GENETHERA INC
Form 10QSB
November 15, 2004

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-QSB

[X] Quarterly Report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

For the Quarterly Period Ended September 30, 2004

Commission File No. 000-27237

GENETHERA, INC.
(Exact name of small Business Issuer as specified in its Charter)

Florida	66-0622463
(State or Other Jurisdiction of Incorporation or Organization)	(I.R.S. Employer Identification Number)
3930 Youngfield Street, Wheat Ridge CO (Address of principal executive offices)	80033 (Zip Code)

Issuer's telephone number, including area code: (303) 463-6371

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

State the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date: 18,425,455 Shares of $.001 par value Common Stock outstanding as of September 30, 2004.

GENETHERA, INC., AND SUBSIDIARIES

FORM 10-QSB

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PART 1 - FINANCIAL INFORMATION

Item 1. Financial Statements

GENETHERA, INC. AND SUBSIDIARIES
(A DEVELOPMENT STAGE COMPANY)
CONSOLIDATED BALANCE SHEET
SEPTEMBER 30, 2004
(UNAUDITED)

Assets

Current assets	
Cash	$ --
Prepaid expenses	30,462
Total current assets	30,462
Property and equipment, net	428,083
Other assets	
Deposits	5,278
License	326,250
Other assets	4,941
	336,470
	$ 795,014

Liabilities and Stockholders' Deficit

Current liabilities	
Bank overdraft	$ 13,979
Accounts payable	130,669
Accrued expenses	573,221
Lease payable	2,970
Loan payable - related party	12,428
Notes payable	44,517
Convertible notes payable	116,451
	894,235
Stockholders' deficit	
Preferred stock, $0.001 par value, 20,000,000 shares authorized; no shares issued and outstanding	--
Common stock $.001 par value, authorized 100,000,000 shares; 18,425,455 issued and outstanding	18,425
Additional paid in capital	22,944,897
Accumulated deficit	(23,062,542)
	(99,220)
	$ 795,014

See notes to financial statements.

GENETHERA, INC. AND SUBSIDIARIES
(A DEVELOPMENT STAGE COMPANY)

CONSOLIDATED STATEMENTS OF OPERATIONS

	For the period ended September 30, Three months ended		NINE MONTHS ENDED	
	2004	2003	2004	2003
Income				
Sales net of returns	$ --	$ --	$ --	$ 40,04
Research fees	--	--	--	5,00
	--	--	--	45,04
Cost of sales	--	--	--	(16,95
Gross profit	--	--	--	28,09
Expenses				
General and administrative expenses	47,288	75,656	252,727	177,91
Sales expenses	--	13,711	--	25,91
Lab expenses	15,889	4,060	28,622	6,64
Insurance	3,893	10,432	18,549	14,93
Consulting	124,673	--	860,451	20,68
Professional fees	27,290	22,095	174,319	254,71
Salaries	873	38,891	109,312	207,28
Other compensation	--	--	14,405,976	-
Lease expense	20,246	19,405	74,515	78,59
Depreciation and amortization	32,776	13,556	58,317	33,29
	272,928	197,806	15,982,787	819,97
Loss from operations	(272,928)	(197,806)	(15,982,787)	(791,88
Other income (expenses)				
Other income (expenses),net	10,437	--	10,437	(77,46
Interest expense	(266)	(2,554)	(1,189,063)	(34,55
Net loss from operations	$(262,757)	$ (200,360)	$(17,161,413	$ (903,90

See notes to financial statements.

GENETHERA, INC. AND SUBSIDIARIES
(A DEVELOPMENT STAGE COMPANY)
CONSOLIDATED STATEMENTS OF OPERATIONS

	For the period ended September 30, Three months ended		NINE MONTHS ENDED	
	2004	2003	2004	2003
Net loss from operations	$(262,757)	$ (200,360)	$(17,161,413)	$ (903,90

Loss from discontinued operations	--	--	--	-
Net loss	$(262,757)	$ (200,360)	$(17,161,413)	$ (903,90
Loss per common share	$ (0.01)	$ (0.10)	$ (0.96)	$ (1.0

See notes to financial statements.

GENETHERA, INC. AND SUBSIDIARY
(A DEVELOPMENT STAGE COMPANY)
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY (DEFICIT)
PERIOD FROM OCTOBER 5, 1998 (INCEPTION) TO SEPTEMBER 30, 2004

	COMMON STOCK SHARES	COMMON STOCK AMOUNT	PAID IN CAPITAL
Issuance of common stock to founders for consulting services rendered at an aggregate of $36,000	420,000	$ 420	$ 35,580
Issuance of common stock in exchange for equipment supplies and cash	100,000	100	99,900
Issuance of common stock according to a contract for computer services and financing	60,000	60	59,940
Issuance of common stock in exchange for cash	5,000	5	4,995
Net loss, 1999			
Balance December 31, 1999	585,000	585	200,415
Issuance of common stock in exchange for consulting services rendered	25,000	25	24,975
sub-total	610,000	$ 610	$ 225,390

See notes to financial statements.

GENETHERA, INC. AND SUBSIDIARY
(A DEVELOPMENT STAGE COMPANY)
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY (DEFICIT)
PERIOD FROM OCTOBER 5, 1998 (INCEPTION) TO SEPTEMBER 30, 2004

	COMMON STOCK	PAID IN

	SHARES	AMOUNT	CAPITAL
sub-total	610,000	$ 610	$ 225,390
Issuance of common stock in exchange for an agreement for management and financing for $80,000	40,000	40	39,960
Issuance of common stock in exchange for a consulting agreement	10,000	10	11,990
Net loss, 2000			
Balance December 31, 2000	660,000	660	277,340
Issuance of common stock to an officer in lieu of salary	1,125,000	1,125	238,875
Issuance of common stock to an employee in lieu of salary	60,000	60	59,940
Issuance of common stock to an employee in lieu of salary	15,000	15	14,985
Issuance of common stock in exchange for consulting services	100,000	100	99,900
Net loss, 2001			
Balance December 31, 2001	1,960,000	$ 1,960	$ 691,040

See notes to financial statements.

