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CEL SCI CORP
Form S-1
May 02, 2007

As filed with the Securities and Exchange Commission on May __, 2007.

Registration No. 333-_____

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM S-1

Registration Statement
Under
THE SECURITIES ACT OF 1933

CEL-SCI Corporation

(Exact name of registrant as specified in charter)

Colorado

(State or other jurisdiction of incorporation)

8229 Boone Blvd. #802
Vienna, Virginia 22182
(703) 506-9460

84-0916344

(IRS Employer I.D.
Number)

(Address, including zip code, and telephone number
including area of principal executive offices)

Geert Kersten
8229 Boone Blvd. #802
Vienna, Virginia 22182
(703) 506-9460

(Name and address, including zip code, and telephone number,
including area code, of agent for service)

Copies of all communications, including all communications sent
to the agent for service, should be sent to:

William T. Hart, Esq.
Hart & Trinen
1624 Washington Street
Denver, Colorado 80203
(303) 839-0061

APPROXIMATE DATE OF COMMENCEMENT OF PROPOSED SALE TO THE PUBLIC:
As soon as practicable after the effective date
of this Registration Statement

If the only securities being registered on this Form are being offered pursuant
to dividend or interest reinvestment plans, please check the following box. []

If any of the securities being registered on this Form are to be offered on a

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delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, other than securities offered only in connection with dividend or interest reinvestment plans, check the following box. [X]

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration for the same offering. []

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. []

If delivery of the prospectus is expected to be made pursuant to Rule 434, please check the following box. []

CALCULATION OF REGISTRATION FEE

CALCULATION OF REGISTRATION FEE

Title of each Class of Securities to be Registered -----	Securities to be Registered -----	Proposed Maximum Offering Price Per Share (1) -----	Proposed Maximum Aggregate Offering Price -----	Amount of Registration Fee -----
Common stock (2)	42,961,666	\$0.88	\$37,806,267	\$4,046

Total				

- (1) Offering price computed in accordance with Rule 457(c).
- (2) Represents shares to be sold by selling shareholder.

Pursuant to Rule 416, this Registration Statement includes such indeterminate number of additional securities as may be required for issuance upon the exercise of the warrants as a result of any adjustment in the number of securities issuable by reason of stock splits or similar capital reorganizations.

The registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

PROSPECTUS

CEL-SCI CORPORATION

Common Stock

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By means of this prospectus shareholders of CEL-SCI Corporation are offering to sell up to 42,961,666 shares of CEL-SCI's common stock. The shares offered by this prospectus consist of shares sold by CEL-SCI in a private offering for cash, shares issued for consulting services, and shares issuable upon the exercise of warrants. The selling shareholders may be considered "underwriters" as that term is defined in the Securities Act of 1933.

CEL-SCI's common stock is quoted on the American Stock Exchange under the symbol "CVM." On _____, 2007 the closing price for one share of the CEL-SCI's common stock was \$0.____.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the accuracy or adequacy of this prospectus. Any representation to the contrary is a criminal offense.

These securities are speculative and involve a high degree of risk. For a description of certain important factors that should be considered by prospective investors, see "Risk Factors" beginning on page 6 of this Prospectus.

The date of this prospectus is _____, 2007

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PROSPECTUS SUMMARY

THIS SUMMARY IS QUALIFIED BY THE MORE DETAILED INFORMATION APPEARING ELSEWHERE IN THIS PROSPECTUS.

CEL-SCI

CEL-SCI is involved in the research and development of drugs for cancer and infectious diseases

CEL-SCI's lead product, Multikine(R), is being developed for the treatment of cancer. Multikine is a patented immunotherapeutic agent consisting of a mixture of naturally occurring cytokines, including interleukins, interferons, chemokines and colony-stimulating factors, currently being developed for the treatment of cancer. Multikine is designed to target the tumor micro-metastases that are mostly responsible for treatment failure. The basic concept is to add Multikine to the current cancer treatments with the goal of making the overall cancer treatment more successful. Phase II data indicated that Multikine treatment resulted in a substantial increase in the survival of patients. The lead indication is advanced primary head & neck cancer (500,000 new cases per annum). Since Multikine is not tumor specific, it may also be applicable in many other solid tumors.

In January 2007, the US Food and Drug Administration (FDA) concurred with

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the initiation of a global Phase III clinical trial in head and neck cancer patients using Multikine. The Canadian regulatory agency, the Biologics and Genetic Therapies Directorate, had previously concurred with the initiation of a global Phase III clinical trial in head and neck cancer patients using Multikine.

Approximately 800 patients will be enrolled worldwide in the Phase III trial. The protocol is designed to develop conclusive evidence of the efficacy of Multikine in the treatment of advanced primary squamous cell carcinoma of the oral cavity (head and neck cancer). A successful outcome from this trial should enable CEL-SCI to apply for a Biologics License to market Multikine for the treatment of this patient population.

The trial will test the hypothesis that Multikine treatment administered prior to the current standard therapy for head and neck cancer patients (surgical resection of the tumor and involved lymph nodes followed by radiotherapy or radiotherapy and concurrent chemotherapy) will enhance the local/regional control of the disease, reduce the rate of disease progression and extend the time of progression free survival in patients with advanced oral squamous cell carcinoma.

CEL-SCI also owns a pre-clinical technology called L.E.A.P.S. (Ligand Epitope Antigen Presentation System). The lead product derived from this technology is the CEL-1000 peptide which has shown protection in animals against herpes, malaria and cancer. With the help of government grants and US Army and US Navy collaborations, CEL-1000 is now being tested against avian flu, viral encephalitis, West Nile Virus, SARS, Vaccinia, Smallpox, herpes, malaria and other agents. If the bio-terrorism tests are successful, CEL-SCI is likely to push CEL-1000 for potential bio-terrorism disease indications to gain accelerated approval.

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Before human testing can begin with respect to a drug or biological product, preclinical studies are conducted in laboratory animals to evaluate the potential efficacy and the safety of a product. Human clinical studies generally involve a three-phase process. The initial clinical evaluation, Phase I, consists of administering the product and testing for safe and tolerable dosage levels. Phase II trials continue the evaluation of safety and determine the appropriate dosage for the product, identify possible side effects and risks in a larger group of subjects, and provide preliminary indications of efficacy. Phase III trials consist of testing for actual clinical efficacy within an expanded group of patients at geographically dispersed test sites.

All of CEL-SCI's products are in the development stage. As of April 20, 2007, CEL-SCI was not receiving any revenues from the sale of MULTIKINE or any other products which CEL-SCI was developing.

CEL-SCI does not expect to develop commercial products for several years, if at all. CEL-SCI has had operating losses since its inception, had an accumulated deficit of approximately \$(108,000,000) at December 31, 2006 and expects to incur substantial losses for the foreseeable future.

CEL-SCI's executive offices are located at 8229 Boone Blvd., #802, Vienna, Virginia 22182, and its telephone number is (703) 506-9460.

CEL-SCI's common stock is quoted on the American Stock Exchange under the symbol "CVM".

THE OFFERING

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By means of this prospectus shareholders of CEL-SCI Corporation are offering to sell up to 42,961,666 shares of CEL-SCI's common stock. These shares consist of shares sold by CEL-SCI in a private offering for cash, shares issued for consulting services and shares issuable upon the exercise of warrants.

As of April 20, 2007, CEL-SCI had 107,505,621 outstanding shares of common stock. The number of outstanding shares does not give effect to shares which may be issued upon the conversion of notes, as payment of interest or principal on notes, or the exercise of outstanding warrants or options. See "Comparative Share Data".

CEL-SCI will not receive any proceeds from the sale of the shares by the selling shareholders.

Risk Factors

The purchase of the securities offered by this prospectus involves a high degree of risk. Risk factors include the lack of revenues and history of loss, need for additional capital and need for FDA approval. See the "Risk Factors" section of this prospectus for additional Risk Factors.

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Forward Looking Statements

This prospectus contains various forward-looking statements that are based on CEL-SCI's beliefs as well as assumptions made by and information currently available to CEL-SCI. When used in this prospectus, the words "believe", "expect", "anticipate", "estimate" and similar expressions are intended to identify forward-looking statements. Such statements may include statements regarding seeking business opportunities, payment of operating expenses, and the like, and are subject to certain risks, uncertainties and assumptions which could cause actual results to differ materially from projections or estimates. Factors which could cause actual results to differ materially are discussed at length under the heading "Risk Factors". Should one or more of the enumerated risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those anticipated, estimated or projected. Investors should not place undue reliance on forward-looking statements, all of which speak only as of the date made.

RISK FACTORS

Investors should be aware that the risks described below could adversely affect the price of CEL-SCI's common stock.

Risks Related to CEL-SCI

Since CEL-SCI Has Earned Only Limited Revenues and Has a History of Losses, CEL-SCI Will Require Additional Capital to Remain in Operation.

CEL-SCI has had only limited revenues since it was formed in 1983. Since the date of its formation and through December 31, 2006 CEL-SCI incurred net losses of approximately \$(108,000,000). CEL-SCI has relied principally upon the proceeds of public and private sales of its securities to finance its activities to date. All of CEL-SCI's potential products, with the exception of Multikine, are in the early stages of development, and any commercial sale of these products will be many years away. Even potential product sales from Multikine

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are many years away as cancer trials can be lengthy. Accordingly, CEL-SCI expects to incur substantial losses for the foreseeable future.

