

**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): July 24, 2009

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))

ITEM 1.02 TERMINATION OF A MATERIAL DEFINITIVE AGREEMENT

The Registrant previously disclosed on July 22, 2009, that the Registrant entered into definitive agreements with Biosignal Ltd, an Australian company ("BOS"), pursuant to which BOS completed a \$2,600,000 investment in the Registrant and agreed to assign its biofilm technology to the Registrant (such transaction, the "BOS Transaction"). After BOS and the Registrant agreed to the BOS Transaction but before the Registrant delivered any shares of common stock to BOS, the parties mutually agreed to terminate the BOS Transaction. As a result of the termination of the BOS Transaction, (i) the Registrant has not issued 2,600,000 shares of common stock to BOS and (ii) BOS has not issued a convertible note for \$2.6 million in payment therefor.

ITEM 3.01 NOTICE OF DELISTING OR FAILURE TO SATISFY A CONTINUED LISTING RULE OR STANDARD; TRANSFER OF LISTING.

The Registrant previously announced that it received notice dated April 8, 2009, under Marketplace Rule 4310(c)(3) (the "Rule"), that its common stock is subject to potential delisting from the NASDAQ Capital Market because the Registrant does not have a minimum of \$2,500,000 in stockholders' equity, \$35,000,000 market value of listed securities, or \$500,000 of net income from continuing operations for the most recently completed fiscal year or two of the three most recently completed fiscal years.

On July 24, 2009, the Registrant received a Staff Delisting Determination after the expiration of the period allowed to regain compliance with NASDAQ Listing Rule 5550(b). Specifically, the July 24, 2009 letter found that the Registrant was permitted until July 22, 2009 to demonstrate compliance with the Rule 5550(b) and had not, as of July 24, 2009, done so. In addition, the July 24, 2009 letter found that the Registrant had failed to file a Form 8-K affirming compliance with Rule 5550(b), that the BOS Transaction violated Listing Rule 5635(a), and that the Registrant had failed to file a Form LAS 15 calendar days prior to the BOS Transaction, as required by Listing Rule 5250(e)(2)(D).

In response to the July 24, 2009 letter, the Registrant and BOS agreed that the BOS Transaction, which was explicitly subject to compliance with NASDAQ rules and requirements, would be terminated, as described in Item 1.02 above. While the termination of the BOS Transaction obviated the need for the Registrant to file a Form LAS, the Registrant nevertheless filed a Form LAS to notify the NASDAQ Stock Market that the Registrant planned to enter into a different agreement to issue shares of common stock to BOS which would not require shareholder approval.

On July 31, 2009, the Registrant received an Additional Staff Delisting Determination letter. In this July 31, 2009 letter, NASDAQ Staff determined that the Registrant regained compliance with Listing Rules 5635(a) and 5250(e)(2)(D). NASDAQ Staff did not believe, however, that the Registrant's actions to restructure the BOS Transaction would have brought it into compliance with Listing Rule 5550(b) because NASDAQ disagreed with the Registrant's inclusion of a convertible promissory note from BOS on its balance sheet in determining whether the Registrant complied with the rule. In this regard, NASDAQ Staff relied on Listing Rule 5101, which provides "broad discretionary authority over the initial and continued listing of securities in NASDAQ in order to maintain the quality of and public confidence in its market, to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, and to protect investors and the public interest."

The Registrant has appealed NASDAQ's determinations. The Registrant has released a press release discussing the delisting notices. Copies of these press releases are attached hereto as Exhibits 99.1 and 99.2.

ITEM 8.01 OTHER EVENTS.

On July 31, 2009, the Registrant issued a press release entitled "Commonwealth Biotechnologies, Inc. Receives NASDAQ Notice of Delisting." On August 3, 2009, the Registrant issued a press release entitled "Commonwealth Biotechnologies, Inc. Provides Market Update."

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.

99.1 Press Release dated July 31, 2009 titled "Commonwealth Biotechnologies, Inc. Receives NASDAQ Notice of Delisting."

99.2 Press Release dated August 3, 2009 titled "Commonwealth Biotechnologies, Inc. Provides Market Update."

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.