GENETHERA, INC. AND SUBSIDIARY
(A DEVELOPMENT STAGE COMPANY)
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY (DEFICIT)
PERIOD FROM OCTOBER 5, 1998 (INCEPTION) TO SEPTEMBER 30, 2004

	COMMON STOCK SHARES	COMMON STOCK AMOUNT	PAID IN CAPITAL
sub-total	1,960,000	$ 1,960	$ 691,040
Recapitalization on February 25, 2002	697,176	697	1,000,702
Issuance of shares of common stock in connection with convertible notes payable	21,000	21	10,479
Issuance of shares of common stock in connection with conversion	60,000	60	29,940
Additional paid in capital - related party	--	--	83,262
Additional paid in capital - related party	--	--	285,700

Net loss, 2002			
Balance December 31, 2002	2,738,176	2,738	2,101,123
Additional paid in capital contributed as equipment	--	--	201,976
Additional paid in capital - related party	--	--	200,000
Beneficial conversion feature			319,221
Shares issued in exchange for services	715,000	715	607,035
sub-total	3,453,176	$ 3,453	$ 3,429,355

See notes to financial statements.

GENETHERA, INC. AND SUBSIDIARY
(A DEVELOPMENT STAGE COMPANY)
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY (DEFICIT)
PERIOD FROM OCTOBER 5, 1998 (INCEPTION) TO SEPTEMBER 30, 2004

	COMMON STOCK SHARES	COMMON STOCK AMOUNT	PAID IN CAPITAL
sub-total	3,453,176	$ 3,453	$ 3,429,355
Shares issued to officer	600,000	600	1,163,400
Shares issued on conversion	663,302	663	330,989
Shares issued on conversion	80,000	80	191,120
Net loss, 2003			
Balance December 31, 2003	4,796,478	4,796	5,114,864
Shares issued on conversion	934,926	935	650,528
Shares issued to consultants for services rendered ($4.11)	50,000	50	205,450
Shares issued to consultants for services rendered ($4.00)	30,000	30	119,970
Beneficial conversion feature	--	--	1,178,107
Shares issued on conversion	371,333	371	362,629
Shares issued to officer ($1.58)	8,743,339	8,744	13,805,732

sub-total	14,926,076	$14,926	$21,437,280

See notes to financial statements.

GENETHERA, INC. AND SUBSIDIARY
(A DEVELOPMENT STAGE COMPANY)
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY (DEFICIT)
PERIOD FROM OCTOBER 5, 1998 (INCEPTION) TO SEPTEMBER 30, 2004

	COMMON STOCK SHARES	COMMON STOCK AMOUNT	PAID IN CAPITAL
sub-total	14,926,076	$14,926	$21,437,280
Shares issued to officer ($1.30)	455,000	455	591,045
Shares issued to consultants for services rendered ($1.58; $1.18)	161,000	161	231,819
Warrants exercised	2,382,979	2,383	235,915
Shares issued to consultants for services rendered ($1.08; $.95;$.76;$.85)	97,250	97	94,575
Beneficial conversion feature			266
Shares issued on conversion	28,150	28	28,122
Shares issued in connection with VDx	375,000	375	325,875
Net loss, September 30, 2004			
Balance September 30, 2004 (Unaudited)	18,425,455	$18,425	$22,944,897

See notes to financial statements.

GENETHERA, INC. AND SUBSIDIARY
(A DEVELOPMENT STAGE COMPANY)
CONSOLIDATED STATEMENTS OF CASH FLOWS

	Nine months ended Se 2004

Cash flows from operating activities:	
Net loss	$(17,161,413)
Adjustments to reconcile net loss to net cash used in operating activities:	
Depreciation and amortization	58,317
Compensation in exchange for common stock	15,402,017
Beneficial conversion feature	1,178,107
Loss on discontinued operations	--
(Increase) decrease in accounts receivable	--
(Increase) decrease in inventory	--
(Increase) decrease in other assets	(64,417)
Increase (decrease) in accounts payable and accrued liabilities	(107,025)
Increase (decrease) in deferred income	--
Total adjustments	16,466,999
Net cash used in operating activities	(694,414)
Cash flows from investing activities:	
Cash payments for the purchase of property	(5,508)
Net cash used in investing activities	(5,508)
Cash flows from financing activities:	
Bank overdraft	13,979
Capital contributed as equipment	--
Principal payments on note/leases payable	(152,057)
Proceeds from issuance of common stock	--
Proceeds from loans payable	838,000
Net cash provided by financing activities	699,922
Net increase in cash and cash equivalents	0
Cash and cash equivalents, beginning of year	--
Cash and cash equivalents, end of year	$ 0
Supplemental disclosures of cash flow information:	
a) Cash paid during the period for:	
Interest expense	$ --

GENETHERA, INC. AND SUBSIDIARY
(A DEVELOPMENT STAGE COMPANY)
CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)
NINE MONTHS ENDED SEPTEMBER 30, 2004

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Board of Directors
GeneThera, Inc.
Wheat Ridge, Colorado

We have reviewed the accompanying consolidated balance sheet of GeneThera, Inc. (a development stage company) and its wholly-owned subsidiaries as of September 30, 2004 (unaudited), and the related consolidated statements of operations, stockholders' equity (deficit), and cash flows for the periods ended September 30, 2004 and 2003 and for the period from October 5, 1998 (inception) to September 30, 2004. These financial statements are the responsibility of the Company's management.

We conducted our review in accordance with standards established by the Public Company Accounting Oversight Board (United States). A review of interim financial information consists principally of applying analytical procedures and making inquiries of persons responsible for financial and accounting matters. It is substantially less in scope than an audit conducted in accordance with the standards of the Public Company Accounting Oversight Board, the objective of which is the expression of an opinion regarding the financial statements taken as a whole. Accordingly, we do not express such an opinion.

Based on our review, we are not aware of any material modifications that should be made to the accompanying interim consolidated financial statements for them to be in conformity with U.S. generally accepted accounting principles.

KANTOR, SEWELL & OPPENHEIMER, PA
Certified Public Accountants

Hollywood, Florida
November 15, 2004

GENETHERA, INC. AND SUBSIDIARY
(A DEVELOPMENT STAGE COMPANY)
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)
NIBE MONTHS ENDED SEPTEMBER 30, 2004

NOTE 1 PRINCIPLES OF CONSOLIDATION

Principles of Consolidation
The accompanying consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries, GeneThera, Inc. (Colorado) and VDx, Inc. All significant inter-company balances and transactions have been eliminated.

NOTE 2 BASIS OF PRESENTATION

The interim financial information included herein is unaudited; however, such information reflects all adjustments which are, in the opinion of management, necessary for a fair presentation of the Company's financial position, results of operations, changes in stockholders' deficit and cash flows for the interim periods. All such adjustments are of a normal, recurring nature. The results of operations for the first nine months of the year are not necessarily indicative of the results of operations that might be expected for the entire year.

