

PROVECTUS PHARMACEUTICALS INC
Form 424B3
August 13, 2009

Filed pursuant to Rule 424(b)(3) under
the Securities Act of 1933, as amended
Registration No. 333-147783

Prospectus Supplement No. 2

PROVECTUS PHARMACEUTICALS, INC.

22,436,231 Shares of Common Stock

This prospectus supplement No. 2 supplements and amends the prospectus dated June 11, 2009, which constitutes a part of the Post Effective Amendment No. 1 to Registration Statement on Form SB-2 (No. 333-147783) as initially filed with the Securities and Exchange Commission on December 3, 2007, as subsequently amended prior to effectiveness on January 7, 2008 and January 28, 2008, and which was supplemented and amended by prospectus supplement No. 1 dated June 29, 2009, referred to herein as the Prospectus. This prospectus supplement includes our attached Quarterly Report on Form 10-Q for the quarter ended June 30, 2009 dated and filed with the Securities and Exchange Commission on August 7, 2009.

This prospectus supplement should be read in conjunction with the Prospectus, which is to be delivered with this prospectus supplement. This prospectus supplement is qualified by reference to the Prospectus, as supplemented to date, except to the extent that the information in this prospectus supplement updates or supersedes the information contained in the Prospectus, including any supplements and amendments thereto.

This prospectus supplement is not complete without, and may not be delivered or utilized except in connection with, the Prospectus, including any supplements and amendments thereto.

AS YOU REVIEW THE PROSPECTUS AND THIS PROSPECTUS SUPPLEMENT, YOU SHOULD CAREFULLY CONSIDER THE MATTERS DESCRIBED IN "RISK FACTORS," BEGINNING ON PAGE 3 OF THE PROSPECTUS.

NEITHER THE SECURITIES AND EXCHANGE COMMISSION, NOR ANY STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED OF THESE SECURITIES OR PASSED UPON THE ADEQUACY OR ACCURACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

The date of this prospectus supplement is August 13, 2009.

United States
Securities And Exchange Commission
Washington, DC 20549

FORM 10-Q

(Mark One)

Quarterly Report under Section 13 or 15(d) of the Securities Exchange Act of 1934

For the quarterly period ended June 30, 2009

OR

Transition Report under Section 13 or 15(d) of the Securities Exchange Act of 1934

For the transition period from _____ to _____

Commission file number: 0-9410

Provectus Pharmaceuticals, Inc.
(Exact Name of Registrant as Specified in its Charter)

Nevada
(State or other jurisdiction of incorporation or
organization)

90-0031917
(I.R.S. Employer Identification Number)

7327 Oak Ridge Highway Suite A, Knoxville, TN 37931
(Address of Principal Executive Offices)

866/594-5999
(Issuer's Telephone Number, Including Area Code)

N/A
(Former Name, Former Address and Former Fiscal Year, if Changed Since Last Report)

Indicate by check mark whether the registrant: (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 registrant 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 a large accelerated filer, an accelerated filer, or a non-accelerated

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filer. (Check one):

Large Accelerated Filer	<input type="radio"/>	Accelerated
Filer	<input type="radio"/>	
Non-Accelerated Filer	<input type="radio"/>	Smaller reporting
company	<input checked="" type="radio"/>	

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

The number of shares outstanding of the issuer's stock, \$0.001 par value per share, as of June 30, 2009 was 60,528,941.

Transitional Small Business Disclosure Format (check one): Yes No

Item 1. Financial Statements

PROVECTUS PHARMACEUTICALS, INC.
(A Development-Stage Company)

CONSOLIDATED BALANCE SHEETS

	June 30, 2009 (Unaudited)	December 31, 2008 (Audited)
Assets		
Current Assets		
Cash and cash equivalents	\$ 3,812,978	\$ 2,796,020
Prepaid expenses and other current assets	43,411	50,691
Total Current Assets	3,856,389	2,846,711
Equipment and Furnishings, less accumulated depreciation of \$395,861 and \$391,233, respectively	29,062	33,690
Patents, net of amortization of \$4,440,577 and \$4,105,017, respectively	7,274,868	7,610,428
Other assets	27,000	27,000
	\$ 11,187,319	\$ 10,517,829
Liabilities and Stockholders' Equity		
Current Liabilities		
Accounts payable – trade	\$ 237,338	\$ 267,093
Accrued compensation and payroll taxes	267,237	79,955
Accrued consulting expense	116,966	66,250
Cash received in advance for pending stock transaction	144,000	--
Other accrued expenses	256,904	48,995
Total Current Liabilities	1,022,445	462,293
Stockholders' Equity		
Preferred stock; par value \$.001 per share; 25,000,000 shares authorized; no shares issued and outstanding	--	--
Common stock; par value \$.001 per share; 100,000,000 shares authorized; 60,528,941 and 53,017,076 shares issued and outstanding, respectively	60,529	53,017
Paid-in capital	71,967,727	65,478,126

Deficit accumulated during the development stage	(61,863,382)	(55,475,607)
Total Stockholders' Equity	10,164,874	10,055,536
	\$ 11,187,319	\$ 10,517,829

See accompanying notes to consolidated financial statements.

