
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): July 26, 2006

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 8.01 OTHER EVENTS

On July 26, 2006, Commonwealth Biotechnologies, Inc. issued a press release announcing that it had entered into a non-binding letter of intent to acquire the outstanding capital stock of Mimotopes Pty Ltd (“Mimotopes”), a wholly owned subsidiary of PharmAust Ltd, an Australian Stock Exchange listed company. Mimotopes provides specialized pre-clinical peptide synthesis and development services to the healthcare and pharmaceutical products industries. The transaction contemplated is subject to various conditions precedent, and there can be no guaranty that the transaction will be completed. A copy of the press release is attached as an exhibit hereto.

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 Press release, dated July 26, 2006, relating to the execution of a non-binding term sheet for the acquisition of Mimotopes Pty Ltd

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: July 26, 2006

EXHIBIT INDEX

Number	Description of Exhibit
99.1	Press release, dated July 26, 2006, relating to the execution of a non-binding term sheet for the acquisition of Mimotopes Pty Ltd

For further Information contact:
Richard J. Freer, PhD.
Chairman & COO
Commonwealth Biotechnologies, Inc.
804-648-3820

Commonwealth Biotechnologies, Inc.

Signs Term Sheet to Acquire

Mimotopes Pty Ltd

RICHMOND, VIRGINIA (July 26, 2006) – Commonwealth Biotechnologies, Inc. (Nasdaq Capital Market: CBTE), a life sciences contract research organization and biotechnology company, announced today that it has signed a non-binding term sheet (the “Term Sheet”) to acquire the outstanding capital stock of Mimotopes Pty Ltd (“Mimotopes”), a wholly-owned subsidiary of PharmAust Ltd, an Australian Stock Exchange listed company (ASX: PAA), in a transaction structure yet to be formally determined.

PAA, headquartered in Nedlands, Australia, is a vertically integrated pharmaceutical group of companies involved in a range of activities from contract drug discovery and development to manufacturing, sales and marketing of healthcare and pharmaceutical products. Mimotopes, one of PAA’s three operating subsidiaries, provides specialized pre-clinical peptide synthesis and development services to the healthcare and pharmaceutical products industries.

A summary of certain provisions of the Term Sheet is as follows:

- CBTE will acquire all of the outstanding equity securities of Mimotopes;

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- CBTE currently anticipates that the valuation of Mimotopes will range between US \$6,500,00 and US \$8,000,000;
 - CBTE will pay the purchase price in shares of CBTE common stock;
 - CBTE will identify certain key employees and enter into mutually acceptable employment arrangements with such individuals; and
 - The Term Sheet will terminate if definitive agreements have not been executed by both parties on or before September 30, 2006.

The Term Sheet is non-binding and is subject to a number of conditions including:

- negotiation of definitive agreements;
- completion of due diligence processes satisfactory to each party in their sole and absolute discretion;
- obtaining requisite Board of Directors and shareholder approvals;
- obtaining requisite regulatory approvals; and
- CBTE obtaining a favorable valuation of Mimotopes and a fairness opinion relating to the consideration to be paid by CBTE in this transaction.

The foregoing description of the Term Sheet does not purport to be complete and is qualified in its entirety by reference to the Term Sheet which is filed as an exhibit to the CBI Current Report on Form 8-K in which this press release is filed.

In conjunction with the execution of the Term Sheet, PAA made a public announcement in which it disclosed some elements of the Term Sheet. In this release, PAA referenced the Term Sheet as a binding agreement of CBTE. As noted above, despite PAA's announcement, CBTE has no contractual obligation to complete the transaction contemplated by the Term Sheet. At this point, the parties have not obtained requisite approvals, determined a transaction structure, determined a definitive purchase price or begun the due diligence process. Therefore, CBTE cautions its current and potential shareholders to disregard the announcement previously made by PAA.

About CBI

Founded in 1992, CBI is located at 601 Biotech Drive, Richmond, VA 23235 (1-800-735-9224). The company occupied its 32,000 square foot facility in December, 1999. CBI has provided comprehensive research and development services to more than 2,500 private, government, and academic customers in the global biotechnology industry. For more information, visit CBI on the web at www.cbi-biotech.com.

Forward Looking Statements

This announcement contains forward-looking statements regarding the potential acquisition of Mimotopes by CBTE. Those statements involve risks and uncertainties, and actual results could differ materially from those discussed. Factors that could cause or contribute to such differences include, but are not limited to:

- the timing of the closing, if any, of the transaction;
- the acquisition by CBTE of a favorable valuation of Mimotopes;
- the acquisition by CBTE of a fairness opinion relating to the purchase price for Mimotopes;
- CBTE's ability to negotiate mutually acceptable employment arrangements with key employees of Mimotopes;
- the ability of the parties to negotiate definitive purchase agreements; and
- the possibility that the transaction may not close.

More information about potential factors which could affect CBTE's business and financial results is included in CBTE's Annual Report on Form 10-KSB for the year ended December 31, 2005, CBTE's Quarterly Reports on Form 10-QSB, and current reports on Form 8-K. All forward-looking statements are based on information available to CBTE on the date hereof, and CBTE assumes no obligation to update such statements.