The accompanying consolidated financial statements of the Company have been prepared in accordance with the instructions to Form 10-Q and, therefore, omit or condense certain footnotes and other information normally included in financial statements prepared in accordance with generally accepted accounting

principles. It is suggested that these condensed financial statements should be read in conjunction with the Company's financial statements and notes thereto included in the Company's audited financial statements on Form 10-K/A for the fiscal year ended December 31, 2003. (See Note 9)

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Recent Accounting Pronouncements
The Financial Accounting Standards Board (FASB) issued SFAS No. 141, Business Combinations, which establishes revised standards for accounting for business combinations, eliminating the pooling method, and providing new guidance for recognizing intangible assets arising in a business combination. Additionally, SFAS No. 141 requires more prominent and more frequent disclosures in financial statements about a business combination. This statement is effective for business combinations initiated on or after July 1, 2001. The adoption of this pronouncement on July 1, 2001 did not have a material effect on the Company's financial position, results of operations or liquidity.

NOTE 3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - CONTINUED

SFAS 142, Goodwill and Other Intangible Assets provides guidance on accounting for the acquisition of intangibles, except those acquired in a business combination, which is subject to SFAS 141, and the manner in which intangibles and goodwill should be accounted for subsequent to their initial recognition. This statement is effective for all fiscal years beginning after December 15, 2001. The adoption of SFAS 142 on April 1, 2002 did not have a material effect on the Company's financial position, results of operations, or liquidity.

SFAS No. 144, Accounting for the Impairment or Disposal of Long-Lived Assets provides implementation guidance regarding when and how to measure an impairment loss, and expands the presentation to include a component of an entity, rather than strictly a business segment. SFAS 144 also eliminates the current exemption to consolidation when control over a subsidiary is likely to be temporary. This statement is effective for all fiscal years beginning after December 15, 2001. The adoption of SFAS 144 on April 1, 2002 did not have a material effect on the Company's financial position, results of operations or liquidity.

Earnings per Share
Basic earnings per share are computed based on the weighted average number of common shares outstanding during each year. Diluted earnings per share are computed based on the weighted average number of common shares outstanding during the period, plus the dilutive effect of potential future issuances of common shares relating to convertible notes.

NOTE 4 PROPERTY AND EQUIPMENT

Property and equipment consisted of the following:

	September 30, 2004
Computers	38,030
Telephone System	5,118
Furniture & fixtures	1,465
Laboratory equipment	578,043
	622,656
Less accumulated depreciation	(194,573)
	$428,083

Depreciation expense for the nine months ended September 30, 2004 and 2003 was $58,317 and $33,296, respectively.

GENETHERA, INC. AND SUBSIDIARY
(A DEVELOPMENT STAGE COMPANY)
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)
NINE MONTHS ENDED SEPTEMBER 30, 2004

NOTE 5 CONVERTIBLE NOTES PAYABLE

	September 30, 2004
Various convertible notes payable to individuals, with interest ranging from 8-10%; due at various dates from April 14, 2003 through June 18, 2004; convertible into shares of common stock at prices of $0.25 - $0.50 per share.	$ 116,451
Less: current portion	(116,451)
Total long-term convertible notes payable	$ 0

For the nine months ended September 30, 2004 and 2003, interest expense related to the convertible notes payable amounted to $10,690 and $3,019, respectively.

NOTE 6 STOCKHOLDERS' EQUITY (DEFICIT

Common Stock
During the nine months ended September 30, 2004, the Company issued 1,334,409 shares of common stock pursuant to conversion rights exercised by holders.

On January 16, 2004, the Company issued 30,000 shares pursuant to a one-year agreement with a consultant for a total of $120,000, based on the closing price on January 14, 2004. The Company charged one-half, or $60,000 to operations and the remaining $60,000 has been capitalized and prorated over the life of the

agreement.

On January 26, 2004, the Company issued 211,000 shares for a total of $437,480 based on the closing price on date of issue. These shares were issued to a consultant for services rendered and resulted in an immediate charge to operations.

In June 2004, the Company issued 9,198,339 shares for a total of $14,405,976 based on the closing prices on the dates of issue. These shares were issued to the officer by resolution of the board of directors in conjunction with the completion of the reverse acquisition.

In August and September 2004, the Company issued 125,400 shares for a total of $94,673 based on the closing prices on the dates of issue. These shares were issued to several consultants for services rendered and resulted in immediate charges to operations.

Asdescribed in Note 8, on September 20, 2004 the Company issued 375,000 restricted common shares in connection with its acquisition of VDx, Inc. These shares were valued at .87 cents per share.

GENETHERA, INC. AND SUBSIDIARY
(A DEVELOPMENT STAGE COMPANY)
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)
NINE MONTHS ENDED SEPTEMBER 30, 2004

NOTE 7 GOING CONCERN UNCERTAINTY

These financial statements are presented assuming the Company will continue as a going concern. For the years ended December 31, 2003 and 2002, the Company showed operating losses of $3,080,740 and $2,431,761, respectively. The accompanying financial statements indicate that current liabilities exceed current assets by $863,773 for the nine months ended September 30, 2004.

Previously, the Company was listed as in default for payments on notes payable in the amount of $44,517, including accrued interest. Subsequently, management has determined that the notes are not in default and are classified as a long-term liability in the current financial statements. The disposition of these notes will be reflected in the year-end financial statement of December 31, 2004. These factors raise substantial doubt about its ability to continue as a going concern. Management's plan with regard to these matters includes raising working capital to assure the Company's viability, through private or public equity offering, and/or debt financing, and/or through the acquisition of new business or private ventures.

NOTE 8 SUBSIDIARY- SUBSEQUENT EVENT

On January 14, 2002, the board of directors voted to sell the stock of The Family Health News, Inc., subject to stockholder approval. On August 1, 2004 a final agreement was signed to dispose of the subsidiary. This agreement was effective nunc pro tunc to October 1, 2003. Consequently, the financial statements for the year ended December 31, 2003 were restated to reflect this subsequent event, as if it had taken place October 1, 2003.

On September 20, 2004, the Company completed its acquisition of VDx, Inc. VDx,

Inc. was acquired for 375,000 shares of common restricted stock with no registration rights. The full agreement is contained in the 8-K filing filed with the SEC on September 25, 2004.

NOTE 9 RESTATEMENTS

The Company restated the consolidated balance sheet at December 31, 2003 and the consolidated statements of operations, stockholders' equity (deficit) and cash flows for the year then ended. The restatement was made to reflect the proper accounting in accordance with accounting principles generally accepted in the United States in connection with beneficial conversion features on convertible debentures, revaluation of fixed assets, consolidation and disposal of a previously unconsolidated subsidiary, and impairment of long-lived assets.