PROVECTUS PHARMACEUTICALS, INC.
(A Development-Stage Company)
CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

	Three Months Ended June 30, 2009	Three Months Ended June 30, 2008	Six Months Ended June 30, 2009	Six Months Ended June 30, 2008	Cumulative Amounts from January 17, 2002 (Inception) Through June 30, 2009
Revenues					
OTC product revenue	\$ --	\$ --	\$ --	\$ --	\$ 25,648
Medical device revenue	--	--	--	--	14,109
Total revenues	--	--	--	--	39,757
Cost of sales	--	--	--	--	15,216
Gross profit	--	--	--	--	24,541
Operating expenses					
Research and development	1,565,393	1,248,668	2,481,326	2,311,784	18,440,107
General and administrative	2,272,743	1,298,446	3,572,167	2,463,440	30,785,045
Amortization	167,780	167,780	335,560	335,560	4,440,577
Total operating loss	(4,005,916)	(2,714,894)	(6,389,053)	(5,110,784)	(53,641,188)
Gain on sale of fixed assets	--	--	--	--	55,075
Loss on extinguishment of debt	--	--	--	--	(825,867)
Investment income	104	19,005	1,278	58,910	646,602
Interest expense	--	--	--	--	(8,098,004)
Net loss	\$ (4,005,812)	\$ (2,695,889)	\$ (6,387,775)	\$ (5,051,874)	\$ (61,863,382)
Basic and diluted loss per common share	\$ (0.07)	\$ (0.05)	\$ (0.12)	\$ (0.10)	
	57,271,116	50,981,758			

Weighted average number of common shares outstanding – basic and diluted	55,278,160	50,433,460
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See accompanying notes to consolidated financial statements.

PROVECTUS PHARMACEUTICALS, INC.
(A Development-Stage Company)
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(Unaudited)

	Common Stock				
	Number of shares	Par value	Paid-in capital	Accumulated deficit	Total
Balance, at January 17, 2002	--	\$ --	\$ --	\$ --	\$ --
Issuance to founding shareholders	6,000,000	6,000	(6,000)	--	--
Sale of stock	50,000	50	24,950	--	25,000
Issuance of stock to employees	510,000	510	931,490	--	932,000
Issuance of stock for services	120,000	120	359,880	--	360,000
Net loss for the period from January 17, 2002 (inception) to April 23, 2002 (date of reverse merger)	--	--	--	(1,316,198)	(1,316,198)
Balance, at April 23, 2002	6,680,000	\$ 6,680	\$ 1,310,320	\$ (1,316,198)	\$ 802
Shares issued in reverse merger	265,763	266	(3,911)	--	(3,645)
Issuance of stock for services	1,900,000	1,900	5,142,100	--	5,144,000
Purchase and retirement of stock	(400,000)	(400)	(47,600)	--	(48,000)
Stock issued for acquisition of Valley Pharmaceuticals	500,007	500	12,225,820	--	12,226,320
Exercise of warrants	452,919	453	--	--	453
Warrants issued in connection with convertible debt	--	--	126,587	--	126,587
Stock and warrants issued for acquisition of Pure-ific	25,000	25	26,975	--	27,000
Net loss for the period from April 23, 2002 (date of reverse merger) to December 31, 2002	--	--	--	(5,749,937)	(5,749,937)

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Balance, at December 31, 2002	9,423,689	\$ 9,424	\$ 18,780,291	\$ (7,066,135)	\$ 11,723,580
Issuance of stock for services	764,000	764	239,036	--	239,800
Issuance of warrants for services	--	--	145,479	--	145,479
Stock to be issued for services	--	--	281,500	--	281,500
Employee compensation from stock options	--	--	34,659	--	34,659
Issuance of stock pursuant to Regulation S	679,820	680	379,667	--	380,347
Beneficial conversion related to convertible debt	--	--	601,000	--	601,000
Net loss for the year ended December 31, 2003	--	--	--	(3,155,313)	(3,155,313)
Balance, at December 31, 2003	10,867,509	\$ 10,868	\$ 20,461,632	\$ (10,221,448)	\$ 10,251,052
Issuance of stock for services	733,872	734	449,190	--	449,923
Issuance of warrants for services	--	--	495,480	--	495,480
Exercise of warrants	132,608	133	4,867	--	5,000
Employee compensation from stock options	--	--	15,612	--	15,612
Issuance of stock pursuant to Regulation S	2,469,723	2,469	790,668	--	793,137
Issuance of stock pursuant to Regulation D	1,930,164	1,930	1,286,930	--	1,288,861
Beneficial conversion related to convertible debt	--	--	360,256	--	360,256
Issuance of convertible debt with warrants	--	--	105,250	--	105,250
Repurchase of beneficial conversion feature	--	--	(258,345)	--	(258,345)
Net loss for the year ended December 31, 2004	--	--	--	(4,344,525)	(4,344,525)

