SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-K

☒ **ANNUAL REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the Fiscal Year Ended December 31, 2011

☐ **TRANSITION REPORT UNDER SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the transition period from to

Commission file number: 001-13467

COMMONWEALTH BIOTECHNOLOGIES, INC.

(Name of small business issuer in its charter)

Virginia (State or other jurisdiction of incorporation or organization)	**54-1641133** (I.R.S. Employer Identification No.)

718 Grove Road
Midlothian, Virginia 23114
(Address of principal executive offices) (Zip Code)

Issuer's telephone number: (804) 464-1601

Securities registered pursuant to Section 12(b) of the Exchange Act:

Common Stock, without par value per share (Title of Class)	**OTC Markets Group Inc. – OTC Pink** (Name of Exchange on which registered)

Securities registered pursuant to Section 12(g) of the Exchange Act: None

Indicate by check mark if the registrant is a well known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☐ No ☒

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Exchange Act. Yes ☐ No ☒

Indicate by check mark whether the issuer (1) has filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act of 1934 during the past 12 months (or for such shorter period that the issuer was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☐ No ☒

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K (§229.405 of this chapter) is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

☐ Large accelerated filer	☐ Accelerated filer
☐ Non-accelerated filer (Do not check if a smaller reporting company)	☒ Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

The aggregate market value of the shares of common stock, without par value ("Common Stock"), of the registrant held by non-affiliates on December 30, 2011 was approximately $165,000 based on the closing sales price of the shares of $0.013 per share, as reported on the NASDAQ Capital Market on December 30, 2011, multiplied by the number of shares outstanding on that date (12,660,504).

As of April 12, 2012, there were 12,660,504 shares of Common Stock outstanding.

PART I

Item 1. Business.

Overview

Commonwealth Biotechnologies, Inc. (the "Company" or "CBI") was a specialized life sciences outsourcing business that offered cutting-edge expertise and a complete array of Peptide-based discovery chemistry and biology products and services through Mimotopes Pty Limited ("Mimotopes"), a wholly-owned subsidiary of CBI. Through November 2, 2009, CBI also provided services through CBI Services and Fairfax Identity Laboratories ("FIL"), two divisions that were sold to Bostwick Laboratories, Inc. ("Bostwick") effective November 2, 2009.

On January 20, 2011, the Registrant filed a voluntary petition in the United States Bankruptcy Court for the Eastern District of Virginia (the "Bankruptcy Court") seeking relief under the provisions of Chapter 11 of Title 11 of the United States Code. On April 7, 2011, the Bankruptcy Court approved the private sale of Mimotopes for a net sales price of $850,000. The sale closed on April 29, 2011. Currently, the Company has no operating units or subsidiaries.

In December 2011, the Bankruptcy court approved the sale (the "Building Sale") at auction of land, office and laboratory space located at 601 Biotech Drive in Chesterfield County, Virginia. The sale closed on December 29, 2011 for a gross sales price of $3,800,000. After the payoff of the related mortgage and payment of other selling related costs, net proceeds to the Company were approximately $1,369,000. The Company plans to use the net proceeds from this sale to payoff a significant portion of unsecured creditors and to fund operations.

In addition, the Company is actively seeking to execute a merger and acquisition ("M&A") transaction with a private Company seeking access to the public financial markets.

Mimotopes is shown in the Consolidated Financial Statements as discontinued operations.

Going Concern

The accompanying financial statements have been prepared on a going concern basis which contemplates realization of assets and satisfaction of liabilities in the normal course of business. If the Company is unable to improve operating results and meet its debt obligations, it may have to cease operations. The financial statements do not include any adjustments that might be necessary if the Company is unable to continue as a going concern.

Net losses were $227,888 and $1,004,270 for the years ended December 31, 2011 and 2010, respectively. As of result of the Building Sale and the Sale of Mimotopes during 2011, the Company has no sources of revenue. Consequently, there can be no assurance by management that the Company's financial outlook will improve or that an M&A partner will be obtained in a timely manner.

The Company generated positive cash flows of $1,222,056 in 2011, compared to a decrease in cash of $454,748 in 2010. Net working capital as of December 31, 2011 and December 31, 2010 was $836,081 and $1,350,549, respectively.

The Company had $1,321,968 and $99,912 in cash and cash equivalents at December 31, 2011 and 2010, respectively. This increase was primarily the result of the net proceeds received on the sale of Mimotopes and the Building Sale during 2011.

Cash provided by (used in) operating activities was $67,533 and $(173,807) in 2011 and 2010, respectively. This change was primarily the result of the sale of Mimotopes in the second quarter of 2011 and the Building Sale on December 29, 2011. As a result of these sales, the Company has no operating subsidiaries or an ongoing source of revenue. These decreases in operating cash flows were partially offset by the increase in accrued expenses relating primarily to accrued legal fees resulting from the Company's bankruptcy filing in January 2011.

Cash provided by investing activities was $1,474,837 and $0 in 2011 and 2010, respectively. The primary investing activities in 2011 were proceeds from the Building Sale and the sale of Mimotopes.

Cash used by financing activities for 2011 and 2010 was $320,314 and $280,941, respectively. This change is primarily payments on the mortgage prior to the Building Sale.

On January 20, 2011, the Registrant filed a voluntary petition in the United States Bankruptcy Court for the Eastern District of Virginia (the "Bankruptcy Court") seeking relief under the provisions of Chapter 11 of Title 11 of the United States Code. On April 7, 2011, the Bankruptcy Court approved the private sale of Mimotopes for a net sales price of $850,000. The sale closed on April 29, 2011. Now that the sale of Mimotopes is complete, the Company has no operating units or subsidiaries.

In December 2011, the Bankruptcy court approved the sale (the "Building Sale") at auction of land, office and laboratory space location at 601 Biotech Drive, Chesterfield County , Virginia 23235. The sale closed on December 29, 2011 for a gross sales price of $3,800,000. After the payoff of the related mortgage and payment of other selling related costs, net proceeds to the Company were approximately $1,369,000. The Company plans to use the net proceeds from this sale to payoff a significant portion of unsecured creditors and to fund operations.

In addition, the Company is actively seeking to execute an M&A transaction with a private Company seeking access to the public financial markets.

Mimotopes is shown in the Consolidated Statement of Operations as discontinued operations.

A continued lack of adequate cash resulting from the Company's inability to generate cash flow from operations or to raise capital from external sources would force the Company to substantially curtail or cease operations.

There can be no assurance that any funds required during the next twelve months or thereafter can be generated. Nor can there be any assurance that funds will be available from external sources, such as debt or equity financing or other potential sources, if they cannot be generated internally. Lastly, there can be no assurance that the Company will be able to secure a suitable M&A partner.

During the last year, the Company's business has undergone substantial changes in relation to size, scale and scope of activities. The Company currently has no operating units or subsidiaries.

As of result of the Building Sale and Sale of Mimotopes during 2011, the Company has no sources of revenue and must fund administrative expenses from cash on hand.

As a result of the foregoing circumstances, there is substantial doubt about the Company's ability to continue as a going concern. The financial statements included herein do not include any adjustments relating to the recoverability or classification of asset carrying amounts or the amounts and classification of liabilities that may result should the Company be unable to continue as a going concern.

The Company's independent auditors have included a paragraph emphasizing "going concern" in their report on the 2011 financial statements. The financial statements included herein do not include any adjustments relating to the recoverability or classification of asset carrying amounts or the amounts and classification of liabilities that may result should the Company be unable to continue as a going concern.

Change in Operating Structure

Melbourne-based Mimotopes was acquired by CBI in 2007. It provides world class research grade peptide synthesis and analysis. Mimotopes also has several proprietary technologies for the preparation of peptide and small molecule libraries for drug discovery and for epitope analysis in support of its clients' vaccine development programs. Mimotopes also has a formal peptide alliance with Genzyme Pharmaceuticals, a world class provider of GMP pharmaceutical grade peptides and also enjoys a strong relationship with GL Biochem, a Shanghai-based peptide synthesis and reagent company.

On January 20, 2011, the Registrant filed a voluntary petition in the United States Bankruptcy Court for the Eastern District of Virginia (the "Bankruptcy Court") seeking relief under the provisions of Chapter 11 of Title 11 of the United States Code. On April 7, 2011, the Bankruptcy Court approved the private sale of Mimotopes for a net sales price of $850,000. The sale closed on April 29, 2011. Now that the sale of Mimotopes is complete, the Company has no operating units or subsidiaries.

In December 2011, the Bankruptcy court approved the sale (the "Building Sale") at auction of land, office and laboratory space located at 601 Biotech Drive, Chesterfield County , Virginia. The sale closed on December 29, 2011 for a gross sales price of $3,800,000. After the payoff of the related mortgage and payment of other selling related costs, net proceeds to the Company were approximately $1,369,000. The Company plans to use the net proceeds from this sale to payoff a significant portion of unsecured creditors and to fund operations.

Strategy Going Forward

The Company currently has no operating units or subsidiaries. The Company is actively seeking to execute an M&A transaction with a private Company seeking access to the public financial markets. The Company plans to complete this process while under the protection of the Bankruptcy Court. Until a M&A transation is completed, administrative expenses will be funded from cash on hand.

Operations

The Company currently has no operating units or subsidiaries.

Intellectual Property

Prior to the asset sale to Bostwick, CBI was primarily focused on fee-for-service offerings. In addition, CBI developed various intellectual properties that had resulted in U.S. and international patents. Most of these were assigned to Bostwick as part of the asset sale. However, the Company retained one dormant patent application in the vaccine development area. More specifically, this dormant patent application relates to formulations, methods and kits for minimizing or preventing the reversion of attenuated microorganisms, such as viruses, to their respective wild types or other infectious forms, and for the design and evaluation of vaccines and vaccine formulations that minimize or eliminate such disadvantageous reversions. Management believes this technology could be attractive to potential M&A partners.

CBI takes appropriate steps to protect its intellectual property rights and those of its customers. The Company's practice is to require its employees and consultants to execute non-disclosure and proprietary rights agreements upon commencement of employment or consulting arrangements with the Company. These agreements require that all proprietary information disclosed to the individual by CBI or its customers remain confidential.

Employees

The administrative staff in Richmond consists of two full-time employees (CEO and Senior Staff Accountant) and a consultant who serves, on a part-time basis, as Acting Principal Financial Officer.

U.S. Government Regulation

CBI complies with existing federal, state and local laws and regulations and does not anticipate that continuing compliance will have any material effect upon its capital expenditures, earnings or competitive position.

Investor Relations

The Company is committed to expanding its investor relations activity through appropriate forums, such as analyst conferences and forums.

Item 1A. Risk Factors.

The Company is not required to provide the information required by this Item because the Company is a smaller reporting company.

Item 1B. Unresolved Staff Comments.

The Company is not required to provide the information required by this Item because the Company is a smaller reporting company.

Item 2. Properties.

Facilities

The Company has no operating units or subsidiaries. The Company currently leases office space which serves as the Company's administrative headquarters. The location of this leased space is as follows:

718 Grove Road
Midlothian, Virginia 23114
Month-to-month lease – Monthly Payments of $1,236

Item 3. Legal Proceedings.

On January 20, 2011, the Registrant filed a voluntary petition in the United States Bankruptcy Court for the Eastern District of Virginia (the "Bankruptcy Court") seeking relief under the provisions of Chapter 11 of Title 11 of the United States Code.

On February 10, 2012, the Company filed a claim against Fornova in Bankruptcy Court. The Company is disputing Fornova's claim that it is owed $500,000 plus accrued interest relating to a convertible note that was originated in 2007. The Company is seeking to have the claim disallowed in its entirety or, in the alternative, reclassified as an equity investment. As of the date of this filing, the outcome of this claim cannot be estimated. Principal and accrued interest on this note are shown in the consolidated balance sheet at December 31, 2011 as debt plus accrued interest.

Item 4. (Removed and Reserved)

PART II

Item 5. Market for Registrant’s Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities.

Market Information

The information is as set forth on page 1 of the Company’s 2011 Annual Report to Shareholders under the caption “Stockholder Matters”, filed with the SEC as Exhibit 13.1 hereto.

Recent Sales of Unregistered Securities

All sales of securities of the Company during the period covered by this report have been previously reported on Form 8-K.

Equity Compensation Plan

The following table provides information about CBI’s equity compensation plans as of December 31, 2010:

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by security holders	645,443	$ 1.16	644,597
Equity compensation plans not approved by security holders	0	0	0
Total	**645,443**	**$ 1.16**	**644,597**

Item 6. Selected Financial Data.

The information is as set forth on page 2 Company’s 2011 Annual Report to Shareholders under the caption “Selected Financial Data”, filed with the SEC as Exhibit 13.1 hereto.

Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations

The information is as set forth on pages 3 through 9 of the Company’s 2011 Annual Report to Shareholders under the caption “Selected Financial Data” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” respectively, filed with the SEC as Exhibit 13.1 hereto.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk.

The Company is not required to provide the information required by this Item because the Company is a smaller reporting company.

Item 8. **<u>Financial Statements and Supplementary Data</u>.**

The Company's financial statements and the related notes thereto, together with the report of Witt Mares, PLC for 2011 and 2010 are set forth on pages 12 through 38 of the Company's 2011 Annual Report to Shareholders, filed with the SEC as Exhibit 13.1 hereto.

Item 9A. **<u>Controls and Procedures</u>.**

Evaluation of Disclosure Controls and Procedures

CBI maintains a system of controls and procedures designed to provide reasonable assurance as to the reliability of the financial statements and other disclosures included in this report, as well as to safeguard assets from unauthorized use or disposition. CBI evaluated the effectiveness of its disclosure controls and procedures (as defined in Rule 13a-14(c) and Rule 15a-14(c) under the Securities Exchange Act of 1934) under the supervision and with the participation of management, including the Company's Principal Executive Officer and Principal Financial Officer, within 90 days prior to the filing date of this report. Based upon that evaluation, the Company's Principal Executive and Financial Officers concluded that the Company's disclosure controls and procedures were not effective to ensure that information required to be disclosed by the Company in the reports filed or submitted by the Company under the Exchange Act is accumulated, recorded, processed, summarized and reported to management, including the Company's principal executive officer and principal financial officer, as appropriate to allow timely decisions regarding whether or not disclosure is required.

Management's Annual Report on Internal Control Over Financial Reporting

CBI's management is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rules 13a-15(f) and 15d-15(f) under the Securities and Exchange Act of 1934, as amended. CBI's internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. The Company's internal control over financial reporting includes those policies and procedures that:

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of CBI's assets;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with U.S. GAAP, and that CBI's receipts and expenditures are being made only in accordance with the authorization of its management and directors; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of CBI's assets that could have a material effect on the financial statements.

