

ProtoKinetix, Inc.
Form 10QSB
August 19, 2005

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-QSB

Quarterly Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 for the quarterly period ended June 30, 2005 or

Transitional Report Under Section 13 or 15(d) of the Securities Exchange Act of 1934 for the transition period from _____ to _____.

Commission File No. 0-32917

PROTOKINETIX, INC.
(Name of small business issuer in its charter)

Nevada
(State or other Jurisdiction
of Incorporation or
Organization) 94-3355026
(IRS Employer
Identification Number)

Suite 1500-885 West Georgia Street
Vancouver, British Columbia
Canada V6C 3E8
(Address of Principal Executive Offices) (Zip Code)

Issuer's Telephone Number
(604) 687-9887

Check whether the issuer (1) filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Company 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 whether the registrant is an accelerated filer (as defined in Rule 12b-2 of the Exchange Act):

Yes No

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State the number of shares outstanding of each of the issuer's classes of common equity, as of the latest practicable date: As of July 12, 2005, there were 38,122,128 shares of the Company's USD \$0.0000053 par value common stock issued and outstanding.

Transitional Small Business Disclosure Format: Yes [] No [].

This Form 10-QSB consists of 14 Pages.

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FORM 10-QSB
QUARTERLY REPORT

PROTOKINETIX, INC.

(formerly known as RJV NETWORK, INC.)

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Second Quarter Highlights

- On April 22, 2005, we announced that we received a report from ProteoCell Biotechnologies, Inc. confirming the maintenance of cell integrity and survivability in the presence of our synthesized AFGP molecules at temperatures ranging from 22 degrees Celsius to 0 degrees Celsius.
- On May 5, 2005, we announced that we received a report from ProteoCell Biotechnologies, Inc. stating that after 21 days of evaluation of blood platelet cells in the presence of our synthesized AFGP molecule, that blood platelets treated with our molecule were "healthier over time" with "less aggregation," Samer Husein, the lead scientist at ProteoCell on this project, also observed that the structural integrity of these blood platelets was "vastly superior" to those which were not treated with our AFGP molecule.
- On May 12, 2005, we announced that we had engineered a dimeric class of our AFGP molecule. This is significant because it provides two "active" sites, thus increasing the characteristics of the molecule, as opposed to the one that exists in the native AFGP molecule.
- On May 17, Charles Fred Whittaker joined our Board of Directors. Mr. Whittaker, a certified accountant, brings a wealth of accounting and compliance experience to the Company and will most likely be the cornerstone of what will become our audit and compensation committees. Mr. Whittaker is also working to create a Code of Ethics for our Board.
- On May 19, 2005, Dr. Geraldine Deliencourt reported to us from the University of Rouen, that our dimeric AFGP molecule exhibited the same stable and non-toxic qualities as our monomeric synthesized AFGP molecule.

Additional Highlights

- On July 12, 2005, we announced that after using only 1 milligram of our synthetic AFGP molecules per milliliter, 85% of heart cells tested at temperatures of negative 3 degrees Celsius for 16 hours, survived. Based on these results, we believed that higher doses would increase the survivability of these cells. This belief was confirmed on July 18, 2005, when we announced that we had the same survivability with five times the solution concentration, except that the cells were exposed to the freezing temperatures for four additional hours.
- On July 14, 2005, we announced a major collaborative agreement with Etablissement Francais du Sang-Alsace ("EFS"). EFS, which is affiliated with the Louis Pasteur University in Strasbourg (one of the world's most prestigious blood specialty institutions), is one of the premier research facilities in the field of hematology. EFS agreed to deploy their considerable physical and intellectual resources to the testing of synthesized AFGP characteristics as they apply to the preservation of blood products.
- On July 28, 2005, we announced our commercialization strategy as it relates to our synthetic AFGP molecules.

PART I - FINANCIAL INFORMATION

ProtoKinetix, Inc.

(formerly known as RJV NETWORK, INC.)

Financial Statements

at

June 30, 2005

Balance Sheet	F1
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PROTOKINETIX, INC.
(formerly known as RJV Network, Inc.)
(A Development Stage Company)
BALANCE SHEET
June 30, 2005
(Unaudited)

ASSETS	
Current Asset	
Cash	\$ 331,133
Computer Equipment, net	1,178
Intangible Assets	3,379,756
	\$ 3,712,067
LIABILITIES AND STOCKHOLDERS' EQUITY	
Current Liabilities	
Due to outside management consultants	\$ 393,850
Accounts payable	39,568
Accrued interest	31,361
Total current liabilities	464,779
Convertible Note Payable	123,323
Total liabilities	588,102
Stockholders' Equity	
Common stock, \$.0000053 par value; 100,000,000 common	
shares authorized; 38,222,128 shares issued and outstanding	204
Common stock issuable; 1,750,000 shares	11
Additional paid-in capital	13,723,200
Stock subscriptions receivable	(90,000)
Deficit accumulated during the development stage	(10,509,450)
	3,123,965
	\$ 3,712,067

F1

PROTOKINETIX, INC.
(formerly known as RJV Network, Inc.)