If CEL-SCI cannot obtain additional capital, CEL-SCI may have to postpone development and research expenditures which will delay CEL-SCI's ability to produce a competitive product. Delays of this nature may depress the price of CEL-SCI's common stock or force CEL-SCI out of business.

Clinical and other studies necessary to obtain approval of a new drug can be time consuming and costly, especially in the United States, but also in foreign countries. CEL-SCI's estimates of the costs associated with future clinical trials and research may be substantially lower than the actual costs of these activities. The different steps necessary to obtain regulatory approval, especially that of the Food and Drug Administration, involve significant costs and may require several years to complete. CEL-SCI expects that it will need substantial additional financing over an extended period of time in order to fund the costs of future clinical trials, related research, and general and administrative expenses.

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The extent of CEL-SCI's clinical trials and research programs are primarily based upon the amount of capital available to CEL-SCI and the extent to which CEL-SCI has received regulatory approvals for clinical trials. CEL-SCI is unable to estimate the future costs of clinical trials since CEL-SCI has not yet met with the FDA to discuss the design of future clinical trials; and until the scope of future clinical trials is known, CEL-SCI will not be able to price any trials with clinical trial organizations.

To raise additional capital CEL-SCI will most likely sell shares of its common stock or securities convertible into common stock at prices that may be below the prevailing market price of CEL-SCI's common stock at the time of sale. The issuance of additional shares will have a dilutive impact on other stockholders and could have a negative effect on the market price of CEL-SCI's common stock.

Multikine is made from components of human blood which involves inherent risks that may lead to product destruction or patient injury which could materially harm CEL-SCI's financial results, reputation and stock price.

Multikine is made, in part, from components of human blood. There are inherent risks associated with products that involve human blood such as possible contamination with viruses, including Hepatitis or HIV. Any possible contamination could require CEL-SCI to destroy batches of Multikine or cause injuries to patients who receive the product thereby subjecting CEL-SCI to possible financial losses and harm to its business.

Although CEL-SCI has product liability insurance for Multikine, the successful prosecution of a product liability case against CEL-SCI could have a materially adverse effect upon its business if the amount of any judgment exceeds CEL-SCI's insurance coverage.

Although no claims have been brought to date, participants in CEL-SCI's clinical trials could bring civil actions against CEL-SCI for any unanticipated harmful effects arising from the use of Multikine or any drug or product that CEL-SCI may try to develop. Although CEL-SCI believes its insurance coverage of \$1,000,000 per claim is adequate, the defense or settlement of any product liability claim could adversely affect CEL-SCI even if the defense and settlement costs did not exceed CEL-SCI's insurance coverage.

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CEL-SCI's directors are allowed to issue shares of preferred stock with provisions that could be detrimental to the interests of the holders of CEL-SCI's common stock.

The provisions in CEL-SCI's Articles of Incorporation relating to CEL-SCI's preferred stock would allow CEL-SCI's directors to issue preferred stock with rights to multiple votes per share and dividend rights which would have priority over any dividends paid with respect to CEL-SCI's common stock. The issuance of preferred stock with such rights may make more difficult the removal of management even if such removal would be considered beneficial to shareholders generally, and will have the effect of limiting shareholder participation in certain transactions such as mergers or tender offers if such transactions are not favored by incumbent management.

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Risks Related to Government Approvals

CEL-SCI's product candidates must undergo rigorous pre-clinical and clinical testing and regulatory approvals, which could be costly and time-consuming and subject CEL-SCI to unanticipated delays or prevent CEL-SCI from marketing any products.

Therapeutic agents, drugs and diagnostic products are subject to approval, prior to general marketing, by the FDA in the United States and by comparable agencies in most foreign countries. Before obtaining marketing approval, CEL-SCI's product candidates must undergo rigorous preclinical and clinical testing which is costly and time consuming and subject to unanticipated delays. There can be no assurance that such approvals will be granted.

The clinical trials of CEL-SCI's product candidates may not be completed on schedule, the FDA or foreign regulatory agencies may order CEL-SCI to stop or modify its research or these agencies may not ultimately approve any of CEL-SCI's product candidates for commercial sale. Varying interpretations of the data obtained from pre-clinical and clinical testing could delay, limit or prevent regulatory approval of CEL-SCI's product candidates. The data collected from CEL-SCI's clinical trials may not be sufficient to support regulatory approval of its various product candidates, including Multikine. CEL-SCI's failure to adequately demonstrate the safety and efficacy of any of its product candidates would delay or prevent regulatory approval of its product candidates in the United States, which could prevent CEL-SCI from achieving profitability.

The requirements governing the conduct of clinical trials, manufacturing, and marketing of CEL-SCI's product candidates, including Multikine, outside the United States vary widely from country to country. Foreign approvals may take longer to obtain than FDA approvals and can require, among other things, additional testing and different trial designs. Foreign regulatory approval processes include all of the risks associated with the FDA approval processes. Some of those agencies also must approve prices for products approved for marketing. Approval of a product by the FDA does not ensure approval of the same product by the health authorities of other countries. In addition, changes in regulatory policy in the US or in foreign countries for product approval during the period of product development and regulatory agency review of each submitted new application may cause delays or rejections.

In addition to conducting further clinical studies of Multikine and CEL-SCI's other product candidates, CEL-SCI also must undertake the development of its manufacturing process and optimize its product formulations.

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CEL-SCI will not be able to commercialize Multikine and other product candidates until it has obtained regulatory approval. CEL-SCI has only limited experience in filing and pursuing applications necessary to gain regulatory approvals, which may impede its ability to obtain timely approvals from the FDA or foreign regulatory agencies, if at all. In addition, regulatory authorities may also limit the types of patients to which CEL-SCI or others may market Multikine or CEL-SCI's other products. Any failure to obtain or any delay in obtaining required regulatory approvals may adversely affect the ability of CEL-SCI or potential licensees to successfully market any products they may develop.

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Even if CEL-SCI obtains regulatory approval for its product candidates, CEL-SCI will be subject to stringent, ongoing government regulation.

If CEL-SCI's products receive regulatory approval, either in the United States or internationally, CEL-SCI will be subject to extensive regulatory requirements. These regulations are wide-ranging and govern, among other things:

- o product design, development and manufacture;
- o adverse drug experience;
- o product advertising and promotion;
- o product manufacturing, including good manufacturing practice requirements;
- o record keeping requirements;
- o registration and listing of CEL-SCI's establishments and products with the FDA and certain state agencies;
- o product storage and shipping;
- o drug sampling and distribution requirements;
- o electronic record and signature requirements; and
- o labeling changes or modifications.

CEL-SCI and any third-party manufacturers or suppliers must continually adhere to federal regulations setting forth requirements, known as current Good Manufacturing Practices, or cGMPs, and their foreign equivalents, which are enforced by the FDA and other national regulatory bodies through their facilities inspection programs. If CEL-SCI's facilities, or the facilities of its contract manufacturers or suppliers, cannot pass a pre-approval plant inspection, the FDA will not approve the marketing applications of CEL-SCI's product candidates. In complying with cGMP and foreign regulatory requirements, CEL-SCI and any of its potential third-party manufacturers or suppliers will be obligated to expend time, money and effort in production, record-keeping and quality control to ensure that its products meet applicable specifications and other requirements. State regulatory agencies and the regulatory agencies of other countries have similar requirements.

If CEL-SCI does not comply with regulatory requirements at any stage, whether before or after marketing approval is obtained, it may be subject to license suspension or revocation, criminal prosecution, seizure, injunction, fines, or be forced to remove a product from the market or experience other

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adverse consequences, including restrictions or delays in obtaining regulatory marketing approval, which could materially harm CEL-SCI's financial results, reputation and stock price. Additionally, CEL-SCI may not be able to obtain the labeling claims necessary or desirable for product promotion. CEL-SCI may also be required to undertake post-marketing trials. In addition, if CEL-SCI or other parties identify adverse effects after any of CEL-SCI's products are on the market, or if manufacturing problems occur, regulatory approval may be withdrawn. CEL-SCI may be required to reformulate its products, conduct additional clinical trials, make changes in its product's labeling or indications of use, or submit additional marketing applications to support these changes. If CEL-SCI encounters any of the foregoing problems, its business and

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results of operations will be harmed and the market price of our common stock may decline.

Also, the extent of adverse government regulations which might arise from future legislative or administrative action cannot be predicted. Without government approval, CEL-SCI will be unable to sell any of its products.

Risks Related to Intellectual Property

CEL-SCI may not be able to achieve or maintain a competitive position and other technological developments may result in CEL-SCI's proprietary technologies becoming uneconomical or obsolete.

The biomedical field in which CEL-SCI is involved is undergoing rapid and significant technological change. The successful development of therapeutic agents from CEL-SCI's compounds, compositions and processes through CEL-SCI-financed research, or as a result of possible licensing arrangements with pharmaceutical or other companies, will depend on its ability to be in the technological forefront of this field.

Many companies are working on drugs designed to cure or treat cancer and have substantial financial, research and development, and marketing resources and are capable of providing significant long-term competition either by establishing in-house research groups or by forming collaborative ventures with other entities. In addition, smaller companies and non-profit institutions are active in research relating to cancer and infectious diseases and are expected to become more active in the future.

CEL-SCI's patents might not protect CEL-SCI's technology from competitors, in which case CEL-SCI may not have any advantage over competitors in selling any products which it may develop.