The effect on the financial statements of the Company is as follows:

	As Restated	As Or Re
Accumulated deficit - December 31, 2002	$ (2,820,390)	$ (
Loss	(3,080,740)	(
Accumulated deficit - December 31, 2003	$ (5,901,130)	$ (

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Item 2. Management's Discussion and Analysis or Plan of Operations

The following discussion and analysis should be read in conjunction with the financial statements and notes thereto that appear elsewhere herein.

RESULTS OF OPERATIONS

Gross profits for the three-month period ended September 30, 2004 were $0 compared to $0 for the same period last year. Personnel (salaries) decreased from $38,891 for the prior three month period ending September 30, 2003 to $873 for the three month period ending September 30, 2004.Professional expenses (consulting and professional fees) comparing the three month period ending September 30, 2003, to the three month period ending September 30, 2004, decreased from $182,619 to $27,920.

GENETHERA PLAN OF OPERATION

Background

GeneThera is a development stage company (as such term is defined by the Securities and Exchange Commission ("SEC") and Generally Accepted Accounting Principles and has had negligible revenues from operations in the last two years. As a development stage company, its research and development expenditures have not been capitalized as of this date.

GeneThera has developed proprietary diagnostic assays for use in the agricultural and veterinary markets. Specific assays for Chronic Wasting Disease (among elk and deer) and Mad Cow Disease (among cattle) have been developed and are available currently on a limited basis. E.coli (predominantly cattle) and

Johnne's disease (predominantly cattle and bison) diagnostics are in development. With the acquisition of VDx, Inc., we have a commercial NEFA test currently available.

GeneThera provides genetics-based diagnostic and is currently working on vaccine solutions to meet the growing demands of today's veterinary industry and tomorrow's agriculture and healthcare industries. The company is organized and operated both to continually apply its scientific research to more effective management of diseases and, in so doing, realize the commercial potential of molecular biotechnology.

On September 20, 2004, we closed on the acquisition of VDx, Inc., a Wisconsin Corporation. VDx will be run as a wholly owned subsidiary of the company. A manufacturer and distributor of veterinary diagnostic equipment and tests, VDx currently markets and sells specialized tests for bovine IgG, NEFA for the dairy industry, and Equine IgG. VDx has already made a significant impact within the dairy cattle industry with their NEFA test and nutritional supplement program to maximize output for the dairy farmer. The NEFA test offers farmers the ability to test the health and nutrition of their cattle before giving birth and also test the health of the new calves once born. Future milk output from dairy cattle is directly affected by the nutrition just prior to calving.

GeneThera will immediately begin to benefit from the existing revenues being generated by VDx. This working capital will enable GeneThera to further their research in areas such as Mad Cow disease, Chronic Wasting disease, and Johnne's disease. GeneThera hopes to not only expand on the number of tests available to the existing customers, but also to work closely within their industries to develop new tests with their state-of-the-art technology for the detection and vaccination of diseases specific to those industries.

The Company believes it will require significant additional funding in order to achieve its business plan. Over the next 12 months, in order to have the capability of achieving its business plan, the Company will require at least $1,200,000. There are no guarantees whether the Company will be able to secure such a financing, and if the financing is secured, there are no guarantees whether the Company can achieve the goals laid out in its business plan fully.

RESEARCH AND DEVELOPMENT

We anticipate that R&D will be the source for both assay development and vaccine design/development. If we are able to develop assays for different diseases, we intend to formalize the procedure into a commercial application through a series of laboratories to be owned and operated by GeneThera. To date, we have introduced our diagnostic solution for Chronic Wasting Disease and Mad Cow Disease on a very limited basis. We anticipate that R&D will be ongoing during the life of the Company, as this is the source for new products to be introduced to the market. Our plan is to seek new innovations in the biotechnology field. We cannot assure you that we will be successful in developing or validating any new assays or, if we are successful in developing and validating any such assays, that we can successfully commercialize them or earn profits from sales of those assays. Furthermore, we cannot assure you that we will be able to design, develop, or successfully commercialize any vaccines as a result of our research and development efforts.

COMMERCIAL DIAGNOSTIC TESTING

In the event that we are able to develop assays for the detection of diseases in animals, we intend to establish a series of diagnostic testing laboratories

geographically proximate to the primary sources of individual diseases and/or according to specific available operating efficiencies. The specific number of labs to be built and operated will be based on assay demand (demand facilitated by the number of specific disease assays GeneThera develops), our ability to obtain the capital to build the labs, and our ability to successfully manage them from our principal office. As of the date of this filing, we are in negotiation to establish a diagnostic testing laboratory outside of our Colorado facility.

LICENSING

Through our third division, Licensing, we intend to manage the marketing and sale of the vaccines developed by GeneThera's Research & Development division. As GeneThera does not intend to be a vaccine manufacturer, we plan to use our Licensing division to license the technology related to any vaccines that may be developed and to manage the revenue potential available from the successful development and validation of specific vaccines. We cannot provide any assurance that we will develop any vaccines or that, if they are developed, we will be able to license them successfully or that any such license will produce significant revenues.

R&D SERVICES

Molecular, Cellular, Viral Biology Research, and Consulting Services. We intend to provide independent research services to scientists in academia, the pharmaceutical industry, and the biotechnology industry. Primarily, GeneThera's expertise focuses on technology relevant to animal and human immunotherapy. These services are backed by the cumulative experiences of greater than 50 years of research and development in both government and industry by GeneThera's senior scientists. The non-executive employee that makes a significant contribution to our research and development services is Henry Wei. GeneThera intends to develop a commercial-scale implementation of Adenovector Purification Process to

support R&D material production. Furthermore, GeneThera intends to evaluate and test commercially available expression vectors and incorporate them into its vector repertoire. These technologies are well established within the repertoire of GeneThera's scientific staff. WE cannot provide any assurance, however, that we will be able to successfully offer these services or that, if offered, we can provide them profitably/

Research & Development Services:

Molecular Biology:

Synthetic cDNA Construction
Prokaryotic Expression Vector Construction & Development
E. coli Expression Strain Evaluation
Pilot Scale Fermentation
Mammalian Expression Vector Construction & Development
Baculovirus Expression
Protein Isolation
Protein Engineering: Complement Determining Region Conjugated Proteins
Monoclonal Antibody Production Chimerization & Humanization
Vector design for Prokaryotic Expression of Antibody Fragments (Fab) and Single Chain Antibody (ScFv)

Pilot Scale-up Development

Process Purification & Characterization
Assay Development & Quality Control Pharmaceutical Dosage and Formulation

Molecular Biology Potential Agreement Structure

Stage I

cDNA Construction & Expression Vector Development Stage
A specific gene sequence is cloned in an expression vector and screened by restriction enzyme analysis

Stage II

The expession vector is grown into bacteria and the protein produced is purified by chromatography techniques

Stage III

Assay for the protein stability and activity

Stage IV

Quantitation of protein yield per each cell line used for protein expression

Stage V

Experimental animal model development for determination of proper biological active concentration and stability and determination of proper storage.