COMMONWEALTH BIOTECHNOLOGIES, INC.

By: /s/ Richard J. Freer, Ph.D.

Richard J. Freer, Ph.D.
Chief Operating Officer

Dated: August 4, 2009

EXHIBIT INDEX

- 99.1 Press Release dated July 31, 2009 titled “Commonwealth Biotechnologies, Inc. Receives NASDAQ Notice of Delisting.”
- 99.2 Press Release dated August 3, 2009 titled “Commonwealth Biotechnologies, Inc. Provides Market Update.”

Commonwealth Biotechnologies, Inc. Receives NASDAQ Notice of Delisting

RICHMOND, VA (July 29, 2009) – On July 24, 2009, The NASDAQ Stock Market notified Commonwealth Biotechnologies, Inc. (“CBI”) (NASDAQ: CBTE) that CBI was to be delisted from the NASDAQ Capital Market as a result of (i) a failure to comply with NASDAQ Listing Rule 5550(b) due to a failure to maintain minimum stockholders’ equity of \$2.5 million and a failure to file a Form 8-K affirming compliance with Rule 5550(b), (ii) a failure to comply with NASDAQ Listing Rule 5635(a) due to a failure to obtain shareholder approval of an issuance of stock in excess of 20% of the pre-transaction shares outstanding in connection with the structure of a prior agreement with Biosignal, Ltd, an Australian company, and (iii) a failure to comply with NASDAQ Listing Rule 5250(e)(2)(D) due to a failure to timely file a Form LAS for that Biosignal issuance.

After receiving the July 24, 2009 notice, CBI and Biosignal agreed to terminate the earlier agreement and, subsequently, CBI filed a Form LAS in connection with a proposed amended and re-stated Biosignal Transaction thus bringing the company back into compliance with NASDAQ Rules 5635(a) and 5250(e)(2)(D). However, NASDAQ has determined that the company has not met the requirements of Rule 5550(b). The company is considering an appeal of this decision under NASDAQ Rule 5800 and will inform NASDAQ by 4:00PM, July 31, if it will do so.

About CBI

CBI offers cutting-edge research and development products and services to the global life sciences industry. CBI now operates through: (1) CBI Services, a discovery phase contract research organization; (2) Fairfax Identity Laboratories, a DNA reference business; (3) Mimotopes Pty Ltd, Melbourne, Australia, a peptide and discovery chemistry business; and (4) Venturepharm (Asia), a contract research consortium specializing in drug discovery and development, process scale-up, formulation development, cGMP manufacturing and clinical trial management. For more information, visit CBI on the web at www.cbi-biotech.com.

Forward Looking Statements

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. Specifically, there can be no assurance that the Company will appeal the NASDAQ decision and, if an appeal is completed, that the company would be successful.

For more information contact: Dr. Richard J Freer, COO, Commonwealth Biotechnologies, Inc., 804-648-3820.

Commonwealth Biotechnologies, Inc. Provides Market Update

RICHMOND, Va.— Commonwealth Biotechnologies, Inc. (“CBI”) (NASDAQ Capital Market: CBTE) is pleased to announce a market update regarding several recent and proposed major transactions that management believes, together, will redefine CBI’s asset base, business model and financial performance. Management believes that its planned sale of the assets of CBI Services and Fairfax Identity Laboratories divisions to Bostwick Laboratories (Business Wire, July 21, 2009) will provide CBI with upfront cash, ongoing lease revenues and will be accretive to CBI’s earnings. Management believes that the stock issuance to Biosignal Ltd (Business Wire, July 23, 2009) when completed, will strengthen CBI’s balance sheet and support CBI’s compliance with NASDAQ listing requirements. Management believes that these transactions pave the way for a transformative acquisition of GL Biochem (Shanghai) Ltd (“GL Biochem”) (Business Wire, June 8, 2009), the largest global manufacturer of research-grade peptides and a company with a high degree of synergy with CBI’s subsidiary, Mimotopes Pty Ltd.

Management expects that, post-acquisition, the new CBI will be positioned as a major global provider in the field of peptide manufacturing and contract research and will have an estimated \$18 million in annual revenues, \$3 million in net income and a strong growth profile. Through this market update, management is pleased to elaborate on the recent transactions and provide further insights into the peptide market as well as CBI’s corporate and operational strategy.