Certain aspects of CEL-SCI's technologies are covered by U.S. and foreign patents. In addition, CEL-SCI has a number of new patent applications pending. There is no assurance that the applications still pending or which may be filed in the future will result in the issuance of any patents. Furthermore, there is no assurance as to the breadth and degree of protection any issued patents might afford CEL-SCI. Disputes may arise between CEL-SCI and others as to the scope and validity of these or other patents. Any defense of the patents could prove costly and time consuming and there can be no assurance that CEL-SCI will be in a position, or will deem it advisable, to carry on such a defense. Other private and public concerns, including universities, may have filed applications for, or may have been issued, patents and are expected to obtain additional patents and other proprietary rights to technology potentially useful or necessary to CEL-SCI. The scope and validity of such patents, if any, the extent to which

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CEL-SCI may wish or need to acquire the rights to such patents, and the cost and availability of such rights are presently unknown. Also, as far as CEL-SCI relies upon unpatented proprietary technology, there is no assurance that others may not acquire or independently develop the same or similar technology.

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Risks Related to CEL-SCI's Common Stock

Since the market price for CEL-SCI's common stock is volatile, investors may not be able to sell any of CEL-SCI's shares at a profit.

The market price of CEL-SCI's common stock, as well as the securities of other biopharmaceutical and biotechnology companies, have historically been highly volatile, and the market has from time to time experienced significant price and volume fluctuations that are unrelated to the operating performance of particular companies. During the year ended September 30, 2006 CEL-SCI's stock price has ranged from a low of \$0.44 per share to a high of \$1.78 per share. Factors such as fluctuations in CEL-SCI's operating results, announcements of technological innovations or new therapeutic products by CEL-SCI or its competitors, governmental regulation, developments in patent or other proprietary rights, public concern as to the safety of products developed by CEL-SCI or other biotechnology and pharmaceutical companies, and general market conditions may have a significant effect on the future market price of CEL-SCI's common stock.

Shares issuable upon the conversion of promissory notes, the payment of interest or principal on the promissory notes, or the exercise of outstanding options and warrants may substantially increase the number of shares available for sale in the public market and may depress the price of CEL-SCI's common stock.

CEL-SCI had outstanding convertible notes, options and warrants which as of April 20, 2007 allowed the holders to acquire a substantial amount of additional shares of its common stock. Until the options and warrants expire, or the convertible notes are paid, the holders will have an opportunity to profit from any increase in the market price of CEL-SCI's common stock without assuming the risks of ownership. Holders of convertible notes, options and warrants may convert or exercise these securities at a time when CEL-SCI could obtain additional capital on terms more favorable than those provided by the options. The conversion of the notes or the exercise of the options and warrants will dilute the voting interest of the owners of presently outstanding shares by adding a substantial number of additional shares of CEL-SCI's common stock. See "Comparative Share Data" for additional information.

CEL-SCI has filed, or plans to file, registration statements with the Securities and Exchange Commission so that substantially all of the shares of common stock which are issuable upon the exercise of outstanding options and warrants may be sold in the public market. The sale of common stock issued or issuable upon the exercise of CEL-SCI's options or warrants described above, or the perception that such sales could occur, may adversely affect the market price of CEL-SCI's common stock.

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COMPARATIVE SHARE DATA

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	Number of Shares -----	Note Reference -----
Shares outstanding as of April 20, 2007:	107,505,621	
Shares to be sold in this Offering:		
Shares purchased by private investors	20,043,333	A
Shares issuable upon exercise of Series L warrants	10,021,667	A
Shares issuable upon exercise of Series M warrants	10,021,667	A
Shares issued for consulting services	2,875,000	B
Other Shares Which May Be Issued:		

The following table lists additional shares of CEL-SCI's common stock which may be issued as of April 20, 2007:

	Number of Shares -----	Note Reference -----
Shares issuable as payment of interest on the Series K notes	1,700,000	C
Shares issuable as payment of principal on the Series K notes	10,480,000	C
Shares issuable upon the exercise of the Series K warrants	5,211,628	C
Shares issuable upon the exercise of warrants held by private investors	4,059,159	D
Shares issuable upon exercise of options granted to CEL-SCI's officers, directors, employees, consultants, and third parties	11,188,014	E

A. In April 2007, CEL-SCI sold 20,000,000 Units to Korral Partners, an institutional investor, for \$15,000,000. Each Unit was priced at \$0.75 and consisted of one share of CEL-SCI's common stock, one-half of a Series L warrant and one-half of a Series M warrant. Immediately after this sale Korral Partners sold the 20,000,000 shares of CEL-SCI's common stock and the 10,000,000 Series M warrants to 19 foreign investors. Korral Partners retained the 10,000,000 Series L warrants.

Pursuant to a previously granted right of participation two investors in CEL-SCI's August 2006 financing purchased 43,333 Units, which were identical to the Units sold to Korral Partners, at a price of \$0.75 per Unit.

Each Series L warrant allows the holder to purchase one share of CEL-SCI's common stock for \$0.75. Each Series M warrant allows the holder to purchase one

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share of CEL-SCI's common stock for \$2.00. The Series L and M warrants expire on March 31, 2012.

B. CEL-SCI has issued shares of its common stock to the following companies as payment for consulting services.

Name	Date	Shares Issued
----	----	-----
Riviera Ventures, Inc.	9-29-06	375,000
Ozal Ltd.	4-03-07	2,000,000
Emento S.A.	4-03-07	500,000

C. In August 2006, CEL-SCI sold Series K convertible notes, plus Series K warrants, to independent private investors for \$8,300,000. The notes bear interest annually at the greater of 8% or 6 month LIBOR plus 3% per year. The Notes are due and payable on August 4, 2011 and are secured by substantially all of CEL-SCI's assets.

At the holder's option, the Series K notes are convertible into shares of CEL-SCI's common stock at a conversion price of \$0.75.

The Series K warrants allow the holders to purchase up to 5,211,628 shares of CEL-SCI's common stock at a price of \$0.75 per share at any time between February 4, 2007 and February 4, 2012.

The number of shares issuable upon the conversion of the Series K promissory notes or upon the exercise of the Series K warrants may increase as the result of future sales of CEL-SCI's common stock at prices below either the note conversion price or warrant exercise price, as the case may be, or the market price of CEL-SCI's common stock.

At CEL-SCI's election, and under certain conditions, CEL-SCI may use shares of its common stock to make interest or principal payments on the Series K notes. The actual number of shares which may be issued as payment of interest or principal may increase if the price of CEL-SCI's common stock is below the then applicable conversion price of the Series K notes.

To the extent CEL-SCI uses its shares to make principal payments on the notes, the number of shares which may be issued upon the conversion of the notes may be less due to reduction in the outstanding principal balance of the notes.

The actual number of shares which will ultimately be issued upon the payment or conversion of the Series K notes and the exercise of the Series K warrants (if any) will vary depending upon a number of factors, including the price at which CEL-SCI sells any additional shares of its common stock prior to the date the Series K notes are paid or converted or the date the Series K

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warrants are exercised or expire. See "Description of Securities" for more detailed information concerning the Series K notes and warrants.

D. Between August 1, 2001 and May 18, 2006 CEL-SCI sold shares of its common stock in private transactions. In some cases warrants were issued as part of the financings. The names of the warrant holders and the terms of the warrants are shown below:

Shares
Issuable

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Warrant Holder	Issue Date	Upon Exercise of Warrants	Exercise Price	Expiration Date
Lamey Corporation	8/17/2001	272,108	\$ 1.75	7/01/2007
Eastern Biotech	5/30/2003	400,000	\$ 0.47	5/30/2008
Cher Ami Holdings	12/01/2003	441,176	\$ 0.56	12/01/2007
Karen Carson	2/15/2005	15,000	\$ 0.73	2/15/2015
Lucci Financial Group	10/14/2005	80,000	\$ 1.00	10/14/2010
Lucci Financial Group	10/14/2005	80,000	\$ 2.00	10/14/2010
Bristol Capital LLC	9/16/2003	197,863	\$ 0.83	9/16/2008
Wachovia Capital	5/4/2004	76,642	\$ 1.37	5/04/2009
Cher Ami Holdings	7/18/2005	375,000	\$ 0.65	7/18/2009
Jena Holdings LLC	10/31/2005	271,370	\$ 0.55	10/24/2010
Cher Ami Holdings	2/9/2006	150,000	\$ 0.56	2/09/2011
Lucci Financial Group	4/12/2006	100,000	\$ 1.50	4/12/2009
Eastern Biotech	4/17/2006	800,000	\$ 1.25	6/30/2008
Cher Ami Holdings	5/18/2006	800,000	\$ 0.82	5/17/2011
		4,059,159		

E. The options are exercisable at prices ranging from \$0.16 to \$6.25 per share. CEL-SCI may also grant options to purchase additional shares under its Incentive Stock Option and Non-Qualified Stock Option Plans.

The shares referred to in Notes C and E are being offered for sale by means of separate registration statements which have been filed with the Securities and Exchange Commission.

MARKET FOR CEL-SCI'S COMMON STOCK

As of April 20, 2007 there were approximately 2,500 record holders of CEL-SCI's common stock. CEL-SCI's common stock is traded on the American Stock Exchange under the symbol "CVM". Set forth below are the range of high and low quotations for CEL-SCI's common stock for the periods indicated as reported on the American Stock Exchange. The market quotations reflect inter-dealer prices, without retail mark-up, mark-down or commissions and may not necessarily represent actual transactions.

