreement"). Covenants contained in the Loan Agreement impose numerous restrictions on CBI, including limitations on the amount of additional indebtedness that may be incurred by CBI and the degree to which CBI may pledge its assets to secure such indebtedness. Full redemption of the Bonds will cause the Indenture and the Loan Agreement to be cancelled, discharged and terminated, and CBI will no longer be subject to the restrictions set forth in the Loan Agreement. The redemption price of the Bonds (\$3,376,158.12) includes amounts necessary to pay the Trustee its reasonable expenses and a 6% redemption premium.

ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS.

(a) Financial statements of businesses acquired.
Not Applicable.

(b) Pro forma financial information.
Not Applicable.

(c) Exhibits.

99.1 On November 15, 2004, Commonwealth Biotechnologies, Inc. issued a press release relating to the execution of a new mortgage for its facility and the subsequent retirement of its Industrial Revenue Bonds. A copy of the press release is attached as an exhibit hereto.

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

COMMONWEALTH BIOTECHNOLOGIES, INC.

By: /s/ Robert B. Harris, Ph.D.

Robert B. Harris, Ph.D.
President and Chief Executive Officer

Dated: November 15, 2004

EXHIBIT INDEX

Number	Description of Exhibit
99.1	On November 15, 2004, Commonwealth Biotechnologies, Inc. issued a press release relating to the execution of a new mortgage for its facility and the subsequent retirement of its Industrial Revenue Bonds. A copy of the press release is attached as an exhibit hereto.

For further Information contact:

Robert B Harris, Ph.D.

President/CEO

Commonwealth Biotechnologies, Inc.

804-648-3820

Commonwealth Biotechnologies, Inc. Retires Industrial Revenue

Bonds Used to Build Its Facility

Mortgage with BB&T Rids Company of Restrictive Covenants

Increases Borrowing and Credit Possibilities

RICHMOND, Va., November 15, 2004 — Commonwealth Biotechnologies, Inc. (NASDAQ Small Cap: CBTE) today announced that it had executed a variable rate mortgage with Branch Banking and Trust Co., BB&T, Richmond, VA, for its home facility. The mortgage effectively replaces two series of Industrial Revenue Bonds, issued in 1998, which were used to finance construction of CBI's physical plant.

BB&T provided \$3.9 million in financing which is sufficient to retire the Bonds and meet all pre-payment penalties and legal expenses. In retiring the Bonds, net proceeds of approximately \$461,000 will be released to the Company. Retiring the Bonds obviates the restrictive covenants which have effectively precluded the Company from issuing any subordinate debt greater than \$150,000. Because all assets of the Company, including receivables, were pledged to the bond holders, CBI has been unable to secure bank credit of any kind.

"As CBI expands and solidifies its financial position, there will be times when leasing instruments or using a line of credit will be necessary," explained James Brennan, CBI's Controller. "The Bonds effectively limited CBI's ability to operate as a normal business, which may have been appropriate for the Company during its early development years. Retiring the Bonds at this time was the right thing to do, despite the pre-payment penalty."

CBI will take a one-time write off of \$217,800 in the fourth quarter for the pre-payment penalties associated with retiring the Bonds prior to their respective maturation dates and another one time write off of \$197,500 for accelerated Bond amortization expenses.

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No statement made in this press release should be interpreted as an offer to purchase any security. Such an offer can only be made in accordance with the Securities Act of 1933, as amended, and applicable state securities laws. Any statements contained in this release that relate to future plans, events or performance are forward-looking statements that involve risks and uncertainties as identified in CBI's filings with the Securities and Exchange Commission. Actual results, events or performance may differ materially. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as the date hereof. Specifically, CBI cannot guarantee that it will continue to meet the obligations of the mortgage or that the escrowed funds referenced herein will be released to the Company. Similarly, CBI cannot guarantee that it will successfully secure a line of credit or that it will meet the criteria set by lending institutions for borrowing money. CBI undertakes no obligation to publicly release the results of any revisions to these forward-looking statements that may be made to reflect the events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.