Gene Therapy Testing Services. GeneThera offers GLP testing programs for somatic cell, viral and naked DNA-based gene therapies. Our scientists have over eight years experience in providing fully integrated bio-safety testing programs for the cell and gene therapy fields and have supported a number of successful BLA and IND applications. To date, the Company has not generated any

revenues with regard to these services, and there is no assurance that we will generate any revenues from such services.

Replication-Competent Viral Vector Testing. Sensitive in vitro cell culture assays are used to detect replication-competent retroviruses or adenoviruses. GeneThera can work with clients to provide custom replication-competent virus detection assays for the particular vector construct.

Complete Somatic Cell and Viral Vector Packaging and Producer Cell Line Characterization. GeneThera offers all of the assays mandated by regulatory authorities worldwide for the bio-safety analysis and characterization of cells and cell lines used in gene therapy products.

Vector Stock Characterization. Custom purity and potency testing is available for gene therapy viral ector stocks.

Vector Purification Process Validation for Viral Clearance. Most biopharmaceuticals require viral clearance studies to validate the removal of potential contaminants, such as those from bovine components or from helper

viruses (adenovirus in AAV production). GeneThera can provide custom design and performance of viral studies for various vector purification processes.

Custom Bio-safety Testing Programs for Somatic Cell, Ex Vivo Cell, and Tissue Therapies. GeneThera can guide our clients through the unique process of designing and implementing a bio-safety testing program that meets the needs of each specific project.

GeneThera is currently seeking contracts for these services. There is no assurance that any contracts will be signed or that the company will generate significant revenues or profits from any such contracts.

BUSINESS MODEL

Summary. GeneThera's animal disease assay development business is based on its Integrated Technology Platform (ITP) that combines a proprietary diagnostic solution called Gene Expression Assay (GEATM) with PURIVAXTM, its system for analyzing large-scale DNA sequencing. The first part of this platform is the ongoing development of molecular diagnostic assays solutions using real time Fluorogenic Polymerase Chain Reaction (F-PCR) technology to detect the presence of infectious disease from the blood of live animals. The second part of the ITP is the development of therapeutic vaccines using RNA interference technology. It also allows for the efficient, effective, and continuous testing, management and treatment of animal populations. These facts distinguish the technology from any alternative testing and management methodology available to agriculture today -- all of which require the destruction of individual animals and even entire herds. Our testing and data analysis processes also allow us not only to separate infected from clean animals, but also to gain knowledge vital to development of preventative vaccines.

Each individual assay utilizes the proprietary Field Collection System (FCS) for the collection and transportation of blood samples to GeneThera's laboratory. The FCS allows GeneThera to maintain the integrity of each sample by the addition of specific reagents to test tubes contained in the system. GeneThera's FCS is designed to be an easy-to-use method of gathering blood samples from harvested or domesticated animals. It ensures consistency of samples as well as increased assurance of each sample's integrity.

To date, GeneThera has successfully developed the ability to detect Chronic Wasting Disease, a disease affecting elk and deer in North America. The release of commercialized Field Collection Systems and laboratory diagnostic testing occurred in October of 2003. GeneThera has also successfully developed an assay for the detection of Mad Cow Disease, a disease recently found in the United States, but which has been in Europe for many years. The Field Collection Systems are available for purchase from the Company. Chronic Wasting Disease and Mad Cow Disease are both in the family of diseases called Transmissible Spongiform Encephalopathy (TSE). Diagnostic assays for E.coli O157:H7 and Johnne's Disease are in the final stages of development.

The Company, through GeneThera, is also developing vaccines for Chronic Wasting Disease and E.coli O157:H7. The Company will need the approval of the USDA before the vaccines can be manufactured or sold. The approval process for animal vaccines is time-consuming and expensive. We anticipate that such approval, if it is obtained, may require more than $5 million and may require more than two years for each vaccine for which approval is sought. Currently we do not have the capital necessary to seek approval of any of our candidate vaccines, and we cannot provide any assurance that we will be able to

raise the capital necessary for such approval on terms that are acceptable to us, if at all. In addition, even if we are successful in raising the capital necessary to seek approval of any vaccine, there are no assurances that such an approval will be granted, or if granted, whether we will be able to produce and sell such vaccines following such an approval in commercial quantities or to make a profit from such production and sales.

INTEGRATED TECHNOLOGY PLATFORM (ITP)

GeneThera's integrated technology platform is the foundation for "fast-track" rDNA vaccine development. At the present stage we are working on the development of a recombinant DNA vaccine for transmissible spongiform encephalopathy (TSE) and Johnnes disease. Both vaccine developments are in the "in Vitro" stage. We expect to initiate experimental animal studies for Johnnes in the next 2-3 months. A longer time frame (6-8 months) will be needed to initiate experimental animal studies for TSE. ITP is the assembly of GEA TM and PURIVAX TM rAD and rAAV systems. This integrated technology platform yields fast-track vaccine development. Leveraging its ITP, GeneThera believes that it can develop a prototype vaccine within 4 to 6 months versus the current standard of 18 to 24. The cost to bring these vaccines to market is $2-5 Million from start to finish. There is no assurance that we will be able to raise the capital necessary to bring a vaccine to market and if the capital is raised, that we will be able to overcome the government regulations involved in bringing such a product to market. The GEA TM applied modular unit system utilizes robotics and is based on nucleic acid extraction in conjunction with F-PCR technology to develop gene expression assays. Using GEATM assays, vaccine efficacy can be measured in real time. This means not having to wait for the antibody response to measure how well the vaccine is working. F-PCR allows effective quantification of the precise number of viral or bacterial genetic particles before, during and after vaccine injection(s). The more effective the vaccine is, the stronger the decrease of the infectious disease particles will be.

GEATM SYSTEM

GEATM is a proprietary assay development system. GEA was developed in 2001. To date the system has been used to develop our TSE molecular assay. GEA is a gene expression system to be used solely in our laboratory .The core of GEATM is Fluorogenic Polymerase Chain Reaction technology (F-PCR). GeneThera solves the technical problems related to the use of conventional PCR in molecular diagnostics via our modular unit concept. Specifically, the modular unit consists of an Automated Nucleic Acid Workstation (ANAW) and a Sequence Detection System (SDS) that are fully integrated, allowing an operator to perform the entire procedure of DNA extraction and F-PCR analysis within a closed computerized system. This system results in minimal intervention and no post-PCR manipulation. GEA is a molecular genetic base system that utilizes fluorogenic polymerase chain reaction (F-PCR). To perform GEA, specific laboratory equipment is needed. This involves some substantial initial costs to set up the laboratory operations. However, the use of F-PCR represent a great advantage over other available systems because of its greater sensitivity, speed and accuracy.