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Quarter Ending	High	Low
12/31/04	\$0.67	\$0.46
3/31/05	\$1.08	\$0.62
6/30/05	\$0.73	\$0.48
9/30/05	\$0.60	\$0.46
12/31/05	\$0.69	\$0.45
3/31/06	\$1.06	\$0.49
6/30/06	\$1.78	\$0.71
9/30/06	\$0.92	\$0.53
12/31/06	\$0.81	\$0.55
3/31/07	\$0.90	\$0.56

Holders of common stock are entitled to receive dividends as may be

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declared by the Board of Directors out of legally available funds and, in the event of liquidation, to share pro rata in any distribution of CEL-SCI's assets after payment of liabilities. The Board of Directors is not obligated to declare a dividend. CEL-SCI has not paid any dividends on its common stock and CEL-SCI does not have any current plans to pay any common stock dividends.

The provisions in CEL-SCI's Articles of Incorporation relating to CEL-SCI's preferred stock would allow CEL-SCI's directors to issue preferred stock with rights to multiple votes per share and dividend rights which would have priority over any dividends paid with respect to CEL-SCI's Common Stock. The issuance of preferred stock with such rights may make more difficult the removal of management even if such removal would be considered beneficial to shareholders generally, and will have the effect of limiting shareholder participation in certain transactions such as mergers or tender offers if such transactions are not favored by incumbent management.

The market price of CEL-SCI's common stock, as well as the securities of other biopharmaceutical and biotechnology companies, have historically been highly volatile, and the market has from time to time experienced significant price and volume fluctuations that are unrelated to the operating performance of particular companies. Factors such as fluctuations in CEL-SCI's operating results, announcements of technological innovations or new therapeutic products by CEL-SCI or its competitors, governmental regulation, developments in patent or other proprietary rights, public concern as to the safety of products developed by CEL-SCI or other biotechnology and pharmaceutical companies, and general market conditions may have a significant effect on the market price of CEL-SCI's common stock.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

The following selected financial data should be read in conjunction with the Consolidated Financial Statements and Notes appearing elsewhere in this prospectus.

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	For the years ended September 30,				
Statements of Operations	2006	2005	2004	2003	2002
Grant revenue and other	\$125,457	\$269,925	\$325,479	\$318,304	\$384,939
Other expenses:					
Research and development	1,896,976	2,229,729	1,941,630	1,915,501	4,699,909
Depreciation and amortization	170,902	190,420	198,269	199,117	226,514
General and administrative	3,406,775	1,930,543	2,310,279	2,287,019	1,754,332
Gain (loss) on derivative instruments	2,325,784	363,028	1,174,660	(2,319,005)	5,053,156
Other income	-	625,472	-	-	-
Other costs of financing	(4,791,548)	-	-	(270,664)	-

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Interest income	92,487	52,660	51,817	52,502	85,322
Interest expense	(216,737)	-	(53,855)	(1,365,675)	(4,517,716)
Net loss	<u>\$ (7,939,210)</u>	<u>\$ (3,039,607)</u>	<u>\$ (2,952,077)</u>	<u>\$ (7,986,175)</u>	<u>\$ (5,675,054)</u>

Net loss per common share					
Basic	\$ (0.10)	\$ (0.04)	\$ (0.04)	\$ (0.16)	\$ (0.20)
Diluted	\$ (0.11)	\$ (0.05)	\$ (0.06)	\$ (0.19)	\$ (0.24)

Weighted average common shares outstanding					
Basic	78,971,290	72,703,395	67,273,133	50,961,457	28,746,341
Diluted	93,834,078	73,581,925	68,924,099	51,127,439	31,788,281

Three Months Ended
December 31,

2006 2005

(unaudited)

Grant revenue and other	\$ 20,793	\$ 29,847
Expenses:		
Research and development	506,158	434,889
Depreciation and amortization	41,842	43,790
General and administrative	1,052,704	573,036
Gain on derivative instruments	719,247	13,337
Interest income	95,551	11,404
Interest expense	347,246	--
Net loss	<u>\$ (1,112,359)</u>	<u>\$ (997,127)</u>

Net loss per common share		
Basic	\$ (0.01)	\$ (0.01)
Diluted	\$ (0.01)	\$ (0.01)

Weighted average common shares outstanding, basic and diluted	82,928,432	74,998,621
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September 30,

Balance Sheets:					
	-----	-----	-----	-----	-----
	2006	2005	2004	2003	2002
Working capital (deficit)	\$ 7,109,879	\$ 2,235,297	\$ 4,592,332	\$ 205,815	\$ (1,366,925)
Total assets	9,653,277	3,092,352	5,513,810	2,915,206	3,771,258
Convertible debt (1)	-	-	-	194,109	1,673,504
Note payable - Covance (1)	-	-	-	184,330	-
Note payable - Cambrex (1)	-	-	-	664,910	1,135,017

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Series E preferred stock (1)	-	-	-	-	2,001,591
Derivative instruments - current (1)	1,670,234	1,280	-	319,295	4
Derivative instruments - non-current (1)	8,645,796	811,180	1,175,488	2,517,131	314,844
Total liabilities	10,583,878	987,313	1,391,468	4,694,385	6,115,876
Stockholders' equity (deficit)	(930,601)	2,105,039	4,122,342	(1,779,179)	(2,344,618)

Balance Sheets: December 31, 2006

-----	-----
	(unaudited)
Working capital	\$ 5,609,684
Total assets	8,434,224
Convertible Debt - current	1,714,722
Convertible Debt - non-current	8,055,825
Total liabilities	10,242,133
Stockholders' equity (deficit)	(1,807,909)

No dividends have been declared on CEL-SCI's common stock.

CEL-SCI's net losses for each fiscal quarter during the two years ended September 30, 2006 were:

Quarter -----	Net income (loss) -----	Net income (loss) per share -----	
		Basic -----	Diluted -----
12/31/2004	\$ (1,229,443)	\$ (0.02)	\$ (0.02)
3/31/2005	\$ (1,149,440)	\$ (0.01)	\$ (0.02)
6/30/2005	\$ (653,786)	\$ (0.01)	\$ (0.01)
9/30/2005	\$ (6,938)	--	--
12/31/2005	\$ (997,127)	\$ (0.01)	\$ (0.01)
3/31/2006	\$ (1,331,071)	\$ (0.02)	\$ (0.02)
6/30/2006	\$ (1,294,041)	\$ (0.02)	\$ (0.02)
9/30/2006	\$ (4,391,444)	\$ (0.05)	\$ (0.06)

Results of Operations

CEL-SCI's most advanced product, Multikine, which has been cleared for a Phase III clinical trial in the U.S. and in Canada, is being developed for the treatment of cancer. Multikine is designed to target the tumor micro-metastases that are mostly responsible for treatment failure. The basic idea of Multikine

is to make current cancer treatments more successful. Phase II data indicated that Multikine treatment resulted in a substantial increase in the survival of patients. The lead indication is advanced primary head & neck cancer (500,000 new cases per annum). Since Multikine is not tumor specific, it may also be applicable in many other solid tumors.

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CEL-SCI also owns a pre-clinical technology called L.E.A.P.S. (Ligand Epitope Antigen Presentation System). The lead product derived from this technology is the CEL-1000 peptide which has shown protection in animals against herpes, viral encephalitis, malaria and cancer.

Since inception, CEL-SCI has financed its operations through the issuance of equity securities, convertible notes, loans and certain research grants. CEL-SCI's expenses will likely exceed its revenues as it continues the development of Multikine and brings other drug candidates into clinical trials. Until such time as CEL-SCI becomes profitable, any or all of these financing vehicles or others may be utilized to assist CEL-SCI's capital requirements.

Three months ended December 31, 2006

"Grant revenues and other" decreased by \$9,895 during the three months ended December 31, 2006, compared to the same period of the previous year, due to the winding down of the work funded by the grants. CEL-SCI is continuing to apply for grants to support its work. During the three-month period ended December 31, 2006, research and development expenses increased by \$71,269 compared to the three-month period ended December 31, 2005. This increase was due to work on two new CEL-1000 projects and the use of lab supplies in the preparation for the beginning of the Phase III trials on Multikine.

During the three-month period ended December 31, 2006, general and administrative expenses increased by \$479,668 compared to the three-month period ended December 31, 2005. This change was primarily due to: 1) additional listing fees from the American Stock Exchange (approximately \$15,000), 2) shares issued to two stockholders in accordance with their respective agreements (approximately \$110,300), 3) additional accounting fees for the valuation of the Series K Notes and Warrants (approximately \$43,900), 4) an increase in public relations costs (approximately \$305,000) for the cost of common stock issued to a public relations consulting firm, and 5) annual meeting costs (approximately \$23,000). This was partially offset by lower salary costs as one employee was on leave for a part of the quarter (approximately \$13,600).

Interest income during the three months ended December 31, 2006 increased by \$84,147 compared to the three-month period ended December 31, 2005. The increase was due to interest earned on the funds received from the Series K convertible notes.

The increase in the gain on derivative instruments of \$705,910 for the three months ended December 31, 2006, was the result of the change in fair value of the Series K Notes and Series K Warrants.

Year ended September 30, 2006

"Grant revenues and other" decreased by approximately \$144,500 during the year ended September 30, 2006, compared to fiscal 2005, due to the winding down

of the work funded by the grants in 2006 related to grants received in 2003. CEL-SCI is continuing to apply for grants to support its work.

