SAMARITAN PHARMACEUTICALS INC
Form 10-Q
May 15, 2008

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

Form 10-Q

[x] Quarterly Report Pursuant To SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT of 1934

For The Quarterly Period Ended March 31, 2008

( ) TRANSITION REPORT PURSUANT TO SECTION 13 OR 15 (d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from ____to____

Commission File Number 001-32287

Samaritan Pharmaceuticals, Inc.
(Exact name of registrant as specified in charter)

Nevada	**88-0431538**
(State or other jurisdiction of Incorporation or organization)	(I.R.S. Employer Identification No.)

101 Convention Center Drive, Suite 310, Las Vegas, Nevada 89109
(Address of principal executive offices) (Zip)

(702) 735-7001
Issuer's telephone number, including area code

Former Name, Former Address and Former Fiscal Year, if changed Since Last Report

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

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

Large accelerated filer [ ]	Accelerated filer	[ ]
Non-accelerated filer [ ]	Smaller reporting company	[x]

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

Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Section 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court. Yes[x] No[ ]

The number of shares of common stock issued and outstanding as of May 8, 2008 was 30,871,005.

SAMARITAN PHARMACEUTICALS, INC.
(A DEVELOPMENT STAGE COMPANY)
CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)
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PART I. FINANCIAL INFORMATION

SAMARITAN PHARMACEUTICALS, INC.
CONSOLIDATED BALANCE SHEETS
As of March 31, 2008 and December 31, 2007

ASSETS

	March 31, 2008 (Unaudited)	December 31, 2007 (Audited)
CURRENT ASSETS:		
Cash and cash equivalents	$ 200,981	$ 287,571
Inventory, pharmaceutical product	170,569	56,358
Receivable from license collaboration	254,690	311,286
Receivable from overseas product sales	1,310,603	827,115
Note receivable	250,000	250,000
Interest receivable	108,575	101,096
Refundable tax credit	375,000	250,000
Prepaid expenses	141,554	148,614
TOTAL CURRENT ASSETS	2,811,972	2,232,040
PROPERTY AND EQUIPMENT	46,136	55,919
OTHER ASSETS:		
Patent registration costs	1,505,405	1,411,383
Purchased technology rights	300,996	226,628
Deposits	2,779	2,779
TOTAL OTHER ASSETS	1,809,180	1,640,790
	$ 4,667,288	$ 3,928,749

LIABILITIES AND SHAREHOLDERS' EQUITY

CURRENT LIABILITIES:		
Accounts payable	$ 2,183,256	$ 1,041,922
Accrued expenses and other current liabilities	1,426,072	1,184,289
Loans from officers/shareholders	429,500	300,000
TOTAL CURRENT LIABILITIES	4,038,828	2,526,211
SHAREHOLDERS' EQUITY:		
Preferred stock, 5,000,000 shares authorized at $.001 par value, none issued and outstanding	-	-
Common stock, 250,000,000 shares authorized at $.001 par value, 30,762,673 and 30,494,816 issued and outstanding at March 31, 2008, and December 31, 2007, respectively	30,763	30,495
Additional paid-in capital	46,277,279	45,896,906
Treasury stock	(250,248)	(250,248)
Accumulated other comprehensive income	110,273	60,525
Accumulated deficit after development stage	(1,204,467)	-
Accumulated deficit during development stage	(44,335,140)	(44,335,140)
TOTAL SHAREHOLDERS' EQUITY	628,460	1,402,538
	$ 4,667,288	$ 3,928,749

See accompanying notes to the consolidated financial statements (unaudited)

SAMARITAN PHARMACEUTICALS, INC.

CONSOLIDATED STATEMENTS OF OPERATIONS & COMPREHENSIVE INCOME

FOR THE THREE MONTHS ENDED MARCH 31, 2008 AND 2007

	For the Three Months March 31	
	2008	**2007**
	(unaudited)	**(unaudited)**
REVENUES:		
Pharmaceutical sales	$ 560,975	$ -
Licensing rights	-	2,701,742
	560,975	2,701,742
EXPENSES:		
Cost of goods sold (pharmaceutical sales)	397,699	-
Research and development	385,270	417,523
Interest, net	7,587	(7,454)
General and administrative	1,276,978	667,411
Depreciation and amortization	39,011	43,636
Collateral reserve adjustment	56,596	-
	1,765,442	1,121,116
NET INCOME (LOSS)	(1,204,467)	1,580,626
Other Comprehensive Income (Loss):		
Foreign translation adjustment	49,748	(19,922)
Total Comprehensive Income (Loss)	$ (1,154,719)	$ 1,560,704
Loss (earnings) per share		
Basic	$ (0.04)	$ 0.06
Diluted	$ (0.04)	$ 0.06
Weighted average number of shares outstanding:		
Basic	30,561,780	26,172,633
Diluted	30,561,780	26,807,982

See accompanying notes to the consolidated financial statements (unaudited)

SAMARITAN PHARMACEUTICALS, INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR THE THREE MONTHS ENDED MARCH 31, 2008 AND 2007

	For the Three Months Ended March 31	
CASH FLOWS FROM OPERATING ACTIVITIES:	2008 **(Unaudited)**	2007 **(Unaudited)**
Net income (loss)	$ (1,204,467)	$ 1,580,626
Adjustments to reconcile net income (loss) to net cash used in operating activities:		
Depreciation and amortization	39,011	43,636
Stock based compensation	45,000	-
Stock options issued for services	290,641	-
(Increase) decrease in assets:		
Inventory	(114,211)	
Accounts receivable	(426,892)	(1,301,742)
Refundable tax credit	(125,000)	
Interest receivable and prepaids	(419)	(11,868)
Deposits	-	-
Increase (decrease) in liabilities:		
Deferred revenue	-	-
Accounts payable and accrued expenses	1,349,501	181,822
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	(146,836)	492,474
CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of technology rights	(15,846)	-
Patent registration costs	(118,156)	(150,382)
NET CASH (USED IN) PROVIDED BY INVESTING ACTIVITIES	(134,002)	(150,382)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from stock issued for cash	15,000	-
Proceeds from equity financing	-	280,000
Common stock to be issued	-	568,748
Short-term loan proceeds	129,500	-
NET CASH PROVIDED BY FINANCING ACTIVITIES	144,500	848,748
EFFECT OF EXCHANGE RATE ON CASH	49,748	(19,922)
CHANGE IN CASH	(86,590)	1,170,918
CASH AND CASH EQUIVALENTS AT BEGINNING OF PERIOD	287,571	742,075
CASH AND CASH EQUIVALENTS AT END OF PERIOD	$ 200,981	$ 1,912,993

NON-CASH FINANCING AND INVESTING ACTIVITIES:

Options issued	$	290,641	$	-
Purchase of technology rights for accounts payable	$	63,616	$	-
Stock as compensation for services	$	45,000	$	-
Stock issued in cancellation of accounts payable	$	30,000	$	590,057

See accompanying notes to the consolidated financial statements (unaudited)

SAMARITAN PHARMACEUTICALS, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
March 31, 2008 and 2007
(Unaudited)

NOTE 1 - BASIS OF PRESENTATION

The accompanying unaudited consolidated financial statements have been prepared in accordance with generally accepted accounting principles for interim financial statements and with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all the information and disclosures required for annual financial statements. These consolidated financial statements should be read in conjunction with the consolidated financial statements and related footnotes for the year ended December 31, 2007, included in the Form 10-K for the year then ended.

The financial information presented as of and for the three months ended March 31, 2008 ("Q1 2008") and as of and for the three months ended March 31, 2007 ("Q1 2007") is unaudited. In the opinion of the Company's management, all adjustments (consisting of normal recurring accruals) necessary to fairly present the Company's financial position as of March 31, 2008, and the results of operations and cash flows for the three (3) month period ending March 31, 2008 have been included. The results of operations for the three (3) month period ended March 31, 2008 are not necessarily indicative of the results to be expected for the full year ended December 31, 2008. For further information, refer to the consolidated financial statements and footnotes thereto included in the Company's Form 10-K as filed with the U.S. Securities and Exchange Commission on April 14, 2008 for the year ended December 31, 2007.

NOTE 2 - ORGANIZATION AND NATURE OF BUSINESS

Samaritan Pharmaceuticals, Inc. (including the subsidiaries, referred to as Samaritan , the "Company", "its", "we", and "our"), formed in September 1994, is an entrepreneurial biopharmaceutical company, focused on commercializing innovative therapeutic products to relieve the suffering of patients with Alzheimer's disease; cancer; cardiovascular disease, HIV, and Hepatitis C; as well as, commercializing its acquired marketing and sales rights, to sell marketed revenue-generating products, in Greece, and/or various Eastern European countries.

Commercialization Business Model

Our commercialization business model is focused dually on, the partnering of our promising innovative products to pharmaceutical companies; and the acquisition of the marketing and sales rights to revenue-generating marketed products for sales in Greece and Eastern Europe. This model allows Samaritan to focus on our core competencies in drug discovery and drug development. Our commercialization business model is entirely focused on achieving growth and maximizing value for the benefit of our investors.

NOTE 3 GOING CONCERN

The accompanying consolidated financial statements are prepared assuming the Company will continue as a going concern. At March 31, 2008, the Company had an accumulated deficit of $45,539,607. For the quarter ended March 31, 2008 the Company incurred net losses of ($1,204,467), used cash flows from operations of ($146,836) and had a working capital deficiency of ($1,226,856).

Management's plans with regard to these matters include the following:

1. Obtaining additional capital through the sale of common stock to existing and new shareholders;
2. Marketing of pharmaceutical products in Eastern Europe;
3. Continue its efforts to attempt to collect payment due to the Company from Pharmaplaz;
4. Continue its efforts to out-license the Company s technologies.

Accordingly, management is of the opinion that aggressive marketing combined with additional capital will result in improved operations and cash flow for 2008 and beyond. However, there can be no assurance that management will be successful in obtaining additional funding or in attaining profitable operations.

NOTE 3 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Consolidation

The accompanying financial statements include the accounts of the Company and its wholly owned subsidiaries. All intercompany balances and transactions have been eliminated in consolidation.

B. Revenue recognition

The Company recognizes revenue in accordance with SEC Staff Accounting Bulletin SAB 104, Topic 13, "Revenue Recognition" and Emerging Issues Task Force No. 00-21, or EITF 00-21, "Accounting for Revenue Arrangements with Multiple Deliverables." Generally, the Company will not recognize revenue or establish a receivable related to payments that are due greater than twelve months from the balance sheet date. In all cases, revenue is only recognized after all of the following four basic criteria of revenue recognition are met:

- Persuasive evidence of an arrangement exists;
- The fee is fixed or determinable;
- Collection is probable; and
- Delivery of technology or intellectual property rights has occurred or services have been rendered.

Product Sales. Samaritan Pharmaceuticals sells Amphocil, Elaprase, Morphine and Replagal in Greece. Product sales are recognized when delivery of the products has occurred, title has passed to the customer, the selling price is fixed or determinable, collectibility is reasonably assured and the Company has no further obligations. The Company records allowances for product returns, rebates and wholesaler charge backs, wholesaler discounts, and prescription vouchers at the time of sale and reports product sales net of such allowances. The Company must make significant judgments in determining these allowances. We periodically evaluate the need to maintain allowances for doubtful accounts for estimated losses resulting from the inability of our customers to make required payments. When making this evaluation, we made judgments about the creditworthiness of customers based on ongoing credit evaluations and the aging profile of customer accounts receivable and assess current economic trends that might impact the level of credit losses in the future. The products Amphocil, Elaprase, Morphine and Replagal have not experienced significant credit losses; therefore we have no allowance for doubtful accounts as of March 31, 2008.

License Revenue. The Company's license revenues are generated through an agreement with a strategic partner. Nonrefundable, up-front license fees and milestone payments with standalone value that are not dependent on any future performance by us under the arrangements are recognized as revenue upon the earlier of when payments are received or collections is assured, but are deferred if we have continuing performance obligations. If we have continuing involvement through contractual obligations under such agreement, such up-front fees are deferred and recognized over the period for which we continue to have a performance obligation, unless all of the following criteria exist: (1) the delivered item(s) have standalone value to the customer, (2) there is objective and reliable evidence of the fair value of the undelivered item(s). We also make estimates and judgments when determining whether the collectibility of license fees receivable from licensees is reasonably assured. We assess the collectibility of accrued license fees based on a number of factors and if it is determined that collection is not reasonably assured, the fee is recognized when collectibility becomes reasonably assured, assuming all other revenue recognition criteria have been met.

On March 28, 2007, Samaritan and Pharmaplaz, a private Irish Healthcare company and a shareholder of Samaritan, signed an agreement (the "Pharmaplaz Agreement") to commercialize SP-01A. Under the terms of the agreement, Pharmaplaz is required to pay Samaritan $10 million upfront. To date, under the Pharmaplaz Agreement, the amount of funds received from Pharmaplaz is $2.15 million; $1.4 million and $750,000 were received during the first and fourth quarter of 2007 respectively. On May 15, 2007, the CEO of Pharmaplaz, Michael Macken, signed a personal guarantee and on May 21, 2007 a stock pledge agreement for 943,291 (split-adjusted) shares of Samaritan Pharmaceuticals to guarantee the balance of the $7.85 million. On May 15, 2007, the amount of shares pledged was worth $1,300,742. On March 31, 2008, the last reported market sale price of our Common Stock was $0.27 and the value of the stock pledge was $254,689. As a result of Pharmaplaz's failure to timely pay the remaining balance of $7.85 million, Pharmaplaz is not in compliance with the terms of the Pharmaplaz Agreement. Samaritan is currently working with Pharmaplaz to attempt to collect the past due remaining balance.

Pharmaplaz, a shareholder, will pay for and be responsible for future research and development to bring the technology to market. Samaritan has no remaining obligations or performance for future research and development. The $10,000,000 payment is non-refundable. Upon request, Samaritan might occasionally advise Pharmaplaz regarding SP-01A, in relationship to Principal Investigators with applications for NIH grants, or other grant applications to advance SP-01A, at Pharmaplaz's cost. Samaritan and Pharmaplaz will split 50/50 of all revenues stemming from SP-01A.

Government Research Grant Revenue. The Company recognizes revenues from federal government research grants during the period in which the related expenditures

C. Cash Equivalents

The Company considers all highly liquid temporary cash investments with an original maturity of three months or less to be cash equivalents. The Company maintains its cash in bank accounts at high credit quality financial institutions. The balances at times may exceed federally insured limits.

D. Inventory

The Company's inventory consists primarily of pharmaceutical products for distribution in its licensed territories. The Company values inventories at the lower of cost or fair market value. The Company determines the cost of inventory using the average cost method. The Company analyzes its inventory levels quarterly and writes down inventory that has become obsolete, inventory that has a cost basis in excess of its expected net realizable value and inventory quantities in excess of expected requirements. Expired inventory is disposed of and the related costs are written off and recognized as additional cost of sales.

E. Concentration of Credit Risks

Financial instruments which potentially subject the Company to concentration of credit risk consist primarily of trade receivables. In the normal course of business, the Company provides credit terms to its customers that are customary for the local customs in the territory. The Company also invests its excess cash principally in marketable securities from a diversified portfolio of institutions with strong credit ratings and in U.S. government and agency bills and notes, and by policy, limits the amount of credit exposure at any one institution. These investments are generally not collateralized and primarily mature within one year. The Company has not realized any losses from such investments. At March 31, 2008, the Company had no excess cash invested in marketable securities. At March 31, 2008, the Company had approximately $200,981 in bank deposits, of which approximately $100,00 may not be insured. The Company has not experienced any losses in such accounts through March 31, 2008.

The Company has present activities in Europe and Canada. As with all types of international business operations, currency fluctuations, exchange controls, restrictions on foreign investment, changes to tax regimes, political action and political instability could impair the value of the Company's investments.

F. Property and Equipment

Property and equipment are recorded at cost. Depreciation is provided using the straight line method over the estimated useful lives of the assets.