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Balance, at December 31, 2004	16,133,876	\$ 16,134	\$ 23,711,540	\$ (14,565,973)	\$ 9,161,701
Issuance of stock for services	226,733	227	152,058	--	152,285
Issuance of stock for interest payable	263,721	264	195,767	--	196,031
Issuance of warrants for services	--	--	1,534,405	--	1,534,405
Issuance of warrants for contractual obligations	--	--	985,010	--	985,010
Exercise of warrants and stock options	1,571,849	1,572	1,438,223	--	1,439,795
Employee compensation from stock options	--	--	15,752	--	15,752
Issuance of stock pursuant to Regulation D	6,221,257	6,221	6,506,955	--	6,513,176
Debt conversion to common stock	3,405,541	3,405	3,045,957	--	3,049,795
Issuance of warrants with convertible debt	--	--	1,574,900	--	1,574,900
Beneficial conversion related to convertible debt	--	--	1,633,176	--	1,633,176
Beneficial conversion related to interest expense	--	--	39,259	--	39,529
Repurchase of beneficial conversion feature	--	--	(144,128)	--	(144,128)
Net loss for the year ended 2005	--	--	--	(11,763,853)	(11,763,853)
Balance, at December 31, 2005	27,822,977	\$ 27,823	\$ 40,689,144	\$ (26,329,826)	\$ 14,387,141
Issuance of stock for services	719,246	719	676,024	--	676,743
Issuance of stock for interest payable	194,327	195	183,401	--	183,596
Issuance of warrants for services	--	--	370,023	--	370,023
Exercise of warrants and stock options	1,245,809	1,246	1,188,570	--	1,189,816
	--	--	1,862,456	--	1,862,456

Employee compensation from stock options					
Issuance of stock pursuant to Regulation D	10,092,495	10,092	4,120,329	--	4,130,421
Debt conversion to common stock	2,377,512	2,377	1,573,959	--	1,576,336
Beneficial conversion related to interest expense	--	--	16,447	--	16,447
Net loss for the year ended 2006	--	--	--	(8,870,579)	(8,870,579)
Balance, at December 31, 2006	42,452,366	\$ 42,452	\$ 50,680,353	\$ (35,200,405)	\$ 15,522,400

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Issuance of stock for services	150,000	150	298,800	--	298,950
Issuance of stock for interest payable	1,141	1	1,257	--	1,258
Issuance of warrants for services	--	--	472,635	--	472,635
Exercise of warrants and stock options	3,928,957	3,929	3,981,712	--	3,985,641
Employee compensation from stock options	--	--	2,340,619	--	2,340,619
Issuance of stock pursuant to Regulation D	2,376,817	2,377	1,845,761	--	1,848,138
Debt conversion to common stock	490,000	490	367,010	--	367,500
Net loss for the year ended 2007	--	--	--	(10,005,631)	(10,005,631)
Balance, at December 31, 2007	49,399,281	\$ 49,399	\$ 59,988,147	\$ (45,206,036)	\$ 14,831,510
Issuance of stock for services	350,000	350	389,650	--	390,000
Issuance of warrants for services	--	--	517,820	--	517,820
Exercise of warrants and stock options	3,267,795	3,268	2,636,443	--	2,639,711
Employee compensation from stock options	--	--	1,946,066	--	1,946,066
Net loss for the year ended 2008	--	--	--	(10,269,571)	(10,269,571)
Balance, at December 31, 2008	53,017,076	\$ 53,017	\$ 65,478,126	\$ (55,475,607)	\$ 10,055,536
Issuance of stock for services	476,012	476	387,274	--	387,750
Issuance of warrants for services	--	--	317,954	--	317,954
Exercise of warrants and stock options	2,428,526	2,429	1,698,271	--	1,700,700
Employee compensation from stock options	--	--	870,937	--	870,937
Issuance of stock pursuant to Regulation D	4,607,327	4,607	3,215,165	--	3,219,772
Net loss for the six months ended June 30, 2009	--	--	--	(6,387,775)	(6,387,775)
Balance, at June 30, 2009	60,528,941	\$ 60,529	\$ 71,967,727	\$ (61,863,382)	\$ 10,164,874

See accompanying notes to consolidated financial statements.

PROVECTUS PHARMACEUTICALS, INC.
 (A Development-Stage Company)
 CONSOLIDATED STATEMENTS OF CASH FLOWS
 (Unaudited)

	Six Months Ended June 30, 2009	Six Months Ended June 30, 2008	Cumulative Amounts from January 17, 2002 (Inception) through June 30, 2009
Cash Flows From Operating Activities			
Net loss	\$ (6,387,775)	\$ (5,051,874)	\$ (61,863,382)
Adjustments to reconcile net loss to net cash used in operating activities			
Depreciation	4,628	4,628	418,862
Amortization of patents	335,560	335,560	4,440,577
Amortization of original issue discount	--	--	3,845,721
Amortization of commitment fee	--	--	310,866
Amortization of prepaid consultant expense	--	--	1,295,226
Amortization of deferred loan costs			