During the year ended September 30, 2006, general and administrative expenses increased by approximately \$1,476,000. This change was largely due to: 1) costs related to the restatement of the financial statements (approximately \$420,110); 2) an increase in public relations and corporate presentation expenses (approximately \$587,200); 3) an increase in filing and registration

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fees (approximately \$71,800) and 4) the employee stock option expense required by SFAS 123R (approximately \$180,300).

Interest income during the year ended September 2006 increased by approximately \$39,800. The increase was due to an increase of the cash balances in the interest bearing accounts from the sale of the Series K convertible debt.

The issuance of the Series K convertible debt in the summer of 2006 resulted in an additional charge of approximately \$4,791,500. This charge included \$568,710 paid as fees to the agent, legal fees and \$223,907 in placement warrants issued to the agent. The remaining \$3,998,800 (approximate) represent the immediate charge upon issuance of the convertible debt for the fair value accounting for the debt and the warrants. This charge is a non-cash charge. The interest expense of \$216,737 is a result of the amortization of the discount on the convertible debt (\$104,351) and actual interest paid in stock and cash (\$112,386) for the interest expense on the Series K convertible debt.

The gain on derivative instruments of approximately \$2,325,800 for the year ended September 30, 2006 was the result of several factors: 1) a decrease in the value of the stock between the date of the issuance (August 2006) of the Series K convertible debt and September 30, 2006 resulted in the biggest part of the gain (\$2,311,159), 2) reclassification to equity of all previous derivative instruments (\$13,337), and 3) expiration of the Series E warrants (\$1,495). CEL-SCI's future financial statements are expected to show significant gains and losses on derivative instruments due to the requirement to mark the value of the convertible debt to market, as measured by the stock price of CEL-SCI's common stock.

Year ended September 30, 2005

"Grant revenues and other" decreased by \$55,554 during the year ended September 30, 2005, compared to 2004. This was due to the winding down of the work funded by the grants in 2005, related to grants received in 2003. CEL-SCI is continuing to apply for grants to support its work.

During the year ended September 30, 2005, research and development expenses increased by \$288,099. The increase in research and development expense was due largely to an increase in work related to CEL-SCI's Phase III application for Multikine.

During the year ended September 30, 2005, general and administrative expenses decreased by \$379,736. The decrease was mostly due to a decrease in public relations and corporate presentation expenses, filing fees, travel expenses, accounting fees and legal fees, as CEL-SCI's efforts were primarily focused on the submission of the Phase III clinical trial application for Multikine.

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CEL-SCI received \$625,472 in settlement of a lawsuit in which CEL-SCI was not a party. The litigation involved a shareholder and three former investors in CEL-SCI. The lawsuit sought to recover short-swing profits allegedly obtained by the defendants, their investment advisor and the investment advisor's principal acting together as a group in trading CEL-SCI securities.

Interest income during the year ended September 30, 2005 increased by \$843 as a result of higher balances in interest bearing accounts during the year. Interest expense decreased to zero as a result of the conversion of the remaining convertible debt in October 2003. Interest expense for the year ended

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September 30, 2004 is primarily for interest related to the convertible debt payable to Cambrex Biosciences, Inc. and Covance AG.

Gain on derivative instruments for the year ended September 30, 2005 decreased by \$811,632 due to a decrease in the number of derivative instruments outstanding during the year as a result of expiration of certain agreements or reclassifications of certain instruments to equity.

Year ended September 30, 2004

Grant revenue and other during fiscal year 2004 remained at approximately the same level as fiscal year 2003 as work continued on the four grants received during the fiscal year 2003. Interest income also remained approximately at the same level.

Research and development expense increased by approximately \$26,000 as CEL-SCI's research and development costs on L.E.A.P.S. increased during fiscal 2004.

General and administrative expenses increased by approximately \$23,000 this year. CEL-SCI's cost reduction program continues. This reduction was substantially offset by an increase in audit and audit-related fees and an increase in filing and registration fees.

CEL-SCI recognized a gain of \$1,174,660 on derivative instruments during fiscal year 2004 compared to a loss of \$2,319,005 for the year ended September 30, 2003. This was due primarily to a decrease in the trading price of CEL-SCI's common stock which is a significant component of fair value of CEL-SCI's derivative instruments. Also, during fiscal year 2004, several derivative instruments met the criteria for equity classification after which they were no longer marked to market.

Other costs of financing decreased by \$270,664 during fiscal year 2004 since CEL-SCI did not enter into an equity line of credit financing arrangement during the year.

Research and Development Expenses

The table below shows the research and development expenses associated with Multikine and L.E.A.P.S. for the periods presented.

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	2006 ----	2005 ----	2004 ----	2003 ----	2002 ----
MULTIKINE	\$1,656,362	\$1,911,615	\$1,539,454	\$1,653,904	\$4,405,678
L.E.A.P.S.	240,614	318,114	402,176	261,597	244,769
Other	--	--	--	--	49,462
	-----	-----	-----	-----	-----
TOTAL	\$1,896,976	\$2,229,729	\$1,941,630	\$1,915,501	\$4,699,909
	=====	=====	=====	=====	=====

Three Months Ended December 31,

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	2006 -----	2005 -----
	(unaudited)	
MULTIKINE	\$ 428,321	\$ 383,897
L.E.A.P.S	77,837 -----	50,992 -----
TOTAL	\$ 506,158 =====	\$ 434,889 =====

Liquidity and Capital Resources

CEL-SCI has had only limited revenues from operations since its inception in March 1983. CEL-SCI has relied primarily upon proceeds realized from the public and private sale of its common and preferred stock and convertible notes to meet its funding requirements. Funds raised by CEL-SCI have been expended primarily in connection with the acquisition of an exclusive worldwide license to, and later purchase of, certain patented and unpatented proprietary technology and know-how relating to the human immunological defense system, patent applications, the repayment of debt, the continuation of research and development sponsored by CEL-SCI, administrative costs and construction of laboratory facilities. Inasmuch as CEL-SCI does not anticipate realizing revenues until such time as it enters into licensing arrangements regarding the technology and know-how licensed to it (which could take a number of years), CEL-SCI is mostly dependent upon the proceeds from the sale of its securities to meet all of its liquidity and capital resource requirements.

As explained in the "Business" section of this prospectus, as of April 20, 2007, CEL-SCI was involved in a number of pre-clinical studies with respect to its L.E.A.P.S. technology. As with Multikine, CEL-SCI does not know what obstacles it will encounter in future pre-clinical and clinical studies involving its L.E.A.P.S. technology. Consequently, CEL-SCI cannot predict with any certainty the funds required for future research and clinical trials and the timing of future research and development projects.

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Clinical and other studies necessary to obtain regulatory approval of a new drug involve significant costs and require several years to complete. The extent of CEL-SCI's clinical trials and research programs are primarily based upon the amount of capital available to CEL-SCI and the extent to which CEL-SCI has received regulatory approvals for clinical trials. The inability of CEL-SCI to conduct clinical trials or research, whether due to a lack of capital or regulatory approval, will prevent CEL-SCI from completing the studies and research required to obtain regulatory approval for any products which CEL-SCI is developing. Without regulatory approval, CEL-SCI will be unable to sell any of its products.

In January 2007, FDA gave the go-ahead for the Phase III clinical trial which had earlier been cleared by the Canadian regulatory agency, the Biologics and Genetic Therapies Directorate. CEL-SCI is unable to estimate the future costs of research and clinical trial involving Multikine since CEL-SCI has not yet been able to price the Phase III study. CEL-SCI anticipates that the Multikine needed for its planned Phase III clinical trial will be manufactured at a cost of \$4 to \$5 million.

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Since all of CEL-SCI's projects are under development, CEL-SCI cannot predict when it will be able to generate revenue from the sale of any of its products.

In January 2007, CEL-SCI signed a letter of intent with a privately held real estate firm specialized in the biomedical sector to acquire and build, to CEL-SCI's specifications, a turn-key cGMP (current good manufacturing practices) facility which will be used to manufacture Multikine. This manufacturing facility is an integral part of moving Multikine into the Phase III clinical trial and later commercialization. The facility is expected to cost approximately \$15,000,000 and will be financed through a long-term lease agreement.

As of April 30, 2007, CEL-SCI had approximately \$20.4 million in cash and cash equivalents and approximately \$18.2 million in working capital.

Series K Notes and Warrants

On August 4, 2006, CEL-SCI sold Series K convertible notes, plus Series K warrants, to independent private investors for \$8,300,000. The Notes bear interest annually at the greater of 8% or 6 month LIBOR plus 3% per year. The Notes are due and payable on August 4, 2011 and are secured and collateralized by substantially all of CEL-SCI's assets.

Interest is payable quarterly with the first interest payment calculation due on September 30, 2006. This interest payment was paid on October 2, 2006 and the second quarterly interest payment was made on January 3, 2007. Beginning March 4, 2007 CEL-SCI was required and began to make monthly payments of \$207,500 toward the principal amount of the Notes. If CEL-SCI fails to make any interest or principal payment when due, the Notes will become immediately due and payable.

At CEL-SCI's election, and under certain conditions, CEL-SCI may use shares of its common stock to make interest and principal payments.

At the holder's option the Series K notes are convertible into shares of the Company's common stock at a conversion price of \$0.75.