G. Intangibles

Legal fees associated with filing patents are recorded at cost and amortized over 17 years. We currently own or in-license patents related to our products or product candidates and own or in-license additional applications for patents that are currently pending. In general, when we in-license intellectual property from various third parties, we are required to pay royalties to the parties on product sales. The Company reviews patent costs for impairment by comparing the carrying value of the patents with the fair value. The Company believes it will recover the full amount of the patent costs based on forecasts of sales of the products related to the patents. Patent registration costs are amortized over seventeen (17) years once approved. Certain U.S. patents may be eligible for patent term extensions under the Hatch-Waxman Act may be available to Samaritan for the lost opportunity to market and sell the invention during the regulatory review process.

Purchased technology rights are recorded at cost and are being amortized using the straight line method over the estimated useful life of the technology.

H. Earnings (loss) per share

The Company reports loss per common share in accordance with Statement of Financial Accounting Standards ("SFAS") No. 128, "Earnings Per Share." In the calculation of loss per common share, the Company s options outstanding as of the quarter ended March 31, 2008 and the quarter ended March 31, 2007 respectively, which have not been included.

I. Use of Estimates

The preparation of financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

J. Income Taxes

Pursuant to Statement of Financial Accounting Standards No. 109 (`SFAS 109') Accounting for Income Taxes', the Company accounts for income taxes under the liability method. Under the liability method, a deferred tax asset or liability is determined based upon the tax effect of the differences between the financial statement and tax basis of assets and liabilities as measured by the enacted rates, which will be in effect when these differences reverse.

K. Research and Development Costs

Research and development costs are expensed when incurred.

L. Investment in Joint Venture

The Company and Samaritan Therapeutics, Canada, have signed a Research Collaboration and Licensing Agreement with The Research Institute of McGill University Health Centre (RI-MUHC) in Montreal, Canada, to advance its promising pipeline into clinical trial status and develop new innovative drug candidates. Once drug candidates, derived from the collaborative research, are clinically-validated and deemed to hold promise, Samaritan Therapeutics intends to continue to develop the drug candidate in Canada, while Samaritan Pharmaceuticals will focus on the drug candidate's process through regulatory agencies and its commercialization throughout the rest of the world. The current budget is for $1,000,000 paid over four (4) quarterly payments of $250,000, is unallocated, and covers the general research and development effort. As of the date of this quarterly filing, Samaritan Pharmaceuticals and Samaritan Therapeutics payment to McGill University is in arrears, which may permit our collaborator to terminate the research and development agreement. The termination of the research and development agreement could force the Company to curtail new discoveries to be added to its current pipeline of innovative drugs. Currently, all parties are in discussion to bring the balance in arrears current. Going forward, this budget may increase or decrease depending upon changes in future research and development and other factors.

Since the Company does not own greater than 50% of Samaritan Therapeutics, Canada, we evaluated, the Company s ownership / control of Samaritan Therapeutics, Canada, under FIN 46(R) *"Consolidation of Variable Interest Entities"* requires companies to determine whether they hold interests in a variable interest entity (*"VIE"*) and, if so, to consolidate any VIEs for which they are the primary beneficiary.

As of March 31, 2008, Samaritan was a 50% investor of the above mentioned company. The amount of monies to date is insufficient to permit the entity to finance its activities without further additional financial support and the characteristics of Samaritan investment have controlling financial interest attributes. This is considered to be a variable interest per the provisions of FIN 46(R), and therefore has been consolidated into the Company s March 31, 2008 financial statements.

M. Impairment of Long-Lived Assets

The Company reviews long-lived assets and certain identifiable assets related to those on a quarterly basis for impairment whenever circumstances and situations change such that there is an indication that the carrying amounts may not be recovered. At March 31, 2008, the Company does not believe that any impairment has occurred.

N. Fair Value of Financial Instruments

Statement of Financial Accounting Standard No. 107 Disclosures about Fair Value of Financial Instruments ("SFAS 107") requires the disclosure of fair value information about financial instruments whether or not recognized on the balance sheet, for which it is practicable to estimate the value. Where quoted market prices are not readily available, fair values are based on quoted market prices of comparable instruments. The carrying amount of cash, accounts payable and accrued expenses approximates fair value because of the short maturity of those instruments.

O. Foreign Currency Translation

Assets and liabilities of subsidiaries operating in foreign countries are translated into U.S. dollars using both the exchange rate in effect at the balance sheet date of historical rate, as applicable. Results of operations are translated using the average exchange rates prevailing throughout the year. The effects of exchange rate fluctuations on translating foreign currency assets and liabilities into U.S. dollars are included in stockholders equity (Accumulated other comprehensive loss), while gains and losses resulting from foreign currency transactions are included in operations.

P. Stock Based Compensation

The Company adopted SFAS No. 123R, Share Based Payments. SFAS No. 123R requires companies to expense the value of employee stock options and similar awards and applies to all outstanding and vested stock-based awards.

In computing the impact, the fair value of each option is estimated on the date of grant based on the Black-Scholes options-pricing model utilizing certain assumptions for a risk free interest rate; volatility; and expected remaining lives of the awards. The assumptions used in calculating the fair value of share-based payment awards represent management s best estimates, but these estimates involve inherent uncertainties and the application of management judgment. As a result, if factors change and the Company uses different assumptions, the Company s stock-based compensation expense could be materially different in the future. In addition, the Company is required to estimate the expected forfeiture rate and only recognize expense for those shares expected to vest. In estimating the Company s forfeiture rate, the Company analyzed its historical forfeiture rate, the remaining lives of unvested options, and the amount of vested options as a percentage of total options outstanding. If the Company s actual forfeiture rate is materially different from its estimate, or if the Company reevaluates the forfeiture rate in the future, the stock-based compensation expense could be significantly different from what we have recorded in the current period.

Q. Prepaid Expenses and Other Assets

Total prepaid expenses of $141,554 and $148,614 for the quarter ended March 31, 2008 and the year ended December 31, 2007, respectively; consist of payments made in preparation of a preclinical research project, consulting prepayments and other miscellaneous prepayments.

R. Accrued Expenses and Other Current Liabilities

Accrued Expenses and Other Current Liabilities consist of the unpaid portion of payroll and employee benefits and interest accrued.

S. Loan Payable

During the first quarter of 2008, the Company borrowed an additional $129,500 on a short-term basis pursuant to the terms of promissory notes from the Company and in favor of the lender. As of March 31, 2008, the Company had borrowed from related parties an aggregate of $429,500 (the "Notes"). Proceeds from each of the loans funded the Company's continuing operating expenses, ongoing expenses, legal and accounting fees, as well as for working capital and other contingencies. Under the terms of the Notes issued by the Company to the lender, the Company will: (i) pay interest to the lender at a rate of 16% per annum and ii) 100% warrant coverage. The principal and interest due on the Notes are due on demand. The Notes will be repaid from proceeds of any subsequent financing arrangement to which the Company becomes a party or from the cash flow from the Company's operations. The Board of Directors approved that the prior year 2007 notes of $300,000, which paid interest to the lender at a rate of prime rate plus 4% per annum, be changed to match the terms of notes issued during the first quarter of 2008. The Notes will be repaid from proceeds of any subsequent financing arrangement to which the Company becomes a party or from the cash flow from the Company's operations.

U. New Accounting Pronouncements

SFAS No. 159

In February 2007, the FASB issued SFAS No. 159, The Fair Value Option for Financial Assets and Financial Liabilities including an amendment of FAS 115 (SFAS No. 159). SFAS No. 159 allows companies to choose, at specified election dates, to measure eligible financial assets and liabilities at fair value that are not otherwise required to be measured at fair value. Unrealized gains and losses shall be reported on

items for which the fair value option has been elected in earnings at each subsequent reporting date. SFAS No. 159 also establishes presentation and disclosure requirements. SFAS No. 159 is effective for fiscal years beginning after November 15, 2007 and will be applied prospectively. The Company is currently evaluating the impact of adopting SFAS No. 159 on our consolidated financial position, results of operations and cash flows.

FASB Statement Number 141 (revised 2007)

In December 2007, the FASB issued FASB Statement No. 141 (revised 2007), Business Combinations. This Statement replaces FASB Statement No. 141, Business Combinations. This Statement retains the fundamental requirements in Statement 141 that the acquisition method of accounting (which Statement 141 called the purchase method) be used for all business combinations and for an acquirer to be identified for each business combination. This Statement defines the acquirer as the entity that obtains control of one or more businesses in the business combination and establishes the acquisition date as the date that the acquirer achieves control. This Statement s scope is broader than that of Statement 141, which applied only to business combinations in which control was obtained by transferring consideration. By applying the same method of accounting the acquisition method to all transactions and other events in which one entity obtains control over one or more other businesses, this Statement improves the comparability of the information about business combinations provided in financial reports.

This Statement requires an acquirer to recognize the assets acquired, the liabilities assumed, and any noncontrolling interest in the acquiree at the acquisition date, measured at their fair values as of that date, with limited exceptions specified in the Statement. That replaces Statement 141 s cost-allocation process, which required the cost of an acquisition to be allocated to the individual assets acquired and liabilities assumed based on their estimated fair values.

This Statement applies to all transactions or other events in which an entity (the acquirer) obtains control of one or more businesses (the acquirer), including those sometimes referred to as true mergers or mergers of equals and combinations achieved without the transfer of consideration, for example, by contract alone or through the lapse of minority veto rights. This Statement applies to all business entities, including mutual entities that previously used the pooling-of-interests method of accounting for some business combinations. It does not apply to: (a) The formation of a joint venture, (b) The acquisition of an asset or a group of assets that does not constitute a business, (c) A combination between entities or businesses under common control, (d) A combination between not-for-profit organizations or the acquisition of a for-profit business by a not-for-profit organization.

This Statement applies prospectively to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after December 15, 2008. An entity may not apply it before that date. Management believes this Statement will have no impact on the financial statements of the Company once adopted.

FASB Statement Number 160

In December 2007, the FASB issued FASB Statement No. 160 - Noncontrolling Interests in Consolidated Financial Statements an amendment of ARB No. 51. This Statement applies to all entities that prepare consolidated financial statements, except not-for-profit organizations, but will affect only those entities that have an outstanding noncontrolling interest in one or more subsidiaries or that deconsolidate a subsidiary. Not-for-profit organizations should continue to apply the guidance in Accounting Research Bulletin No. 51, Consolidated Financial Statements, before the amendments made by this Statement, and any other applicable standards, until the Board issues interpretative guidance.

This Statement amends ARB 51 to establish accounting and reporting standards for the noncontrolling interest in a subsidiary and for the deconsolidation of a subsidiary. It clarifies that a noncontrolling interest in a subsidiary is an ownership interest in the consolidated entity that should be reported as equity in the consolidated financial statements. Before this Statement was issued, limited guidance existed for reporting noncontrolling interests. As a result, considerable diversity in practice existed. So-called minority interests were reported in the consolidated statement of financial position as liabilities or in the mezzanine section between liabilities and equity. This Statement improves comparability by eliminating that diversity.

A noncontrolling interest, sometimes called a minority interest, is the portion of equity in a subsidiary not attributable, directly or indirectly, to a parent. The objective of this Statement is to improve the relevance, comparability, and transparency of the financial information that a reporting entity provides in its consolidated financial statements by establishing accounting and reporting standards that require: (a) The ownership interests in subsidiaries held by parties other than the parent be clearly identified, labeled, and presented in the consolidated statement of financial position within equity, but separate from the parent s equity, (b) The amount of consolidated net income attributable to the parent and to the noncontrolling interest be clearly identified and presented on the face of the consolidated statement of income, (c) Changes in a parent s ownership interest while the parent retains its controlling financial interest in its subsidiary be accounted for consistently. A parent s ownership interest in a subsidiary changes if the parent purchases additional ownership interests in its subsidiary or if the parent sells some of its ownership interests in its subsidiary. It also changes if the subsidiary reacquires some of its ownership interests or the subsidiary issues additional ownership interests. All of those transactions are economically similar, and this Statement requires that they be accounted for similarly, as equity transactions, (d) When a subsidiary is deconsolidated, any retained noncontrolling equity investment in the former subsidiary be initially measured at fair value. The gain or loss on the deconsolidation of the subsidiary is measured using the fair value of any noncontrolling equity investment rather than the carrying amount of that retained investment, (e) Entities provide sufficient disclosures that clearly identify and distinguish between the interests of the parent and the interests of the noncontrolling owners.

This Statement is effective for fiscal years, and interim periods within those fiscal years, beginning on or after December 15, 2008 (that is, January 1, 2009, for entities with calendar year-ends). Earlier adoption is prohibited. This Statement shall be applied prospectively as of the beginning of the fiscal year in which this Statement is initially applied, except for the presentation and disclosure requirements. The presentation and disclosure requirements shall be applied retrospectively for all periods presented. Management believes this Statement will have no impact on the financial statements of the Company once adopted.

FASB 161 - Disclosures about Derivative Instruments and Hedging Activities

In March 2008, the FASB issued FASB Statement No. 161, which amends and expands the disclosure requirements of FASB Statement No. 133 with the intent to provide users of financial statements with an enhanced understanding of; how and why an entity uses derivative instruments, how the derivative instruments and the related hedged items are accounted for and how the related hedged items affect an entity s financial position, performance and cash flows. This Statement is effective for financial statements for fiscal years and interim periods beginning after November 15, 2008. Management believes this Statement will have no impact on the financial statements of the Company once adopted.

NOTE 4 - SHAREHOLDERS' EQUITY

The Company has 250 million common shares authorized and a class of 5 million shares of preferred stock authorized. There are no outstanding preferred stock shares at March 31, 2008.

A. Stock Option Plans.

The short and long-term compensation program includes stock options granted under Stock Incentive Plans as well as non-qualified stock options. The Company currently has two stock option plans: The 2005 Stock Option Plan, approved by the shareholders on June 10, 2005 as an additional plan to the Company's 2001 Stock Plan; and the 2001 Stock Option Plan, approved by the shareholders on April 24, 2001. Both option plans are designed to reward executives for achieving long-term financial performance goals over a three-year to ten-year period, provide retention incentives for executives, and tie a significant portion of an executive's total compensation to long-term performance. Stock options for executive officers and key associates are part of the incentive program and link the enhancement of shareholder value directly to their total compensation.

Shares available under the 2005 Plan: On a calendar year basis, Awards under the Plan may be made for a maximum of ten percent (10%) of the total shares of Common Stock outstanding on a fully diluted basis (without taking into account outstanding Awards at the end of the prior calendar year), less Awards outstanding at the end of the prior calendar year. Notwithstanding this limit, not more than three percent (3%) of the total shares of within the plan may be subject to ISO Awards during the term of the Plan, and not more than seven percent (7%) of the total shares within the plan may be subject to Awards in a form other than options and SARs. No director, officer, or employee may be granted options with respect to the total awards available under the plan to more than half of the awards within the Plan, nor more than 5,000,000 shares per fiscal year, subject to a limit of 2,500,000 shares per fiscal year for individuals first hired that year. The number of shares subject to these limits will be adjusted in the event of certain changes in the capitalization of the Company.

Shares Available under the 2001 Plan: The number of awards that may be granted under the 2001 Plan in each calendar year will not exceed twenty percent (20%) of (i) the total shares of common stock outstanding on a fully diluted basis, without taking into account awards outstanding under the 2001 Plan that are exercisable for or convertible into common stock or that are unvested stock awards (referred to as 'outstanding awards'), at the close of business on the last day of the preceding calendar year, less (ii) the number of shares subject to 'outstanding awards' at the close of business on that date.