(A Development Stage Company)

STATEMENTS OF OPERATIONS

For the Three and Six Months Ended June 30, 2005 and 2004, and for the
Period from December 23, 1999 (Date of Inception) to June 30, 2005

(Unaudited)

	Three Months Ended June 30, 2005	Three Months Ended June 30, 2004	Six Months Ended June 30, 2005	Six Months Ended June 30, 2004	Cumulative During the Development Stage
Revenues	\$ -	\$ -	\$ -	\$ -	\$ -
General and administrative expenses					
Professional fees	95,496	23,593	171,186	1,033,667	2,264,693
Consulting fees	3,381,500	515,000	3,392,976	522,626	7,514,979
Research and development	24,466	100,001	167,268	109,533	376,800
General and administrative	34,514	42,710	86,925	68,274	278,151
Interest	2,533	6,300	8,261	12,600	31,361
	3,538,509	687,604	3,826,616	1,746,700	10,465,984
Loss from continuing operations	(3,538,509)	(687,604)	(3,826,616)	(1,746,700)	(10,465,984)
Discontinued Operations					
Loss from operations of the discontinued segment		-		-	(43,466)
Net loss	\$ (3,538,509)	\$ (687,604)	\$ (3,826,616)	\$ (1,746,700)	\$ (10,509,450)
Net Loss per Share (basic and fully diluted)					
Continuing operations	\$ (0.10)	\$ (0.02)	\$ (0.11)	\$ (0.06)	
Discontinued operations	0.00	0.00	0.00	0.00	
Net loss per common share	\$ (0.10)	\$ (0.02)	\$ (0.11)	\$ (0.06)	
Weighted average number of common shares outstanding	38,260,911	28,665,281	37,113,014	27,854,793	

PROTOKINETICS, INC.
(formerly known as RJV Network, Inc.)
 (A Development Stage Company)
STATEMENTS OF STOCKHOLDERS' EQUITY (DEFICIT)
 For the Six Months Ended June 30, 2005, and for the Period From

December 23, 1999 (Date of Inception) to June 30, 2005

(Unaudited)

	Common Stock		Common Stock		Additional	Stock	Deficit	
	Shares	Amount	Issuable	Amount	Paid-in	Subscriptions	Accumulated	Total
			Shares		Capital	Receivable	During the	
							Development	
							Stage	
Issuance of common stock, December 1999	9,375,000	\$ 50	-	\$ -	\$ 4,950	\$ -	\$ -	\$ 5,000
Net loss for period							(35)	(35)
Balance, December 31, 2000	9,375,000	50	-	-	4,950		(35)	4,965
Issuance of common stock, April 2001	5,718,750	30			15,220			15,250
Net loss for year							(16,902)	(16,902)
Balance, December 31, 2001	15,093,750	80	-	-	20,170		(16,937)	3,313
Net loss for year							(14,878)	(14,878)
Balance, December 31, 2005	15,093,750	80	-	-	20,170		(31,815)	(11,565)

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2002								
Issuance of common stock for services:								
July								
2003	2,125,000	11			424,989			425,000
August								
2003	300,000	2			14,998			15,000
September								
2003	1,000,000	5			49,995			50,000
October								
2003	1,550,000	8			619,992			620,000
Issuance of common stock for licensing rights	14,000,000	74			2,099,926			2,100,000
Common stock issuable for licensing rights			2,000,000	11	299,989			300,000
Shares cancelled on September 30,								
2003	(9,325,000)	(49)			49			-
Net loss for year							(1,262,745)	(1,262,745)
Balance, December 31,								
2003	24,743,750	131	2,000,000	11	3,530,108	-	(1,294,560)	2,235,690
Issuance of common stock for services:								
March								
2004	1,652,300	9			991,371			991,380
May								
2004	500,000	3			514,997			515,000

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July 2004	159,756	1		119,694		119,695
August 2004	100,000	1		70,999		71,000
October 2004	732,400	4		479,996		480,000
November 2004	650,000	4		454,996		455,000
December 2004	255,000	1		164,425		164,426
Common stock issuable for AFGP license		1,000,000	5	709,995		710,000
Common stock issuable for Recaf License		400,000	2	223,998		224,000
Warrants granted (for 3,450,000 shares) for services, October 2004				1,716,253		1,716,253
Options granted for services, October 2004				212,734		212,734
Stock subscriptions receivable	1,800,000	10		329,990	(330,000)	-
Warrants exercised: August 2004	50,000			15,000		15,000
October 2004	600,000	3		134,997		135,000
December 2004	1,000,000	5		224,995		225,000
Options exercised, December	100,000	1		29,999		30,000

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2004								
Net								
loss for								
period								
Balance,								
December								
31,								
2004	28,793,206	154	6,950,000	37	9,924,547	(330,000)	(6,682,834)	2,911,904

	Common Stock Shares	Common Stock Amount	Common Stock Issuable Shares	Common Stock Issuable Amount	Additional Paid-in Capital	Stock Subscriptions Receivable	Deficit Accumulated During the Development Stage	Total
Issuance of stock subscriptions receivable						240,000		240,000
Issuance of common stock for licensing rights	2,000,000	11	(2,000,000)	(11)				-
Issuance of stock for warrants exercised	1,650,000	8	(1,650,000)	(8)				-
Options exercised:								
February 2005			35,000	1	10,499			10,500
May 2005	200,000	1			59,999			60,000
Note payable conversion, February 2005			285,832	1	85,749			85,750
Issuance of common stock for Note payable conversion								

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April					
2005	285,832	1	(285,832)	(1)	-
May					
2005	353,090	2		105,925	105,927