CBI's management assessed the effectiveness of its internal control over financial reporting as of December 31, 2011. In making this assessment, management used the framework set forth in the report entitled *Internal Control—Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission, or COSO. The COSO framework summarizes each of the components of a company's internal control system, including (i) the control environment, (ii) risk assessment, (iii) control activities, (iv) information and communication, and (v) monitoring. Based on this assessment, CBI's management identified deficiencies in the design or operation of its internal controls that resulted in a material weakness. The material weakness was due to insufficient resources in the accounting and finance department resulting in ineffective review and preparation of its annual report, including an inability to account properly for complex transactions.

The annual report does not include an attestation report of CBI's registered public accounting firm regarding internal control over financial reporting. Management's report was not subject to attestation by the Company's registered public accounting firm pursuant to rules of the SEC that permit CBI to provide only management's report in the annual report.

Item 9B. <u>Other Information</u>.

The Company has previously reported all information required to be disclosed during the fourth quarter of 2011 in a report on Form 8-K.

PART III

Item 10. <u>Directors, Executive Officers and Corporate Governance</u>.

Executive Officers, Directors and Key Employees

The following individuals constitute our board of directors and executive management:

Name	Age	Position	Appointment Year (Separation Year)
Richard J. Freer, Ph.D.	67	Chief Executive Officer and Director	1992
James D. Causey	57	Director	2004
Bill Guo	46	Director	2008
Paul D'Sylva, Ph.D.	40	Director	2007
Samuel P. Sears, Jr.	65	Director	2001
Eric Tao	43	Director	2009
Maria Song, M.D., Ph.D.	41	Director	2009

<u>Bill Guo MSc, MBA</u>. Mr. Guo is the Chairman and founder of VenturePharm Group, a leading full service pharmaceutical company in Asia, and led its flagship VenturePharm Laboratories ("HK.8225") to become the first clinical research organization listed on the Hong Kong Stock Exchange. He has over 10 years global pharmaceutical industry experience from researcher to senior executive in North America at Johnson & Johnson, Novapharm and VenturePharm Canada. He has over 9 years of experience as an entrepreneur in China. Mr. Guo was a Ph.D. candidate in the Department of Pharmaceutics and was awarded an MSc degree in industrial pharmacy from the University of Toronto, Toronto, Canada, an MBA program certificate from Herriot Watt University, Toronto, Canada, and an Executive education certificate from Judge Business School, University of Cambridge, UK. Fortune magazine recognized him as one of the top emerging entrepreneurs in China. He was also recipient of various rewards: 2005 National Hero awarded by the State Council of China; one of the ten best management elites in China in 2004; one of the ten most influential individuals in business in China, 2005; distinguished entrepreneur awarded from overseas by government of China, 2005; sole winner of Youth Chinese Entrepreneur Award organized by Asia Business Week in 2003 and 2005 Entrepreneurs and innovation by BCC (British Chamber of Commerce). Mr. Guo's term as a director runs through 2011, or until his successor is appointed. Mr. Guo has been chosen as a director because of his leadership skills and his experience in the global pharmaceutical industry.

<u>Richard J. Freer, Ph.D</u>. Since co-founding CBI in 1992, Dr. Freer has served as a director of CBI and, until 2008, as the Chairman of the Board of CBI. He assumed the role of Chief Operating Officer in 2002 and Chief Executive Officer in 2011. From 1975 until 1997, Dr. Freer was employed in the Department of Pharmacology and Toxicology at Virginia Commonwealth University ("VCU"), first as an Associate Professor and then a full Professor. In addition, from 1988 through 1995, Dr. Freer was first Director and then Chair of the Biomedical Engineering Program. From 1996 through 1997, Dr. Freer served as Professor in VCU's Department of Biochemistry and Molecular Biophysics. Dr. Freer received a bachelor's degree in Biology from Marist College and a doctorate degree in Pharmacology from Columbia University. Dr. Freer's term as a director runs through 2012, or until his successor is appointed. Dr. Freer has been chosen as a director because he is one of the founders of our company and he has extensive knowledge of our operations and the industry in which we operate.

<u>James D. Causey</u>. Since 2004, Mr. Causey has served as Vice President of Trader Publishing Company, a nationwide network of classified publications. From 2003 until 2004, Mr. Causey served as a consultant in the publishing industry. From 1999 to 2003, Mr. Causey served as the chief executive officer of Sabot Publishing, a Richmond, Virginia based publisher of leading special interest publications. Mr. Causey received a master's degree in business from the University of Maryland. Mr. Causey's term as a director runs through 2010, or until his successor is appointed. Mr. Causey has been chosen as a director because of his leadership skills and his executive officer experience at other companies.

<u>Paul D' Sylva, Ph.D.</u> Dr. D'Sylva assumed the position of Chief Executive Officer of CBI in January 2007 and served in that position until 2009. Dr. D'Sylva served previously as the co-founder and Managing Director of PharmAust Limited. From 2001 to 2005, Dr. D'Sylva served as Director of Research and Development at Murdoch University.

Dr. D'Sylva has a strong track record in raising investment capital for early stage business ventures and has led the development of a number of successful research joint-venture institutes, companies and funds. During his tenure at Murdoch University, he founded and directed the AU$12.5m Investment Fund – Murdoch Westscheme Enterprise Partnership, founded and directed the commercial consulting company MurdochLink Pty Ltd, and was involved in the establishment and governance of a number of key research centers and institutes. He sits on the advisory board of the Centre for Computational Comparative Genomics, a joint-venture research institute in Bioinformatics based at Murdoch University and retains a non-executive role at Murdoch University as an Adjunct Professor of Business. He received a Ph.D. from the University of Arizona in public finance and econometrics. Dr. D'Sylva's term as a director runs through 2010, or until his successor is appointed. Dr. D'sylva has been chosen as a director because of his experience in our industry and his knowledge of the Australian market.

Samuel P. Sears, Jr. Since March 1999, Mr. Sears has been in private practice as an attorney and has been providing business consulting services. From December 1998 through February 1999, Mr. Sears served as Vice Chairman of American Prescription Providers, Inc., a specialty pharmacy network offering prescriptions and nutriceuticals to patients with chronic diseases. From 1995 through May 1998, Mr. Sears was Chief Executive Officer and Chairman to Star Scientific, Inc., a tobacco company focusing on demonstrating the commercial viability of potentially less harmful tobacco products. Mr. Sears is a graduate of Harvard College and Boston College Law School. Mr. Sears is currently managing partner of the law firm of Cetrullo and Capone, PC, Boston, MA. Mr. Sears' term as a director runs through 2011, or until his successor is appointed. Mr. Sears has been chosen a director because we believe he can draw on his years of legal experience to provide the Company with beneficial guidance.

Eric V Tao. On January 23, 2009, CBI appointed Mr. Eric Tao, Director and Chief Investment Officer of AGI Capital Group, Inc., to CBI's Board of Directors. Mr. Tao graduated from Pomona College in 1989 and the University of California Hastings College of Law in 1995. In addition to his position with AGI Capital Group, Inc., Mr. Tao also serves as a member of the Board of Directors of Avant Housing, Hukilau, LLC, the Hawaii Chamber of Commerce of Northern California and the San Francisco YB Community Benefit District. Mr. Tao's term as a director runs through 2012, or until his successor is appointed. Mr. Tao has been chosen as a director because of his experience in guiding other small companies as a director.

Maria Song, M.D., Ph.D. On March 27, 2009, CBI appointed Dr. Maria Song, Chairman of VPS Global, to CBI's Board of Directors. Dr. Song previously served as the General Manager of a Sino-Hong Kong joint venture pharmaceutical company. Dr. Song has over fifteen years of experience in drug development and has conducted a number of multi-center clinical trials, local registration trials, and Phase IV studies for a variety of international clients. Dr. Song is also an expert on regulatory submissions to the Chinese State Food and Drug Administration ("SFDA") and often advises the SFDA on policy matters. Dr. Song received her M.D. and Ph.D. from the University of Peking Union Medical College. Dr. Song also received a Master of Economics degree from the Central University of Finance and Economics. Dr. Song's term as a director runs through 2012, or until her successor is appointed. Dr. Song has been chosen as a director because we believe her years of experience in the drug development industry will be beneficial to our company.

Audit Committee

The members of the Audit Committee as of December 31, 2011 were Samuel P. Sears, Jr., James D. Causey, and Eric V. Tao. Dr. McAfee resigned from CBI's Board of Directors (and, consequently, the Audit Committee) on January 21, 2009. Mr. Tao replaced Dr. McAfee on the Audit Committee. Each member of the Audit Committee is independent under the rules of the SEC and the NASDAQ Capital Market. The Board of Directors has determined that all members of the Audit Committee are independent and "audit committee financial experts" as such term is defined in Item 401(h)(2) of Regulation S-K promulgated under the Exchange Act.

Compliance with Section 16(a) of the Securities Exchange Act of 1934

Section 16(a) of the Securities Exchange Act of 1934 requires the Company's directors and executive officers and persons who own more than ten percent of a registered class of the Company's equity securities to file with the Securities and Exchange Commission reports of ownership and changes in beneficial ownership of the Company's common stock. Directors, executive officers and greater than ten percent shareholders are required to furnish the Company with copies of all Section 16(a) forms they file. Based solely on a review of the copies of these reports furnished to the Company or written representations that no other reports were required, we believe that all reports were timely made.

Code of Conduct

CBI has adopted a Code of Conduct, which is applicable to all directors, officers and associates of the Company, including the principal executive officer and the principal financial and accounting officer.

Item 11. Executive Compensation.

The following table sets forth the compensation paid to or earned by (i) the Chief Executive Officer, and (ii) CBI's two other most highly compensated executive officers (collectively, the "Named Executive Officers") during each of CBI's last two fiscal years:

Name and principal position[1]	Year	Salary ($)[2]	Bonus ($)	Stock Awards ($)[1]	Option Awards ($)[1]	All other Compensation ($)	Total ($)
Richard J. Freer, Ph.D.	2011	$153,976	—	—	—	—	$153,976
COO	2010	$104,915	—	$19,600	—	—	$124,515

(1) Amounts reflect the dollar value on grant date for the fiscal years ended December 31, 2011 and 2010, in accordance with ASC Topic 718.
(2) For 2011, salary is comprised of $29,531 in gross W-2 wages and $124,445 in accrued wages earned but not paid during 2011.

Director Compensation

The following table shows all cash compensation paid to CBI's directors in 2011. Directors did not receive any compensation other than as stated in the chart below.

Name	Fees Earned or Paid in Cash	Options Awards	Total
Maria Song, Ph.D.	$ 8,500	—	$8,500
Eric Tao	$ 8,500	—	$8,500
James D. Causey	$ 8,500	—	$8,500
Samuel P. Sears, Jr.	$ 8,500	—	$8,500

Outstanding Equity Awards at Fiscal Year-End

The following table sets forth certain information concerning the value of outstanding equity awards held by the Named Executive Officers as of December 31, 2011.

Name	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Option Exercise Price ($)	Option Expiration Date	Number of Shares or Units of Stock That Have Not Vested (#)	Market Value of Shares or Units of Stock That Have Not Vested ($)
Richard J. Freer, Ph.D.	7,069		$ 3.75	12/31/2011	—	—
	26,500		$ 3.85	11/09/2012		
	7,885		$ 4.80	01/03/2018		
	10,000		$ 3.30	11/13/2013		
	10,000		$ 6.00	01/01/2017		
	20,000		$ 4.35	01/01/2017		

Employment Agreements

RICHARD J. FREER, PH.D.

As of January 1, 2008, CBI entered into an amended employment agreement with Dr. Freer pursuant to which Dr. Freer will serve as Chairman of the Board and Chief Operating Officer. This agreement expired on December 31, 2011. The employment agreement provides Dr. Freer with:

- a base salary of at least $202,500, with any amount above such minimum level to be determined by the Compensation Committee and ratfied by the Board of Directors;
- a grant, on January 1, 2008 and annually on January 1 for each subsequent year of his contract, of 35,000 restricted shares of common stock;
- an annual bonus to be based upon financial performance criteria determined by the Board of Directors. Assuming full satisfaction of such financial performance criteria, the maximum cash bonus payable shall not be less than $25,000 per year;
- a number of annual incentive stock option and restricted stock grants to be based upon financial performance criteria determined by the Board of Directors. Assuming full satisfaction of such financial performance criteria, Dr. Freer is eligible to receive incentive stock options to purchase an aggregate of 10,000 Shares of common stock and 5,000 Shares of restricted common stock on a yearly basis. Such options and restricted Shares shall vest in three equal yearly installments beginning on the date that is one year following the date of grant;
- a grant of 50,000 Shares of restricted common stock on June 27, 2005 and a grant of 50,000 Shares of restricted common stock on January 1, 2006, with such Shares vesting in quarterly installments of 10,000 Shares beginning on January 1, 2010; and
- participation in any and all employee benefit plans.

Under the employment agreement, upon Dr. Freer's death, CBI shall pay Dr. Freer's beneficiary an amount equal to (i) one month's salary, and (ii) a cash, option and restricted stock bonus with respect to that portion of our company's fiscal year completed prior to Dr. Freer's death. In addition, upon Dr. Freer's death, all unvested, restricted Shares of CBI's stock held by Dr. Freer shall immediately vest.

If CBI terminates Dr. Freer's employment for any reason or if Dr. Freer terminates his employment with or without "Good Reason," as such terms are defined in the employment agreement, Dr. Freer is entitled to (a) a lump cash sum equal to the aggregate amount of one year's salary and (b) medical, dental and life insurance benefits for the same 12 month period.

To the extent a "Change-of-Control," as such term is defined in the employment agreement, occurs during the term of the agreement, Dr. Freer, at his sole option, may deem such event to be a termination of employment without Cause. As a result, Dr. Freer would be entitled to receive (a) a lump cash sum equal to the aggregate amount of two years' salary and (b) medical, dental and life insurance benefits for the same 24 month period. In addition, all unvested options and Shares of restricted stock held by Dr. Freer will immediately vest.

To the extent Dr. Freer becomes "Disabled," as such term is defined in the employment agreement, during the term of the agreement, CBI shall continue pay him his full salary and benefits until he shall become eligible for disability income under our disability plan. While receiving disability income payments, CBI shall pay Dr. Freer the difference between such payments and his salary (without bonus).

The agreement contains a non-competition provision, which prohibits Dr. Freer from competing with CBI or soliciting its employees under certain circumstances. A court may, however, determine that this non-competition provision is unenforceable or only partially enforceable.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters.

This table below contains certain information about the beneficial owners known to CBI as of April 12, 2012 of more than 5% of the Company's outstanding shares of common stock.

