

Edgar Filing: PROFILE TECHNOLOGIES INC - Form 8-K/A

As previously reported, on April 4, 2005 Profile Technologies, Inc. (the "Company") began conducting an offering of 2,000,000 units (the "2005 Offering"), consisting of one share of common stock and a warrant to purchase one share of common stock at an exercise price of \$0.75 per share (the "Units"). On December 5, 2005, the Company issued a supplement to the 2005 Offering, increasing the number of Units offered to 6,000,000 Units (the "Combined 2005 Offering"). The purchase price of each Unit is \$0.50 for a total Combined 2005 Offering price of \$3,000,000. The warrants are exercisable at any time prior to the fifth anniversary from the date of grant.

As previously reported, the Company entered into various loan agreements with Murphy Evans, President, director, and a stockholder of the Company. On March 6, 2003, the Company's Board of Directors approved the Loan Amendment and Promissory Note (the "Amended Evans Loan") between the Company and Mr. Evans. The Amended Evans Loan provides Mr. Evans the opportunity to convert all or part of the Company's debt, and accrued interest thereto, into the Company's securities pursuant to any current offering of the Company's securities.

Since September 30, 2005, as reported in the Company's Form 10-QSB filed on November 14, 2005, and as of January 26, 2006, the Company has sold an additional 434,000 Units and derived gross proceeds of \$217,000 therefrom. Additionally, pursuant to the terms of the Amended Evans Loan, Mr. Evans exercised his conversion right and converted \$801,000 of principal and accrued interest (the "Evans Conversion") of the Amended Evans Loan pursuant to the terms of the Combined 2005 Offering. Accordingly, the Company issued 1,602,000 Units in accordance with the Evans Conversion. The Units were offered, sold and issued only to "accredited investors," as that term is defined by Rule 501 of Regulation D. The additional net proceeds of \$217,000 raised pursuant to the terms of the Combined 2005 Offering are expected to be used for working capital and general corporate purposes.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Profile Technologies, Inc.

By: /s/ Henry E. Gemino

Name: Henry E. Gemino
Title: Chief Executive Officer &
Chief Financial Officer
January 26, 2006