The following table summarizes the Company's stock options outstanding at December 31, 2007, and March 31, 2008:

	Shares	Weighted Average Exercise price	Aggregate Intrinsic value
Outstanding and exercisable at December 31, 2007	5,435,611	3.06	-0-
Granted	1,375,000	0.34	-0-
Exercised	-0-	-0-	-0-
Expired	(33,334)	(5.40)	-0-
Outstanding and exercisable at March 31, 2008	6,777,277	$ 2.49	-0-

Information, at date of issuance, regarding options for the quarter ended March 31, 2008:

	Shares	Weighted Average Exercise Price $	Weighted Average Fair Value Price $
Exercise price exceeds market price	1,375,000	.34	-0-
Exercise price equals market price	-0-	-0-	-0-
Exercise price is less than market price	-0-	-0-	-0-

C. Private Placement

During the quarter ended March 31, 2008, the Company through one (1) private placement, issued 60,000 shares of our Common Stock for $15,000.

NOTE 5 - COMMITMENTS AND CONTINGENCIES

A. The Company leases various facilities under operating lease agreements expiring through September 2008. Future minimum annual lease payments under the facilities lease agreements for agreements lasting more than one year are as follows:

2008 = $43,307

B. At the beginning of the third quarter 2007, the Company executed a research collaboration (the "Research Collaboration") with The Research Institute of McGill University Health Centre and Samaritan Therapeutics over a ten-year period through 2017. Samaritan Therapeutics is a 50% owned subsidiary of the Company. The budget is for $1,000,000 paid over four (4) quarterly payments of $250,000, is unallocated, and covers the general research and development effort. Under the Research Collaboration, the Company receives worldwide exclusive rights, excluding Canada, to any novel therapeutic agents or diagnostic technologies that may result from the Research Collaboration. Samaritan Therapeutics receives exclusive rights to the Canadian market to any novel therapeutic agents or diagnostic technologies that may result from the Research Collaboration. As of the date of this quarterly filing, Samaritan Pharmaceuticals and Samaritan Therapeutics payment to McGill University is in arrears, which may permit our collaborator to terminate the research and development agreement. The termination of the research and development agreement could force the Company to curtail new discoveries to be added to its current pipeline of innovative drugs. Currently, all parties are in discussion to bring the balance in arrears current.

C. The Company has no written employment agreement with the Dr. Janet Greeson and Mr. Eugene Boyle. Dr. Thomas Lang and Dr. Christos Dakas each have employment agreements negotiated at arm's length with the Compensation Committee, and each such agreement provides for a minimum annual base salary. In setting base salaries, the Board has considered (a) the contributions made by each executive to our Company, (b) compensation paid by peer companies to their executive officers and (c) outside compensation reports. Each year, all executive officers receive salary increases of approximately 5% reflecting competitive trends, general economic conditions as well as a number of factors relating to the particular individual, including the performance of the individual executive, and level of experience, ability and knowledge of the job. The Compensation Committee also has the authority to award discretionary bonuses to our executive officers. The incentive bonuses are intended to compensate officers for achieving financial and operational goals and for achieving individual annual performance objectives. These objectives vary depending on the individual executive, but relate generally to strategic factors such as 1) initial signing of an employment agreement; 2) upon acceptance of filing of a new drug application by the FDA; 3) the FDA approval to move from one phase to the next phase in the FDA application process; 4) pharmaceutical sales goals achieved 5) completion of an in-licensing contract; 6) completion of an out-licensing contract; and 7) increases in market capitalization.

D. The Company has terminated their Research Collaboration and Licensing Agreement the Agreement with Georgetown University Georgetown effective with the principal investigator becoming employed with another institution in July 2007. The Company and Georgetown remain in dispute over the termination process of this Agreement, as Georgetown has alleged additional monies due under the Agreement. The Company disputes any additional monies due. No accrual for any alleged additional monies has been made as of March 31. 2008, as it is managements position that there are no additional monies due to Georgetown under the Agreement.

NOTE 6 - RESEARCH AND DEVELOPMENT COSTS

For the quarter ended March 31, 2008 and 2007, research and development expenses were $385,270 and $417,523 respectively. Research and development costs consist of the costs associated with our research activities, as well as the costs associated with our drug discovery efforts, conducting preclinical studies and clinical trials, manufacturing development efforts and activities related to regulatory filings. Our research and development expenses consist of:

-external research and development expenses incurred under agreements with third-party contract research organizations and investigative sites, third-party manufacturing organizations and consultants;

-employee-related expenses, which include salaries and benefits for the personnel involved in our drug discovery and development activities.

We use our employees across multiple research projects, including our drug development programs. We track direct expenses related to our clinical programs on a per project basis. Accordingly, we allocate internal employee-related, as well as third-party costs, to each clinical program. We do not allocate expenses related to preclinical programs.

The Company and Samaritan Therapeutics, Canada, has signed a Research Collaboration and Licensing Agreement with The Research Institute of McGill University Health Centre (RI-MUHC) in Montreal, Canada, to advance its promising pipeline into clinical trial status and develop new innovative drug candidates. Once drug candidates, derived from the collaborative research, are clinically-validated and deemed to hold promise, Samaritan Therapeutics intends to continue to develop the drug candidate in Canada, while Samaritan Pharmaceuticals will focus on the drug candidate's process through regulatory agencies and its commercialization throughout the rest of the world. The current budget is for $1,000,000 paid over four (4) quarterly payments of $250,000, is unallocated, and covers the general research and development effort. As of the date of this quarterly filing, Samaritan Pharmaceuticals and Samaritan Therapeutics payment to McGill University is in arrears, which may permit our collaborator to terminate the research and development agreement. The termination of the research and development agreement could force the Company to curtail new discoveries to be added to its current pipeline of innovative drugs. Currently, all parties are in discussion to bring the balance in arrears current. Going forward, this budget may increase or decrease depending upon changes in future research and development and other factors. This collaboration is also entitled to participate in the SR&ED Program, which gives the parties cash refunds and/or tax credits for their expenditures on eligible research and development work done in Canada.

The successful development of our product candidates is highly uncertain. At this time, we cannot reasonably estimate or know the nature, timing and estimated costs of the efforts that will be necessary to complete the remainder of the development of, or the period, if any, in which material net cash inflows may commence from, SP-01A or any of our preclinical product candidates. This is due to the numerous risks and uncertainties associated with developing drugs, including the uncertainty of:

-the scope, rate of progress and expense of our clinical trials and other research and development activities;

-the potential benefits of our product candidates over other therapies;

-our ability to market, commercialize and achieve market acceptance for any of our product candidates that we are developing or may develop in the future;

-future clinical trial results;

-the terms and timing of regulatory approvals; and

-the expense of filing, prosecuting, defending and enforcing any patent claims and other intellectual property rights.

A change in the outcome of any of these variables with respect to the development of a product candidate could mean a significant change in the costs and timing associated with the development of that product candidate. For example, if the FDA or other regulatory authority were to require us to conduct clinical trials

product candidate. For example, if the FDA or other regulatory authority were to require us to conduct clinical trials beyond those which we currently anticipate will be required for the completion of clinical development of a product candidate or if we experience significant delays in enrollment in any of our clinical trials, we could be required to expend significant additional financial resources and time on the completion of clinical development.

NOTE 7 LITIGATION

Samaritan, from time to time, is involved in various legal proceedings in the ordinary course of its business.

NOTE 8 - RELATED PARTY TRANSACTIONS

In the ordinary course of business, we entered into transactions with Clay County Holdings (`CCH'). These transactions include loans made to and from CCH. In the past, CCH had made a loan to Samaritan, which Samaritan paid off in 2003. During 2004, Samaritan created a notes receivable with CCH for $250,000 which amount bears interest at a rate of twelve percent (12%) per annum. The note receivable is secured by pledge of common stock in Samaritan owned by CCH. A Director of the Company is the Chairman of the Board of Nevada Gold and Casinos, but is not a shareholder of CCH.

The Board of Directors consists of the following members: Dr. Janet Greeson, Chairman, Jacinto L. Ayala, Robert Crane, Eugene Boyle, Dr. Julio Garcia, Welter Budd Holden, Dr. Laurent Lecanu, Cynthia Thompson, and H. Thomas Winn. The Company has formed, by determination of the Board, an Audit Committee, with Mr. H. Thomas Winn as Chairman, who is an independent director and a financial expert; the Compensation Committee, with Independent Director Ms. Cynthia C. Thompson as Chairman; the Nomination Committee, with Independent Director, Jacinto L. Ayala as Chairman. The Company has two (2) members of the Board that are related, Dr. Janet Greeson and Eugene Boyle, who are mother and son.

NextGen LifeSciences, Inc., a company wholly owned by the Chief Executive Officer and Chairman of the Board of Samaritan Pharmaceuticals, agreed to loan the Company $250,000, $50,000 and $50,000 on July 16, 2007, September 18, 2007, and January 9, 2008 respectively for an aggregate of $350,000 on a short-term basis pursuant to the terms of promissory notes from the Company and in favor of the lender. Proceeds from each of the loans funded the Company's continuing operating expenses, ongoing expenses, legal and accounting fees, as well as for working capital and other contingencies. Under the terms of the Notes issued by the Company to the lender, the Company will: (i) pay interest to the lender at 16% interest annually and 100% warrant coverage. The principal and interest due on the Notes are due on demand. The Notes will be repaid from proceeds of any subsequent financing arrangement to which the Company becomes a party or from the cash flow from the Company's operations.

NOTE 9 - FUSION TRANSACTION

On May 12, 2005, The Company entered into the Purchase Agreement II with Fusion Capital, pursuant to which Fusion Capital agreed to purchase our Common Stock from time to time, at our option, up to an aggregate amount of $40,000,000 over fifty (50) months commencing December 29, 2005, which is the date the SEC declared effective our Registration Statement on Form SB-2 (Commission Registration No. 051267250). Samaritan filed a post effective amendment on Form S-1 to the above Registration Statement (Commission Registration No. 07556090) on January 9, 2007, which was declared effective on February 6, 2007. As of December 31, 2007, the Company has decided to close the Registration Statement (Commission Registration No. 07556090) and will not register additional shares of Common Stock under the Purchase Agreement II with Fusion Capital.

NOTE 10 - RISKS AND UNCERTAINTIES

Marketability of the product is dependent, among other things, upon securing additional capital to successfully complete the clinical testing of the product, securing FDA approval, and procurement of viable patents.

NOTE 11 - SUBSEQUENT EVENTS

On May 6, 2008, Samaritan Pharmaceuticals, Inc. issued a press release announcing it had received notification that the patent application "Neuroprotective Spirostenol Pharmaceutical Compositions" for Caprospinol (SP-233) has been allowed by the Australian Patent Office.

On April 24, 2008, Samaritan Pharmaceuticals, Inc. issued a press release announcing that Dr. Janet Greeson, as CEO of Samaritan Pharmaceuticals, is highlighted in the April issue of PharmaVOICE magazine.

On April 15, 2008, Samaritan Pharmaceuticals, Inc. issued a press release announcing that it was cited by R&D Directions magazine s seventh-annual list of 100 greatest investigational drugs in development by large and small companies throughout the world. According to R&D Directions, compounds on this list distinguish themselves as "innovative, first-in-class or clearly advanced compared with those on the market."

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

General

Samaritan Pharmaceuticals, Inc. (including the subsidiaries, referred to as Samaritan, the "Company", "its", "we", and "our"), formed in September 1994, is an entrepreneurial biopharmaceutical company, focused on commercializing innovative therapeutic products to relieve the suffering of patients with Alzheimer's disease; cancer; cardiovascular disease, HIV, and Hepatitis C; as well as, commercializing its acquired marketing and sales rights, to sell marketed revenue-generating products, in Greece, and/or various Eastern European countries.

Commercialization Business Model

Our commercialization business model is focused dually on, the partnering of our promising innovative products to pharmaceutical companies; and the acquisition of the marketing and sales rights to revenue-generating marketed products for sales in Greece and Eastern Europe. This model allows Samaritan to focus on our core competencies in drug discovery and drug development. Our commercialization business model is entirely focused on achieving growth and maximizing value for the benefit of our investors.

Marketed Products

Samaritan has collaborative relationships with other pharmaceutical companies to commercialize branded approved prescription products in selected niche territories, such as, in Greece, Albania, Bosnia, Bulgaria, Croatia, Cyprus, Czech Republic, Egypt, FYROM, Hungary, Montenegro, Poland, Romania, Serbia, Slovakia, Slovenia, Syria and Turkey. We use our expertise to register approved drugs with regulatory agencies in the country we have acquired the rights for; and then, upon regulatory approval, we distribute, market and sell these products. Currently, we have in-licensed the rights to sell specialty pharmaceutical products, Amphocil from Three Rivers Pharmaceuticals, Elaprase and Replagal from Shire Pharmaceuticals, Infasurf from Ony, Inc, Erwinase, Kidrolase, and the Rapydan pain patch from EUSA, Mepivamol, Methadone, Morphine Sulphate, Naloxone, Naltrexone, Oramorph and Pethidine from Molteni Farmaceutici and Abioklad from Abiogen Pharma. Our efforts are focused on specialist physicians in private practice or at hospitals and major medical centers in our territories. Below is a description of our in-licensed products.

ABIOKLAD(R)

ABIOKLAD(R) (Disodium Clodronate) is a bisphosphonate that binds to calcium and inhibits osteoclastic bone resorption, crystal formation and dissolution, resulting in a reduction of bone turnover.

ABIOKLAD(R) is indicated for the control of malignancy-associated hypercalcemia (high levels of calcium in blood), the inhibition of osteolysis (degeneration of bone tissue) resulting malignant tumors and the decrease of bone pain.

Samaritan signed an exclusive distribution deal for Greece, Cyprus, and Turkey with Abiogen Pharmaceuticals on March 14, 2008.

Currently, Samaritan Pharmaceuticals is preparing marketing applications for ABIOKLAD (R) with regulatory authorities in Greece and Cyprus to gain country marketing authorization drug approval.

AMPHOCIL(R)

AMPHOCIL(R) is a lipid form of amphotericin B indicated for the treatment of invasive aspergillosis, a life threatening systemic fungal infection. AMPHOCIL(R) is indicated for the treatment of severe systemic and/or deep mycoses in cases where toxicity or renal failure precludes the use of conventional amphotericin B in effective doses, and in cases where prior systemic antifungal therapy has failed. Fungal infections successfully treated with AMPHOCIL(R) include disseminated candidiasis and aspergillosis. AMPHOCIL(R) has been used successfully in severely neutropenic patients.

AMPHOCIL(R) is an approved FDA prescription product owned by Three Rivers Pharmaceuticals, Inc. and marketed by Three Rivers Pharmaceuticals, Inc. in the US. Samaritan signed an exclusive distribution deal for Greece and Cyprus with Three Rivers on December 14, 2005. Three Rivers added the territory of Ireland to Samaritan's existing exclusive licensing agreement to market Amphocil in Greece and Cyprus in October 2007.

Samaritan is now marketing AMPHOCIL(R) in Greece.

ELAPRASE(R)

ELAPRASE(R) is a human enzyme replacement therapy for the treatment of Hunter syndrome, also known as Mucopolysaccharidosis II (MPS II). Hunter syndrome is a rare, life-threatening genetic condition that results from the absence or insufficient levels of the lysosomal enzyme iduronate-2-sulfatase. Without this enzyme, cellular waste products accumulate in tissues and organs, which then begin to malfunction.

ELAPRASE(R) was granted marketing authorization for the long-term treatment of patients with Hunter's disease by the European Commission in January 2007. ELAPRASE(R) is the first, and only, enzyme replacement therapy for Hunter's disease patients and was launched in the U.S. in July 2006.

On December 19, 2007, the Company received pricing approval for ELAPRASE from the Greek Ministry of Development. On March 1, 2007, Samaritan signed an exclusive licensing agreement with Shire Human Genetic Therapies (SHPGY.O) to market and sell Elaprase in Greece and Cyprus.

Currently Samaritan is marketing ELAPRASE(R) in Greece.