Name and Address of Beneficial Owner	Shares of Common Stock Beneficially Owned	Percent of Class
VenturePharm Laboratories, Ltd [(1)] No 3 Jinzhuang Sijiqing Haidian District 100089 China	2,613,426	21.61%
Richard J. Freer, Ph.D. 718 Grove Road Midlothian, VA 23114	2,353,233	18.58%

(1) As of August 19, 2008, VPL acquired the outstanding stock from PharmAust Chemistry LTD, an Australian Limited company. Total shares transferred were 2,150,000. On July, 7, 2008, the Company completed a sale of stock subject to the $1 million put right with VPL. Under the terms of the put agreement, the Company sold 463,426 shares of common stock to VPL at a price of $2.15 per share. In consideration of the sale of shares, the Company received $500,000 in cash and 2,229,664 of VPL's ordinary shares.

This table demonstrates the alignment of the interests of CBI's directors and executive officers with the interests of CBI's shareholders by showing how much of CBI's outstanding common stock is beneficially owned by CBI's directors, each of the Named Executive Officers and all directors and Named Executive Officers as a group as of April 12, 2012. Except as otherwise noted, the beneficial owners listed have sole voting and investment power with respect to the shares shown.

Name and Address of Beneficial Owner	Amount and Nature of Beneficial Ownership	Percentage of Class (%)[(1)]
Paul D'Sylva, Ph.D.(2)	225,000	1.78
Richard J. Freer, Ph.D.[(3)]	2,110,974	17.08
Samuel P. Sears, Jr.[(4)]	366,362	3.17
James D. Causey[(5)]	355,333	3.00
Bill Guo[(6)]	2,613,426	20.64
Maria Song, Ph.D. [(8)]	—	*
Eric V. Tao[(7)]	21,000	*
All directors and executive officers as a group (10 persons)[(11)]	**3,581,373**	**36.15%**

* Less than 1%.

(1) Applicable percentages are based on 12,660,504 shares outstanding on April 12, 2012. Also includes shares of common stock subject to options and warrants that may be exercised within 60 days of March 31, 2011. Such shares are deemed to be outstanding for the purposes of computing the percentage ownership of the individual holding such shares, but are not deemed outstanding for purposes of computing the percentage of any other person shown in the table. This table is based upon information supplied by officers, directors, and principal shareholders and Schedule 13Gs filed with the SEC. Unless indicated in the footnotes to this table and subject to community property laws where applicable, CBI believes that each of the shareholders named in this table has sole voting and investment power with respect to the shares indicated as beneficially owned.

(2) Dr. D'Sylva's address is 718 Grove Road, Midlothian, Virginia 23114.

(3) Dr. Freer's address is 718 Grove Road, Midlothian, Virginia 23114. The number of shares deemed to be beneficially held by Dr. Freer includes currently exercisable options to purchase an aggregate of 51,454 shares of common stock.

(4) Mr. Sears' address is 718 Grove Road, Midlothian, Virginia 23114. The number of shares deemed to be beneficially held by Mr. Sears includes currently exercisable options to purchase an aggregate of 35,029 shares of common stock.

(5) Mr. Causey's address is 718 Grove Road, Midlothian, Virginia 23114. The number of shares deemed to be beneficially held by Mr. Causey includes currently exercisable options to purchase an aggregate of 24,000 shares of common stock.

(6) Mr. Guo's address is 718 Grove Road, Midlothian, Virginia 23114. The number of shares deemed to be beneficially owned by Mr. Guo includes 2,613,426 shares held by VPL over which Mr. Guo exercises voting power.

(7) Mr. Tao's address is 718 Grove Road, Midlothian, Virginia 23114.

(8) Ms. Song's address is 718 Grove Road, Midlothian, Virginia 23114.

Item 13. Certain Relationships and Related Transactions, and Director Independence.

Director Independence

CBI believes that it meets the independence standards adopted by the Securities and Exchange Commission and the OTC Market Group, Inc. (OTC Pink).

Related Transactions

On August 19, 2008, VPL acquired all of the Company's common stock held by PharmAust Chemistry Ltd. Concurrently therewith, the Company and VPL entered into a put agreement, exercised on July 7, 2008, pursuant to which the Company sold 463,426 shares of common stock to VPL at a price of $2.15 per share.

Item 14. Principal Accountant Fees and Services.

Fees Paid To Independent Registered Public Accounting Firm

Audit Fees

For fiscal 2011, CBI paid Witt Mares, PLC fees of $37,000, for the annual audit of our financial statements and fees of $21,678 for the quarterly review of financial statements included in our Forms 10-Q.

For fiscal 2010, CBI paid Witt Mares, PLC fees of $65,000, for the annual audit of our financial statements and fees of $15,000 for the quarterly review of financial statements included in our Forms 10-Q.

Audit Related Fees

For fiscal 2011, CBI did not pay any fees to Witt Mares, PLC for audit-related services.

For fiscal 2010, CBI did not pay any fees to Witt Mares, PLC for audit-related services.

Tax Fees

For fiscal 2011, CBI paid Witt Mares, PLC $4,000 for tax services.

For fiscal 2010, CBI paid Witt Mares, PLC $4,000 for tax services.

PART IV

Item 15. **Exhibits, Financial Statement Schedules.**

See “Exhibit Index.”

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Exchange Act, the Registrant 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 Executive Officer
(Principal Executive Officer)

Date: April 13, 2012

By: /s/ VINCENT B. MCNELLEY
Vincent B. McNelley
Acting Principal Financial Officer
(Principal Financial Officer)

Date: April 13, 2012

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Signature	Title(s)	Date
/s/ RICHARD J. FREER, PH.D **Richard J. Freer, Ph.D.**	Chief Executive Officer and Director (Principal Executive Officer)	April 13, 2012
/s/ BILL GUO **Bill Guo**	Director	April 13, 2012
/s/ JAMES. P. CAUSEY **James P. Causey**	Director	April 13, 2012
/s/ SAMUEL P. SEARS, JR. **Samuel P. Sears, Jr.**	Director	April 13, 2012
/s/ MARIA SONG, M.D., PH.D. **Maria Song, M.D., Ph.D.**	Director	April 13, 2012
/s/ PAUL D'SYLVA, PH.D **Paul D'Sylva, Ph.D.**	Director	April 13, 2012
/s/ ERIC TAO **Eric Tao**	Director	April 13, 2012

Executive Compensation Plans and Arrangements

The following is a list of all executive compensation plans and arrangements filed as exhibits to this annual report on Form 10-K or incorporated herein by reference:

1. First Amended and Restated Employment Agreement between the Company and Richard J. Freer, Ph.D. (4)

2. Second Amendment to First Amended and Restated Employment Agreement for Richard J. Freer, Ph.D. (5)

3. 1997 Stock Incentive Plan, as amended (7)

4. 2000 Stock Incentive Plan (8)

5. 2002 Stock Incentive Plan, as amended (9)

6. 2007 Stock Incentive Plan (10)

7. 2009 Stock Incentive Plan

(1) Incorporated by reference to the Company's Form 10-KSB, dated March 31, 2009, File No. 001-13467.
(2) Incorporated by reference to the Company's Current Report on Form 8-K dated February 28, 2007, File No. 001-13467.
(3) Incorporated by reference to the Company's Current Report on Form 8-K dated January 5, 2007, File No. 001-13467.
(4) Incorporated by reference to the Company's Form 10-KSB, dated April 9, 2008 (as amended on April 30, 2008), File No. 001-13467.
(5) Incorporated by reference to the Company's Current Report on Form 8-K dated June 28, 2005, File No. 001-13467.
(6) Incorporated by reference to the Company's Form 10-KSB, dated March 31, 2006, File No. 001-13467.
(7) Incorporated by reference to the Company's Form 10-KSB, dated March 31, 2003, File No. 001-13467.
(8) Incorporated by reference to the Company's Registration Statement on Form SB-2, Registration No. 333-31731.
(9) Incorporated by reference to the Company's Registration Statement on Form S-8, Registration No. 333-51074.
(10) Incorporated by reference to the Company's Registration Statement on Form S-8, Registration No. 333-102368.
(1) Incorporated by reference to the Company's other definitive Proxy Statement dated April 12, 2007, File No. 001-13467

EXHIBIT INDEX

Exhibit Number	Description Of Exhibits
3(i).1	Articles of Incorporation of Commonwealth Biotechnologies, Inc. (1)
3(i).2	Articles of Amendment of Articles of Incorporation of Commonwealth Biotechnologies, Inc. (2)
3(ii).1	Third Amended and Restated Bylaws of Commonwealth Biotechnologies, Inc. (3)
3(ii).2	Amendment to Third Amended and Restated Bylaws of Commonwealth Biotechnologies, Inc. (4)
4.1	Form of Common Stock Certificate (1)
4.2	Form of Class A Warrant (5)
4.3	Form of Class B Warrant (5)
4.4	Form of Secured Convertible Promissory Note (5)
10.1	Subscription Agreement (5)
10.2	Security Agreement (5)
10.3	Stock Purchase Agreement by and among Commonwealth Biotechnologies, Inc., Pharmaust Limited and Pharmaust Chemistry Ltd. dated November 24, 2006 (6)
10.4	Voting and Lock-Up Agreement dated as of February 9, 2007 (7)
10.5	Registration Rights Agreement, dated as of February 9, 2007 (7)
10.6	Employment Agreement between the Company and Paul D'Sylva, Ph.D. (8)
10.7	First Amended and Restated Employment Agreement for Richard J. Freer, Ph.D. (8)
10.8	First Amendment to First Amended and Restated Employment Agreement between the Company and Richard J. Freer, Ph.D. (9)
10.9	Second Amendment to First Amended and Restated Employment Agreement for Richard J. Freer, Ph.D. (10)
10.10	Officer's Severance Agreement for James H. Brennan (13)
13.1	2011 Annual Report (20)
21.1	Subsidiaries of Commonwealth Biotechnologies, Inc. (14)
23.1	Consent of Witt Mares, PLC (20)
31.1	Certification of Richard J. Freer, Ph.D. (20)
31.2	Certification of Vincent B. McNelley(20)
32.1	Section 906 Certification of Richard J. Freer, Ph.D. (20)

32.2	Section 906 Certification of Vincent B. McNelley (20)
99.1	1997 Stock Incentive Plan, as amended (15)
99.2	2000 Stock Incentive Plan (16)
99.3	2002 Stock Incentive Plan, as amended (17)
99.4	2007 Stock Incentive Plan (18)

(1) Incorporated by reference to the Company's Registration Statement on Form SB-2, Registration No. 333-31731.
(2) Incorporated by reference to the Company's Current Report on Form 8-K, dated October 31, 2007, File No. 001-13467.
(3) Incorporated by reference to the Company's Current Report on Form 8-K, dated March 29, 2007, File No. 001-13467.
(4) Incorporated by reference to the Company's Current Report on Form 8-K, dated March 28, 2008, File No. 001-13467.
(5) Incorporated by reference to the Company's Current Report on Form 8-K, dated January 8, 2008, File No. 001-13467.
(6) Incorporated by reference to the Company's Current Report on Form 8-K, dated November 29, 2007, File No. 001-13467.
(7) Incorporated by reference to the Company's Current Report on Form 8-K, dated February 15, 2007, File No. 001-13467.
(8) Incorporated by reference to the Company's Current Report on Form 8-K, dated February 28, 2007, File No. 001-13467.
(9) Incorporated by reference to the Company's Current Report on Form 8-K, dated August 15, 2005, File No. 001-13467.
(10) Incorporated by reference to the Company's Current Report on Form 8-K, dated March 31, 2006, File No. 001-13467.
(11) Incorporated by reference to the Company's Current Report on Form 8-K, dated January 5, 2007, File No. 001-13467.
(12) Incorporated by reference to the Company's Form 10-KSB, dated March 31, 2006, File No. 001-13467.
(13) Incorporated by reference to the Company's Form 10-KSB, dated March 31, 2003, File No. 001-13467.
(14) Incorporated by reference to the Company's Registration Statement on Form SB-2, Registration No. 333-148942.
(15) Incorporated by reference to the Company's Registration Statement on Form SB-2, Registration No. 333-31731.
(16) Incorporated by reference to the Company's Registration Statement on Form S-8, Registration No. 333-51074.
(17) Incorporated by reference to the Company's Registration Statement on Form S-8, Registration No. 333-102368.
(18) Incorporated by reference to the Company's other definitive Proxy Statement dated April 12, 2007, File No. 001-13467.
(19) Incorporated by reference to the Company's Form 10-KSB, dated April 9, 2008 (as amended on April 30, 2008), File No. 001-13467.
(20) Filed herewith.

Exhibit 13.1

Commonwealth Biotechnologies, Inc.

2011
ANNUAL REPORT

Commonwealth Biotechnologies, Inc.

Table of Contents

Stockholder Matters

The Company's common stock traded on the NASDAQ Capital Market ("NASDAQ") under the symbol "CBTE" until January 25, 2010. The Company's common stock currently trades on the Pink Sheets under the symbol CBTEQ.PK. The following table sets forth the range of high and low sales price per share of common stock for the years ended December 31, 2011, 2010 and 2009, respectively. These market quotations reflect inter-dealer prices, without retail mark-up, markdown, or commission and may not necessarily represent actual transactions.

On April 12, 2012, the last reported sales price for a share of the Company's Common Stock was $0.03.

The Company has not paid and does not expect to pay any cash dividends on its Common Stock.

Period	High Stock Price	Low Stock Price
1st Quarter, 2011	$0.08	$0.02
2nd Quarter, 2011	$0.07	$0.04
3rd Quarter, 2011	$0.04	$0.02
4th Quarter, 2011	$0.04	$0.02
1st Quarter, 2010	$0.65	$0.15
2nd Quarter, 2010	$0.26	$0.16
3rd Quarter, 2010	$0.17	$0.09
4th Quarter, 2010	$0.11	$0.06
1st Quarter, 2009	$0.39	$0.21
2nd Quarter, 2009	$1.18	$0.22
3rd Quarter, 2009	$0.80	$0.50
4th Quarter, 2009	$.077	$0.36

Selected

Financial Data

Set forth below is selected financial data with respect to the years ended December 31, 2011 and 2010. The selected financial data set forth below should be read in conjunction with "Management's Discussion and Analysis of Financial Conditions and Results of Operation."