The Automated Nucleic Acid Workstation is a highly flexible robotic system that extracts and purifies acids from a variety of complex samples, preparing them for F-PCR analysis. Data management system software includes a database to manage all run phases and record sample processing.

The Sequence Detection System detects the fluorescent signal generated by the cleavage of the reporter dye during each PCR cycle. This process confers specificity without the need of post-PCR hybridization. Most important, the SDS offers the advantage of monitoring real time increases in fluorescence during PCR. Specifically, monitoring real-time progress of the PCR completely changes the

approach to PR-based quantitation of DNA and RNA, most particularly in improving the precision in both detection and quantitation of DNA and RNA targets.

GeneThera currently faces no competition in the use of F-PCR technology and the modular unit concept for commercial testing of either infectious disease in animals or food pathogen contamination. Currently, most labs utilize conventional microbiology, immunological or conventional PCR methods for either veterinary diseases or food pathogen contamination detection. Specific to microbiology and immunological techniques, the drawbacks of these approaches are:

1. the antibodies-based culture media used to detect the presence of infectious diseases has a low level of sensitivity;

2. high background due to non-specific binding of antibodies and/or culture contamination;

3. sample preparation and storage creates artifacts; and

4. long, cumbersome protocols necessary to perform these tests.

A major technical limitation of conventional PCR is the risk of contaminating a specimen with the products of previously amplified sequences. Known as cross-contamination, this phenomenon represents a constant challenge to any lab using conventional PCR. Managing these challenges is cumbersome and difficult to streamline.

Fluorogenic PCR (F-PCR) overcomes these drawbacks by making it possible for PCR to efficiently test large numbers of samples even when major laboratory facilities are not readily available. A novel methodology, F-PCR allows quantitative and qualitative detection of specific nucleic acid sequences in a very sensitive, highly accurate and rapid fashion.

PURIVAXTM TECHNOLOGY

GeneThera has developed a large-scale process for highly purified and high viral titer Adenovirus and AAV recombinant vectors. This technology enables GeneThera to develop Adenovirus and AAV based recombinant DNA vaccines for veterinary diseases and food pathogens.

GeneThera's PURIVAXTM is a multi-resin anion exchange chromatography system that dramatically improves biological purity and viral titer of recombinant Adenovirus and AAV vectors. PURIVAXTM is intended to completely eliminate toxic side effects associated with adenoviruses and AAV vectors, thereby making it possible to develop highly immunogenic and safe recombinant DNA vaccines. Importantly, recombinant DNA (rDNA) vaccine technology represents a powerful tool for an innovative vaccine design process known as "genetic immunization."

Recombinant Adenovirus (rAD) and AAV (rAAV) vectors are the ideal candidates for a gene delivery system. These viruses can efficiently deliver genetic material to both dividing and non-dividing cells, thereby overcoming some of the obstacles encountered with first generation retroviral vectors.

Equally important, rAd and rAAV are engineered virus genomes that contain no viral gene. One of the key features for rAd and rAAV is their ability

to transduce a large variety of cells. However, two technical challenges had to be overcome to fully utilize rAd and rAAV in the development of rDNA vaccines:

1. lack of large scale purification system;
2. low viral titer

Traditional technologies and first generation chromatography processes are inadequate both in terms of purity and yield. And, due to the limitation of these purification technologies, adequate viral titers cannot be achieved. The result is no efficient system to deliver immuonogenic genetic sequences into cells.

This is the significance of GeneThera's PURIVAX TM, rAD and rAAV system for rDNA vaccine development. Succinctly stated, it is designed to be able to achieve both high purity and high viral titer (up to 10e16 viral particles/eulate) based on its proprietary multi-resin anion exchange chromatography system. GeneThera believes that biological contaminants such as endogenous retrovirus, bacterial, mycoplasma, non-specific nucleic acids, lipids, proteins, carbohydrates and endotoxins are eliminated during the purification process.

FIELD COLLECTION SYSTEM

GeneThera's Field Collection System (FCS) is a commercial product designed to permit a standardized manner for drawing, stabilizing and handling blood samples intended for GeneThera's diagnostic assay testing. Each package is referred to as a "System" because it is just that. There are two different FCS packages: one for hunters and one for breeders or ranchers. GeneThera's FCS is designed to be an easy-to-use method of gathering blood samples from harvested or domesticated animals. It ensures consistency of samples as well as increased assurance of each sample's integrity. The Field Collection System was developed in the middle of 2002. We are currently marketing this system as a "marketing trial". A very limited number of sales has been achieved to date (less than 15 units).

Common to each FCS are two test tubes, each containing a separate reagent. The process, as described in the packaging, ensures that each individual sample of blood will be stabilized, thereby increasing the integrity of that sample for diagnostic testing. Additionally, this common method of receiving blood samples at the GeneThera laboratory (ies) increases the efficiency of handling the volume of samples received. We believe this will enable us to provide a fast, efficient process, capable of posting results within 24 hours of receipt at a low cost to the consumer. GeneThera must do all testing using the FCS and no third parties can test the blood collected. The Company is currently offering the FCS for hunters, breeders, or ranchers directly through the Company on a limited basis. The Company intends to begin a marketing campaign through the addition of key personnel to achieve higher volumes of sales for the FCS. The Company projects that no capital will be needed to hire the additional personnel as they will be hired on a strictly commission based.

LIQUIDITY AND CAPITAL RESOURCES

The Company had a cash balance of $11,861.01 as of September 30, 2004. It is estimated that it will require outside capital for the year 2005 for the

commercialization of GeneThera's molecular assays as well as the development of their therapeutic vaccines. The Company intends to raise these funds by means of one or more private offerings of debt or equity securities or both. As discussed in this filing, the Company has raised $1,263,900 through Convertible Notes to certain individuals in late 2003 and 2004. All of these individuals have converted as of the date of this filing. Currently the company is in discussions with two groups to obtain financing through either debt and/or equity. No definitive agreements have been signed. There are no guarantees whether the Company will be able to secure such a financing, and if the financing is secured, there are no guarantees whether the Company can achieve the goals laid out in its business plan fully. We will require significant additional funding in order to achieve our business plan. Specifically, we will need to increase our marketing plans to the dairy cattle industry as a result of the acquisition of VDx. We will need to hire additional scientists and technical personnel to meet the anticipated demand of our tests by the dairy industry. Over the next 12 months, in order to have the capability of achieving our business plan, we believe that we will require at least $1,200,000. We will attempt to raise these funds by means of one or more private offerings of debt or equity securities or both. We have raised an aggregate of approximately $1,263,900, through the issuance of promissory notes convertible to our common stock to certain individuals in 2003 and 2004. As of the date of this Report, all $1,263,900 has been converted into shares of our common stock.