ERWINASE(R)

ERWINASE(R) is indicated for the treatment of Acute Lymphoblastic Leukemia (ALL). Asparagine is an amino acid that is essential for cell growth; it is produced by most cells, but not all blood cells. Mutated (cancer) cells in ALL rely on asparagine circulating in the blood for growth. L-sparaginase is an enzyme that lowers circulating asparagine levels in the blood thereby depriving the mutated blood cells of asparagine and inhibiting their growth.

On March 10, 2008, Samaritan signed an exclusive agreement with EUSA for the marketing and distribution of the product Erwinase(R) in Greece and Cyprus. Erwinase(R) is an approved FDA prescription product and is owned by EUSA Pharma. and marketed by EUSA Pharma, in the U.S.

Currently, Samaritan Pharmaceuticals is utilizing the US FDA approved regulatory file in preparing marketing applications for Erwinase® with regulatory authorities in Greece and Cyprus to gain country marketing authorization drug approval.

INFASURF(R)

INFASURF(R) treats and prevents Respiratory Distress Syndrome (RDS). This syndrome occurs when infants lack surfactant, a natural substance normally produced in the body, which is necessary for lungs to function normally. INFASURF(R) is used exclusively in hospitals with a neonatal intensive care unit (NICU) and is administered by neonatologists, neonatal nurses, neonatal nurse practitioners and respiratory therapists.

On January 16, 2007, Samaritan signed an exclusive agreement with Siraeo, Ltd for the marketing and distribution of the product INFASURF(R) in Turkey, Serbia, Bosnia, Macedonia, Albania, Egypt and Syria. INFASURF(R) is an approved FDA prescription product owned by ONY, Inc. and marketed by Forest Laboratories in the U.S.

Currently, Samaritan Pharmaceuticals is utilizing the US FDA approved regulatory file in preparing marketing applications for INFASURF(R) with regulatory authorities in Turkey, Serbia, Bosnia, F.Y.R.O.M., Albania, Egypt and Syria to gain country marketing authorization drug approval.

KIDROLASE(R)

KIDROLASE(R) is indicated in the treatment of Acute Lymphoblastic Leukemia. Asparagine is an amino acid that is essential for cell growth; it is produced by most cells, but not all blood cells. Mutated (cancer) cells in ALL rely on asparagine circulating in the blood for growth. L-Asparaginase is an enzyme that lowers circulating asparagine levels in the blood thereby depriving the mutated blood cells of asparagine and inhibiting their growth.

On March 10, 2008, Samaritan signed an exclusive agreement with EUSA for the marketing and distribution of the product Kidrolase(R) in Greece and Cyprus. Kidrolase(R) is an approved FDA prescription product and is owned by EUSA Pharma and marketed by EUSA Pharma, in the U.S.

Currently, Samaritan Pharmaceuticals is utilizing the US FDA approved regulatory file in preparing marketing applications for Kidrolase(R) with regulatory authorities in Greece and Cyprus to gain country marketing authorization drug approval.

MEPIVAMOL(R)

MEPIVAMOL(R) (Mepivacaine) is an effective and reliable local anesthetic of intermediate duration and low systemic toxicity. It is widely used for regional anesthetic procedures such as IVRA, infiltration, epidural blockade, plexus and peripheral nerve blockade. MEPIVAMOL(R) is approved by the Italian Ministry of Health (The equivalent to the US FDA) and is owned by Molteni Farmaceutici, Inc. and marketed by Molteni Farmaceutici, Inc. in Italy.

On January 1, 2007, Samaritan entered into an exclusive licensing agreement with Molteni Farmaceutici for the marketing and distribution of MEPIVAMOL(R) in the countries of Greece and Cyprus.

Currently, Samaritan Pharmaceuticals is utilizing the Italian Ministry of Health approved regulatory file in preparing marketing applications for MEPIVAMOL(R) with regulatory authorities in Greece and Cyprus to gain country marketing authorization drug approval.

METHADONE HCL(R)

METHADONE HCL(R) is an opiate agonist. METHADONE HCL(R) prevents heroin or morphine from interacting with receptors for natural painkillers called endorphins, blocking the effects of the addictive drugs and reducing the physical cravings. METHADONE HCL(R) is approved by the Italian Ministry of Health (The equivalent to the US FDA) and is owned by Molteni Pharmaceuticals, Inc. and marketed by Molteni Farmaceutici, Inc. in Italy.

On January 1, 2007, Samaritan entered into an exclusive licensing agreement with Molteni Farmaceutici for the marketing and distribution of METHADONE HCL(R) in the countries of Greece and Cyprus.

Currently, METHADONE HCL(R) can only be sold in Greece and Cyprus via a centralized government tender. Samaritan has a tender application prepared for the next announcement by Greek authorities to accept price bids for this product.

MORPHINE SULPHATE(R)

MORPHINE SULPHATE(R) (Injectable Formulation) relieves moderate to severe pain by binding to brain receptors. Morphine Sulphate may be used to control the pain following surgery, child birth, and other procedures. It may also be used to treat the pain associated with cancer, heart attacks, sickle cell disease and other medical conditions.

On January 1, 2007, Samaritan entered into an exclusive licensing agreement with Molteni Farmaceutici for the marketing and distribution of MORPHINE SULPHATE(R) in the countries of Greece and Cyprus.

Currently, MORPHINE SULPHATE(R) can only be sold in Greece and Cyprus via a centralized government tender. During the first quarter of 2008, Samaritan received its first tender purchase order of Morphine Sulfate from the Institute of Pharmaceutical Research and Technology (IFET). Samaritan has prepared a tender application for the next request by Greek authorities for applications.

NALOXONE MOLTENI(R)

NALOXONE MOLTENI(R) is an opioid antagonist which reverses the effects of opioid overdose, for example heroin and morphine overdose. Specifically, Naloxone is used in opioid overdoses for countering life-threatening depression of the central nervous system and respiratory system.

On January 1, 2007, Samaritan entered into an exclusive licensing agreement with Molteni Farmaceutici for the marketing and distribution of NALOXONE MOLTENI(R) in the countries of Greece and Cyprus.

Currently, NALOXONE(R) will be sold and distributed by Samaritan on a named patient basis until the pricing and the reimbursement of NALOXONE(R) is established in Greece and Cyprus, with the relevant regulatory authorities.

NALTREXONE MOLTENI(R)

NALTREXONE MOLTENI(R) is an opioid antagonist which is used to help people who have a narcotic or alcohol addiction stay drug free. NALTREXONE MOLTENI(R) is used after the patient has stopped taking drugs or alcohol. It works by blocking the effects of narcotics or by decreasing the craving for alcohol.

NALTREXONE MOLTENI(R) is approved by the Italian Ministry of Health (The equivalent to the US FDA) and is owned by Molteni Farmaceutici, Inc. and marketed by Molteni Farmaceutici, Inc. in Italy.

On January 1, 2007, Samaritan entered into an exclusive licensing agreement with Molteni Farmaceutici for the marketing and distribution of NALTREXONE MOLTENI(R) in the countries of Greece and Cyprus.

Currently, Samaritan Pharmaceuticals is utilizing the Italian Ministry of Health approved regulatory file in preparing marketing applications for NALTREXONE MOLTENI(R) with regulatory authorities in Greece and Cyprus to gain country marketing authorization drug approval.

ORAMORPH(R)

ORAMORPH(R) is morphine sulphate in an oral solution and is used for managing moderate to severe chronic pain for more than a few days. It works by dulling the pain perception center in the brain. ORAMORPH(R) is approved by the Italian Ministry of Health (The equivalent to the US FDA) and is marketed by Molteni in Italy.

ORAMORPH(R) is approved by the Italian Ministry of Health (The equivalent to the US FDA) and is owned by Molteni Farmaceutici, Inc. and marketed by Molteni Farmaceutici, Inc. in Italy.

On January 1, 2007, Samaritan entered into an exclusive licensing agreement with Molteni Farmaceutici for the marketing and distribution of ORAMORPH(R) in the countries of Greece and Cyprus.

Currently, Oramorph has a Greek marketing authorization. Oramorph can only be sold in Greece via a centralized government tender. Samaritan has a tender application prepared for the next announcement by Greek authorities to accept price bids for this product.

PETHIDINE(R)

PETHIDINE(R) is indicated for the treatment of moderate to severe pain, and may be prescribed as a preoperative medication, support of anesthesia, and obstetric analgesia.

On January 1, 2007, Samaritan entered into an exclusive licensing agreement with Molteni Farmaceutici for the marketing and distribution of PETHIDINE(R) in the countries of Greece and Cyprus.

Currently, Pethidine® can only be sold in Greece and Cyprus via a centralized government tender. Samaritan has a tender application prepared for the next announcement by Greek authorities to accept price bids for this product.

RAPYDAN(R)

RAPYDAN(R) is indicated for local dermal analgesia on intact skin, and consists of a thin, uniform, local anesthetic formulation with an integrated, oxygen-activated heating component that is intended to enhance the delivery of the local anesthetic. The drug formulation is a eutectic mixture of lidocaine 70 mg and tetracaine 70 mg. Rapydan(R) is indicated to provide local dermal analgesia for superficial venous access and superficial dermatological procedures such as excision, electrodessication and shave biopsy of skin lesions.

On August 3, 2007, Samaritan signed an exclusive agreement with EUSA for the marketing and distribution of the product Rapydan(R) in Greece and Cyprus. Rapydan(R) is an approved FDA prescription product under the name SYNERA(R) and is owned by ZARS Pharmaceuticals, Inc. and marketed by Endo Pharmaceuticals, Inc. in the US.

Currently, Samaritan Pharmaceuticals is utilizing the US FDA approved regulatory file in preparing marketing applications for Rapydan® with regulatory authorities in Greece and Cyprus to gain country marketing authorization drug approval.

REPLAGAL(R)

REPLAGAL(R) is a long-term enzyme replacement therapy used to treat patients with a confirmed diagnosis of Fabry Disease. Fabry Disease is caused by a deficiency of an enzyme, alpha-galactosidase A (also called ceramidetrihexosidase), involved in the breakdown of fats.

Replagal(R) will be sold and distributed by Samaritan on a named patient basis until the pricing and the reimbursement of Replagal(R) is established in Greece and Cyprus, with the relevant regulatory authorities.

On April 13, 2007, Samaritan signed an exclusive licensing agreement with Shire Pharmaceuticals for the marketing and sale of Replagal(R) in Greece and Cyprus.

Sales and Marketing

We in-license products that focus on targeting healthcare providers, managed healthcare organizations, specialty distribution companies, government purchasers, and payers.

Product Candidates

A significant portion of our operating expenses are related to the research and development of investigational-stage product candidates. Research and development expenses for the quarters ended March 31, 2008 and 2007 were $385,270 and $417,523 respectively.

We currently focus our research and development efforts in the therapeutic areas of Alzheimer's, cancer, cardiovascular and infectious diseases. Any of our programs in these disease areas could become more significant to us in the future, but there can be no assurance that any program in development or investigation will generate viable marketable products. As such, we continually evaluate all product candidates and may, from time to time, discontinue the development of any given program and focus our attention and resources elsewhere. We may choose to address new opportunities for future growth in a number of ways including, but not limited to, internal discovery and development of new products, out licensing and in-licensing of products and technologies, and/or acquisition of companies with products and/or technologies. Any of these activities may require substantial research and development efforts and expenditure of significant amounts of capital. The following summarizes our current product candidate programs with relevant out-licensing deals that the Company has completed.

Alzheimer's disease

SP-233

Caprospinol (SP-233) is a novel Alzheimer's drug candidate that Samaritan believes has the potential to clear beta-amyloid plaque from the brain; a problem that most researchers today believe is the cause of Alzheimer's. Samaritan filed an IND application for Caprospinol on October 30, 2006 and was subsequently granted an IND number by the FDA. The Company believes that Caprospinol could be a significant breakthrough in the treatment of Alzheimer's, and plans to provide the information requested by the FDA in order to continue moving our Caprospinol development program forward.

On December 7, 2006, Samaritan announced that the U.S. Food and Drug Administration (FDA) has completed its regulatory review of our IND (Investigational New Drug) application for Caprospinol and has requested that additional information be submitted in support of the safety of Caprospinol, prior to initiating Samaritan's proposed Phase I clinical study. Samaritan is currently performing additional studies to submit and support the IND submitted to the FDA.

Cardiovascular

SP-1000

SP-1000 is a fast-acting peptide that can be used to clean the blood of excessive cholesterol in acute high cholesterol conditions. SP-1000 plays a role in transformation and binding of LDL cholesterol and raising HDL, the good cholesterol, with immediate results.

To this end, Samaritan's collaborating scientists developed SP-1000 to be a potential hypocholesterolemic agent that acts through a new and novel mechanism of action that is quite distinct to the mechanism of action mediating the effects of statins.

The effectiveness of SP-1000 peptide treatment has been demonstrated in two validated hypercholesterolemia animal models, a genetically engineered mouse model mimicking familial hypercholesterolemia, and in diet-induced hypercholesterolemia guinea pigs.

Based on the study results, Samaritan collaborative scientists believe that the SP-1000 peptide could have the following pharmacological activities:

o SP-1000 peptide will not interfere with cholesterol metabolism and disposition

o SP-1000 peptide will increase HDL while decreasing serum free cholesterol and total bile cholesterol

o SP-1000 peptide will be effective in removing atheromas and preventing plaque formation

o SP-1000 peptide will protect against high cholesterol-induced neurological, cardiac and muscular suffering, and gross liver morphology

Taken together, these data on classic animal models of familial and dietary hypercholesterolemia show that SP-1000 is an interesting new and novel lipid lowering drug with a strong patent position that represents a competitive advantage over currently available therapeutic options.

Infectious Diseases

SP-01A

SP-01A is an HIV oral entry inhibitor drug. In order for viruses to reproduce, they must infect or hi-jack a cell, and use it to make new viruses. Just as your body is constantly making new skin cells, or new blood cells, each cell often makes new proteins in order to stay alive and to reproduce itself. Viruses hide their own DNA in the DNA of the cell, and then, when the cell tries to make new proteins, it accidentally makes new viruses as well. HIV mostly infects cells in the immune system.

Clinical studies to date suggest that SP-01A prevents HIV from entering cells by inhibiting HIV-1 viral replication through a novel mechanism that is unique to any antiviral drug SP-01A reduces intracellular cholesterol and corticosteroid biosynthesis, which causes the inability of lipid rafts in the cellular membrane to organize, ultimately preventing fusion of an HIV receptor and both the CCR5 and CXCR4 cellular receptors.

On March 28, 2007, Samaritan and Pharmaplaz, a private Irish Healthcare company and a shareholder of Samaritan, signed an agreement (the "Pharmaplaz Agreement") to commercialize SP-01A. Under the terms of the agreement, Pharmaplaz is required to pay Samaritan $10 million upfront. To date, under the Pharmaplaz Agreement, the amount of funds received from Pharmaplaz is $2.15 million; $1.4 million and $750,000 were received during the first and fourth quarter of 2007 respectively. On May 15, 2007, the CEO of Pharmaplaz, Michael Macken, signed a personal guarantee and on May 21, 2007 a stock pledge agreement for 943,291 (split-adjusted) shares of Samaritan Pharmaceuticals to guarantee the balance of the $7.85 million. On May 15, 2007, the amount of shares pledged was worth $1,300,742. On March 31, 2008, the last reported market sale price of our Common Stock was $0.27 and the value of the stock pledge was $254,689. As a result of Pharmaplaz's failure to timely pay the remaining balance of $7.85 million, Pharmaplaz is not in compliance with the terms of the Pharmaplaz Agreement. Samaritan is currently working with Pharmaplaz to attempt to collect the past due remaining balance.

Pharmaplaz, a shareholder, will pay for and be responsible for future research and development to bring the technology to market. Samaritan has no remaining obligations or performance for future research and development. The $10,000,000 payment is non-refundable. Upon request, Samaritan might occasionally advise Pharmaplaz regarding SP-01A, in relationship to Principal Investigators with applications for NIH grants, or other grant applications to advance SP-01A, at Pharmaplaz's cost. Samaritan and Pharmaplaz will split 50/50 of all revenues stemming from SP-01A.