	As of and for the year ended December 31, 2011	2010
Operational Data		
Total revenues	$ —	$ —
Loss from continuing operations	(264,802)	(644,617)
Income (loss) from discontinued operations	36,914	(359,653)
Net loss	**$ (227,888)**	**$ (1,004,270)**
Basic and diluted loss per common share from continued operations	$ (0.02)	$ (0.06)
Basic and diluted loss per common share from discontinued operations	—	(0.04)
Basic and diluted loss per common share	$ (0.02)	$ (0.10)
Weighted average shares outstanding	12,108,141	9,864,040
Balance Sheet Data		
Total Current Assets	$ 1,376,230	$ 2,372,245
Total Assets	1,376,230	6,147,389
Total Current Liabilities	540,149	1,021,696
Total Liabilities	1,745,380	5,746,348
Total Stockholders' Equity (Deficit)	$ (369,150)	$ 401,041

Management's Discussion and Analysis of Financial Condition and Results of Operations

The following should be read in conjunction with "Selected Financial Data" and the Company's Audited Financial Statements and Notes thereto included within.

Overview

Commonwealth Biotechnologies, Inc. (the "Company" or "CBI") was a specialized life sciences outsourcing business that offered cutting-edge expertise and a complete array of Peptide-based discovery chemistry and biology products and services through Mimotopes Pty Limited ("Mimotopes"), a wholly-owned subsidiary of CBI. Through November 2, 2009, CBI also provided services through CBI Services and Fairfax Identity Laboratories ("FIL"), two divisions that were sold to Bostwick Laboratories, Inc. ("Bostwick") effective November 2, 2009.

On January 20, 2011, the Registrant filed a voluntary petition in the United States Bankruptcy Court for the Eastern District of Virginia (the "Bankruptcy Court") seeking relief under the provisions of Chapter 11 of Title 11 of the United States Code. On April 7, 2011, the Bankruptcy Court approved the private sale of Mimotopes for a net sales price of $850,000. The sale closed on April 29, 2011. Currently, the Company has no operating units or subsidiaries.

In December 2011, the Bankruptcy court approved the sale (the "Building Sale") at auction of land, office and laboratory space located at 601 Biotech Drive in Chesterfield County, Virginia. The sale closed on December 29, 2011 for a gross sales price of $3,800,000. After the payoff of the related mortgage and payment of other selling related costs, net proceeds to the Company were approximately $1,369,000. The Company plans to use the net proceeds from this sale to payoff a significant portion of unsecured creditors and to fund operations.

In addition, the Company is actively seeking to execute a merger and acquisition ("M&A") transaction with a private Company seeking access to the public financial markets.

Mimotopes is shown in the Consolidated Financial Statements as discontinued operations.

Intellectual Property

Prior to the asset sale to Bostwick, CBI was primarily focused on fee-for-service offerings. In addition, CBI developed various intellectual properties that had resulted in U.S. and international patents. Most of these were assigned to Bostwick as part of the asset sale. However, the Company retained one dormant patent application in the vaccine development area. More specifically, this dormant patent application relates to formulations, methods and kits for minimizing or preventing the reversion of attenuated microorganisms, such as viruses, to their respective wild types or other infectious forms, and for the design and evaluation of vaccines and vaccine formulations that minimize or eliminate such disadvantageous reversions. Management believes this technology could be attractive to potential M&A partners.

CBI takes appropriate steps to protect its intellectual property rights and those of its customers. The Company's practice is to require its employees and consultants to execute non-disclosure and proprietary rights agreements upon commencement of employment or consulting arrangements with the Company. These agreements require that all proprietary information disclosed to the individual by CBI or its customers remain confidential.

Going Concern

The accompanying financial statements have been prepared on a going concern basis which contemplates realization of assets and satisfaction of liabilities in the normal course of business. If the Company is unable to improve operating results and meet its debt obligations, it may have to cease operations. The financial statements do not include any adjustments that might be necessary if the Company is unable to continue as a going concern.

Net losses were $227,888 and $1,004,270 for the years ended December 31, 2011 and 2010, respectively. As of result of the Building Sale and the Sale of Mimotopes during 2011, the Company has no sources of revenue. Consequently, there can be no assurance by management that the Company's financial outlook will improve or that an M&A partner will be obtained in a timely manner.

The Company generated positive cash flows of $1,222,056 in 2011, compared to a decrease in cash of $454,748 in 2010. Net working capital as of December 31, 2011 and December 31, 2010 was $836,081 and $1,350,549, respectively.

The Company had $1,321,968 and $99,912 in cash and cash equivalents at December 31, 2011 and 2010, respectively. This increase was primarily the result of the net proceeds received on the sale of Mimotopes and the Building Sale during 2011.

Cash provided by (used in) operating activities was $67,533 and $(173,807) in 2011 and 2010, respectively. This change was primarily the result of the sale of Mimotopes in the second quarter of 2011 and the Building Sale on December 29, 2011. As a result of these sales, the Company has no operating subsidiaries or an ongoing source of revenue. These decreases in operating cash flows were partially offset by the increase in accrued expenses relating primarily to accrued legal fees resulting from the Company's bankruptcy filing in January 2011.

Cash provided by investing activities was $1,474,837 and $0 in 2011 and 2010, respectively. The primary investing activities in 2011 were proceeds from the Building Sale and the sale of Mimotopes.

Cash used by financing activities for 2011 and 2010 was $320,314 and $280,941, respectively. This change is primarily payments on the mortgage prior to the Building Sale.

On January 20, 2011, the Registrant filed a voluntary petition in the United States Bankruptcy Court for the Eastern District of Virginia (the "Bankruptcy Court") seeking relief under the provisions of Chapter 11 of Title 11 of the United States Code. On April 7, 2011, the Bankruptcy Court approved the private sale of Mimotopes for a net sales price of $850,000. The sale closed on April 29, 2011. Now that the sale of Mimotopes is complete, the Company has no operating units or subsidiaries.

In December 2011, the Bankruptcy court approved the sale (the "Building Sale") at auction of land, office and laboratory space location at 601 Biotech Drive, Chesterfield County , Virginia 23235. The sale closed on December 29, 2011 for a gross sales price of $3,800,000. After the payoff of the related mortgage and payment of other selling related costs, net proceeds to the Company were approximately $1,369,000. The Company plans to use the net proceeds from this sale to payoff a significant portion of unsecured creditors and to fund operations.

In addition, the Company is actively seeking to execute an M&A transaction with a private Company seeking access to the public financial markets.

Mimotopes is shown in the Consolidated Statement of Operations as discontinued operations.

A continued lack of adequate cash resulting from the Company's inability to generate cash flow from operations or to raise capital from external sources would force the Company to substantially curtail or cease operations.

There can be no assurance that any funds required during the next twelve months or thereafter can be generated. Nor can there be any assurance that funds will be available from external sources, such as debt or equity financing or other potential sources, if they cannot be generated internally. Lastly, there can be no assurance that the Company will be able to secure a suitable M&A partner.

During the last year, the Company's business has undergone substantial changes in relation to size, scale and scope of activities. The Company currently has no operating units or subsidiaries.

As of result of the Building Sale and Sale of Mimotopes during 2011, the Company has no sources of revenue and must fund administrative expenses from cash on hand.

As a result of the foregoing circumstances, there is substantial doubt about the Company's ability to continue as a going concern. The financial statements included herein do not include any adjustments relating to the recoverability or classification of asset carrying amounts or the amounts and classification of liabilities that may result should the Company be unable to continue as a going concern.

The Company's independent auditors have included a paragraph emphasizing "going concern" in their report on the 2011 financial statements. The financial statements included herein do not include any adjustments relating to the recoverability or classification of asset carrying amounts or the amounts and classification of liabilities that may result should the Company be unable to continue as a going concern.

Change in Operating Structure

Melbourne-based Mimotopes was acquired by CBI in 2007. It provides world class research grade peptide synthesis and analysis. Mimotopes also has several proprietary technologies for the preparation of peptide and small molecule libraries for drug discovery and for epitope analysis in support of its clients' vaccine development programs. Mimotopes also has a formal peptide alliance with Genzyme Pharmaceuticals, a world class provider of GMP pharmaceutical grade peptides and also enjoys a strong relationship with GL Biochem, a Shanghai-based peptide synthesis and reagent company.

On January 20, 2011, the Registrant filed a voluntary petition in the United States Bankruptcy Court for the Eastern District of Virginia (the "Bankruptcy Court") seeking relief under the provisions of Chapter 11 of Title 11 of the United States Code. On April 7, 2011, the Bankruptcy Court approved the private sale of Mimotopes for a net sales price of $850,000. The sale closed on April 29, 2011. Now that the sale of Mimotopes is complete, the Company has no operating units or subsidiaries.

In December 2011, the Bankruptcy court approved the sale (the "Building Sale") at auction of land, office and laboratory space located at 601 Biotech Drive, Chesterfield County , Virginia. The sale closed on December 29, 2011 for a gross sales price of $3,800,000. After the payoff of the related mortgage and payment of other selling related costs, net proceeds to the Company were approximately $1,369,000. The Company plans to use the net proceeds from this sale to payoff a significant portion of unsecured creditors and to fund operations.

In addition, the Company is actively seeking to execute an M&A transaction with a private Company seeking access to the public financial markets.

Strategy Going Forward

The Company currently has no operating units or subsidiaries. The Company is actively seeking to execute an M&A transaction with a private Company seeking access to the public financial markets. The Company plans to complete this process while under the protection of the Bankruptcy Court. Until an M&A transaction is completed, administrative expenses will be funded from cash on hand.

Results of Operations

Year Ended December 31, 2011 ("2011") Compared with Year Ended December 31, 2010 ("2010").

All financial comparisons are for continuing operations unless otherwise noted for discontinued operations.

Revenues

As a result of the sale of Mimotopes in the second quarter of 2011 and the Building Sale on December 29, 2011, the Company has no ongoing sources of revenue until a suitable M&A transaction partner can be obtained.

General and Administrative

General and administrative expenses ("GA") consist primarily of compensation and related costs for corporate administrative staff, professional fees, consulting, taxes, and other administrative expenses. Total GA costs decreased $44,341, or 4.3%, from $1,026,437 in 2010 to $982,096 in 2011. This decrease is primarily a result of decreased operations and the elimination of corporate overhead costs subsequent to the sale of CBI Services and FIL in November 2009. Currently, the corporate administrative staff consists of the CEO, Staff Accountant and a consultant who serves, on a part-time basis, as the acting principal financial officer. These decreases were partially offset by increased legal costs associated with the Company's bankruptcy filing. Legal expenses increased $225,875, or 371.5%, from $60,806 in 2010 to $286,681 in 2011.

Since the Company has no current sources of revenue, future administrative costs must be funded from cash on hand.

Other Income (Expenses)

Rental income consists solely of rents received from Bostwick for the lease of office and laboratory space located at 601 Biotech Drive in Chesterfield County, Virginia. This lease commenced in November 2009 and was terminated as a result of the Building Sale on December 29, 2011. Consequently, the Company has no sources of future revenue until a suitable M&A transaction partner can be obtained.

During 2011, the following gains and losses were recognized relating to the Building Sale and the sale of Mimotopes:

- Gain of $148,773 on the Building Sale;
- Gain of $764,239 relating to the recognition of other comprehensive income on the deconsolidation of Mimotopes;
- Loss of $575,026 on the deconsolidation of Mimotopes.

No such gains and losses were incurred in 2010.

Interest expense was $217,580 and 233,148 for 2011 and 2010, respectively. As a result of the payoffs of the PIPE Investor Notes during the second quarter of 2011 and the payoff of the mortgage from the proceeds of the Building Sale on December 29, 2011, the only remaining debt is the Fornova Note. Consequently, beginning in January 2012, interest expense will relate solely to the Fornova Note and will accrue at a rate of approximately $4,000 per month. During 2010 and 2011, monthly interest expense was approximately $19,000 and was comprised of interest expense on the Company's Mortgage, PIPE Investor Notes and the Fornova Note.

Discontinued Operations

On January 20, 2011, the Registrant filed a voluntary petition in the United States Bankruptcy Court for the Eastern District of Virginia (the "Bankruptcy Court") seeking relief under the provisions of Chapter 11 of Title 11 of the United States Code. On April 7, 2011, the Bankruptcy Court approved the private sale of Mimotopes for a net sales price of $850,000. Results of operating Mimotopes are shown as discontinued operations in the Consolidated Statement of Operations for 2011 and 2010. In addition, the related assets and liabilities of Mimotopes are shown as Assets of discontinued operations and Liabilities of discontinued operations in the Consolidated Balance Sheet as of December 31, 2010.

Income (loss) from discontinued operations was $36,914 in 2011 and ($359,653) in 2010. These amounts consist solely of the operations of Mimotopes.

Liquidity and Capital Resources

Net losses were $227,888 and $1,004,270 for the years ended December 31, 2011 and 2010, respectively. As of result of the Building Sale and the Sale of Mimotopes during 2011, the Company has no sources of revenue. Consequently, there can be no assurance by management that the Company's financial outlook will improve or that an M&A partner will be obtained in a timely manner.

The Company generated positive cash flows of $1,222,056 in 2011, compared to a decrease in cash of $454,748 in 2010. Net working capital as of December 31, 2011 and December 31, 2010 was $836,081 and $1,350,549, respectively.

The Company had $1,321,968 and $99,912 in cash and cash equivalents at December 31, 2011 and 2010, respectively. This increase was primarily the result of the net proceeds received on the sale of Mimotopes and the Building Sale during 2011.

Cash provided by (used in) operating activities was $67,533 and $(173,807) in 2011 and 2010, respectively. This change was primarily the result of the sale of Mimotopes in the second quarter of 2011 and the Building Sale on December 29, 2011. As a result of these sales, the Company has no operating subsidiaries or an ongoing source of revenue. These decreases in operating cash flows were partially offset by the increase in accrued expenses relating primarily to accrued-legal fees resulting from the Company's bankruptcy filing in January 2011.

Cash provided by investing activities was $1,474,837 and $0 in 2011 and 2010, respectively. The primary investing activities in 2011 were proceeds from the Building Sale and the sale of Mimotopes.

Cash used by financing activities for 2011 and 2010 was $320,314 and $280,941, respectively. This change is primarily payments on the mortgage prior to the Building Sale.

On January 20, 2011, the Registrant filed a voluntary petition in the United States Bankruptcy Court for the Eastern District of Virginia (the "Bankruptcy Court") seeking relief under the provisions of Chapter 11 of Title 11 of the United States Code. On April 7, 2011, the Bankruptcy Court approved the private sale of Mimotopes for a net sales price of $850,000. The sale closed on April 29, 2011. Now that the sale of Mimotopes is complete, the Company has no operating units or subsidiaries.