Our longer-term working capital and capital requirements will depend upon numerous factors, including revenue and profit generation, pre-clinical studies and clinical trials, the timing and cost of obtaining regulatory approvals, the cost of filing, prosecuting, defending, and enforcing patent claims

and other intellectual property rights, competing technological and market developments, collaborative arrangements. Additional capital will be required in order to attain such goals. Such additional funds may not become available on acceptable terms and we cannot give any assurance that any additional funding that we do obtain will be sufficient to meet our needs in the long term.

CONVERTIBLE NOTES

To relieve our cash flow crisis, we have issued convertible promissory notes, in the aggregate principal amount of $1,263,900, to certain individuals.

On December 12, 2002, we issued a convertible promissory note bearing interest at the rate of 8% per annum in the principal amount of $50,000 to Fidra Holdings, Ltd. due 180 days after issuance. The holder of the note is entitled to convert the principal amount of the note at the rate of $.50 per share. As of June 30, 2004, the principal amount of that note has not been converted. This note was assigned to The Regency Group on October 13, 2004.

On December 24, 2002, we issued a convertible promissory note bearing interest at the rate of 8% per annum in the principal amount of $10,000 to Jerry A. Ulvestad due 180 days after issuance. The holder of the note is entitled to convert the principal amount of the note at the rate of $.50 per share. As of June 30, 2004, that note has been converted into 20,000 shares.

On December 27, 2002, we issued a convertible promissory note bearing interest at the rate of 8% per annum in the principal amount of $1,000 to Michael Abbondanza due 180 days after issuance. The holder of the note is entitled to convert the principal amount of the note at the rate of $.50 per

share. As of June 30,2004, that note has been converted into 2,000 shares.

On January 12, 2003,we issued a convertible promissory note bearing interest at the rate of 8% per annum in the principal amount of $120,000 to John Taggart. The holder of the note is entitled to convert the principal amount of the note at the rate of $0.50 per share. An aggregate amount of $36,900 was raised under this note. As of June 30, 2004, the note has been converted into 80,000 shares per a settlement agreement entered into with Mr. Taggart on October 1, 2003.

On May 16, 2003,we issued a convertible promissory note bearing interest at the rate of 8% per annum in the principal amount of $60,000 to Richard Reinisch due 180 days after issuance.. The holder of the note is entitled to convert the principal amount of the note at the rate of $0.25 per share. As of March 31, 2004, the note was converted into 240,000 shares of common stock.

Between May 17, 2003 and September 19, 2003, we issued convertible promissory notes bearing interest at the rate of 8% per annum in the aggregate principal amount of $215,000 to L&B Charitable Trust, Edward and Mary Coyne, Edward B. Coyne, Christopher Ferry, Dimitrios I. Gountis, George Mastrokostas, Nikolaos Tripodis, Melvin Wentz, William Rozakis, Tom and Sunny Garrett, and Michael Mueller. The holders of the Notes are entitled to convert the principal amount of the notes at the rate of $0.50 per share. As of March 31, 2004, the notes have been converted into 436,926 shares of common stock which included $3,463 interest also convertible at $0.50 per share.

Between October 2003 and February 2004,we issued 2 separate convertible promissory notes bearing interest at the rate of 8% per annum in the aggregate amount of $745,000 to those shareholders denoted with an asterisk in the Selling Shareholders table, Kim Koratsky, and Ralli Mottar with a maturity date of one year from the date of their issuance. The holders of the notes are entitled to convert the principal amount of the note at the rate of $1.00 per share. All $745,000 has been converted.. The notes of Mr. Koratsky and Mr. Mottar were assigned to Mark Kengott on October 6, 2004 and converted into 17,000 shares.

In May 2004, we issued an aggregate of $98,000 in principal amount of promissory notes in a private offering to Mark Kengott, I.Thomas and Barbara G. Uskup, and Donald and Joyce Guillaume . The notes bear interest at the rate of 6% per annum and mature 6 months after their date of issuance. The

holders of these notes are entitled to convert the principal amount of the notes to shares of our common stock at the rate of $1.00 per share. As of June 18, 2004, the principal amount of all of these notes was converted into 98,000 shares of our common stock.

On June 23 2004, we issued a promissory note in the principal amount of $25,000 in a private offering to Monte B. Tobin. The note bears interest at the rate of 6% per annum and matures 6 months after its date of issuance. The holder of this note is entitled to convert the principal amount of the note to shares of our common stock at the rate of $0.75 per share. As of June 25, 2004, all $25,000 in principal amount this note was converted into 33,333 shares of our common stock.

In August 2004, we issued a promissory note in the principal amount of $23,000 in a private offering to Mark Herzog, John Marx, Cyndi Ralph, Marvin Newton, and Ralph Lueders . The note bears interest at the rate of 6% per annum

and matures 6 months after its date of issuance. The holder of this note is entitled to convert the principal amount of the note to shares of our common stock at the rate of $1.00 per share. As of August 15, 2004, all $23,000 in principal amount this note was converted into 23,000 shares of our common stock.

FORWARD-LOOKING AND CAUTIONARY STATEMENTS

Sections of this Form 10-QSB, including the Management's Discussion and Analysis or Plan of Operation, contain "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), Section 21E of the Securities and Exchange Act of 1934, as amended (the "Exchange Act"), and the Private Securities Litigation Reform Act of 1995, as amended. These forward-looking statements are subject to risks and uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from the results, performance or achievements expressed or implied by the forward-looking statements. You should not unduly rely on these statements. Forward-looking statements involve assumptions and describe our plans, strategies, and expectations. You can generally identify a forward-looking statement by words such as "may," "will," "should," "would," could," "plan," "goal," "potential," "expect," "anticipate," "estimate," "believe," "intend," "project," and similar words and variations thereof. This report contains forward-looking statements that address, among other things,

* our financing plans,
* regulatory environments in which we operate or plan to operate, and
* trends affecting our financial condition or results of operations, the impact of competition, the start-up of certain operations and acquisition opportunities.

Factors, risks, and uncertainties that could cause actual results to differ materially from those in the forward-looking statements ("Cautionary Statements") include, among others,

* our ability to raise capital,
* our ability to execute our business strategy in a very competitive environment, * our degree of financial leverage, * risks associated with our acquiring and integrating companies into our own, * risks relating to rapidly developing technology, * regulatory considerations; * risks related to international economies, * risks related to market acceptance and demand for our products and services, * the impact of competitive services and pricing, and * other risks referenced from time to time in our SEC filings.