SP-30

SP-30 has demonstrated promise in preclinical studies as an antiviral therapeutic in the treatment of Hepatitis C (HCV) as well as a therapeutic adjuvant in the treatment of HIV. SP-30 offers several distinctive competitive advantages as a potential oral adjuvant therapeutic in the treatment of HCV infected individuals. SP-30 is uniquely different from other inhibitors of viral replication in that it appears to condition the cell. This unique multiple target mechanism of action provides several advantages.

1. In HCV infected individuals, SP-30 uses its unique mechanism to build a fence around the cell and prevent viral entry. Consequently, HCV is unable to replicate or mutate and is eventually eradicated by the immune system.

2. Because SP-30's targets belong to the host cell and not to the virus itself, SP-30 may not be susceptible to the development of resistance.

3. SP-30 does not appear to be contraindicated with any other currently approved ARV or HCV treatments.

Therefore, based on its favorable in-vitro inhibition data, Samaritan is developing a Phase I clinical study protocol for SP-30 as a potential oral adjuvant therapeutic in the treatment of HCV infected individuals.

Endocrinology

SP-6300

SP-6300 is a new and novel approach for the treatment of Cushing's syndrome, also known as exogenous hypercortisolism. Cushing's syndrome affects adults 20 to 50 with an estimated 10 to 15 of every million people affected each year. Hypercortisolism occurs when the body's tissues are exposed to excessive levels of cortisol for long periods of time.

Many people suffer the symptoms of exogenous hypercortisolism because they take glucocorticoid hormones such as prednisone, dexamethasone (Decadron) and methylprednisolone (Medrol), for asthma, rheumatoid arthritis, lupus and other inflammatory diseases or for immunosuppression after transplantation. People can also develop exogenous hypercortisolism from injectable corticosteroids for example, repeated injections for joint pain, bursitis and back pain.

On September 18, 2007, Samaritan announced that the U.S. Food and Drug Administration (FDA) has completed its regulatory review of our IND (Investigational New Drug) application for SP-6300.

Non Drug Products

Alzheimer's Diagnostic Blood Test

Our Alzheimer's diagnostic is a simple blood test which can be used as an alternative or supplement to spinal taps or expensive MRIs currently used by competitors.

Breast Cancer Diagnostic

Our non-invasive blood test could be the first diagnostic tool to predict if a breast tumor is cancerous, with the added possibility to detect one single aggressive cancer cell out of a million blood cells. This tool could also be used as a monitoring tool to measure the success of chemotherapy, radiation and other drug treatments for aggressive cancer and ultimately allow patients to avoid the high costs and negative effects of unnecessary chemotherapy.

Alzheimer's Rat Model to Test New Drugs

We have developed an animal model that mimics the human phenotype of Alzheimer's disease pathology. We believe this Alzheimer's Rat Model will likely provide pharmaceutical companies the means to rapidly screen and develop therapeutics to control Alzheimer's disease.

Collaborations, Alliances, and Investments

The Research Institute of McGill University Health Centre and Samaritan Therapeutics

On July 1, 2007, Samaritan executed research collaboration (the "Research Collaboration") with the Research Institute of McGill University Health Centre and Samaritan Therapeutics over a ten-year period through 2017 to discover and develop new compounds. The budget is for $1,000,000 paid over four (4) quarterly payments of $250,000, is unallocated, and covers the general research and development effort. Under the Research Collaboration, the Company receives worldwide exclusive rights, excluding Canada, to any novel therapeutic agents or diagnostic

technologies that may result from the Research Collaboration. Samaritan Therapeutics receives exclusive rights to the Canadian market to any novel therapeutic agents or diagnostic technologies that may result from the Research Collaboration. As of the date of this quarterly filing, Samaritan Pharmaceuticals and Samaritan Therapeutics payment to McGill University is in arrears, which may permit our collaborator to terminate the research and development agreement. The termination of the research and development agreement could force the Company to curtail new discoveries to be added to its current pipeline of innovative drugs. Currently, all parties are in discussion to bring the balance in arrears current.

Under the Research Collaboration, Samaritan receives worldwide exclusive rights to any novel therapeutic agents or diagnostic technologies that may result from the Research Collaboration. Dr. Vassilios Papadopoulos, Dr. Janet Greeson and Dr. Wolfgang Renz lead our team of eight (8) research professionals (including five (5) Ph.D. level research scientists) who have expertise in the fields of endocrinology, pharmacology, cell biology, organic and steroid chemistry, and computer modeling. We are not obligated to pay the Research Collaboration any milestone payments. Our collaborators are entitled to receive royalties based on our revenue from product sales and sublicenses, if any. Samaritan Pharmaceuticals and Samaritan Therapeutics have both assumed responsibility, at their own individual expense, for the process of seeking any regulatory approvals for and conducting clinical trials with respect to any licensed product or application of the licensed technology. Samaritan controls and has the financial responsibility for the prosecution and maintenance in respect to any patent rights related to the licensed technology.

Shire Pharmaceuticals

On March 1, 2007, Samaritan executed a two-year exclusive licensing deal with Shire Pharmaceuticals for the marketing of Elaprase in Greece and Cyprus. The product shall be supplied on a named patient basis until the conclusion of the negotiations relating to the pricing and reimbursement of Elaprase in the territories with the relevant regulatory authorities.

Founded in 1986, Shire is a global specialty pharmaceutical company marketing products to defined customer groups (specialist doctors). Sales and marketing is a core Shire competence, where effective targeting of prescribers allows maximization of sales by a relatively small but high quality sales force.

Shire's strategic goal is to become the leading specialty pharmaceutical company that focuses on meeting the needs of the specialist physician. Shire focuses its business on attention deficit and hyperactivity disorder (ADHD), human genetic therapies (HGT), gastrointestinal (GI) and renal diseases. The structure is sufficiently flexible to allow Shire to target new therapeutic areas to the extent opportunities arise through acquisitions. Shire believes that a carefully selected portfolio of products with a strategically aligned and relatively small-scale sales force will deliver strong results. Shire's in-licensing, merger and acquisition efforts are focused on products in niche markets with strong intellectual property protection either in the US or Europe.

Three Rivers Pharmaceuticals(R)

On December 12, 2005, Samaritan signed a ten-year (with five-year automatic renewals) exclusive licensing agreement with Three Rivers Pharmaceuticals, Inc. for the marketing of Amphocil, a prescription drug in Greece; authorization is pending for Cyprus and Ireland.

Established in 2000, Three Rivers Pharmaceuticals(R) devotes its efforts and resources to developing, manufacturing, and marketing pharmaceutical therapies which are indicated for diseases/medical conditions requiring specialized treatment. Currently, Three Rivers Pharmaceuticals markets prescription drugs in both the U.S. and internationally, in the therapeutic categories of antiviral and antifungal agents.

Three Rivers has continued to expand its product line into the branded market with the acquisition of AMPHOTEC/AMPHOCIL(R) in May of 2005. This product is currently being marketed in over 40 countries worldwide.

Molteni Farmaceutici

On January 1, 2007, Samaritan executed a four-year (with two-year automatic renewals) exclusive licensing agreement with Molteni Farmaceutici for the marketing of Mepivamol, Methadone, Morphine Sulphate, Naloxone, Naltrexone, and Oramorph in Greece and Cyprus.

Molteni is rich in history with over a century of experience beginning with the opening of its manufacturing facility at the Molteni Pharmacy Laboratory located in the historic center of Florence, Italy. The strategic therapeutic areas on which Molteni makes an effort for trading new alliances are concentrated on Analgesia, Anesthesia and Drug Addition Therapy.

Siraeo, Ltd.

On December 28, 2006, Samaritan signed a ten-year (with three-year automatic renewals) exclusive licensing agreement with Siraeo, Ltd for the marketing of Infasurf in Turkey, Serbia, Bosnia, Macedonia, Albania, Egypt and Syria. Infasurf is an approved FDA prescription product owned by Ony, Inc. and marketed by Forest Laboratories in the US.

EUSA Pharma

On August 3, 2007, Samaritan signed a five-year (with annual renewals) exclusive agreement with EUSA for the marketing and distribution of the product RAPYDAN(R) in Greece and Cyprus. Rapydan(R) is an approved FDA prescription product under the name SYNERA(R) and is owned by ZARS Pharmaceuticals, Inc. and marketed by Endo Pharmaceuticals, Inc. in the US.

On March 10, 2008, Samaritan signed an amendment to the above agreement with EUSA for the marketing and distribution of the products ERWINASE(R) and KIDROLASE(R) in Greece and Cyprus. Erwinase(R) and Kidrolase are approved FDA prescription products and are owned by EUSA Pharma and marketed by EUSA Pharma, in the U.S.

EUSA Pharma is a specialty pharma company with a strong and growing portfolio of specialty hospital medicines which has been built through the acquisition of Talisker Pharmaceuticals in July 2006 and OPI in March 2007. Its primary marketed products are Erwinase(R) Rapydan(R), Kidrolase(R), Fomepizole(R) and Xenazine(R). In addition, it has an active development pipeline including candidates in rheumatoid arthritis and Alzheimer s disease, schizophrenia and Lambert Eaton Syndrome.

Abiogen Pharma

On March 14, 2008, Samaritan signed a five-year (with two-year automatic renewals) exclusive agreement with Abiogen for the marketing and distribution of the product ABIOKLAD (R) in Greece, Cyprus and Turkey.

Abiogen Pharma is a private Italian pharmaceutical company, founded in Pisa in 1997, involved in R&D, manufacturing and marketing. Abiogen has a prestigious R&D pipeline, has demonstrated significant skills in innovative compound development and is now broadening into the biotechnological field. Abiogen s research on the osteo-articular metabolism led to the marketing of four bisphosphonates and established Abiogen Pharma as a unique world-wide company.

Plan and Results of Operations

We have used the proceeds from private placements of our Common Stock, primarily to expand our preclinical and clinical efforts, as well as for general working capital. At this time, we are beginning to commit additional resources to the development of SP-233, as well as for the development of our other drugs.

On July 5, 2007, the Company's Board of Directors affected a one-for-six reverse stock split of its Common Stock. The financial statements presented herein have been restated to reflect the reverse stock split as if it had occurred at the beginning of each period presented. All share and per share information included in these consolidated financial statements has been adjusted to reflect this reverse stock split.

The net loss for the quarter ending March 31, 2008 was ($1,204,467) as compared to net income for the year ended December 31, 2007 of $1,580,626. We expect losses to continue for the near future, and such losses will likely increase as human clinical trials are undertaken in the United States. Future profitability will be dependent upon our ability to complete the development of our pharmaceutical products, obtain necessary regulatory approvals and effectively market such products. In addition, future profitability will require the Company to establish agreements with other parties for clinical testing, manufacturing, commercialization, and sale of our products.

On March 28, 2007, Samaritan and Pharmaplaz, a private Irish Healthcare company and a shareholder of Samaritan, signed an agreement (the "Pharmaplaz Agreement") to commercialize SP-01A. Under the terms of the agreement, Pharmaplaz is required to pay Samaritan $10 million upfront. To date, under the Pharmaplaz Agreement, the amount of funds received from Pharmaplaz is $2.15 million; $1.4 million and $750,000 were received during the first and fourth quarter of 2007 respectively. On May 15, 2007, the CEO of Pharmaplaz, Michael Macken, signed a personal guarantee and on May 21, 2007 a stock pledge agreement for 943,291 (split-adjusted) shares of Samaritan Pharmaceuticals to guarantee the balance of the $7.85 million. On May 15, 2007, the amount of shares pledged was worth $1,300,742. On March 31, 2008, the last reported market sale price of our Common Stock was $0.27 and the value of the stock pledge was $254,690. As a result of Pharmaplaz's failure to timely pay the remaining balance of $7.85 million, Pharmaplaz is not in compliance with the terms of the Pharmaplaz Agreement. Samaritan is currently working with Pharmaplaz to attempt to collect the past due remaining balance.

Pharmaplaz, a shareholder, will pay for and be responsible for future research and development to bring the technology to market. Samaritan has no remaining obligations or performance for future research and development. The $10,000,000 payment is non-refundable. Upon request, Samaritan might occasionally advise Pharmaplaz regarding SP-01A, in relationship to Principal Investigators with applications for NIH grants, or other grant applications to advance SP-01A, at Pharmaplaz's cost. Samaritan and Pharmaplaz will split 50/50 of all revenues stemming from SP-01A.

Cash used in investing activities was ($134,002) for the three (3) month period ending March 31, 2008, as compared to ($150,382) for the three (3) month period ending March 31, 2007, an increase of $16,380, or eleven percent (11%). Activity from 2007 and 2008 reflects the continuing investment in patent registration costs.

Cash provided by financing activities was $144,500 for the three (3) month period ending March 31, 2008, as compared to was $848,748 for the three (3) month period ending March 31, 2007, a decrease of $704,248, or eighty-three percent (83%). This decrease is primarily from the Company deciding to close the Registration Statement (Commission Registration No. 07556090) and not registering additional shares of Common Stock under the Purchase Agreement II with Fusion Capital.

Cash used in operating activities during the three (3) period ending March 31, 2008 was ($146,836), as compared to $492,474 for the three (3) month period ending March 31, 2007, a decrease of $639,310, or one hundred thirty percent (130%). This decrease is primarily attributable to the increase in accrued expenses, accounts payable and current liabilities and decline in licensing revenue.

Current assets as of March 31, 2008 were $2,811,972 as compared to $2,232,040 as of December 31, 2007. This increase of $579,932, or twenty-six percent (26%), is primarily attributable to the overseas product accounts receivable. Current liabilities as of March 31, 2008 were $4,038,828 as compared to $2,526,211 as of December 31, 2007, an increase of $1,512,617 or sixty percent (60%). Such increase is the result of accounts payable relating to the overseas product sales and research, and loans made to the Company.

We will continue to have significant general and administrative expenses, including expenses related to clinical studies, our research collaboration with universities and patent registration costs. We will require substantial additional funds to sustain our operations and to grow our business. The amount will depend, among other things, on (a) the rate of progress and cost of our research and product development programs and clinical trial activities; (b) the cost of preparing, filing, prosecuting, maintaining and enforcing patent claims and other intellectual property rights; and (c) the cost of developing manufacturing and marketing capabilities, if we decide to undertake those activities. The clinical development of a therapeutic product is a very expensive and lengthy process, which may be expected to utilize $5 to $20 million over a three (3) to six (6) year development cycle. We will also need to obtain additional funds to develop our therapeutic products and our future access to capital is uncertain. The allocation of limited resources is an ongoing issue for us as we move from research activities into the more costly clinical investigations required to bring therapeutic products to market. We also expect to generate revenues from our marketed products in the near future, and our commercialization business model has changed from a development model to a licensing and development model. For more information on the change in business model, please see "Commercialization Business Model" section.

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in note 3 to the financial statements, the Company has generated minimal revenues and at March 31, 2008, the Company had an accumulated deficit of $45,539,607. For the quarters ended March 31, 2008 and 2007, the Company incurred a net loss of ($1,204,467) and net income of $1,580,626, respectively and used cash flows from operations of ($146,836) and $492,474, respectively. These matters raise substantial doubt about the Company's ability to continue as a going concern. Management's plans in regards to these matters are described in note 3. The accompanying financial statements do not include any adjustments relating to the recoverability and classification of asset carrying amounts or the amount and classification of liabilities that might result should the Company be unable to continue as a going concern.