In December 2011, the Bankruptcy court approved the sale (the "Building Sale") at auction of land, office and laboratory space location at 601 Biotech Drive, Chesterfield County , Virginia 23235. The sale closed on December 29, 2011 for a gross sales price of $3,800,000. After the payoff of the related mortgage and payment of other selling related costs, net proceeds to the Company were approximately $1,369,000. The Company plans to use the net proceeds from this sale to payoff a significant portion of unsecured creditors and to fund operations.

In addition, the Company is actively seeking to execute an M&A transaction with a private Company seeking access to the public financial markets.

Mimotopes is shown in the Consolidated Statement of Operations as discontinued operations.

Other assets include a receivable in the amount of $50,000 relating to funds held in escrow by the Company's bankruptcy attorneys.

A continued lack of adequate cash resulting from the Company's inability to generate cash flow from operations or to raise capital from external sources would force the Company to substantially curtail or cease operations.

There can be no assurance that any funds required during the next twelve months or thereafter can be generated. Nor can there be any assurance that funds will be available from external sources, such as debt or equity financing or other potential sources, if they cannot be generated internally. Lastly, there can be no assurance that the Company will be able to secure a suitable M&A partner.

During the last year, the Company's business has undergone substantial changes in relation to size, scale and scope of activities. The Company currently has no operating units or subsidiaries.

As of result of the Building Sale and Sale of Mimotopes during 2011, the Company has no sources of revenue and must fund administrative expenses from cash on hand.

As a result of the foregoing circumstances, there is substantial doubt about the Company's ability to continue as a going concern. The financial statements included herein do not include any adjustments relating to the recoverability or classification of asset carrying amounts or the amounts and classification of liabilities that may result should the Company be unable to continue as a going concern.

Recent Accounting Pronouncements

In September 2011, the Financial Accounting Standards Board (FASB) published Accounting Standards Update (ASU) 2011-08, "Intangibles – Goodwill and Other (Topic 350), Testing Goodwill for Impairment" (ASU 2011-08), which simplifies how entities test goodwill for impairment. The amendments in ASU 2011-08 permit an entity to first assess qualitative factors to determine whether it is more likely than not that the fair value of a reporting unit is less than its carrying amount as a basis for determining whether it is necessary to perform the two-step goodwill impairment test described in Topic 350. The ASU is effective for annual and interim goodwill impairment tests performed for fiscal years beginning after December 15, 2011. Early adoption is permitted. The adoption of ASU 2011-08 did not have an impact on our financial statements.

In June 2011, the FASB published ASU 2011-05, "Comprehensive Income (Topic 220), Presentation of Comprehensive Income" (ASU 2011-05), which has the objective of improving the comparability, consistency, and transparency of financial reporting and increasing the prominence of items reported in other comprehensive income. As part of ASU 2011-05, the FASB decided to eliminate the option to present components of other comprehensive income as part of the statement of changes in stockholders' equity, among other amendments in this ASU. The amendments require that all non-owner changes in stockholders' equity be presented either in a single continuous statement of comprehensive income or in two separate but consecutive statements. The amendments in this ASU are to be effective for fiscal years, and interim periods within those years, beginning after December 15, 2011, and the amendments are to be applied retrospectively. In December 2011, with the issuance of ASU 2011-12, "Deferral of the Effective Date for Amendments to the Presentation of Reclassifications of Items out of Accumulated Other Comprehensive Income in Accounting Standard Update No. 2011-05," the FASB announced that it has deferred certain aspects of ASU 2011-05. The adoption of the accounting and disclosure requirements of this ASU is not expected to have a significant impact on our financial statements

In May 2011, the FASB published ASU 2011-04, "Fair Value Measurement (Topic 820) – Fair Value Measurement and Disclosure Requirements in U.S. GAAP and IFRSs," whereby the FASB and the International Accounting Standards Board (IASB) aligned their definitions of fair value such that their fair value measurement and disclosure requirements are the same (except for minor differences in wording and style). The Boards concluded that the amendments in this ASU will improve the comparability of fair value measurements presented and disclosed in financial statements prepared in accordance with U.S. GAAP and IFRS. The amendments in this ASU are effective during interim and annual periods beginning after December 15, 2011, and are to be applied prospectively. The adoption of the accounting and disclosure requirements of this ASU will not have a significant impact on our financial statements.

Corporate Guidance

As a consequence of the Sarbanes-Oxley Act, the NASDAQ imposed certain changes in the rules of corporate governance which are aimed at strengthening its listing standards. The Securities and Exchange Commission (SEC) approved the rules imposed by NASDAQ. Thus:

- CBI's Board is composed of four independent and three Insider directors.

- Only independent directors serve on the three principal committees: Audit, Compensation and Nominating.
- All the independent directors, Mr. Samuel P. Sears, Mr. James Causey, and Mr. Eric V. Tao who serve on the Audit Committee, meet all of the requirements as defined by the SEC for being a "financial expert."
- The Audit Committee reviews and approves all related-party transactions. CBI has adopted a formal Corporate Code of Conduct. Copies are available on request from the Company or on the Company's website at www.cbi-biotech.com.

Critical Accounting Policies

A summary of the Company's critical accounting policies follows:

Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Actual results could differ from those estimates.

Revenue Recognition

The Company recognized revenue upon the completion of laboratory service projects, or upon the delivery of biologically relevant materials that had been synthesized in accordance with project terms. Laboratory service projects were generally administered under fee-for-service contracts or purchase orders. Any revenues from research and development arrangements, including corporate contracts and research grants, were recognized pursuant to the terms of the related agreements as work was performed, or as scientific milestones, if any, were achieved. Product sales were recognized when shipped. Amounts received in advance of the performance of services or acceptance of a milestone, were recorded as deferred revenue and recognized when completed.

Rental income was recognized when earned in accordance with the terms of the lease agreement.

Forward Looking Statements

Management has included herein certain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. When used, statements that are not historical in nature, including the words "anticipated", "estimate", "should", "expect", "believe", "intend", and similar expressions are intended to identify forward-looking statements. Such statements are, by their nature, subject to certain risks and uncertainties.

Among the factors that could cause the actual results to differ materially from those projected are the following:

- business conditions and the general economy,

- the development and implementation of the Company’s long-term business goals,
- federal, state, and local regulatory environment,
- lack of demand for the Company’s services,
- the ability of the Company’s customers to perform services similar to those offered by the Company “in-house,”
- potential cost containment by the Company’s customers resulting in fewer research and development projects,
- the Company’s ability to receive accreditation to provide various services, including, but not limited to paternity testing
- the Company’s ability to hire and retain highly skilled employees,
- the Company’s ability to raise additional equity financing,
- the Company’s inability to pay debt obligations,
- the Company’s inability to find a suitable M&A transaction partner.

Other risks, uncertainties, and factors that could cause actual results to differ materially from those projected are detailed from time to time in reports filed by the company with the Securities and Exchange Commission, including Forms 8-K, 10-QSB, and 10-KSB.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors and
Stockholders of Commonwealth Biotechnologies, Inc.
Richmond, Virginia

We have audited the accompanying consolidated balance sheets of Commonwealth Biotechnologies, Inc. and Subsidiary as of December 31, 2011 and 2010 and the related consolidated statements of operations, stockholders' equity, and cash flows for the years then ended. The Company's management is responsible for these consolidated financial statements. Our responsibility is to express an opinion on these consolidated financial statements based on our audits.

We conducted our audits in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. Our audits included consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit also includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Commonwealth Biotechnologies, Inc. and Subsidiary as of December 31, 2011 and 2010, and the results of their operations and their cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 1 to the consolidated financial statements, the Company's recurring losses from operations and inability to generate sufficient cash flow to meet its obligations and sustain its operations raise substantial doubt about its ability to continue as a going concern. Management's plans concerning these matters are also discussed in Note 1 to the consolidated financial statements. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Witt Mares, PLC

Richmond, Virginia
April 11, 2012

Commonwealth Biotechnologies, Inc.
Consolidated Balance Sheets

	December 31, 2011	December 31, 2010
ASSETS		
Current Assets		
Cash and cash equivalents	$ 1,321,968	$ 99,912
Investments	527	527
Accounts receivable, net	—	—
Other current assets	53,735	3,735
Assets of discontinued operations	—	2,268,071
Total current assets	1,376,230	2,372,245
Property and Equipment, net	—	5,432
Other Assets		
Assets held for sale	—	3,769,712
Total other assets	—	3,769,712
Total Assets	**$ 1,376,230**	**$ 6,147,389**
LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)		
Liabilities Not Subject to Compromise		
Current Liabilities		
Accounts payable	$ 374,245	$ 12,853
Accrued payroll liabilities	165,904	12,969
Liabilities of discontinued operations	—	995,874
Total current liabilties	540,149	1,021,696
Total Liabilities Not Subject to Compromise	**540,149**	**1,021,696**
Liabilities Subject to Compromise		
Debt plus accrued interest	666,667	3,726,052
Priority claims	35,175	35,175
Accounts payable and other unsecured creditors	448,453	512,196
Deferred revenue	—	128,434
Rent deposit	—	144,873
Other liabilities	54,936	177,922
Total Liabilities Subject to Compromise	**1,205,231**	**4,724,652**
Total Liabilities	**1,745,380**	**5,746,348**
Commitments, and contingencies	—	—
Stockholders' equity (deficit)		
Preferred stock, no par value, 1,000,000 shares authorized - none outstanding	—	—
Common stock, no par value, 100,000,000 shares authorized; 2011- 12,660,504 2010 - 9,906,338 issued and outstanding	—	—
Additional paid-in-capital	26,229,815	26,119,191
Restricted stock	—	—
Other comprehensive income	—	652,927
Accumulated deficit	(26,598,965)	(26,371,077)
Total stockholders' equity (deficit)	(369,150)	401,041
Total Liabilities and Stockholders' Equity (Deficit)	**$ 1,376,230**	**$ 6,147,389**

See accompanying summary of accounting policy and notes to financial statements

Commonwealth Biotechnologies, Inc.
Consolidated Statement of Operations

	Years Ended December 31, 2011	2010
Revenues	$ —	$ —
Total revenues	—	—
Operating costs and expenses		
General and administrative	982,096	1,026,437
Total Operating Costs and Expenses	982,096	1,026,437
Operating loss	(982,096)	(1,026,437)
Other income (expense)		
Gain on sale of land and building	148,773	—
Recognition of other comprehensive income on deconsolidation of subsidiary	764,239	—
Rental income	596,454	610,281
Loss on deconsolidation of subsidiary	(575,026)	—
Interest expense	(217,580)	(233,148)
Other income	434	4,687
Total other income (expense)	717,294	381,820
Loss from continuing operations	(264,802)	(644,617)
Income (loss) from operating discontinued operations	36,914	(359,653)
Total income (loss) from disconintued operations	36,914	(359,653)
Net loss	$(227,888)	$(1,004,270)
Basic and diluted loss per common share from continued operations	$ (0.02)	$ (0.06)
Basic and diluted loss per common share from discontinued operations	$ —	$ (0.04)
Basic and diluted loss per common share after discontinued operations	$ (0.02)	$ (0.10)

See accompanying summary of significant accounting policies and notes to financial statements.

Commonwealth Biotechnologies, Inc.
Consolidated Statements of Stockholders' Equity (Deficit)

	Number of Common Shares Outstanding	Additional Paid -in Capital	Restricted Stock	Other Comprehensive Income (Loss)	Accumulated Deficit	Total
Balance January 1, 2010	**8,791,712**	**$25,555,878**	**$ —**	**$ 520,191**	**$(25,366,807)**	**$ 709,262**
Isuance of common stock	1,114,626	557,313	—	—	—	557,313
Stock option expense	—	6,000	—	—	—	6,000
Net loss	—	—	—	—	(1,004,270)	(1,004,270)
Foreign currency gain	—	—	—	132,736	—	132,736
Total comprehensive loss	—	—	—	—	—	(871,534)
Balance December 31, 2010	**9,906,338**	**$26,119,191**	**$ —**	**$ 652,927**	**$(26,371,077)**	**$ 401,041**
Isuance of common stock	2,754,166	102,624	—	—	—	102,624
Stock option expense	—	8,000	—	—	—	8,000
Net loss	—	—	—	—	(227,888)	(227,888)
Foreign currency gain	—	—	—	111,312	—	111,312
Recognition of other comprehensive income on deconsolidation of subsidiary	—	—	—	(764,239)	—	(764,239)
Total comprehensive loss	—	—	—	—	—	(880,815)
Balance December 31, 2011	**12,660,504**	**$26,229,815**	**$ —**	**$ —**	**$(26,598,965)**	**$ (369,150)**

See accompanying summary of accounting policies and notes to financial statements.

Commonwealth Biotechnologies, Inc.
Consolidated Statements of Cash Flows

	Year Ended December 31, 2011	December 31, 2010
Cash flows from operating activities:		
Net loss	$ (227,888)	$(1,004,270)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:		
Intercompany loans	19,398	70,546
Net gain on the sale of subsidiary	(189,214)	—
(Income) loss from discontinued operations	(36,914)	359,653
Gain on sale of property, plant and equipment	(148,773)	—
Depreciation and amortization	162,335	175,464
Stock-based compensation	8000	6,000
Expenses satisfied with the issuance of stock	35,000	—
Changes in:		
Accounts receivable	—	169,753
Prepaid expenses and other assets	(26,097)	(1,200)
Accounts payable and other current liabilities	471,687	50,247
Net cash provided by (used in) operating activities	67,533	(173,807)
Cash flows from investing activities:		
Proceeds from the sale of subsidiary	106,000	—
Proceeds from the sale of propety, plant and equipment	1,368,837	—
Net cash provided by investing activities	1,474,837	—
Cash flows from financing activities:		
Issuance of common stock	—	1,000
Principal payments on long term debt	(296,410)	(481,941)
Principal payments on loan from corporate officer	(23,904)	—
Change in restricted cash	—	200,000
Net cash used in financing activities	(320,314)	(280,941)
Net increase (decrease) in cash and cash equivalents	1,222,056	(454,748)
Cash and cash equivalents, beginning of year	99,912	554,660
Cash and cash equivalents, end of year	$1,321,968	$ 99,912
Supplemental Disclosure of Cash Flow Information		
Cash payments for interest	$ 287,000	$ 139,000
Non-cash investing and financing activities		
Expenses satisfied with the issuance of stock	$ 43,000	$ —
Prepaid expenses satisfied with note payable	$ 24,000	$ —
Reduction of convertible debt through issuance of common stock	$ —	$ 462,000
Non-cash proceeds from the sale of property, plant and equipment	$2,393,000	$ —
Non-cash principal payments on long term debt	$2,693,000	$ —
Accounts payable and other current liabilities satisfied with the issuance of stock	$ 68,000	$ 94,000

See accompanying summary of accounting policies and notes to financial statements

Summary of Significant Accounting Policies

The Company was formed on September 30, 1992, for the purpose of providing specialized analytical laboratory services for the life scientist. During 2007, the Company acquired Mimotopes which has developed a number of proprietary and patented technologies and is an industry leader in the synthesis of research grade peptides.