NASDAQ Listing Compliance

On July 24, 2009, the NASDAQ Stock Market (“NASDAQ”) notified CBI that it was to be delisted from the NASDAQ Capital Market due to a failure to maintain minimum stockholders’ equity of \$2.5 million, notwithstanding the fact the Company had entered into a share and IP purchase agreement with Biosignal Ltd. In order to address a number of the listing requirements identified by NASDAQ, including approvals related to the Biosignal share purchase, CBI and Biosignal agreed to terminate an earlier agreement and, subsequently, CBI filed a Form LAS in connection with a proposed amended and re-stated Biosignal transaction which would have brought CBI back into compliance with all of the relevant NASDAQ Rules. However, while the metric of \$2.5M in stockholders equity would be met, NASDAQ, using its broad discretionary authority under NASDAQ Rule 5101, has nevertheless determined to maintain its position that CBI is to be delisted.

The Board of CBI has agreed to vigorously appeal this decision based on the Company’s belief that, upon completion of the Biosignal transaction, it would have in excess of the \$2.5M stockholders’ equity threshold. Further, the company believes it will be well positioned to further augment stockholders’ equity upon closing of its pending transactions with: (1) Bostwick Laboratories for the sale of its Richmond business assets; and (2) completion of the acquisition of GL Biochem.

CBI will keep the market updated on the progress of its appeal. In the meantime, CBI will remain listed pending the appeal decision.

Acquisition of GL Biochem

On June 8, 2009, CBI announced an agreement to acquire all of the outstanding shares of GL Biochem, a privately-owned Shanghai-based chemical company. This agreement is subject to a number of conditions precedent, including the divestment of CBI's Fairfax Identity Laboratories and CBI Services divisions and CBI's continued listing on the NASDAQ Capital Market. A PCAOB-qualified audit of GL Biochem's financial statements is currently underway, and CBI expects to finalize and execute a definitive share purchase agreement upon its satisfactory completion.

At an operational level, CBI's Australian-based peptide subsidiary, Mimotopes, has implemented several new initiatives to align its business more closely with that of GL Biochem. Mimotopes and GL Biochem have developed a working relationship for over 4 years. Through that collaboration, the Company expects to continue to expand into a new facility in China that will employ Mimotopes' peptide synthesis technology, follow the Mimotopes' operating procedures and training processes and be staffed by chemists seconded from GL Biochem. The facility will provide Mimotopes with additional high-quality, low-cost capacity to expand its custom peptide business and provide improved access to a rapidly expanding customer base in Asia. Mimotopes has also made improvements to its pricing structure and channels to market through the development of an enhanced online presence and eCommerce platform. Further, Mimotopes' will expand its product offerings in September to include catalogue peptides and chemical building blocks manufactured by GL Biochem.

GL Biochem continues to lead industry growth in the sales of peptides and peptide reagents. Despite the global economic downturn, GL Biochem reported a 20% increase in revenues in the first half of 2009 (unaudited) compared to the same period last year. GL Biochem has also recently constructed or acquired state-of-the-art facilities for the production of antibodies, a complementary business line to GL Biochem's core business of research-grade peptides.

Sale of CBI Services and Fairfax Identity Laboratories to Bostwick Laboratories

The contemplated sale of the assets of CBI Services and Fairfax Identity Laboratories to Bostwick Laboratories is an important step in progressing the GL Biochem acquisition and redefining CBI's focus and business model. However, management believes the terms of the agreement are attractive in their own right. The transaction provides CBI with \$1.075M cash up front and a 5-year triple net lease on the Richmond facility, realizing rent and associated fees. Importantly, CBI will still own the land and buildings located in Richmond, VA and will have the option to market and sell the property. The transaction with Bostwick will be earnings accretive, eliminate contingent employee liabilities of over \$500,000 and transfer current equipment lease obligations to Bostwick.

Financing

On July 10, 2009, CBI announced that it had reached an agreement with its PIPE investors to extend for 6 months its convertible note facilities of approximately \$1.4M that matured on June 30, 2009 and received consent to suspend the financial covenants under such note facilities through the 3rd fiscal quarter of 2009.