Our current resources are insufficient to fund all of our planned development and commercialization efforts. As of March 31, 2008, we have a working capital deficiency of approximately ($1,226,856). Currently, we have out-licensed our SP-01A and in-licensed the rights to sell specialty pharmaceutical products, Amphocil from Three Rivers Pharmaceuticals, Elaprase and Replagal from Shire Pharmaceuticals, Infasurf from Ony, Inc, Mepivamol, Methadone, Morphine Sulphate, Naloxone, Naltrexone, Oramorph, and Pethidine from Molteni Pharmaceuticals, Erwinase, Kidrolase, and Rapydan from EUSA Pharma and Abioklad from Abiogen Pharma. We intend to continue to explore avenues to obtain additional capital through private placements, if we are unable to obtain additional financing, we might be required to delay, scale back or eliminate selected research and product development programs or clinical trials, or be required to license third parties to commercialize products or technologies that we would otherwise undertake ourselves, or cease certain operations all together. Any of these options might have a material adverse effect upon the Company. If we raise additional funds by issuing equity securities, dilution to stockholders may result, and new investors could have rights superior to existing holders of shares. Should the financing we require to sustain our working capital needs be unavailable or prohibitively expensive when we require it, the consequences would have a material adverse effect on our business, operating results, financial condition and prospects.

During the first quarter of 2008, the Company borrowed an additional $129,500 on a short-term basis pursuant to the terms of promissory notes from the Company and in favor of the lender. As of March 31, 2008, the Company had borrowed from related parties an aggregate of $429,500 (the "Notes"). Proceeds from each of the loans funded the Company's continuing operating expenses, ongoing expenses, legal and accounting fees, as well as for working capital and other contingencies. Under the terms of the Notes issued by the Company to the lender, the Company will: (i) pay interest to the lender at a rate of 16% per annum and ii) 100% warrant coverage. The principal and interest due on the Notes are due on demand. The Notes will be repaid from proceeds of any subsequent financing arrangement to which the Company becomes a party or from the cash flow from the Company's operations. The Board of Directors approved that the prior year 2007 notes of $300,000, which paid interest to the lender at a rate of prime

rate plus 4% per annum, be changed to match the terms of notes issued during the first quarter of 2008. The Notes will be repaid from proceeds of any subsequent financing arrangement to which the Company becomes a party or from the cash flow from the Company's operations.

Results of Operations For The Three (3) Months Ending March 31, 2008 As Compared To The Three (3) Months Ending March 31, 2007.

During the quarters ended March 31, 2008 and 2007, revenues decreased to $560,975 from $2,701,742. During the first quarter of 2007, Samaritan recognized revenue of $2,701,742 from the Pharmaplaz Agreement. During the first quarter of 2008, Samaritan pharmaceutical sales were $560,975. Currently, Samaritan sells Amphocil, Elaprase, Morphine and Replagal in Greece.

During the quarters ended March 31, 2008 and 2007, cost of goods sold for pharmaceutical sales increased to $397,699 from $0.00. During the first quarter of 2008, cost of goods sold was attributed to the sales of Amphocil, Elaprase, Morphine and Replagal in Greece.

We incurred research and development expenses of $385,270 for the quarter ended March 31, 2008, as compared to of $417,523 for the quarter ended March 31, 2007. This decrease of $32,253, or eight percent (8%), was primarily attributable to (a) expenses incurred to development of the Company s pipeline, and (b) work during this time period to complete the chemistry, manufacturing and controls (CMC) section of New Drug Application for the FDA. We expect that research and development expenditures relating to drug discovery and development will increase in 2008 and into subsequent years due to FDA clinical trials which include the continuation and expansion of clinical trials (i) our Alzheimer's drug program, (ii) the initiation of trials for other potential indications and (iii) additional study expenditures for potential pharmaceutical candidates. Research and development expenses may fluctuate from period to period depending upon the stage of certain projects and the level of preclinical testing and clinical trial-related activities.

General and administrative expenses increased to $1,276,978 for the quarter ended March 31, 2008, as compared to $667,411 for the quarter ended March 31, 2007. This increase of $609,567 or ninety-one percent (91%) was primarily attributable to increases in compensation and hiring of new employees for our sales force in Eastern Europe.

Depreciation and amortization amounted to $39,011 for the quarter ended March 31, 2008, as compared to $43,636 for the quarter ended March 31, 2007. This decrease of $4,625 or eleven percent (11%) was primarily attributable to a decline in depreciation of fixed assets.

Net interest expense amounted to $7,587 and ($7,454) for the quarters ended March 31, 2008 and 2007, respectively. As of March 31, 2008, the Company had borrowed from related parties an aggregate of $429,500. Under the terms of the Notes issued by the Company to the lender, the Company pays interest to the lender at a rate of 16% per annum.

Other comprehensive income (loss) is comprised of two components. The Company invests in marketable securities to earn a return on cash not needed in the short-term. Temporary, unrealized gains and losses are recorded to reflect changes in the market value of the temporary investments as they occur. There were no marketable securities owned for the three-month periods ended March 31, 2008 and 2007. The other component of comprehensive income is due to the payment in foreign currency of operations that occur in Canada, Ireland and Greece. The amount of the gain or loss is a function of the relative strength of the American dollar to the Euro. For the quarter ending March 31, 2008, the foreign currency translation gain was $49,748.

We had a net loss of ($1,204,467) for the quarter ended March 31, 2008, as compared to a net income of $1,580,626 for the quarter ended March 31, 2007. The loss per share for the period ended March 31, 2008 was ($0.04), as compared to earnings per share of $0.06 for the period ended March 31, 2007. The loss of ($1,204,467) reflects the investment in our overseas marketing and sales operations.

Liquidity and Capital Resources

The following table sets forth our consolidated net cash provided by (used in) operating, investing and financing activities for each of the years in the three-month periods ending March 31, 2008 and 2007:

		March 31, 2008		March 31, 2007
Cash provided by (used in):				
Operating activities	$	(146,836)	$	492,474
Investing activities	$	(134,002)	$	(150,382)
Financing activities	$	144,500	$	848,748

As of March 31, 2008, the Company's cash position was $200,981. We are continuing efforts to raise additional capital and to execute our research and development plans. Even if we are successful in raising sufficient money to carry out these plans, additional clinical development is necessary to bring our products to market, which will require a significant amount of additional capital.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.

We do not engage in trading market-risk sensitive instruments and do not purchase hedging instruments or other than trading instruments that are likely to expose us to market risk, whether interest rate, foreign currency exchange, commodity price or equity price risk. During the first quarter of 2008, the Company borrowed an additional $129,500 on a short-term basis pursuant to the terms of promissory notes from the Company and in favor of the lender. During the first quarter of 2008, the Company borrowed an additional $129,500 on a short-term basis pursuant to the terms of promissory notes from the Company and in favor of the lender. As of March 31, 2008, the Company had borrowed from related parties an aggregate of $429,500 (the "Notes"). Proceeds from each of the loans funded the Company's continuing operating expenses, ongoing expenses, legal and accounting fees, as well as for working capital and other contingencies. Under the terms of the Notes issued by the Company to the lender, the Company will: (i) pay interest to the lender at a rate of 16% per annum and ii) 100% warrant coverage. The principal and interest due on the Notes are due on demand. The Notes will be repaid from proceeds of any subsequent financing arrangement to which the Company becomes a party or from the cash flow from the Company's operations. The Board of Directors approved that the prior year 2007 notes of $300,000, which paid interest to the lender at a rate of prime rate plus 4% per annum, be changed to match the terms of notes issued during the first quarter of 2008. The Notes will be repaid from proceeds of any subsequent financing arrangement to which the Company becomes a party or from the cash flow from the Company's operations. We have not entered into any forward or future contracts, and have purchased no options and entered into no swaps. We have no credit lines or other borrowing facilities, and do not view ourselves as subject to interest rate fluctuation risk at the present time.

ITEM 4(T). CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

As required by Rule 13a-15 under the Securities Exchange Act of 1934, as of the end of the period covered by this Quarterly Report, we carried out an evaluation, under the supervision and with the participation of our Chief Executive Officer and our Chief Financial Officer, of the effectiveness of our disclosure controls and procedures as of March 31, 2008. Our management has concluded, based on their evaluation, that as of the end of the period covered by this report, our disclosure controls and procedures were effective as of March 31, 2008 to ensure that information required to be disclosed by us in the reports we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission s rules and forms.

Changes in Internal Control Over Financial Reporting

There was no change in our internal control over financial reporting that occurred during the first quarter of 2008 that has materially affected, or is reasonably likely to materially affect our internal control over financial reporting.

PART II

OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

We are, from time to time, involved in various legal proceedings in the ordinary course of our business. While it is impossible to predict accurately or to determine the eventual outcome of these matters, the Company believes the outcome of these proceedings will not have an adverse material effect on the financial statements of the Company. Other than routine litigation incidental to our business, there are no legal proceedings or actions pending at this time.

ITEM 1A. RISK FACTORS

You should carefully consider the risks described below before purchasing our Common Stock. Our most significant risks and uncertainties are described below; however, they are not the only risks we face. If any of the following risks actually occur, our business, financial condition, or results of operations could be materially adversely affected, the trading of our Common Stock could decline, and you may lose all or part of your investment therein. You should acquire shares of our Common Stock only if you can afford to lose your entire investment.

RISKS ASSOCIATED WITH OUR BUSINESS

We Have A Limited Operating History With Significant Losses And Expect Losses To Continue In The Near Future

We have yet to establish any history of profitable operations. At March 31, 2008, the Company had an accumulated deficit of $45,539,607. For the quarters ended March 31, 2008 and 2007, the Company incurred a net loss of ($1,204,467) and net income of $1,580,626, respectively and used cash flows from operations of ($146,836) and $492,474, respectively. To date, our revenues have not been sufficient to sustain our operations. Our profitability will require the successful commercialization of several drugs for our territories in Eastern Europe as well as the out-licensing of our internal development programs in Alzheimer's, cancer, cardiovascular disease, and infectious diseases. Currently, the Company has in-licensed specialty pharmaceutical products to be marketed and distributed in our Eastern Europe territories. No assurances can be given when this will occur or when we will become profitable.

We Will Need Additional Capital In The Future, But Our Access To Such Capital Is Uncertain.

Our current resources are insufficient to fund all of our planned development and commercialization efforts. As of March 31, 2008, we have a working capital deficiency of $1,226,856 and we had cash, and cash equivalents, of approximately $200,981. On March 28, 2007, Samaritan and Pharmaplaz, a private Irish Healthcare company and a shareholder of Samaritan, signed an agreement (the "Pharmaplaz Agreement") to commercialize SP-01A. Under the terms of the agreement, Pharmaplaz is required to pay Samaritan $10 million upfront. To date, under the Pharmaplaz Agreement, the amount of funds received from Pharmaplaz is $2.15 million; $1.4 million and $750,000 were received during the first and fourth quarter of 2007 respectively. On May 15, 2007, the CEO of Pharmaplaz, Michael Macken, signed a personal guarantee and on May 21, 2007 a stock pledge agreement for 943,291 (split-adjusted) shares of Samaritan Pharmaceuticals to guarantee the balance of the $7.85 million. On May 15, 2007, the amount of

shares pledged was worth $1,300,742. On March 31, 2008, the last reported market sale price of our Common Stock was $0.27 and the value of the stock pledge was $254,690. As a result of Pharmaplaz's failure to timely pay the remaining balance of $7.85 million, Pharmaplaz is not in compliance with the terms of the Pharmaplaz Agreement. Samaritan is currently working with Pharmaplaz to attempt to collect the past due remaining balance.

At our current level of expenditures and profits from our sales in Eastern Europe, we believe that our cash resources are not adequate to meet our requirements into 2009. Our capital needs will depend on many factors, including our research and development activities, the scope and timing of our clinical trial programs, the timing of regulatory approval for our products under development and the successful commercialization of our products. Our needs may also depend on the magnitude and scope of these activities, the progress and the level of success in our clinical trials, the costs of preparing, filing, prosecuting, maintaining and enforcing patent claims and other intellectual property rights, competing technological and market developments, changes in or terminations of collaboration and existing licensing arrangements, the establishment of new collaboration and licensing arrangements and the cost of manufacturing scale-up and development of marketing activities, if undertaken by us. We do not have committed external sources of funding. If adequate funds are not available, we may be required to:

- delay, reduce the scope of, or eliminate one or more of our research and development programs;
- obtain funds through arrangements with collaboration partners or others that may require us to relinquish rights to technologies, product candidates or products that we would otherwise seek to retain in order to develop or commercialize them ourselves;
- license rights to technologies, product candidates or products on terms that are less favorable to us than might otherwise be available; or

We intend to actively seek new financing from time to time to provide financial support for our activities. If we raise additional funds by issuing additional stock, further dilution to our stockholders may result, and new investors could have rights superior to existing stockholders. If funding is insufficient at any time in the future, we may be unable to develop or commercialize our products, take advantage of business opportunities or respond to competitive pressures, which could have a material adverse effect on our business.

Our Independent Registered Public Accounting Firm Has Issued An Unqualified Opinion With An Explanatory Paragraph, To The Effect That There Is Substantial Doubt About Our Ability To Continue As A Going Concern.

The Company s independent registered public accounting firm has issued an unqualified opinion with an explanatory paragraph, to the effect that there is substantial doubt about the Company s ability to continue as a going concern. This unqualified opinion with an explanatory paragraph could have a material adverse effect on the business, financial condition, results of operations and cash flows of the Company.

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in note 3 to the financial statements, the Company has generated minimal revenues and for the quarters ended March 31, 2008 and 2007 and at March 31, 2008, the Company had an accumulated deficit of $45,539,607. For the quarters ended March 31, 2008 and 2007, the Company incurred a net loss of ($1,204,467) and net income of $1,580,626, respectively and used cash flows from operations of ($146,836) and $492,474, respectively. In addition, as of March 31, 2008, we have a working capital deficiency of approximately ($1,226,856). These matters raise substantial doubt about the Company's ability to continue as a going concern. Management's plans in regards to these matters are described in note 3. The accompanying financial statements do not include any adjustments relating to the recoverability and classification of asset carrying amounts or the amount and classification of liabilities that might result should the Company be unable to continue as a going concern.

We have no committed sources of capital and do not know whether additional financing will be available when needed on terms that are acceptable, if at all. Our current lack of resources is exacerbated by our inability to date to collect the remaining balance from Pharmaplaz. As of the date of this quarterly filing, Samaritan Pharmaceuticals and Samaritan Therapeutics payment to McGill University is in arrears, which may permit our collaborator to terminate the research and development agreement. The termination of the research and development agreement could force the Company to curtail new discoveries to be added to its current pipeline of innovative drugs.. Currently, all parties are in discussion to bring the balance in arrears current. The addition of this going concern statement from our independent registered public accounting firm may discourage some investors from purchasing our Common Stock or providing alternative capital financing. The failure to satisfy our capital requirements will adversely affect our business, financial condition, results of operations and prospects.

Unless we raise additional funds, either through the sale of equity securities or one or more collaborative arrangements, we will need to reduce our research and development and significantly reduce our workforce and our operating expenses. If we do not take these actions, we will not have sufficient funds to continue operations. Even if we take these actions, they may be insufficient, particularly if our costs are higher than projected or unforeseen expenses arise. Reducing our research and development or significantly reducing our workforce or operating expenses will adversely affect our business and prospects.

If We Do Not Receive And Maintain Regulatory Approvals For Our Products Or Product Candidates, We Will Not Be Able To Commercialize Our Products, Which Would Substantially Impair Our Ability To Generate Revenues And Materially Harm Our Business And Financial Condition.

Approval from the FDA is necessary to manufacture and market pharmaceutical products in the United States. The regulatory approval process is extensive, time-consuming and costly, and the FDA may not approve additional product candidates, or the timing of any such approval may not be appropriate for our product launch schedule and other business priorities, which are subject to change.

Clinical testing of pharmaceutical products is also a long, expensive and uncertain process. Even if initial results of preclinical studies or clinical trial results are positive, we may obtain different results in later stages of drug development, including failure to show desired safety and efficacy. The clinical trials of any of our product candidates could be unsuccessful, which would prevent us from obtaining regulatory approval and commercializing the product.