On January 20, 2011, the Registrant filed a voluntary petition in the United States Bankruptcy Court for the Eastern District of Virginia (the "Bankruptcy Court") seeking relief under the provisions of Chapter 11 of Title 11 of the United States Code. On April 7, 2011, the Bankruptcy Court approved the private sale of Mimotopes for a net sales price of $850,000. The sale closed on April 29, 2011. Now that the sale of Mimotopes is complete, the Company has no operating units or subsidiaries.

In December 2011, the Bankruptcy court approved the sale (the "Building Sale") at auction of land, office and laboratory space location at 601 Biotech Drive, Chesterfield County , Virginia 23235. The sale closed on December 29, 2011 for a gross sales price of $3,800,000. After the payoff of the related mortgage and payment of other selling related costs, net proceeds to the Company were approximately $1,369,000. The Company plans to use the net proceeds from this sale to payoff a significant portion of unsecured creditors and to fund operations.

Consolidation Policy

The consolidated financial statements include the accounts of CBI and its wholly owned subsidiary, Mimotopes. All inter-company accounts and transactions have been eliminated in consolidation.

Estimates

The preparation of financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Actual results could differ from those estimates.

Revenue Recognition

The Company recognized revenue upon the completion of laboratory service projects, or upon the delivery of biologically relevant materials that had been synthesized in accordance with project terms. Laboratory service projects were generally administered under fee-for-service contracts or purchase orders. Any revenues from research and development arrangements, including corporate contracts and research grants, were recognized pursuant to the terms of the related agreements as work was performed, or as scientific milestones, if any, were achieved. Product sales were recognized when shipped. Amounts received in advance of the performance of services or acceptance of a milestone, were recorded as deferred revenue and recognized when completed.

Rental income was recognized when earned in accordance with the terms of the lease agreement.

Foreign Currency Translation

The Company's consolidated financial statements are reported in U.S. dollars. Assets and liabilities of foreign subsidiaries are translated using rates of exchange as of the balance sheet dates, and related revenues and expenses are translated at average rates of exchange in effect during the periods. Cumulative translation adjustments have been recorded as a separate component within accumulated other comprehensive income (loss) of stockholders' equity (deficit). Realized gains and losses from foreign currency translations are included in other income (expense).

Fair Value Measurements

On January 1, 2008, the Company adopted FASB ASC 820, which defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. FASB ASC 820 applies to reported balances that are required or permitted to be measured at fair value under existing accounting pronouncements; accordingly, the standard does not require any new fair value measurements of reported balances. The adoption of FASB ASC 820 did not have a material effect on the carrying values of the Company's assets.

FASB ASC 820 emphasizes that fair value is a market-based measurement, not an entity-specific measurement. Therefore, a fair value measurement should be determined based on the assumptions that market participants would use in pricing the asset or liability. As a basis for considering market participant assumptions in fair value measurements, FASB ASC 820 establishes a fair value hierarchy that distinguishes between market participant assumptions based on market data obtained from sources independent of the reporting entity (observable inputs that are classified within Levels 1 and 2 of the hierarchy) and the reporting entity's own assumptions about market participant assumptions (unobservable inputs classified within Level 3 of the hierarchy).

Level 1 inputs utilize quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company has the ability to access. Level 2 inputs are inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs may include quoted prices for similar assets and liabilities in active markets, as well as inputs that are observable for the asset or liability (other than quoted prices), such as interest rates, foreign exchange rates, and yield curves that are observable at commonly quoted intervals. Level 3 inputs are unobservable inputs for the asset or liability which are typically based on an entity's own assumptions, as there is little, if any, related market activity. In instances where the determination of the fair value measurement is based on inputs from different levels of the fair value hierarchy, the level in the fair value hierarchy within which the entire fair value measurement falls is based on the lowest level input that is significant to the fair value measurement in its entirety. The Company's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the asset or liability.

Cash and Cash Equivalents

The Company considers all highly liquid debt instruments purchased with an original maturity of three months or less to be cash equivalents.

Restricted Cash

Restricted cash in Mimotopes represents the amount that is held by a third party in escrow as required under the terms of the Company's land lease agreement. The total amount held in escrow as of December 31, 2010 was $111,178 and is included in assets of discontinued operations on the balance sheet. Interest income earned on restricted cash is recorded in other interest income.

Accounts Receivable

The majority of our accounts receivable are due from trade customers. Credit is extended based on evaluation of our customers' financial condition and collateral is not required. Accounts receivable payment terms vary and are stated in the financial statements at amounts due from customers net of an allowance for doubtful accounts. Accounts that are outstanding longer than the payment terms are considered past due. We determine our allowance by considering a number of factors, including the length of time trade accounts receivable are past due, our previous loss history, customers' current ability to pay their obligations to us, the condition of the general economy and the industry as a whole. The Company writes off accounts receivable when they become uncollectible, and payments subsequently received on such receivables are credited to the allowance for doubtful accounts.

Property and Equipment

Property and equipment are recorded at cost. Depreciation is computed principally by the straight-line method over their estimated useful lives providing depreciation and amortization for financial reporting purposes. The cost of repairs and maintenance is expensed as incurred. The estimated useful lives of the assets are as follows:

	Years
Buildings	39.5
Laboratory and computer equipment	3 –10
Furniture, fixtures and office equipment	7

Assets under capital lease obligations are recorded at the lesser of the present value of the minimum lease payments or the fair market value of the leased asset, at inception of the lease.

Impairment of Long-Lived Assets

The Company reviews and accounts for the impairment of long-lived assets other than goodwill, including property and equipment and certain other noncurrent assets in accordance with ASC 360-35, "Accounting for the Impairment or Disposal of Long-Lived Assets". Long-lived assets besides goodwill are reviewed for impairment when events or changes in circumstances indicate the carrying value of an asset may not be recoverable. For long-lived assets other than goodwill that are to be held and used in operations, an impairment is indicated when the estimated total undiscounted cash flow associated with the asset or group of assets is less than carrying value. If impairment exists, an adjustment is made to write the asset down to its fair value, and a loss is recorded as the difference between the carrying value and fair value.

Income Taxes

Deferred taxes are provided on the asset and liability method whereby deferred tax assets are recognized for deductible temporary differences and deferred tax liabilities are recognized for taxable temporary differences. Temporary differences are the differences between the reported amounts of assets and liabilities and their tax bases. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some portion or all of the deferred tax assets will not be realized. Deferred tax assets and liabilities are adjusted for the effects of changes in tax laws and rates on the date of enactment.

FASB Accounting Standards Codification 740, Accounting for Uncertainty in Income Taxes, prescribes a recognition threshold and measurement of a tax position taken or expected to be taken in a tax return. The Company's Management has evaluated the impact of this guidance to its consolidated financial statements. Management is not aware of any material uncertain tax positions, and has not accrued the effect of any uncertain tax positions as of December 31, 2011 and 2010. The Company's tax returns are subject to examination by the taxing authorities, generally for a period of three years from the date they are filed. With few exceptions, the Company is no longer subject to income tax examinations by federal, state or local tax authorities for years before 2008. The Company's policy is to classify income tax related interest and penalties in interest expense and other expenses, respectively.

Income (Loss) Per Common Share

Basic income (loss) per share has been computed on the basis of the weighted-average number of common shares outstanding. Common shares which can be issued upon exercise of stock options and warrants have not been included in the computation because their inclusion would have been anti-dilutive. Weighted average shares outstanding for basic and diluted loss per common share were 12,108,141 and 9,864,040 for the twelve months ended December 31, 2011 and 2010, respectively (see Note 13).

Reclassification

Certain prior year amounts have been reclassified to conform to the current year presentation.

Employee Stock Plans

The Company adopted a Stock Incentive Plan on June 24, 1997. The Plan provides for granting to employees, officers, directors, consultants and certain other non-employees of the Company options to purchase shares of common stock. This plan has expired and no additional shares may be issued.

A 2000 Stock Incentive Plan was adopted by the Board of Directors and approved by the shareholders. The Plan makes up to 300,000 shares of common stock available for grants of restricted stock awards and stock options in the form of incentive stock options and non-qualified options to employees, directors and consultants of the Company. This plan has expired and no additional shares may be issued.

A 2002 Stock Incentive Plan was adopted by the Board of Directors and approved by the shareholders. The Plan makes up to 600,000 shares of common stock available for grants of restricted stock awards and stock options in the form of incentive stock options and non-qualified options to employees, directors and consultants of the Company.

A 2007 Stock Incentive Plan was adopted by the Board of Directors and approved by the shareholders. The Plan makes up to 1,000,000 shares of common stock available for grants of restricted stock awards and stock options in the form of incentive stock options and non-qualified options to employees, directors and consultants of the Company.

A 2009 Stock Incentive Plan was adopted by the Board of Directors and approved by the shareholders. The Plan makes up to 1,000,000 shares of common stock available for grants of restricted stock awards and stock options in the form of incentive stock options and non-qualified options to employees, directors and consultants of the Company.

Incentive awards may be in the form of stock options, restricted stock, incentive stock or tax offset rights. In the case of incentive stock options (within the meaning of Section 422 of the Internal Revenue Code of 1986, as amended), the exercise price will not be less than 100% of the fair market value of shares covered at the time of the grant, or 110% for incentive stock options granted to persons who own more than 10% of the Company's voting stock. Options granted under the Plans generally vest over a five-year period from the date of grant and are exercisable for ten years, except that the term may not exceed five years for incentive stock options granted to persons who own more than 10% of the Company's outstanding common stock.

New Accounting Pronouncements

In September 2011, the Financial Accounting Standards Board (FASB) published Accounting Standards Update (ASU) 2011-08, "Intangibles – Goodwill and Other (Topic 350), Testing Goodwill for Impairment" (ASU 2011-08), which simplifies how entities test goodwill for impairment. The amendments in ASU 2011-08 permit an entity to first assess qualitative factors to determine whether it is more likely than not that the fair value of a reporting unit is less than its carrying amount as a basis for determining whether it is necessary to perform the two-step goodwill impairment test described in Topic 350. The ASU is effective for annual and interim goodwill impairment tests performed for fiscal years beginning after December 15, 2011. Early adoption is permitted. The adoption of ASU 2011-08 did not have an impact on the Company's financial statements.

In June 2011, the FASB published ASU 2011-05, "Comprehensive Income (Topic 220), Presentation of Comprehensive Income" (ASU 2011-05), which has the objective of improving the comparability, consistency, and transparency of financial reporting and increasing the prominence of items reported in other comprehensive income. As part of ASU 2011-05, the FASB decided to eliminate the option to present components of other comprehensive income as part of the statement of changes in stockholders' equity, among other amendments in this ASU. The amendments require that all non-owner changes in stockholders' equity be presented either in a single continuous statement of comprehensive income or in two separate but consecutive statements. The amendments in this ASU are to be effective for fiscal years, and interim periods within those years, beginning after December 15, 2011, and the amendments are to be applied retrospectively. In December 2011, with the issuance of ASU 2011-12, "Deferral of the Effective Date for Amendments to the Presentation of Reclassifications of Items out of Accumulated Other Comprehensive Income in Accounting Standard Update No. 2011-05," the FASB announced that it has deferred certain aspects of ASU 2011-05. The adoption of the accounting and disclosure requirements of this ASU is not expected to have a significant impact on the Company's financial statements

In May 2011, the FASB published ASU 2011-04, "Fair Value Measurement (Topic 820) – Fair Value Measurement and Disclosure Requirements in U.S. GAAP and IFRSs," whereby the FASB and the International Accounting Standards Board (IASB) aligned their definitions of fair value such that their fair value measurement and disclosure requirements are the same (except for minor differences in wording and style). The Boards concluded that the amendments in this ASU will improve the comparability of fair value measurements presented and disclosed in financial statements prepared in accordance with U.S. GAAP and IFRS. The amendments in this ASU are effective during interim and annual periods beginning after December 15, 2011, and are to be applied prospectively. The adoption of the accounting and disclosure requirements of this ASU will not have a significant impact on the Company's financial statements.

1. Going Concern

The accompanying financial statements have been prepared on a going concern basis which contemplates realization of assets and satisfaction of liabilities in the normal course of business. If the Company is unable to improve operating results and meet its debt obligations, it may have to cease operations. The financial statements do not include any adjustments that might be necessary if the Company is unable to continue as a going concern.

Net losses were $227,888 and $1,004,270 for the years ended December 31, 2011 and 2010, respectively. As of result of the Building Sale and the Sale of Mimotopes during 2011, the Company has no sources of revenue. Consequently, there can be no assurance by management that the Company’s financial outlook will improve or that an M&A partner will be obtained in a timely manner.

The Company generated positive cash flows of $1,222,056 in 2011, compared to a decrease in cash of $454,748 in 2010. Net working capital as of December 31, 2011 and December 31, 2010 was $864,682 and $1,350,549, respectively.

The Company had $1,321,968 and $99,912 in cash and cash equivalents at December 31, 2011 and 2010, respectively. This increase was primarily the result of the net proceeds received on the sale of Mimotopes and the Building Sale during 2011.

Cash provided by (used in) operating activities was $67,533 and $(173,807) in 2011 and 2010, respectively. This change was primarily the result of the sale of Mimotopes in the second quarter of 2011 and the Building Sale on December 29, 2011. As a result of these sales, the Company has no operating subsidiaries or an ongoing source of revenue. These decreases in operating cash flows were partially offset by the increase in accrued expenses relating primarily to accrued legal fees resulting from the Company’s bankruptcy filing in January 2011.

Cash provided by investing activities was $1,474,837 and $0 in 2011 and 2010, respectively. The primary investing activities in 2011 were proceeds from the Building Sale and the sale of Mimotopes.

Cash used by financing activities for 2011 and 2010 was $320,314 and $280,941, respectively. This change is primarily payments on the mortgage prior to the Building Sale.

On January 20, 2011, the Registrant filed a voluntary petition in the United States Bankruptcy Court for the Eastern District of Virginia (the “Bankruptcy Court”) seeking relief under the provisions of Chapter 11 of Title 11 of the United States Code. On April 7, 2011, the Bankruptcy Court approved the private sale of Mimotopes for a net sales price of $850,000. The sale closed on April 29, 2011. Now that the sale of Mimotopes is complete, the Company has no operating units or subsidiaries.