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If CEL-SCI sells any additional shares of common stock, or any securities convertible into common stock at a price below the then applicable Conversion Price, the Conversion Price will be lowered to the price at which the shares were sold or the lowest price at which the securities are convertible, as the case may be. If CEL-SCI sells any additional shares of common stock, or any securities convertible into common stock at a price above the Conversion Price, but below the average closing price of CEL-SCI's common stock over the five trading days prior to the sale of the shares, the Conversion Price will be lowered to a price determined by a formula contained in the Notes. The Conversion Price will also be proportionately adjusted in the event of any stock splits.

CEL-SCI has filed a registration statement with the Securities and Exchange Commission so that the shares of common stock issuable upon the conversion of the Series K notes or the exercise of the Series K warrants may be resold in the public market. CEL-SCI is required to keep the registration statement continuously effective until the shares covered by the registration statement have been sold or can be sold pursuant to Rule 144(k). If CEL-SCI fails to comply with this provision, CEL-SCI will be required to pay damages to

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the holders of the Notes.

At any time after August 4, 2009 any Note holder will have the right to require CEL-SCI to redeem all or any portion of the outstanding principal amount of the Notes, plus all accrued but unpaid interest.

The Series K warrants allow the holders to purchase up to 4,825,581 shares of CEL-SCI's common stock at a price of \$0.95 per share at any time between February 4, 2007 and February 4, 2012.

The exercise price of the Series K warrants, as well as the shares issuable upon the exercise of the warrants, will be proportionately adjusted in the event of any stock splits.

If CEL-SCI sells any additional shares of common stock, or any securities convertible into common stock at a price below the then applicable exercise price of the Series K warrants, the warrant exercise price will be lowered to the price at which the shares were sold or the lowest price at which the securities are convertible, as the case may be.

If CEL-SCI sells any additional shares of common stock, or any securities convertible into common stock at a price above the exercise price but below the market price of CEL-SCI's common stock, the exercise price of the Series K warrants will be lowered to a price determined by a formula contained in the warrants.

April 2007 Private Financing

In April 2007, CEL-SCI raised approximately \$15,000,000 from the sale to a group of private investors of 20,043,333 shares of common stock, 10,021,667 Series L warrants, and 10,021,667 Series M warrants. The shares and warrants were sold as Units at a price of \$0.75 per Unit. Each Unit consisted of one share of CEL-SCI's common stock, one-half of a Series L warrant and one-half of a Series M warrant.

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Each Series L warrant allows the holder to purchase one share of CEL-SCI's common stock for \$0.75. Each Series M warrant allows the holder to purchase one share of CEL-SCI's common stock for \$2.00. The Series L and M warrants expire on March 31, 2012.

Contractual Obligation

Other than funding operating losses, funding its research and development program, and paying its liabilities, including the contractual obligations listed below, CEL-SCI does not have any material capital commitments. Material future liabilities as of September 30, 2006 are as follows:

Contractual Obligations:	Years Ending September 30,			
	Total	2007	2008	2009
Operating Leases	\$244,836	\$144,060	\$ 71,136	\$ 29,640
Employment Contracts	\$2,291,475	763,825	763,825	763,825

CEL-SCI plans to use its existing financial resources, and any proceeds

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received from the exercise of CEL-SCI's outstanding warrants or options to fund its capital requirements during the year ending September 30, 2007.

Substantial capital is needed for clinical trials which are necessary before CEL-SCI will be able to apply to the FDA for approval to sell any products which may be developed on a commercial basis in the United States. In the absence of revenues, CEL-SCI will be required to raise additional funds through the sale of securities, debt financing or other arrangements in order to continue with its research efforts. However, there can be no assurance that such financing will be available or be available on favorable terms. It is the opinion of management that sufficient funds are available to meet CEL-SCI's liabilities and commitments as they come due during fiscal 2007. Ultimately, CEL-SCI must complete the development of its products, obtain appropriate regulatory approvals and obtain sufficient revenues to support its cost structure.

CEL-SCI's cash flow and earnings are subject to fluctuations due to changes in interest rates on its certificates of deposit, and, to an immaterial extent, foreign currency exchange rates.

Critical Accounting Policies

CEL-SCI's significant accounting policies are more fully described in the Notes to its consolidated financial statements. However, certain accounting policies are particularly important to the portrayal of financial position and results of operations and require the application of significant judgments by management. As a result, the consolidated financial statements are subject to an inherent degree of uncertainty. In applying those policies, management uses its judgment to determine the appropriate assumptions to be used in the determination of certain estimates. These estimates are based on CEL-SCI's historical experience, terms of existing contracts, observance of trends in the industry and information available from outside sources, as appropriate. CEL-SCI's significant accounting policies include:

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Patents - Patent expenditures are capitalized and amortized using the straight-line method over 17 years. In the event changes in technology or other circumstances impair the value or life of the patent, appropriate adjustment in the asset value and period of amortization is made. An impairment loss is recognized when estimated future undiscounted cash flows expected to result from the use of the asset, and from disposition, is less than the carrying value of the asset. The amount of the impairment loss is the difference between the estimated fair value of the asset and its carrying value.

Derivative Instruments--CEL-SCI enters into financing arrangements that consist of freestanding derivative instruments or are hybrid instruments that contain embedded derivative features. CEL-SCI accounts for these arrangement in accordance with Statement of Financial Accounting Standards No. 133, "Accounting for Derivative Instruments and Hedging Activities", ("SFAS No. 133") and Emerging Issues Task Force Issue No. 00-19, "Accounting for Derivative Financial Instruments Indexed to, and Potentially Settled in, a Company's Own Stock", ("EITF 00-19"), as well as related interpretations of these standards. In accordance with accounting principles generally accepted in the United States ("GAAP"), derivative instruments and hybrid instruments are recognized as either assets or liabilities in the statement of financial position and are measured at fair value with gains or losses recognized in earnings or other comprehensive income depending on the nature of the derivative or hybrid instruments. Embedded

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derivatives that are not clearly and closely related to the host contract are bifurcated and recognized at fair value with changes in fair value recognized as either a gain or loss in earnings if they can be reliably measured. When the fair value of embedded derivative features can not be reliably measured, CEL-SCI measures and reports the entire hybrid instrument at fair value with changes in fair value recognized as either a gain or loss in earnings. CEL-SCI determines the fair value of derivative instruments and hybrid instruments based on available market data using appropriate valuation models, giving consideration to all of the rights and obligations of each instrument and precluding the use of "blockage" discounts or premiums in determining the fair value of a large block of financial instruments. Fair value under these conditions does not necessarily represent fair value determined using valuation standards that give consideration to blockage discounts and other factors that may be considered by market participants in establishing fair value.

Stock Options and Warrants - In October 1996, the Financial Accounting Standards Board (FASB) issued Statement of Financial Accounting Standards No. 123, Accounting for Stock-Based Compensation (SFAS No. 123). This statement encouraged but did not require companies to account for employee stock compensation awards based on their estimated fair value at the grant date with the resulting cost charged to operations. CEL-SCI had elected to continue to account for its employee stock-based compensation using the intrinsic value method prescribed in Accounting Principles Board Opinion No. 25, Accounting for Stock Issued to Employees and related Interpretations". In December 2004 the FASB issued SFAS No. 123R, "Share-Based Payment". SFAS No. 123R requires companies to recognize expense associated with share based compensation arrangements, including employee stock options, using a fair value-based option pricing model. SFAS No. 123R applies to all transactions involving issuance of equity by a company in exchange for goods and services, including employees. Using the modified prospective transition method of adoption, CEL-SCI reflects compensation expense in the financial statements beginning October 1, 2005. The modified prospective transition method does not require restatement of prior periods to reflect the impact of SFAS No. 123R. As such, compensation expense has been recognized for awards that were granted, modified, repurchased or

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cancelled on or after October 1, 2005 as well as for the portion of awards previously granted that vested during the year ended September 30, 2006. For the year ended September 30, 2006, CEL-SCI recorded \$180,300 in general and administrative expense for the cost of employee options. CEL-SCI's options vest over a three-year period from the date of grant. After one year, the stock is one-third vested, with an additional one-third vesting after two years and the final one-third vesting at the end of the three-year period. There were 1,086,000 options granted to employees during the year ended September 30, 2006. Options are granted with an exercise price equal to the closing bid price of CEL-SCI's stock on the day before the grant. CEL-SCI determines the fair value of the employee compensation using the Black Scholes method of valuation. No corresponding expense was recorded for the year ended September 30, 2005 because the statement did not require the cost to be recorded in that period. Under SFAS 148, "Accounting for Stock-Based Compensation - Transition and Disclosure", which was in effect during the year ended September 30, 2005, CEL-SCI's net loss and net loss per common share would have been increased to the pro forma amounts indicated below:

	Year Ended
Net loss:	September 30, 2005

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As reported	\$ (3,039,607)
Add: Total stock-based employee compensation expense determined under fair-value-based method for all awards, net of related tax effects	(575,716)

Pro forma net loss	\$ (3,615,323)
	=====
Net loss per share, as reported	\$ 0.04
	=====
Pro forma net loss per share	\$ 0.05
	=====

Options to non-employees are accounted for in accordance with FASB's Emerging Issues Task Force (EITF) Issue 96-18 Accounting for Equity Instruments That Are Issued to Other Than Employees for Acquiring, or in Conjunction with Selling, Goods or Services. Accordingly, compensation is recognized when goods or services are received and is measured using the Black-Scholes valuation model. The Black-Scholes model requires CEL-SCI's management to make assumptions regarding the fair value of the options at the date of grant and the expected life of the options.