The extension and covenant waiver brings CBI into compliance with its Convertible Note obligations, enables the PIPE investors to continue converting out the Notes to reduce CBI's debt and enhance shareholder equity and enables CBI to proceed with the orderly completion of the proposed transaction with GL Biochem over the course of the coming months.

On July 23, 2009, CBI announced that it had entered into a definitive agreement with Australian biotechnology company Biosignal Limited ("Biosignal") (Australian Stock Exchange: BOS). Subsequently, the parties amended the terms of this agreement so that, upon completion of the initial issuance, CBI would issue 1.6 million shares of its common stock to Biosignal in exchange for the transfer of intellectual property from Biosignal to CBI and \$1.6 million, to be paid to CBI in the form of a 12 month convertible note bearing interest at 10% per annum that may be converted, in certain circumstances, into fully-paid ordinary Biosignal shares. In addition to the initial issuance, if CBI's shareholders approve, CBI would issue another 1 million shares for another \$1 million in convertible notes. Management believes that this transaction will strengthen CBI's balance sheet at a price of \$1 per share, representing a 59% premium to CBI's 50-day moving average. Importantly, Management believes the transaction also increases total shareholder equity and should assist with CBI's appeal to continue to list on the NASDAQ Capital Market.

Concurrent with the stock placement, CBI and Biosignal entered into a Deed of Assignment in which Biosignal will convey to CBI certain intellectual property and contracts related to the development and possible exploitation of Biosignal's biofilm technology. In order to extract value from these technologies, CBI may elect to develop them in-house, enter into development partnerships or sell its interest in the technology to a third party.

Industry Context: Peptides as Drugs

Peptides play an important role in modulating many physiological processes in the body and therefore have excellent potential as therapeutic agents. Peptide drugs have a number of advantages over both small molecules and antibodies, including low toxicity and immunogenicity, excellent specificity, high potency and a low probability of drug-drug interaction problems. Several technical challenges in the use of peptides as drugs have been overcome in recent years and they now represent one of the key growth areas in the drug discovery industry. The strong interest in peptides as therapeutics, particularly among large pharmaceutical companies, has triggered a significant increase in the outsourcing of peptide reagents and custom peptide synthesis. Even with the global economic downturn, the market for research-grade and clinical-grade peptides continues to grow with the emergence of new peptide drug candidates from discovery research and the progression of established peptide projects through clinical development.

While the size of the market continues to expand, research-grade peptide producers in the West are facing strong competition from China and India, where lower operating costs are driving down the cost of production. With a 5-year revenue CAGR of over 40%, Shanghai-based GL Biochem has emerged as the dominant manufacturer in China and the largest supplier of research-grade peptide products and peptide reagents globally. CBI's proposed acquisition of GL Biochem will position CBI as a major player in the global peptide market.

Summary

Management believes that the proposed acquisition of GL Biochem would, on a proforma basis, provide CBI with significant free cash flows, a significant growth profile and would propel CBI into a very strong position in the rapidly growing peptide outsourcing market through its "GL Biochem" and "Mimotopes" brands. CBI has now cleared the way for the acquisition through three recent and significant transactions: (1) the extension of the Convertible Notes facilities and associated waivers brings CBI into compliance with its financial obligations and allows for conversion out of the Notes; (2) the proposed sale of CBI Services and Fairfax Identity Laboratories to Bostwick Laboratories provides CBI with an upfront cash payment and ongoing lease revenues and a significant boost to CBI's profitability; and (3) the proposed issuance of stock to Biosignal strengthens CBI's balance sheet and should augment compliance with NASDAQ's listing rules.

Forward Looking Statements

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. No statement herein should be considered an offer of any securities. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as the date hereof. Specifically, there can be no guarantee that:

- CBI will close any of the transactions referred to herein; and
- CBI will actually retain its NASDAQ listing status; and
- CBI's business and financial performance before or after any of the above transactions will be as anticipated herein.

A number of factors, including, without limitation, customer demand, industry trends, armed conflict, and terrorist activities could alter these trends referenced herein. 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.