In December 2011, the Bankruptcy court approved the sale (the "Building Sale") at auction of land, office and laboratory space location at 601 Biotech Drive, Chesterfield County, Virginia 23235. The sale closed on December 29, 2011 for a gross sales price of $3,800,000. After the payoff of the related mortgage and payment of other selling related costs, net proceeds to the Company were approximately $1,369,000. The Company plans to use the net proceeds from this sale to payoff a significant portion of unsecured creditors and to fund operations.

In addition, the Company is actively seeking to execute an M&A transaction with a private Company seeking access to the public financial markets.

Mimotopes is shown in the Consolidated Statement of Operations as discontinued operations.

A continued lack of adequate cash resulting from the Company's inability to generate cash flow from operations or to raise capital from external sources would force the Company to substantially curtail or cease operations.

There can be no assurance that any funds required during the next twelve months or thereafter can be generated. Nor can there be any assurance that funds will be available from external sources, such as debt or equity financing or other potential sources, if they cannot be generated internally. Lastly, there can be no assurance that the Company will be able to secure a suitable M&A partner.

During the last year, the Company's business has undergone substantial changes in relation to size, scale and scope of activities. The Company currently has no operating units or subsidiaries.

As of result of the Building Sale and Sale of Mimotopes during 2011, the Company has no sources of revenue and must fund administrative expenses from cash on hand.

As a result of the foregoing circumstances, there is substantial doubt about the Company's ability to continue as a going concern. The financial statements included herein do not include any adjustments relating to the recoverability or classification of asset carrying amounts or the amounts and classification of liabilities that may result should the Company be unable to continue as a going concern.

The Company's independent auditors have included a paragraph emphasizing "going concern" in their report on the 2011 financial statements. The financial statements included herein do not include any adjustments relating to the recoverability or classification of asset carrying amounts or the amounts and classification of liabilities that may result should the Company be unable to continue as a going concern.

2. Chapter 11 Information

On January 20, 2011, the Registrant filed a voluntary petition in the United States Bankruptcy Court for the Eastern District of Virginia (the "Bankruptcy Court") seeking relief under the provisions of Chapter 11 of Title 11 of the United States Code. On April 7, 2011, the Bankruptcy Court approved the private sale of Mimotopes for a net sales price of $850,000. The sale closed on April 29, 2011. Net proceeds received by the Company were as follows:

Proceeds escrowed at closing	$ 850,000
Payoff PIPE Investor Notes	(700,000)
Legal costs	(20,000)
Break fee to losing bidder	(24,000)
Net proceeds	$ 106,000

In December 2011, the Bankruptcy court approved the sale (the "Building Sale") at auction of land, office and laboratory space located at 601 Biotech Drive in Chesterfield County, Virginia. The sale closed on December 29, 2011 for a gross sales price of $3,800,000. After the payoff of the related mortgage and payment of other selling related costs, net proceeds to the Company were approximately $1,369,000. The Company plans to use the net proceeds from this sale to payoff a significant portion of unsecured creditors and to fund operations.

The following Debtor-in-Possession Balance Sheet excludes the accounts of Mimotopes which were included in the Consolidated Financial Statements as discontinued operations at December 31, 2010. Mimotopes was sold during the second quarter of 2011. The assets and liabilities of Mimotopes were not included in the Bankruptcy filing.

Commonwealth Biotechnologies, Inc.
Debtor-n-Possession Balance Sheet
As of December 31, 2011

ASSETS	
Current Assets	
Cash and cash equivalents	$ 1,321,968
Investments	527
Accounts receivable, net	—
Other current assets	53,735
Total current assets	1,376,230
Property and Equipment, net	—
Total Assets	**$ 1,376,230**
LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)	
Liabilities Not Subject to Compromise	
Current Liabilities	
Accounts payable	$ 374,245
Accrued payroll liabilities	165,904
Total current liabilities	540,149
Total Liabilities Not Subject to Compromise	**540,149**
Liabilities Subject to Compromise	
Debt plus accrued interest	666,667
Priority claims	35,175
Accounts payable and other unsecured creditors	448,453
Other liabilities	54,936
Total Liabilities Subject to Compromise	**1,205,231**
Total Liabilities	**1,745,380**
Commitments, and contingencies	—
Stockholders' equity (deficit)	
Prepetition stockholders' equity	4,682,078
Postpetition issuance of restricted stock and options	75,625
Postpetition accumulated deficit	(5,126,853)
Total stockholders' equity (deficit)	(369,150)
Total Liabilities and Stockholders' Equity (Deficit)	**$ 1,376,230**

The following Debtor-in-Possession Statement of Operations excludes the accounts of Mimotopes which are included in the Consolidated Statement of Operations as a discontinued operation:

Commonwealth Biotechnologies, Inc.
Debtor-in-Possession Statement of Operations

	January 20, 2011 through December 31, 2011
Revenues	
Rental income	$ —
Total revenues	—
Operating costs and expenses	
Chapter 11 expenses	176,021
General and administrative	670,471
Total Operating Costs and Expenses	846,492
Operating loss	(846,492)
Other expense	
Interest expense	(197,970)
Loss on deconsolidation of subsidiary	(575,026)
Rental income	546,956
Gain on sale of land and building	148,773
Realized gains	764,239
Other income	434
Total other expense	687,406
Postpetition net loss	$ (159,086)

3. Property and Equipment

Property and Equipment relating to CBI consisted of the following:

	December 31, 2011	December 31, 2010
Furniture, fixtures and office and computer equipment	**$53,575**	$53,575
Other	**9,077**	9,077
	62,652	62,652
Less Accumulated Depreciation	**62,652**	57,220
	$ —	$ 5,432

Depreciation expense was approximately $162,000 for the years ended December 31, 2011 and 2010, and includes depreciation on office and laboratory space that is classified as held for sale and discontinued operations at December 31, 2010 (Notes 4 and 11).

At December 31, 2010, Mimotopes had Property and Equipment, net of accumulated depreciation, of $1,649,464, which are included in assets of discontinued operations in the Consolidated Balance Sheet.

4. Assets Held for Sale

In December 2011, the Bankruptcy court approved the sale (the "Building Sale") at auction of land, office and laboratory space location at 601 Biotech Drive, Chesterfield County , Virginia 23235. The sale closed on December 29, 2011 for a gross sales price of $3,800,000. The net book value of these assets was $3,769,712 at December 31, 2010. The components of net book value are as follows:

	December 31, 2011	December 31, 2010
Land	$—	$ 403,919
Building	—	5,230,369
	—	5,634,288
Accumulated Depreciation	—	(1,864,576)
	$—	$ 3,769,712

5. Debt

	December 31, 2011	December 31, 2010
Debt consists of:		
Mortgage payable to BB&T due in monthly installments of approximately $35,000 with a fixed interest rate of 5.25%. The loan matures in October 2012 and is collateralized by the corporate offices and laboratory facilities located in Richmond, Virginia, as well as substantially all assets of the Company.	**$ —**	$2,456,634
Secured convertible promissory note with LH Financial (PIPE Investors) which matured June 30, 2010 . The note is collateralized by a security interest in substantially all the assets of the Company. Interest compounds monthly at an annual rate of 12% beginning July 1, 2010. Prior to July 1, 2010 interest compounded monthly at an annual rate of 10%. Interest is payable in cash, or at the discretion of note holder, with registered shares of common stock.	—	533,038
Convertible promissory note with Fornova Pharmaworld Inc. which matured on December 31, 2009. Interest compounds monthly at a rate of 10%.	**500,000**	500,000
Total debt	**500,000**	3,489,672
Less current maturities and unamortized discounts	**500,000**	1,325,538
Total debt less current maturities	**$ —**	$2,164,134

6. Retirement Plan

CBI maintained a 401(k) Plan (the "Plan") which covered substantially all employees. Due to the costs associated with maintaining the plan for two full-time employees, the Plan was terminated in April 2011. Under the Plan, employees could elect to defer a portion of their salary, up to the maximum allowed by law, and the Company could elect to match the contribution up to 3% of the employee's contribution. Company contributions were $787 and $5,909 for the years ended December 31, 2011 and 2010, respectively.

7. Other Assets

Other assets include a receivable for $50,000 relating to cash held in escrow by the Company's bankruptcy attorneys.

8. Comprehensive Loss

The components of comprehensive loss, net of tax, for the years ended December 31, 2011 and 2010 were as follows:

	Year Ended December 31,	
	2011	2010
Net Loss	**$(227,888)**	$(1,004,270)
Recognition of other comprehensive loss on deconsolidation	**(764,239)**	—
FX Adjustments	**111,312**	132,736
Total Comphrehensive Loss	**$(880,815)**	$ (871,534)

9. Income Taxes

The difference between expected income tax benefits and income tax benefits recorded in the financial statements is explained below:

	December 31,	
	2011	**2010**
Income taxes (benefit) computed at statutory rate	**$(69,954)**	**$(350,681)**
State income tax benefit, net	**(12,262)**	**(35,902)**
Change in valuation allowance	**95,054**	**513,228**
Other	**(12,838)**	**(126,645)**
	$ —	**$ —**

The significant components of deferred income tax assets and liabilities consist of the following:

	December 31, 2011	December 31, 2010
Deferred tax assets		
Net operating loss carryforward	**$8,047,470**	**$7,977,516**
Research and development credit carryforward	**52,600**	**52,600**
Allowance for doubtful accounts	**3,900**	**17,700**
Stock based compensation	**2,700**	**—**
Other	**2,200**	**34,100**
	8,108,870	**8,081,916**
Deferred tax liabilities		
Other	**34,100**	**34,000**
		34,000
Net deferred tax asset before valuation allowance	**8,142,970**	**8,047,916**
Less valuation allowance	**8,142,970**	**8,047,916**
Net deferred tax asset	**$ —**	**$ —**

Operating loss carryforwards at December 31, 2011 relating to US operations of approximately $8,000,000 which may be used to offset future taxable income and expire through 2028. The Company also has research and development credit carryforwards at December 31, 2011 of approximately $52,600 that expire through 2022. A valuation allowance has been established for deferred tax assets at December 31, 2011 and 2010 as realization is dependent upon generating future taxable income.

10. Stock Compensation

Stock-Based Compensation Plans - Stock-based compensation expense recognized during a period is based on the value of the portion of stock-based awards that is ultimately expected to vest during the period. Stock-based compensation expense recognized for the year ended December 31, 2011 and 2010 included compensation expense for stock-based awards granted prior to, but not yet vested as of December 31, 2011 and 2010, based on the fair value on the grant date.

Stock-based compensation expense related to employee stock options recognized under ASC 718 for the years ended December 31, 2011 and 2010 was approximately $8,000 and $6,000, respectfully, and is included in selling, general and administrative.

The total intrinsic value of stock awards (which is the amount by which the stock price exceeded the exercise price of the options on the date of exercise) exercised during the years ended December 31, 2011 and 2010 was $0. During the years ended December 31, 2011 and 2010, the Company did not receive cash from the exercise of stock awards.

The following table sets forth fair value per share information, including related weighted-average assumptions, used to determine compensation cost for stock options consistent with the requirements of ASC 718.

	2011	Weighted Average Exercise Price	2010	Weighted Average Exercise Price
Options and warrants outstanding, beginning of year	433,012	$ 4.48	757,089	$ 4.43
Granted	400,000	0.02	10,000	0.50
Exercised	—	—	—	—
Expired	(187,569)	6.38	(334,077)	9.90
Options and warrants outstanding, end of year	645,443	$ 1.16	433,012	$ 4.48
Options and warrants exercisable, end of year	645,443	$ 1.16	433,012	$ 4.48
Weighted -average fair value per option and warrants granted during the year		$ 0.02		$ 0.48

The assumption used to determine the fair value per option are as follows:

	2011	2008
Assumptions:		
Expected volatility	205.89%	142.50%
Expected annual dividend yield	0.00%	0.00%
Risk free rate of return	1.91%	3.30%
Expected option term (years)	10	10

The following table summarizes information about stock options and warrants outstanding at December 31, 2011:

As of December 31, 2011					
Exercise Price Per Share	Number Outstanding	Weighted Average Remaining Contractual Life (Years)	Weighted Average Exercise Price Per Share	Number Exercisable	Weighted Average Exercise Price Per Share
$0.36 - 2.00	452,058	9	0.11	452,058	0.11
$2.01 - 5.49	155,885	5	3.06	155,885	3.06
$5.50 - 7.00	37,500	4	5.92	37,500	5.92
$0.90 - 12.50	645,443		1.16	645,443	1.16

11. Discontinued Operations

On January 20, 2011, the Registrant filed a voluntary petition in the United States Bankruptcy Court for the Eastern District of Virginia (the "Bankruptcy Court") seeking relief under the provisions of Chapter 11 of Title 11 of the United States Code. On April 7, 2011, the Bankruptcy Court approved the private sale of Mimotopes for a gross sales price of $850,000. The sale closed on April 29, 2011. Mimotopes is shown as a discontinued operation in the Consolidated Financial Statements. During the second quarter of 2011, Mimotopes was deconsolidated resulting in a net gain of approximately $189,000 (see Note 16).

The components of assets and liabilities of discontinued operations (Mimotopes) are as follows:

	December 31, 2011	December 31, 2010
Assets		
Cash	$—	$ 91,825
Accounts receivable (1)	—	414,211
Other assets	—	1,163
Restricted cash	—	111,178
	—	618,377
Building	—	1,932,699
Furniture and Fixtures	—	266,614
Office equipment	—	189,605
Lab equipment	—	949,981
Other	—	17,339
	—	3,356,238
Accumulated depreciation	—	(1,706,544)
	—	1,649,694
Total assets of discontinued operations	$—	$ 2,268,071
Liabilities		
Accounts payable	$—	$ 443,283
Accrued payroll liabilities	—	281,534
Other liabilities	—	271,057
Total liabilities of discontinued operations	$—	$ 995,874

(1) **Related Party Transaction**: Accounts receivable includes a related party receivable of approximately $41,000 that is due from a Board Member of Mimotopes.

The components of the income (loss) from the discontinued operations:

	Year Ended December 31, 2011	Year Ended December 31, 2010
Revenues	$895,651	$2,785,483
Cost of services	593,009	2,029,390
Gross profit	302,642	756,093
Sales, general and administrative	393,303	1,481,213
Operating loss	(90,661)	(725,120)
Other Income	127,575	365,467
Income (loss) from operating discontinued operations	$ 36,914	$ (359,653)

12. Short Term Notes with Conversion Features

PIPE Investors Agreement

On December 31, 2007 the Company issued $1,950,000 of convertible debt in a subscription agreement between the Company and the PIPE Investors. The debt carries an interest rate of 10% annually and matured in July 31, 2009. Quarterly interest payments may be made in the form of either cash or common stock. The debt may be converted into shares of common stock at a conversion price of $2.00 per share. In conjunction with the debt, the Company also issued Class A warrants to purchase 975,000 shares of common stock at an exercise price of $2.85 per share that expire in May 2013.