Asset Valuations and Review for Potential Impairments - CEL-SCI reviews its fixed assets every fiscal quarter. This review requires that CEL-SCI make assumptions regarding the value of these assets and the changes in circumstances that would affect the carrying value of these assets. If such analysis indicates that a possible impairment may exist, CEL-SCI is then required to estimate the fair value of the asset and, as deemed appropriate, expense all or a portion of the asset. The determination of fair value includes numerous uncertainties, such as the impact of competition on future value. CEL-SCI believes that it has made reasonable estimates and judgments in determining whether its long-lived assets have been impaired; however, if there is a material change in the assumptions used in its determination of fair values or if there is a material change in economic conditions or circumstances influencing fair value, CEL-SCI could be

required to recognize certain impairment charges in the future. As a result of the reviews, no changes in asset values were required.

Prepaid Expenses and Laboratory Supplies--The majority of prepaid expenses consist of bulk purchases of laboratory supplies used on a daily basis in the lab and items that will be used for future production. The items in prepaid expenses are expensed when used in production or daily activity as Research and Development expenses. These items are disposables and consumables and can be used for both the manufacturing of Multikine for clinical studies and in the laboratory for quality control and bioassay use. They can be used in training, testing and daily laboratory activities. Other prepaid expenses are payments for services over a long period and are expensed over the time period for which the service is rendered.

Concentration of Credit Risk--Financial instruments, which potentially subject CEL-SCI to concentrations of credit risk, consist of cash and cash equivalents. CEL-SCI maintains its cash and cash equivalents with high quality financial institutions. At times, these accounts may exceed federally insured limits. CEL-SCI has not experienced any losses in such bank accounts. CEL-SCI believes it is not exposed to significant credit risk related to cash and cash equivalents.

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Quantitative and Qualitative Disclosure About Market Risks

Market risk is the potential change in an instrument's value caused by, for example, fluctuations in interest and currency exchange rates. CEL-SCI enters into financing arrangements that are or include freestanding derivative instruments or that are or include hybrid instruments that contain embedded derivative features. CEL-SCI does not enter into derivative instruments for trading purposes. Additional information is presented in the Notes to Consolidated Financial Statements. The fair value of these instruments is affected primarily by volatility of the trading prices of the CEL-SCI's common stock. For the years ended September 30, 2006, 2005 and 2004, CEL-SCI recognized a gain of \$2,329,091, a gain of \$363,028, and a gain of \$1,174,660, respectively, resulting from changes in fair value of derivative instruments. For the three months ended December 31, 2006, CEL-SCI recognized a gain of \$719,247, resulting from changes in fair value of derivative instruments. CEL-SCI has no exposure to risks associated with foreign exchange rate changes because none of the operations of CEL-SCI are transacted in a foreign currency. (The interest rate risk on investments is considered immaterial due to the dollar value of investments as of September 30, 2006, 2005 and 2004.)

Recent Accounting Pronouncements

In February 2006, the FASB issued SFAS No. 155, "Hybrid Instruments". The statement amends SFAS No. 133 and SFAS No. 140, "Accounting for Transfers and Servicing of Financial Assets and Extinguishments of Liabilities". The statement also resolves issues addressed in Statement 133 Implementation Issue No. D1, "Application of Statement 133 to Beneficial Interests in Securitized Financial Assets." The statement: a) permits fair value remeasurement for any hybrid financial instrument that contains an embedded derivative that otherwise would require bifurcation, b) clarifies which interest-only strips and principal-only strips are not subject to the requirements of SFAS No. 133, c) establishes a requirement to evaluate interests in securitized financial assets to identify interests that are freestanding derivatives or that are hybrid financial instruments that contain an embedded derivative requiring bifurcation, d) clarifies that concentrations of credit risk in the form of subordination are not embedded derivatives, and e) amends Statement 140 to eliminate the

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prohibition on a qualifying special purpose entity from holding a derivative financial instrument that pertains to a beneficial interest other than another derivative financial instrument. CEL-SCI does not believe that SFAS No. 155 will have a material impact on its results of operations or cash flows.

In July 2006, the Financial Accounting Standards Board issued Interpretation No. 48, "Accounting for Uncertainty in Income Taxes" ("FIN 48") which clarifies the accounting for income taxes by prescribing the minimum recognition threshold a tax position is required to meet before being recognized in the financial statements. FIN 48 also provides guidance on derecognition, measurement, classification, interest and penalties, accounting in interim periods, disclosure and transition. FIN 48 is effective for fiscal years beginning after December 15, 2006. The Company does not expect the adoption of this Interpretation to have a material impact on its financial statements.

In September 2006, FASB issued SFAS No. 157, "Fair Value Measurements". The statement defines fair value, establishes a framework for measuring fair value in GAAP and expands disclosures about fair value measurements. The

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statement is effective for financial statements issued for fiscal years beginning after November 15, 2007 and interim periods within those fiscal years. The Company is evaluating whether this statement will affect its current practice in valuing fair value of its derivatives each quarter.

In September 2006, SAB No. 108 was issued by the Securities and Exchange Commission. The interpretations in the SAB express the SEC staff's views regarding the process of quantifying financial statement misstatements. Beginning with annual financial statements covering fiscal years ending after November 15, 2006, material misstatements in the current year may result in the need to correct prior year financial statements, even if the misstatement in the prior year or years is considered immaterial. SAB 108 does not require previously filed reports to be amended. Such correction may be made the next time the company files the prior year financial statements. CEL-SCI believes that there will be no impact on its results of operations, cash flows or balance sheet because of this interpretation.

In February 2007, the FASB issued Statement No. 159, The Fair Value Option for Financial Assets and Financial Liabilities - Including an amendment of FASB Statement No. 115". This statement permits entities to choose to measure many financial instruments and certain other items at fair value. Unrealized gains and losses on items for which the fair value option has been elected is reported in earnings at each subsequent reporting date. This election is irrevocable once made by the Company. This statement is effective as of the beginning of an entity's first fiscal year that begins after November 15, 2007. Early adoption is permitted as of the beginning of a fiscal year that begins on or before November 15, 2007, provided the entity also elects to apply the provisions of FASB Statement No. 157, Fair Value Measurements. The Company has not decided if it will adopt this statement.

BUSINESS

CEL-SCI Corporation was formed as a Colorado corporation in 1983. CEL-SCI's principal office is located at 8229 Boone Boulevard, Suite 802, Vienna, VA 22182. CEL-SCI's telephone number is 703-506-9460 and its web site is www.cel-sci.com. CEL-SCI makes its electronic filings with the Securities and Exchange Commission (SEC), including its annual reports on Form 10-K, quarterly

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reports on Form 10-Q, current reports on Form 8-K and amendments to these reports available on its website free of charge as soon as practicable after they are filed or furnished to the SEC.

OVERVIEW

CEL-SCI's lead product, Multikine(R), is being developed for the treatment of cancer. Multikine is a patented immunotherapeutic agent consisting of a mixture of naturally occurring cytokines, including interleukins, interferons, chemokines and colony-stimulating factors, currently being developed for the treatment of cancer. Multikine is designed to target the tumor micro-metastases that are mostly responsible for treatment failure. The basic concept is to add Multikine to the current cancer treatments with the goal of making the overall cancer treatment more successful. Phase II data indicated that Multikine treatment resulted in a substantial increase in the survival of patients. The lead indication is advanced primary head & neck cancer (500,000 new cases per annum). Since Multikine is not tumor specific, it may also be applicable in many other solid tumors.

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In January 2007, the US Food and Drug Administration (FDA) concurred with the initiation of a global Phase III clinical trial in head and neck cancer patients using Multikine. The Canadian regulatory agency, the Biologics and Genetic Therapies Directorate, had previously concurred with the initiation of a global Phase III clinical trial in head and neck cancer patients using Multikine.

The protocol is designed to develop conclusive evidence of the efficacy of Multikine in the treatment of advanced primary squamous cell carcinoma of the oral cavity (head and neck cancer). A successful outcome from this trial should enable CEL-SCI to apply for a Biologics License to market Multikine for the treatment of this patient population.

The trial will test the hypothesis that Multikine treatment administered prior to the current standard therapy for head and neck cancer patients (surgical resection of the tumor and involved lymph nodes followed by radiotherapy or radiotherapy and concurrent chemotherapy) will extend the overall survival, enhance the local/regional control of the disease and reduce the rate of disease progression in patients with advanced oral squamous cell carcinoma.

Clinical trials in over 200 patients have been completed with Multikine with the following results:

- 1) It has been demonstrated to be safe and non-toxic.
- 2) It has been shown to render cancer cells much more susceptible to radiation therapy (The Laryngoscope, December 2003, Vol.113 Issue 12).
- 3) A publication in the Journal of Clinical Oncology (Timar et al, JCO, 23(15): May 2005), revealed the following:
 - (i) Multikine induced anti-tumor immune responses through the combined activity of the different cytokines present in Multikine following local administration of Multikine for only three weeks.
 - (ii) The combination of the different cytokines caused the induction, recruitment into the tumor bed, and proliferation of anti-tumor T-cells and other anti-tumor inflammatory cells, leading to a massive anti-tumor immune response.
 - (iii) Multikine induced a reversal of the CD4/CD8 ratio in the tumor infiltrating cells, leading to a marked increase of CD4 T-cells in the tumor, which resulted in the prolongation of the anti-tumor immune response and tumor cell destruction.
 - (iv) The anti-tumor immune-mediated processes continued long after the cessation of Multikine administration.
 - (v) A three-week Multikine treatment of patients with advanced primary oral squamous cell carcinoma resulted in an overall response rate of 42% prior to standard therapy, with 12% of the patients having a complete response.
 - (vi) A histopathology study showed that the tumor load in Multikine treated patients was reduced by nearly 50% as compared to tumors

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from control patients in the same pathology study.