FDA approval of our products can be delayed, limited or not granted for many reasons, including, among others:

- FDA officials may not find a product candidate safe or effective to merit an approval;
- FDA officials may not find that the data from preclinical testing and clinical trials justifies approval, or they may require additional studies that would make it commercially unattractive to continue pursuit of approval;
- the FDA might not approve the processes or facilities of our contract manufacturers or raw material suppliers or our manufacturing processes or facilities;
- the FDA may change its approval policies or adopt new regulations; and
- the FDA may approve a product candidate for indications that are narrow or under conditions that place our product at a competitive disadvantage, which may limit our sales and marketing activities or otherwise adversely impact the commercial potential of a product.

If the FDA does not approve our product candidates in a timely fashion on commercially viable terms or we terminate development of any of our product candidates due to difficulties or delays encountered in clinical testing and the regulatory approval process, it will have a material adverse impact on our business.

If Our Products Do Not Gain Market Acceptance, Our Business Will Suffer Because We Might Not Be Able To Fund Future Operations.

A number of factors may affect the market acceptance of our products or any other products we develop or acquire, including, among others:

- the price of our products relative to other therapies for the same or similar treatments;
- the perception by patients, physicians and other members of the health;
- the safety and effectiveness of our products for their prescribed treatments;
- the availability of satisfactory levels, or at all, of third party reimbursement for our products and related treatments;
- our ability to fund our sales and marketing efforts; and
- the effectiveness of our sales and marketing efforts.

In addition, our ability to market and promote our products is restricted to the labels approved by the FDA. If the approved labels are restrictive, our sales and marketing efforts and market acceptance and the commercial potential of our products may be negatively affected.

If our products do not gain market acceptance, we may not be able to fund future operations, including the development or acquisition of new product candidates and/or our sales and marketing efforts for our approved products, which would cause our business to suffer.

If We Fail To Properly Manage Our Anticipated Growth, Our Business Could Suffer.

Rapid growth of our business is likely to place a significant strain on our managerial, operational and financial resources and systems. To manage our anticipated growth successfully, we must attract and retain qualified personnel and manage and train them effectively. We are dependent on our personnel and third parties to effectively manufacture, market, sell and distribute our products. We will also continue to depend on our personnel and third parties to successfully develop and acquire new products. Further, our anticipated growth will place additional strain on our suppliers and manufacturers, resulting in increased need for us to carefully manage these relationships and monitor for quality assurance. Although we may not grow as we expect, if we fail to manage our growth effectively or to develop and expand a successful commercial infrastructure to support marketing and sales of our products, our business and financial results will be materially harmed. In addition, we have certain raw materials manufactured in foreign countries. We may also elect in the future to market certain of our products, and perhaps have certain of our products or certain additional raw materials manufactured, in foreign countries. Many other countries, including the countries where the Company currently markets products have similar requirements as the United States for the manufacture, marketing, and sale of pharmaceutical products.

The Company's License Agreements May Be Terminated In The Event Of A Breach

The license agreements pursuant to which the Company has licensed its core technologies for its potential drug products permit the licensors to terminate such agreements under certain circumstances, such as the failure by the licensee to use its reasonable best efforts to commercialize the subject drug or the occurrence of any uncured material breach by the licensee. The license agreements also provide that the licensor is primarily responsible for obtaining patent protection for the licensed technology, and the licensee is required to reimburse the licensor for costs it incurs in performing these activities. The license agreements also require the payment of specified royalties. Any inability or failure to observe these terms or pay these costs or royalties may result in the termination of the applicable license agreement in certain cases. As of the date of this quarterly filing, Samaritan Pharmaceuticals and Samaritan Therapeutics payment to McGill University is in arrears, which may permit our collaborator to terminate the research and development agreement. The termination of the research and development agreement could force the Company to curtail new discoveries to be added to its current pipeline of innovative drugs.. Currently, all parties are in discussion to bring the balance in arrears current.

Protecting Our Proprietary Rights Is Difficult and Costly

The patent positions of pharmaceutical companies can be highly uncertain and involve complex legal and factual questions. The license agreements also provide that the licensor is primarily responsible for obtaining patent protection for the licensed technology, and the licensee is required to reimburse the licensor for costs it incurs in performing these activities. Accordingly, we cannot predict the breadth of claims allowed in these companies' patents or whether the Company may infringe or be infringing on these claims. Patent disputes are common and could preclude the commercialization of our products. Patent litigation is costly in its own right and could subject us to significant liabilities to third parties. In addition, an adverse decision could force us to either obtain third-party licenses at a material cost or cease using the technology or product in dispute.

The Company's Success Will Be Dependent Upon The Licenses And Proprietary Rights It Receives From Other Parties, And On Any Patents It May Obtain

The Company and Samaritan Therapeutics Canada, have signed a Research Collaboration and Licensing Agreement with The Research Institute of McGill University Health Centre (RI-MUHC) in Montreal, Canada, to advance its promising pipeline into clinical trial status and develop new innovative drug candidates. Once drug candidates, derived from the collaborative research, are clinically-validated and deemed to hold promise, Samaritan Therapeutics intends to continue to develop the drug candidate in Canada, while Samaritan Pharmaceuticals will focus on the drug candidate's process through regulatory agencies and its commercialization throughout the rest of the world.

Our success will depend in large part on the ability of the Company and its licensors to (a) maintain license and patent protection with respect to their drug products, (b) defend patents and licenses once obtained, (c) maintain trade secrets, (d) operate without infringing upon the patents and proprietary rights of others and (e) obtain appropriate licenses to patents or proprietary rights held by third parties if infringement should otherwise occur, both in the United States and in foreign countries. We have obtained licenses to patents and other proprietary rights from Georgetown University and George Washington University.

The patent positions of pharmaceutical companies, including those of the Company, are uncertain and involve complex legal and factual questions. There is no guarantee the Company or its licensors have or will develop or obtain the rights to products or processes that are patentable, that patents will issue from any of the pending applications or that claims allowed will be sufficient to protect the technology licensed to the Company. In addition, we cannot be certain that any patents issued to or licensed by the Company will not be challenged, invalidated, infringed or circumvented, or that the rights granted thereunder will provide competitive advantages to the Company.

Litigation, which could result in substantial cost, may also be necessary to enforce any patents to which the Company has rights, or to determine the scope, validity and unenforceability of other parties' proprietary rights, which may affect the rights of the Company. U.S. patents carry a presumption of validity and generally can be invalidated only through clear and convincing evidence. There can be no assurance that our licensed patents would be held valid by a court or administrative body or an alleged infringer would be found to be infringing. The mere uncertainty resulting from the institution and continuation of any technology-related litigation or interference proceeding could have an adverse material effect on the Company pending resolution of the disputed matters.

We may also rely on unpatented trade secrets and expertise to maintain a competitive position, which we seek to protect, in part, by confidentiality agreements with employees, consultants and others. There can be no assurance these agreements will not be breached or terminated, that we will have adequate remedies for any breach or that trade secrets will not otherwise become known or be independently discovered by competitors.

We Are Faced With Intense Competition And Industry Changes, Which May Make It More Difficult For Us To Achieve Significant Market Penetration.

The pharmaceutical and biotech industry generally is characterized by rapid technological change, changing customer needs, and frequent new product introductions. If our competitors' existing products or new products are more effective than or considered superior to our products, the commercial opportunity for our products will be reduced or eliminated. We face intense competition from companies in our marketplace as well as companies offering other treatment options. Many of our potential competitors are significantly larger than we are and have greater financial, technical, research, marketing, sales, distribution and other resources than we do. We believe there will be intense price competition for products developed in our markets. Our competitors may develop or market technologies and products that are more effective or commercially attractive than any that we are developing or marketing. Our competitors may obtain regulatory approval, and introduce and commercialize products before we do. These developments could force us to curtail or cease our business operations. Even if we are able to compete successfully, we may not be able to do so in a profitable manner.

If We Are Unable To Continue Product Development, Our Business Will Suffer

Our growth depends in part on a continued ability to successfully develop our products. We may experience difficulties that could delay or prevent the successful development and commercialization of these products. Our products in development may not prove safe and effective in clinical trials. Clinical trials may identify significant technical or other obstacles that must be overcome before obtaining necessary regulatory or reimbursement approvals. In addition, our competitors may succeed in developing commercially viable products that render our products obsolete or less attractive. Failure to successfully develop and commercialize new products and enhancements would likely have a significant negative effect on our financial prospects.

There Is No Assurance That Our Products Will Have Market Acceptance

The success of the Company will depend in substantial part on the extent to which a drug product, once approved, achieves market acceptance. The degree of market acceptance will depend upon a number of factors, including (a) the receipt and scope of regulatory approvals, (b) the establishment and demonstration in the medical community of the safety and efficacy of a drug product, (c) the product's potential advantages over existing treatment methods and (d) reimbursement policies of government and third party payers. We cannot predict or guarantee physicians, patients, healthcare insurers, maintenance organizations, or the medical community in general, will accept or utilize any drug product of the Company. If our products do not develop market acceptance, we will be forced to curtail or cease our business operations.

There Is Uncertainty Relating To Third-Party Reimbursement, Which Is Critical To Market Acceptance Of Our Products.

International market acceptance of our products may depend, in part, upon the availability of reimbursement within prevailing health care payment systems. Reimbursement and health care payment systems in international markets vary significantly by country, and include both government sponsored health care and private insurance. We may not obtain international reimbursement approvals in a timely manner, if at all. Our failure to receive international reimbursement approvals may negatively impact market acceptance of our products in the international markets in which those approvals are sought and could force us to curtail or cease our business operations.

From time to time significant attention has been focused on reforming the health care system in the United States and other countries. Any changes in Medicare, Medicaid or third-party medical expense reimbursement, which may arise from health care reform, may have a material adverse effect on reimbursement for our products or procedures in which our products are used and may reduce the price we

are able to charge for our products. In addition, changes to the health care system may also affect the commercial acceptance of products we are currently developing and products we may develop in the future.

If We Are Unable To Protect Our Intellectual Property, We May Not Be Able To Operate Our Business Profitably

Our success will depend to a significant degree on our ability to secure and protect intellectual property rights and to enforce patent and trademark protections relating to our technology which we license. From time to time, litigation may be advisable to protect our intellectual property position. However, these legal means afford only limited protection and may not adequately protect our rights or permit us to gain or keep any competitive advantage. Any litigation in this regard could be costly, and it is possible that we will not have sufficient resources to fully pursue litigation or to protect our intellectual property rights. It could result in the rejection or invalidation of our existing and future patents. Any adverse outcome in litigation relating to the validity of our patents, or any failure to pursue litigation or otherwise to protect our patent position, could force us to curtail or cease our business operations. Also, even if we prevail in litigation, the litigation would be costly in terms of management distraction as well as in terms of money. In addition, confidentiality agreements with our employees, consultants, customers, and key vendors may not prevent the unauthorized disclosure or use of our intellectual property. It is possible that these agreements could be breached or that they might not be enforceable in every instance, and that we might not have adequate remedies for any such breach. Enforcement of these agreements may be costly and time consuming. Furthermore, the laws of foreign countries may not protect our intellectual property rights to the same extent as the laws of the United States.

If We Are Unable To Operate Our Business Without Infringing Upon The Intellectual Property Rights Of Others, We May Not Be Able To Operate Our Business Profitably.

Our success depends on our ability to operate without infringing upon the proprietary rights of others. We endeavor to follow developments in our field, and we do believe that we have freedom to operate with respect to our core technologies. To the extent that planned or potential products would infringe patents or other intellectual property rights held by third parties, we would need licenses under such patents or other intellectual property rights to continue development and marketing of our products protected by those third party patents or other intellectual property rights. Any required licenses may not be available on acceptable terms, if at all. If we do not obtain such licenses, we may need to design around other parties patents or we may not be able to proceed with the development, manufacture or sale of our products.

If We Become Subject To Product Liability Claims, We May Be Required To Pay Damages That Exceed Our Insurance Coverage.

Our business exposes us to potential product liability claims that are inherent in the testing, production, marketing and sale of pharmaceuticals products. While we maintain a commercial general liability policy for $2 million, we may not be able to maintain insurance in amounts or scope sufficient to provide us with adequate coverage. A claim in excess of our insurance coverage would have to be paid out of cash reserves, which could have a material adverse effect on our business, financial condition, results of operations and cash flows and force us to curtail or cease our business operations. In addition, any product liability claim likely would harm our reputation in the industry and our ability to develop and market products in the future.

Insurance Coverage Is Increasingly More Difficult To Obtain or Maintain

Obtaining insurance for our business, property and products is increasingly more costly and narrower in scope, and we may be required to assume more risk in the future. If we are subject to third party claims or suffer a loss or damage in excess of our insurance coverage, we may be required to bear that risk in excess of our insurance limits. Furthermore, any first-or-third-party claims made on any of our insurance policies may impact our ability to obtain or maintain insurance coverage at reasonable costs or at all in the future.

Our Success Will Depend On Our Ability To Attract And Retain Key Personnel

In order to execute our business plan, we need to attract, retain and motivate a significant number of highly qualified managerial, technical, financial and sales personnel. If we fail to attract and retain skilled scientific and marketing personnel, our research and development and sales and marketing efforts will be hindered. Our future success depends to a significant degree upon the continued services of key management personnel, including Dr. Janet Greeson, our Chief Executive Officer, President and Chairman of the Board of Directors, and Dr. Vassilios Papadopoulos, Chief Scientist of the Science of Technology Advisory Committee and our key consultant. We do not maintain key man insurance on either of these individuals. The loss of their services could delay our product development programs and our research and development efforts at the Research Centre of McGill University. In addition, the loss of Dr. Greeson is grounds for our Research Collaboration with the Research Centre of McGill University Health Centre to terminate. In addition, competition for qualified employees among companies in the biotechnology and biopharmaceutical industry is intense and we cannot be assured that we would be able to recruit qualified personnel on commercially acceptable terms, or at all, to replace them.

We Are Dependent On Third Parties For A Significant Portion Of Our Bulk Supply And The Formulation, Fill And Finish Of Our Product Candidates.

We currently produce a substantial portion of clinical product candidates' supply at our collaborative partner's Ireland manufacturing facility. However, we also depend on third parties for a significant portion of our product candidates' bulk supply as well as for some of the formulation, fill and finish of product candidates that we manufacture. Pharmaplaz is our third-party contract manufacturer of product candidates' bulk drug; accordingly, our clinical supply of product candidates is currently significantly dependent on Pharmaplaz's production schedule for product candidates. We would be unable to produce product candidates in sufficient quantities to substantially offset shortages in Pharmaplaz's scheduled production if Pharmaplaz or other third-party contract manufacturers used for the formulation, fill and finish of product candidates bulk drug were to cease or interrupt production or services or otherwise fail to supply materials, products or services to us for any reason, including due to labor shortages or disputes, regulatory requirements or action or contamination of product lots or product recalls. We cannot guarantee that an alternative third-party contract manufacturer would be available on a timely basis or at all. This in turn could materially reduce our ability to satisfy demand for product candidates, which could materially and adversely affect our operating results.

Our Corporate Compliance Program Cannot Guarantee That We Are In Compliance With All Potentially Applicable U.S. Federal And State Regulations And All Potentially Applicable Foreign Regulations.

The development, manufacturing, distribution, pricing, sales, marketing and reimbursement of our products, together with our general operations, is subject to extensive federal and state regulation in the United States and to extensive regulation in foreign countries. While we have developed and instituted a corporate compliance program based on what we believe to be current best practices, we cannot assure you that we or our employees are or will be in compliance with all potentially applicable U.S. federal and state regulations and/or laws or all potentially applicable foreign regulations and/or laws. If we fail to comply with any of these regulations and/or laws a range of actions could result, including, but not limited to, the termination of clinical trials, the failure to approve a product candidate, restrictions on our products or manufacturing processes, including withdrawal of our products from the market, significant fines, exclusion from government healthcare programs or other sanctions or litigation.