The fair value of the Class A warrants is $1.79 per share. The fair value of the Class A warrants is calculated using the Black-Scholes method. Assumptions for Class A warrants include the stock asset price at $2.55 and a stock option price of $2.85 with a maturity date of 5 years and effective interest rate of 3.40%. The Company also issued Class B warrants to purchase 243,750 shares of common stock at an exercise price of $5.00 per share. The fair value of the Class B warrants is $0.36 per share. The fair value of the Class B warrants is calculated using the Black- Scholes method. The debt carries a beneficial conversion feature, which along with the relative fair value of the warrants, resulted in a debt discount of $1,950,000 which was recorded against the convertible debt and offset in additional paid in capital. This discount was amortized as interest expense over the life of the debt. The Company registered the required minimum number of shares based upon the agreement on April 30, 2008 and will register the remaining shares by as soon as possible as required under the agreement

Modification, Waiver and Acknowledgement Agreement

On September 18, 2008, the Company entered into a modification, waiver and acknowledgement agreement with LH Financial for the convertible debt listed above. Under the modified Agreement, the restructured terms of the Agreement is that the exercise price of the Class A Warrants was reduced from $2.85 to $0.71 per common share, and the exercise price of the Class B Warrants was reduced from $5.00 to $1.01 per common share, subject to further reduction as described in the Transaction Documents.

The Class A Warrants expire on May 31, 2013. The Class B Warrants expired on December 31, 2009.

On June 22, 2009, the registrant completed the issuance of an aggregate principal amount of $369,950 of subordinated notes (the "Notes") convertible into shares of the registrant's common stock, without par value per share ("Common Stock"), to 6 institutional investors (the " PIPE Investors"). The Notes matured on December 31, 2009, and carried an interest rate of 8% per annum. Prior to maturity, a holder of a Note may convert such Note into shares of the registrant's Common Stock at a conversion price of $0.50 per share. The purchase price for the Notes was paid by the partial surrender of certain outstanding promissory notes and deemed payment of interest in connection therewith. According to the registrant's transfer agent, on June 22, 2009, the registrant had issued and outstanding 7,416,896 shares of common stock. The amount of common stock underlying the Notes represents less than 9.99% of the registrant's issued and outstanding common stock on June 22, 2009. All shares were exercised and no additional interest will be accrued for the rest of the year.

On July 22, 2009, the Company reached an agreement with its PIPE investors to extend for 6 months its convertible note facilities of approximately $1.3M that matured on June 30 and has also received consent to suspend the financial covenants under such note facilities through the 4th Quarter. During this period, obligations under the note will continue to accrue.

Second Modification, Waiver and Acknowledgement Agreement

On October 9, 2009, the second Modification Agreement relating to the above mentioned debt was approved at the 2009 Annual Meeting of Shareholders. The restructured agreement calls for the conversion price for the remaining balance of PIPE notes to be lowered from $2.00 per share to $0.50 per share.

Sale of CBI Services and FIL

On November 2, 2009, the Company entered into an Agreement with its PIPE investors in connection with the sale of CBI Services and FIL. As a condition of the Agreement, the Lenders received 250,000 shares of restricted common stock and CBI placed into escrow $200,000 to be released back to the Borrower upon satisfaction of the note. In October 2010 these funds were distributed to the PIPE Investors and accounted for as a reduction in principal outstanding.

This note matured on September 30, 2010 and was considered in default on July 1, 2010. Under the terms of the notes, the interest rate increased from 10% to 12% on July 1, 2010.

In October 2010, restricted cash of $200,000 was distributed to the PIPE Investors and accounted for as a reduction of principal outstanding.

Principal and Interest Conversions

During the year ended December 31, 2009, the Company received notices of conversion for $611,381 in principal and $165,593 in interest resulting in the issuance of 1,696,224 shares of common stock.

During January 2010, the Company received notices of conversion for $462,361 in principal and $34,452 in interest resulting in the issuance of 993,626 shares of common stock.

No notices of conversion were received during the year ended December 31, 2011.

Sale of Mimotoptes

On April 26, 2011, a portion of the proceeds from the sale of Mimotopes was used to pay off the PIPE investors. This pay off was comprised of the following:

Principal	$533,000
Accrued Interest	163,000
Legal Costs	20,000
	$716,000

Fornova Agreement

On September 4, 2008, the Company completed the issuance of a $500,000 convertible promissory note ("the Note") payable to Fornova Pharmaworld Inc. ("the Holder"). The Note has an interest rate of 10% per annum compounded monthly. At any time between October 27, 2008 and August 21, 2009, the Holder may convert the Notes into shares of the Company's common stock at a conversion price of $1.01 per share. Additionally, the Note features a call date beginning January 29, 2009, if exercised the holder can call the note in the amount of the outstanding principal balance plus accrued interest. If the holder's call feature is exercised, the Company would most likely satisfy the debt and accrued interest with common stock.

As of December 31, 2011, this note has matured. (See Note 18)

13. Earnings per Share

The Company follows the guidance provided in *ASC 260*, Earnings Per Share, which establishes standards for computing and presenting earnings per share and applies to entities with publicly held common stock or potential common stock. Basic earnings (loss) per common share are computed by dividing the net earnings (loss) by the weighted average number of common shares outstanding during the period. Diluted per share amounts assume the conversion, exercise or issuance of all potential common stock instruments such as warrants and convertible securities, unless the effect is to reduce a loss or increase earnings per share.

	Year Ended December 31, 2011	2010
Basic and diluted loss per share:		
Loss from operations	**$ (264,802)**	$ (644,617)
Income (Loss) from discontinued operations	**36,914**	(359,653)
Net loss	**$ (227,888)**	$(1,004,270)
Basic and diluted loss per common share from continued operations	**$ (0.02)**	$ (0.06)
Basic and diluted loss per common share from discontinued operations	**$ —**	$ (0.04)
Basic and diluted loss per common share after discontinued operations	**$ (0.02)**	$ (0.10)
Weighted average share outstanding	**12,108,141**	9,864,040

14. Delisting and Reinstatement from NASDAQ

On July 24, 2009, The NASDAQ Stock Market notified CBI 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 appealed this decision under NASDAQ Rule 5800. The hearing was convened on September 3, 2009. On October 20, 2009, CBI was notified that the Hearing Panel granted the request of CBI to remain listed on The NASDAQ Stock Market through January 20, 2010, subject to the condition that, on or before January 20, 2010, CBI evidence shareholders' equity of at least $2.5 million or demonstrate compliance with one of the alternative listing criteria of NASDAQ Listing Rule 5550(b). Failure to meet the Listing Rule 5550(b) may result in CBI's delisting after such date.

Effective January 25, 2010, the Company's stock was delisted from the NASDAQ Capital Market. The Company's common stock currently trades on the Pink Sheets under the symbol CBTEQ.PK.

15. Issuance of Restricted Stock

In January 2011, bonuses, in the form of restricted stock, were issued to three current employees and a consultant. Total shares issued were 500,000. The market value of these shares was approximately $35,000. These transactions were approved by the Company's Board of Directors.

In December 2010, the Board of Directors approved a resolution allowing directors and officers of the Company to receive restricted stock in lieu of cash compensation and board fees. In March 2011, 1,687,500 restricted shares were issued to the Company's CEO under this arrangement. The market value of these shares was $50,625. The issuance of these shares resulted in a $50,625 reduction in accrued payroll liabilities that were included in the consolidated balance sheet at December 31, 2010. In April 2011, 566,000 restricted shares were issued to two board members under this arrangement. The issuance of these shares resulted in a $17,000 reduction in accrued board fees that were included in the consolidated balance sheet at December 31, 2010 as a component of other liabilities.

16. Sale of Mimotopes

On January 20, 2011, the Registrant filed a voluntary petition in the United States Bankruptcy Court for the Eastern District of Virginia (the "Bankruptcy Court") seeking relief under the provisions of Chapter 11 of Title 11 of the United States Code. On April 7, 2011, the Bankruptcy Court approved the private sale of Mimotopes for a net sales price of $850,000. The sale closed on April 29, 2011. Net proceeds received by the Company were as follows:

Proceeds escrowed at closing	$ 850,000
Payoff PIPE Investor Notes	(700,000)
Legal costs	(20,000)
Break fee to losing bidder	(24,000)
Net proceeds	$ 106,000

This transaction resulted in a net gain of approximately $189,000. This gain is summarized as follows:

Loss on deconsolidation	$(575,026)
Recognition of other comprehensive income relating to Mimotopes foreign currency transactions	764,239
	$ 189,213

In addition, the Company recorded a reduction to retained earnings of approximately $5,005,000. This represents the retained deficit balance of Mimotopes at December 31, 2010.

A current director of the Company is also a current director of Mimotopes. For financial reporting purposes, Mimotopes is no longer considered a related party.

17. Building Sale

In December 2011, the Bankruptcy court approved the sale (the "Building Sale") at auction of land, office and laboratory space located at 601 Biotech Drive in Chesterfield County, Virginia. The sale closed on December 29, 2011 for a gross sales price of $3,800,000. After the payoff of the related mortgage and payment of other selling related costs, net proceeds to the Company were approximately $1,369,000. In addition, the Company recorded a net gain on the sale of approximately $145,000.

18. Commitments and Contingencies

On February 10, 2012, the Company filed a claim against Fornova in Bankruptcy Court. The Company is disputing Fornova's claim that it is owed $500,000 plus accrued interest relating to a convertible note that was originated in 2007. The Company is seeking to have the claim disallowed in its entirety or, in the alternative, reclassified as an equity investment. As of the date of this filing, the outcome of this claim cannot be estimated. Principal and accrued interest on this note are shown in the consolidated balance sheet at December 31, 2011 as debt plus accrued interest.

19. Related Party Transactions

On March 9, 2011, one of the Company's founders and current Chief Executive Officer (the "CEO") loaned the Company $23,904 to purchase D&O insurance. This transaction was approved by the Bankruptcy Court. The loan had an interest rate of 5%. Monthly payments of principal and interest began on April 9, 2011. This loan was paid off in the fourth quarter of 2011.

Due to the financial condition of the Company, a portion of the CEO's salary has been accrued and not paid at the election of the CEO. These accruals began in December 2010 and have been approved by the Bankruptcy Court. Salary earned but not paid was approximately $230,000 at December 31, 2011.

20. Subsequent Events

The Company has evaluated subsequent events for potential recognition and/or disclosure and determined that there were none, other than those described in Note 18, which required accrual or disclosure.

Corporate Information

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Fax: (804)464-1604
Web site: www.cbi-biotech.com

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Kaufman and Canoles, PC
1051 E. Cary St
3 James Center
Richmond, VA 23219

Bankruptcy Counsel
Tavenner & Beran, PLC
20 North 8th Street
Second Floor
Richmond, VA 23219

Transfer Agent and Registrar
Computershare Trust Co.
350 Indiana St.
Golden, CO 80401

Independent Auditors
Witt Mares, PLC
3951 Westerre Parkway
Suite 200
Richmond, VA 23233

Executive Officers

Richard J. Freer, Ph.D.
CEO

Directors of the Company

Richard J. Freer, Ph.D.
CEO

Paul D'Sylva, Ph.D.
Director

William Guo
VenturePharm Lab

Samuel P. Sears, Jr., Esq.
Attorney at Law

James Causey.
VP, Dominion Media
Dominion Enterprises

Eric V. Tao
Chief Investment Officer and Director
AGI Capital Group, Inc.

Maria Song, MD, Ph.D.
VP, Venturepharm

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Richmond, VA 23235

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Exhibit 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the incorporation by reference in this Annual Report on Form 10-K of Commonwealth Biotechnologies, Inc. for the years ended December 31, 2011 and 2010 of our report dated April 11, 2012 included in its Registration Statement on Form S-8 (No. 333-51074) and S-3 (No. 333-51078) relating to the financial statements for the years then.

Witt Mares, PLC

Richmond, Virginia
April 13, 2012

Exhibit 31.1

CERTIFICATION

I, Richard J. Freer, Ph.D., certify that:

(1) I have reviewed this Annual report on Form 10-K of Commonwealth Biotechnologies, Inc.;

(2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

(3) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the small business issuer as of, and for, the periods presented in this report;

(4) The small business issuer's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the small business issuer and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the small business issuer, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the small business issuer's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the small business issuer's internal control over financial reporting that occurred during the small business issuer's most recent fiscal quarter (the small business issuer's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the small business issuer's internal control over financial reporting; and

(5) The small business issuer's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the small business issuer's auditors and the audit committee of the small business issuer's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the small business issuer's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the small business issuer's internal control over financial reporting.

Date: April 13, 2012

/s/ Richard J. Freer, Ph.D.
Richard J. Freer, Ph.D.
Chief Executive Officer

Exhibit 31.2

CERTIFICATION

I, Vincent B. McNelley, certify that:

(1) I have reviewed this annual report on Form 10-K of Commonwealth Biotechnologies, Inc.;

(2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

(3) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the small business issuer as of, and for, the periods presented in this report;

(4) The small business issuer’s other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the small business issuer and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the small business issuer, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the small business issuer’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the small business issuer’s internal control over financial reporting that occurred during the small business issuer’s most recent fiscal quarter (the small business issuer’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the small business issuer’s internal control over financial reporting; and

(5) The small business issuer’s other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the small business issuer’s auditors and the audit committee of the small business issuer’s board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the small business issuer’s ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the small business issuer’s internal control over financial reporting.

Date: April 13, 2012

/s/ Vincent B. McNelley
Vincent B. McNelley
Acting Principal Financial Officer

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of Commonwealth Biotechnologies, Inc. (the "Company") on Form 10-K for the year ending December 31, 2011 as filed with the Securities and Exchange Commission on April 16, 2012 (the "Report"), I, Richard J. Freer, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. ss. 1350, as adopted pursuant to ss. 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

April 16, 2012

/s/ Richard J. Freer, Ph.D.
Richard J. Freer, Ph.D.
Chief Executive Officer

Exhibit 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of Commonwealth Biotechnologies, Inc. (the "Company") on Form 10-K for the year ending December 31, 2011 as filed with the Securities and Exchange Commission on April 16, 2012 (the "Report"), I, Vincent McNelley, Acting Principal Financial Officer of the Company, certify, pursuant to 18 U.S.C. ss. 1350, as adopted pursuant to ss. 906 of the Sarbanes-Oxley Act of 2002, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

April 16, 2012

/s/ Vincent McNelley
Vincent McNelley
Acting Principal Financial Officer and Acting
Principal Accounting Officer