All subsequent written and oral forward-looking statements attributable to us, or anyone acting on our behalf, are expressly qualified in their entirety by the cautionary statements. We do not undertake any

obligations to publicly release any revisions to any forward-looking statements to reflect events or circumstances after the date of this report or to reflect unanticipated events that may occur.

ITEM 3. CONTROLS AND PROCEDURES.

As required by Rule 13a-15 under the Securities Exchange Act of 1934 (the "Exchange Act"), we carried out an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures within the 90 days prior to the filing date of this report. This evaluation was carried out under the

supervision and with the participation of our Chief Executive Officer and Chief Financial Officer are effective in timely alerting management to material information relating to us that is required to be included in our periodic SEC filings.
There have been no significant changes in our internal controls or in other factors that could significantly affect internal controls subsequent to the date we carried out our evaluation.

Disclosure controls and procedures are controls and other procedures that are designed to ensure that information required to be disclosed in our reports filed or submitted 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. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed in our reports filed under the Exchange Act is accumulated and communicated to management, including our Chief Executive Officer and Chief Financial Officer, to allow timely decisions regarding required disclosure.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings

LEGAL MATTERS

On or about August 5, 2004, the prior Chief Operating Officer of the Company, Gary Langstaff, the former President of the Company, Nick Wollner, and Springloose.com,LLC, of which Mr. Langstaff was a member, commenced a civil action against GeneThera, Inc. in the District Court of Jefferson County, Colorado for inspection of corporate records, an accounting and declaratory judgment, and wage claims of approximately $78,000.00. GeneThera, Inc. has not yet responded to the complaint, but anticipates defending all claims and responding with counterclaims.

On or about August 5, 2004, Sisu Media commenced a civil action against GeneThera, Inc. in the District Court of Jefferson County, Colorado for breach of contract for recovery of damages in the approximate amount of $60,000.00. GeneThera, Inc. has not yet responded to the complaint, but anticipates defending all claims and responding with counterclaims.

Item 2. Changes in Securities

None.

Item 3. Defaults upon Senior Securities

No defaults upon senior securities.

Item 4. Submission of Matters to a Vote of Security Holders

No matters were submitted to a vote of security holders as of September 30, 2004.

Item 5. Other Information

None.

Item 6. Exhibits and Reports on Form 10-QSB.

(A) Financial Statements

Reference is made to the financial statements listed on the Index to Financial Statements in this Form 10-QSB.

(B) Exhibits

99.1 Certification of the President and Chief Executive Officer

99.2 Certification of the Chief Financial Officer

Signatures

Pursuant to the requirements of the Securities Act of 1933 the Registrant has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in Wheat Ridge, Colorado on this 15th day of November, 2004.

GENETHERA, INC.

By: /s/ Antonio Milici

Name: Antonio Milici
Title: President and Chief Executive Officer

Pursuant to the requirements of the Securities Act of 1933 this Registration Statement has been signed by the following persons in the capacities indicated on November 15, 2004:

SIGNATURE	TITLE(S)
/s/ Antonio Milici --- Antonio Milici	President, Chief Executive Officer and Director (principal executive officer)
/s/ Steven M. Grubner --- Steven M. Grubner	Chief Financial Officer and Director (principal financial and accounting officer)
* --- Thomas Slaga	Director
* --- Richard Bryans	Director

* By: /s/ Steven M. Grubner

Steven M. Grubner
Attorney-in-Fact

CERTIFICATIONS

I, Antonio Milici, Chief Executive Officer of GeneThera, Inc. (the "Registrant"), certify that;

(1) I have reviewed this quarterly report on Form 10-QSB of GeneThera, Inc.;

(2) Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;

(3) Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this quarterly report.

(4) The Registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the Registrant and have:

a) designed such disclosure controls and procedures to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;

b) evaluated the effectiveness of the Registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"); and

c) presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;

(5) The Registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the Registrant's auditors and the audit committee of Registrant's board of directors (or persons performing the equivalent functions):

a) all significant deficiencies in the design or operation of internal controls which could adversely affect the Registrant's ability to record, process, summarize and report financial data and have identified for the Registrant's auditors any material weaknesses in internal controls; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal controls; and

(6) The Registrant's other certifying officers and I have indicated in this quarterly report whether or not there were significant changes in internal controls or in other facts that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: November 15, 2004
By: /s/ Antonio Milici

Antonio Milici, M.D., Ph.D.

Chief Executive Officer

CERTIFICATIONS

I, Steven M. Grubner, Chief Financial Officer of GeneThera, Inc. (the "Registrant"), certify that;

(1) I have reviewed this quarterly report on Form 10-QSB of GeneThera, Inc.;

(2) Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this quarterly report;

(3) Based on my knowledge, the financial statements, and other financial information included in this quarterly report, fairly present in all material respects the financial condition, results of operations and cash flows of the Registrant as of, and for, the periods presented in this quarterly report.

(4) The Registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-14 and 15d-14) for the Registrant and have:

a) designed such disclosure controls and procedures to ensure that material information relating to the Registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this quarterly report is being prepared;

b) evaluated the effectiveness of the Registrant's disclosure controls and procedures as of a date within 90 days prior to the filing date of this quarterly report (the "Evaluation Date"); and

c) presented in this quarterly report our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;

(5) The Registrant's other certifying officers and I have disclosed, based on our most recent evaluation, to the Registrant's auditors and the audit committee of Registrant's board of directors (or persons performing the equivalent functions):

a) all significant deficiencies in the design or operation of internal controls which could adversely affect the Registrant's ability to record, process, summarize and report financial data and have identified for the Registrant's auditors any material weaknesses in internal controls; and

b) any fraud, whether or not material, that involves management or other employees who have a significant role in the Registrant's internal controls; and

(6) The Registrant's other certifying officers and I have indicated in this quarterly report whether or not there were significant changes in internal controls or in other facts that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: November 15, 2004

By: /s/ Steven M. Grubner

Steven M. Grubner
Chief Financial Officer

CONSENT OF INDEPENDENT AUDITORS

Board of Directors
GeneThera, Inc.
Wheat Ridge, Colorado

We consent to the incorporation by reference of our Independent Auditors' Report dated November 15, 2004 on the financial statements of GeneThera, Inc. for the quarter ended September 30, 2004.

/s/ Kantor, Sewell & Oppenheimer.
CERTIFIED PUBLIC ACCOUNTANTS

Hollywood, Florida
November 15, 2004.