- (vii) The tumors of all of the patients in this Phase II trial who responded to Multikine treatment were devoid of the cell surface marker for HLA Class II. This finding, if confirmed in this global Phase III clinical trial, may lead to the establishment of a marker for selecting the patient population best suited for treatment with Multikine.
- (viii) In a Phase II study, using the same drug regimen as will be used in the Phase III study, the addition of Multikine as first-line treatment prior to the standard of care treatment resulted in a 33-40% improvement in the median survival at 3 1/2 years post-surgery, when compared to the results of 39 OSCC clinical trials published in the scientific literature between 1987 and 2004.

CEL-SCI also owns a pre-clinical technology called L.E.A.P.S.TM (Ligand Epitope Antigen Presentation System). The lead product derived from this technology is the CEL-1000 peptide which has shown protection in animals against herpes, malaria, viral encephalitis and cancer.

MULTIKINE

Multikine has been tested in over 200 patients in clinical trials conducted in the U.S., Canada, Europe and Israel. Most of these patients were head and neck cancer patients, but some studies were also conducted in prostate cancer patients, HIV-infected patients and HIV-infected women with Human Papilloma Virus ("HPV")-induced cervical dysplasia, the precursor stage before the development of cervical cancer. The safety profile was found to be very good and CEL-SCI believes that the clinical data suggests that further studies are warranted.

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The function of the immunological system is to protect the body against infectious agents, including viruses, bacteria, parasites and malignant (cancer) cells. An individual's ability to respond to infectious agents and to other substances (antigens) recognized as foreign by the body's immune system is critical to health and survival. When the immune response is adequate, infection is usually combated effectively and recovery follows. Severe infection can occur when the immune response is inadequate. Such immune deficiency can be present from birth but, in adult life, it is frequently acquired as a result of intense sickness or as a result of the administration of chemotherapeutic drugs and/or radiation. It is also recognized that, as people reach middle age and thereafter, the immune system grows weaker.

Two classes of white blood cells, macrophages and lymphocytes, are believed to be primarily responsible for immunity. Macrophages are large cells whose principal immune activity is to digest and destroy infectious agents. Lymphocytes are divided into two sub-classes. One sub-class of lymphocytes, B-cells, produces antibodies in response to antigens. Antibodies have unique combining sites (specificities) that recognize the shape of particular antigens and bind with them. The combination of an antibody with an antigen sets in motion a chain of events which may neutralize the effects of the foreign substance. The other sub-class of lymphocytes, T-cells, regulates immune responses. T-cells, for example, amplify or suppress antibody formation by B-cells, and can also directly destroy "foreign" cells by activating "killer cells."

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It is generally recognized that the interplay among T-cells, B-cells and the macrophages determines the strength and breadth of the body's response to infection. It is believed that the activities of T-cells, B-cells and macrophages are controlled, to a large extent, by a specific group of hormones called cytokines. Cytokines regulate and modify the various functions of both T-cells and B-cells. There are many cytokines, each of which is thought to have distinctive chemical and functional properties. IL-2 is but one of these cytokines and it is on IL-2 and its synergy with other cytokines that CEL-SCI has focused its attention. Scientific and medical investigation has established that IL-2 enhances immune responses by causing activated T-cells to proliferate. Without such proliferation no immune response can be mounted. Other cytokines support T-cell and B-cell proliferation. However, IL-2 is the only known cytokine which causes the proliferation of T-cells. IL-2 is also known to activate B-cells in the absence of B-cell growth factors.

Although IL-2 is one of the best characterized cytokines with anticancer potential, CEL-SCI is of the opinion that to have optimum therapeutic value, IL-2 should be administered not as a single substance but rather as a mixture of IL-2 and certain cytokines, i.e. as a "cocktail". This approach, which was pioneered by CEL-SCI, makes use of the synergism between these cytokines. It should be noted, however, that neither the Food and Drug Administration (FDA) nor any other agency has determined that CEL-SCI's Multikine product will be effective against any form of cancer.

Research and human clinical trials sponsored by CEL-SCI have indicated a correlation between administration of Multikine to cancer patients and immunological responses. On the basis of these experimental results, CEL-SCI believes that Multikine may have application for the treatment of solid tumors in humans.

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Between 1985 and 1988 Multikine was tested at St. Thomas Hospital in London, UK in forty-eight patients with various types of cancers. Multikine was shown to be safe when used by these patients.

In November 1990, the Florida Department of Health and Rehabilitative Services ("DHRS") gave the physicians at a southern Florida medical institution approval to start a clinical cancer trial in Florida using CEL-SCI's Multikine product. The focus of the trial was unresectable head and neck cancer.

In 1991, four patients with regionally advanced squamous cell cancer of the head and neck were treated with CEL-SCI's Multikine product. The patients had previously received radical surgery followed by radiation therapy but developed recurrent tumors at multiple sites in the neck and were diagnosed with terminal cancer.

Significant tumor reduction occurred in three of the four patients as a result of the treatment with Multikine. Negligible side effects, such as injection site soreness and headaches, were observed and the patients were treated as outpatients. Notwithstanding the above, it should be noted that these trials were only preliminary and were only conducted on a small number of patients. It remains to be seen if Multikine will be effective in treating any form of cancer.

These results caused CEL-SCI to embark on a major manufacturing program for Multikine with the goal of being able to produce a drug that would meet the stringent regulatory requirements for advanced human studies. This program included building a pilot scale manufacturing facility.

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The objective of CEL-SCI scientists is to use Multikine as an adjunct (additive) therapy to the existing treatment of previously untreated head & neck cancer patients with the goal of reducing cancer recurrence and ultimately increasing survival. However, pursuant to FDA regulations, CEL-SCI was required to test the drug first for safety in locally recurrent, locally metastatic head and neck cancer patients who had failed other cancer therapies. This dose escalation study was started in 1995 at several centers in Canada and the US where 16 patients were enrolled at 4 different dosage levels. The study ended in 1998 and showed Multikine to be safe and well tolerated at all dose levels.

Because CEL-SCI scientists have determined that patients with previously untreated disease would most likely benefit more from Multikine treatment, CEL-SCI started a safety trial in Canada in 1997 in advanced primary head & neck cancer patients who had just recently been diagnosed with head & neck cancer. This study ultimately enrolled 28 patients, also at 4 different dosage levels, and ended in late 1999. Halfway through this study, CEL-SCI launched a number of phase II studies in advanced primary head & neck cancer to determine the best dosage, best route of administration and best frequency of administration of Multikine. Those studies involved 19 patients in Israel (1997 - 2000), 30 patients in Poland and the Czech Republic (1999 - 2000), and 94 patients (half treated with Multikine and the other half disease-matched cancer patients served as control) in Hungary (1999 - 2003). The Hungarian trial compared the control group (receiving only conventional cancer therapy) to the Multikine treated patients (receiving Multikine prior to conventional therapy) by histopathology and immunohistochemistry. The results of these studies were published in peer-reviewed scientific journals and/or presented at scientific meetings. The

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studies that have not yet been published were conducted in support of Multikine's safety and clinical utility.

The above studies, which are all completed, indicate that Multikine was safe and well tolerated at all dose levels investigated. The studies also showed partial and complete tumor responses following Multikine treatment at the best treatment regimen combinations as well as tumor necrosis (destruction) and fibrosis (as determined by histopathology).

While CEL-SCI scientists believe partial and complete tumor responses to be very important, they also believe that other findings with Multikine in these studies are equally important since they may serve to enhance existing cancer therapies, thereby affecting the clinical outcome of the cancer patient's treatment.

The initial results of the Hungarian study were published in December 2003. Data from a Phase I/II clinical trial in fifty-four (54) advanced primary head and neck cancer patients (half treated, half control), the first part of the Hungarian study, were published in *The Laryngoscope*, December 2003, Vol.113 (12). The title of the article is "The Effect of Leukocyte Interleukin Injection (MULTIKINE) on the Peritumoral and Intratumoral Subpopulation of Mononuclear Cells and on Tumor Epithelia: A Possible New Approach to Augmenting Sensitivity to Radiation Therapy and Chemotherapy in Oral Cancer - A Multi Center Phase I/II Clinical Trial".

The data demonstrates that treatment with Multikine rendered a high proportion of the tumor cell population highly susceptible to radiation therapy. This finding represents a major advance in the treatment of cancer since, under current standard therapy, only about 5%-10% of the cancer cells are thought to be susceptible to radiation therapy at any one point in time.

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The increased sensitivity of the Multikine-treated tumors to radiation was derived from a dramatic increase in the number of proliferating (those that are in cell cycle) cancer cells. Following Multikine treatment, the great majority of the tumor cells were in a proliferative state, as measured by the well-established cell proliferation marker Ki67. The control patients (not treated with Multikine) had only low expression (near background) of the same proliferation marker (Ki67) in this study. These findings were statistically significant (p