RISKS ASSOCIATED WITH AN INVESTMENT IN OUR COMMON STOCK

Our Stock Is Currently Listed On The OTC Bulletin Board Which Limits The Trading Of Our Stock

Our Common Stock currently trades on the OTC Bulletin Board which is generally considered to be a less efficient market than markets such as NASDAQ or other national exchanges, and which may cause difficulty in obtaining future financing. Broker-dealers who sell stock on the OTC market must provide purchasers of these stocks with a standardized risk-disclosure document prepared by the SEC. This document provides information about our Common Stock and the nature and level of risks involved in investing in the OTC market. A broker must also give a purchaser, orally or in writing, bid and offer quotations and information regarding broker and salesperson compensation, make a written determination that our Common Stock is a suitable investment for the purchaser, and obtain the purchaser's written agreement to the purchase. Broker-dealers must also provide customers that hold OTC stock in their accounts with such broker-dealer a monthly statement containing price and market information relating to the OTC stock. If an OTC stock is sold in violation of the OTC stock rules, purchasers may be able to cancel their purchase and get their money back. If applicable, the OTC stock rules may make it difficult for investors to sell their shares of our Common Stock. Because of the rules and restrictions applicable to an OTC market stock, there is less trading in OTC stocks and the market price of our Common Stock may be adversely affected. Also, many brokers choose not to participate in OTC stock transactions. Accordingly, purchasers may not always be able to resell shares of our Common Stock publicly at times and prices that they feel are appropriate.

A Sale Of A Substantial Number Of Shares Of Our Common Stock May Cause The Price Of Our Common Stock To Decline.

If our stockholders sell substantial amounts of our Common Stock in the public market, the market price of our Common Stock could fall. These sales also may make it more difficult for us to sell equity or equity-related securities in the future at a time and price that we deem reasonable or appropriate. Several of our shareholders hold restricted common stock that may be eligible for sale pursuant to Rule 144 under the Securities Act of 1933. Sales of our Common Stock by certain present stockholders under Rule 144 may, in the future, have a depressive effect on the market price of our securities. In addition, the sale of shares by officers and directors and other affiliated shareholders may also have a depressive effect on the market for our securities.

Because We Do Not Intend To Pay Dividends, You Will Benefit From An Investment In Our Common Stock Only If It Appreciates In Value.

We have paid no cash dividends on any of our Common Stock to date, and we currently intend to retain our future earnings, if any, to fund the development and growth of our business. As a result, we do not expect to pay any cash dividends in the foreseeable future. The success of your investment in our Common Stock will likely depend entirely upon any future appreciation. There is no guarantee that our Common Stock will appreciate in value or even maintain the price at which you purchased your shares.

The Market Price Of Our Common Stock Is Highly Volatile.

The market price of our Common Stock has been and is expected to continue to be highly volatile. Various factors, including announcements of technological innovations by us or other companies, regulatory matters, new or existing products or procedures, concerns about our financial position, operating results, litigation, government regulation, developments or disputes relating to agreements, patents or proprietary rights may have a significant impact on the market price of our Common Stock. If our operating results are below the expectations of securities analysts or investors, the market price of our Common Stock may fall abruptly and significantly.

Future sales of our Common Stock, including shares issued upon the exercise of outstanding options and warrants or hedging or other derivative transactions with respect to our Common Stock, could have a significant negative effect on the market price of our Common Stock. These sales also might make it more difficult for us to sell equity securities or equity-related securities in the future at a time and price that we would deem appropriate.

We may enter into registration rights agreements in connection with certain financings pursuant to which we agreed to register for resale by the investors the shares of Common Stock issued. Sales of these shares could have a material adverse effect on the market price of our shares of Common Stock.

Under Provisions Of The Company's Articles Of Incorporation, Bylaws And Nevada Law, The Company's Management May Be Able To Block Or Impede A Change In Control

The issuance of blank check preferred stock, where the Board of Directors can designate rights or preferences, may make it more difficult for a third party to acquire, or may discourage a third party from acquiring, a majority of our voting stock. These and other provisions in our Articles of Incorporation (restated as last amended November 1, 2007) and in our Bylaws (restated as last amended March 20, 2008), as well as certain provisions of Nevada law, could delay or impede the removal of incumbent directors and could make it more difficult to effect a merger, tender offer or proxy contest involving a change of control of the Company, even if such events could be beneficial to the interest of the shareholders as a whole. Such provisions could limit the price that certain investors might be willing to pay in the future for our Common Stock.

Officers and Directors Liabilities Are Limited Under Nevada Law

Pursuant to the Company's Articles of Incorporation (restated as last amended November 1, 2007) and Bylaws (restated as last amended March 20, 2008), and as authorized under applicable Nevada law, Directors are not liable for monetary damages for breach of fiduciary duty, except in connection with a breach of the duty of loyalty for (a) acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (b) for dividend payments or stock repurchases illegal under applicable Nevada law or (c) any transaction in which a Director has derived an improper personal benefit. The Company's Articles of Incorporation (restated as last amended November 1, 2007) and Bylaws (restated as last amended March 20, 2008) provide that the Company must indemnify its officers and Directors to the fullest extent permitted by applicable Nevada law for all expenses incurred in the settlement of any actions against such persons in connection with their having served as officers or Directors.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

The following discussion sets forth securities sold by the Company in the three-month period ending March 31, 2008. These securities were shares of Common Stock of the Company. They were sold for cash and, unless otherwise noted, sold in private transactions to persons believed to be of a class of accredited investors not affiliated with the Company unless otherwise noted and purchasing the shares with investment intent, and the Company relied upon, among other possible exemptions, Section 4(2) of the Securities Act of 1933, as amended. The Company's reliance on said exemption was based upon the fact no public solicitation was used by the Company in the offer or sale, and the securities were legend shares, along with a notation at the respective transfer agent, restricting the shares from sale or transfer as is customary with reference to Rule 144 of the SEC.

During the quarter ended March 31, 2008, the Company exchanged 60,000 shares of Common Stock for $15,000. The Company had no exercise of stock options during the quarter. The Company also issued an aggregate of 207,857 shares of Common Stock in consideration of services rendered or to be rendered to the Company. Such shares were valued at an aggregate of $75,000 ranging from $0.25 - $0.50 per share, representing the fair value of the shares issued.

Issuer Purchase of Equity Securities

We did not make any purchases of our Common Stock during the three months ended March 31, 2008, which is the first quarter of our fiscal year.

Holders

As of May 14, 2008, there were approximately 931 holders of record of our Common Stock. This number was determined from records maintained by our transfer agent and does not include beneficial owners of our securities whose securities are held in the names of various dealers and/or clearing agencies.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. SUBMISSION OF MATTERS TO A VOTE OF SECURITY HOLDERS

No matters were submitted to a vote of security holders for the quarter ended March 31, 2008.

ITEM 5. OTHER INFORMATION
None.

ITEM 6. EXHIBITS

Listed below are all exhibits filed as part of this Quarterly Report on Form 10-Q. Some exhibits are filed by the Company with the SEC pursuant to Rule 12b-32 under the Securities Exchange Act of 1934, as amended.

EXHIBIT NO.	DESCRIPTION	LOCATION
3.1	Articles of Incorporation, restated as last amended November 1, 2007	Incorporated by reference to Exhibit 3.1 to the Company's Current Quarterly Report on Form 10-Q as filed with the U.S. Securities and Exchange Commission on November 19, 2007.
3.2	Bylaws, restated as last amended March 20, 2008	Incorporated by reference to Exhibit 3.2 to the Company's Form 10-K as filed with the U.S. Securities and Exchange Commission on April 14, 2008.
4.1	Form of Common Stock Certificate	Incorporated by reference to Exhibit 4.1 to the Company's Current Report Form 10-SB12G as filed with the U.S. Securities and Exchange Commission on July 21, 1999
4.2	Amended Samaritan Pharmaceuticals, Inc. 2001 Stock Option Plan	Incorporated by reference to Exhibit 4.2 to the Company's Quarterly Report on Form 10-QSB as filed with the U.S. Securities and Exchange Commission on August 16, 2004
4.3	Samaritan Pharmaceuticals, Inc. 2005 Stock Option Plan	Incorporated by reference to Schedule 14-A Information Statement as filed with the U.S. Securities and Exchange Commission on April 29, 2005 and approved by the shareholders on June 10, 2005
10.1	Research, Development and Commercialization Collaboration Agreement for SP-01A dated March 28, 2007 by and between Pharmaplaz and the Company.	Incorporated by reference to Exhibit 10.1 to the Company's Form 10-K as filed with the U.S. Securities and Exchange Commission on April 13, 2007.
10.2	Common Stock Purchase Agreement (Purchase Agreement I), dated April 22, 2003, by and between the Company and Fusion	Incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K as filed with the U.S. Securities and Exchange Commission on

Capital Fund II, LLC April 25, 2003

10.3	Registration Rights Agreement, dated April 22, 2003, by and between the Company and Fusion Capital Fund II, LLC	Incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K as filed with the U.S. Securities and Exchange Commission on April 25, 2003
10.4	Employment Agreement, dated as of January 1, 2001, by and between Samaritan Pharmaceuticals, Inc. and Mr. Thomas Lang.	Incorporated by reference to Exhibit 10.6 to the Company's Quarterly Report on Form 10-QSB as filed with the U.S. Securities and Exchange Commission on August 16, 2004
10.5	Form of Trust Under Samaritan Pharmaceuticals, Inc. Deferred Compensation Plan	Incorporated by reference to Exhibit 10.10 to the Company's Quarterly Report on Form 10-QSB as filed with the U.S. Securities and Exchange Commission on August 14, 2002
10.6	Master Clinical Trial and Full Scale Manufacturing Agreement, dated October 5, 2004, by and between the Company and Pharmaplaz, LTD	Incorporated by reference to Exhibit 10.10 to the Company's Quarterly Report on Form 10-QSB as filed with the U.S. Securities and Exchange Commission on November 15, 2004
10.7	Common Stock Purchase Agreement (Purchase Agreement II), dated May 12, 2005, by and between the Company and Fusion Capital Fund II, LLC	Incorporated by reference to Exhibit 10.11 to the Company's Quarterly Report on Form 10-QSB as filed with the U.S. Securities and Exchange Commission on May 13, 2005
10.8	Amendment to Common Stock Purchase Agreement, dated December 19, 2005, by and between the Company and Fusion Capital Fund II, LLC	Incorporated by reference to Exhibit 10.12 to the Company's Registration Statement on Form SB-2 as filed with the U.S. Securities and Exchange Commission on December 15, 2005
10.9	Registration Rights Agreement, dated May 12, 2005, by and between the Company and Fusion Capital Fund II, LLC	Incorporated by reference to Exhibit 10.12 to the Company's Quarterly Report on Form 10-QSB as filed with the U.S. Securities and Exchange Commission on May 13, 2005
10.10	Norbrook Supply Agreement	Incorporated by reference to Exhibit 1 to the Company's Current Report on Form 8-K as filed with the U.S. Securities and Exchange Commission on September 27, 2005
10.11	Research Collaboration and Licensing Agreement, dated June 8, 2001, by and between Georgetown University and Samaritan Pharmaceuticals, Inc.	Incorporated by reference to Exhibit 10.10 to the Company's Registration Statement on Form SB-2 as filed with the U.S. Securities and Exchange Commission on July 30, 2003
10.12	Change in Control Severance Plan for Certain Covered Executives and Employees of Samaritan Pharmaceuticals, Inc.	Incorporated by reference to Exhibit 10.16 to the Company's Quarterly Report on Form 10-Q as filed with the U.S. Securities and Exchange Commission on August 14, 2006.
10.13	Samaritan Pharmaceuticals, Inc.'s Director/Officer's Indemnification Agreement	Incorporated by reference to Exhibit 10.17 to the Company's Quarterly Report on Form 10-Q as filed with the U.S. Securities and Exchange Commission on August 14, 2006.
10.14	Stock Purchase Agreement among Samaritan Pharmaceuticals, Metastatin Pharmaceuticals, and the shareholders of Metastatin Pharmaceuticals.	Incorporated by reference to Exhibit 10.18 to the Company's Quarterly Report on Form 10-Q as filed with the U.S. Securities and Exchange Commission on November 14, 2006.
10.15	Samaritan Pharmaceuticals, Inc. s In-Licensing Agreement with Three Rivers Pharmaceuticals.	Incorporated by reference to Exhibit 10.15 to the Company's Form 10-Q as filed with the U.S. Securities and Exchange Commission on May 21,

		2007.
10.16	Samaritan Pharmaceuticals, Inc. s In-Licensing Agreement with Molteni Pharmaceuticals.	Incorporated by reference to Exhibit 10.16 to the Company's Form 10-Q as filed with the U.S. Securities and Exchange Commission on May 21, 2007.
10.17	Pharmaplaz Research, Development and Commercialization Collaboration Agreement	Incorporated by reference to Exhibit 10.17 to the Company's Quarterly Report on Form 8-K as filed with SEC on March 28, 2007.
10.18	Pharmaplaz Research, Development and Commercialization Collaboration Agreement Supplement	Incorporated by reference to Exhibit 10.18 to the Company's Quarterly Report on Form 10-Q as filed with the U.S. Securities and Exchange Commission on May 21, 2007.

10.19	Research Collaboration and Licensing Agreement by and between The Research Centre at McGill University, Samaritan Therapeutics, Inc., and Samaritan Pharmaceuticals, Inc.	Incorporated by reference to Exhibit 99.2 to the Company s Current Report on Form 8-K as filed with the U.S. Securities and Exchange Commission on July 25, 2007.
10.20	Cooperative Lock Up Agreement between Samaritan Pharmaceuticals, inc. and Doug Bessert and KD1, Inc.	Incorporated by reference to Exhibit 99.2 to the Company s Current Report on Form 8-K as filed with the U.S. Securities and Exchange Commission on June 12, 2007.
10.21	Samaritan Pharmaceuticals, Inc. s In-Licensing Agreement with EUSA Pharma	Incorporated by reference to Exhibit 10.21 to the Company's Form 10-K as filed with the U.S. Securities and Exchange Commission on April 14, 2008
10.22	Samaritan Pharmaceuticals, Inc. s In-Licensing Agreement with Abiogen Pharma	Incorporated by reference to Exhibit 10.22 to the Company's Form 10-K as filed with the U.S. Securities and Exchange Commission on April 14, 2008
10.23	Samaritan Pharmaceuticals, Inc. s In-Licensing Agreement with Siraeo, Ltd	Incorporated by reference to Exhibit 10.23 to the Company's Form 10-K as filed with the U.S. Securities and Exchange Commission on April 14, 2008
14.1	The Samaritan Pharmaceuticals, Inc. Code of Conduct	Incorporated by reference to Exhibit 14.1 to the Company's Form 10-KSB as filed with the U.S. Securities and Exchange Commission on April 15, 2003
21	List of Subsidiaries	Incorporated by reference to Exhibit 21 to the Company's Quarterly Report on Form 10-QSB as filed with the U.S. Securities and Exchange Commission on August 15, 2005
23.1	Consent of Independent Registered Public Accounting Firm	Incorporated by reference to Exhibit 23.1 to the Company's Registration Statement on Form SB-2 as filed with the U.S. Securities and Exchange Commission on December 15, 2005
31.1	Certification of Chief Executive Officer re: Section 302	Provided herewith
31.2	Certification of Chief Financial Officer re: Section 302	Provided herewith
32.1	Certification of Chief Executive Officer re: Section 906	Provided herewith
32.2	Certification of Chief Financial Officer re: Section 906	Provided herewith

SIGNATURES

In accordance with the requirements of the Exchange Act, the registrant caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

SAMARITAN PHARMACEUTICALS, INC

Dated: May 14, 2008

By: /s/ Eugene Boyle

Eugene Boyle,

Principal Financial Officer

Duly Authorized Officer