UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington D.C. 20549

FORM 10-QSB

QUARTERLY REPORT UNDER SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

For Quarter Ended: February 28, 2005 Commission File Number 000-49908

CYTODYN, INC.

(Exact name of small business issuer as specified in its charter)

COLORADO	75-3056237
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

200 W. DeVargas Street, Suite 1, Santa Fe, New Mexico	87501
(Address of principal executive offices)	(Zip code)

(505) 988-5520
(Registrant's telephone number, including area code)

Check whether the issuer (1) filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the past 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 the number of shares outstanding of each of the issuer's classes of common equity, as of the latest practicable date.

Class	Number of shares outstanding at April 18, 2005
Common stock, no par value	8,069,307

Transitional Small Business Disclosure Format: Yes No X

This document is comprised of 17 pages.

INDEX

Part I, Item 1. Financial Statements

CYTODYN, INC.
(A Development Stage Company)
Condensed Balance Sheet
(Unaudited)

February 28, 2005

Assets

Cash	$ 84,948
Property and equipment, less accumulated depreciation of $1,211	5,087
Deposit	495
	$ 90,530

Liabilities and Shareholders' Deficit

Liabilities:	
Accounts payable	$ 463,275
Accrued liabilities	83,367
Notes payable (Note 3)	85,000
Accrued interest payable (Note 3)	47
Indebtedness to related parties (Note 2)	137,979
Total liabilities	769,668
Commitments (Note 7)	--
Shareholders' deficit:	
Preferred stock, no par value; 5,000,000 shares authorized, -0- shares issued and outstanding	--
Common stock, no par value; 25,000,000 shares authorized, 8,069,307 shares issued and outstanding	1,916,334
Additional paid-in capital	40,942
Accumulated deficit	(1,601,912)
Deficit accumulated during development stage	(1,034,502)
Total shareholders' deficit	(679,138)
	$ 90,530

See accompanying notes to condensed financial statements

<TABLE>
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CYTODYN, INC.
(A Development Stage Company)
Condensed Statements of Operations
(Unaudited)

	Three Months Ended February 28,		Nine Months Ended February 28,	
	2005	2004	2005	2004
<S>	<C>	<C>	<C>	<C>
Operating expenses:				
General and administrative	$ 89,435	$ 128,996	$ 320,785	$ 188,929
Stock-based compensation (Note 5):				
Financial consulting services	--	--	11,928	--
Legal fees, related party	--	--	--	--
Depreciation	460	--	1,211	--
Research and development (Note 6)	362,342	--	362,342	--
Total operating expenses	452,237	128,996	696,266	188,929
Operating loss	(452,237)	(128,996)	(696,266)	(188,929)
Interest income	3	52	230	55
Interest expense	(92)	(296)	(422)	(441)
Loss before income taxes	(452,326)	(129,240)	(696,458)	(189,315)
Income tax provision (Note 4)	--	--	--	--
Net loss	$ (452,326)	$ (129,240)	$ (696,458)	$ (189,315)
Basic and diluted loss per share	$ (0.06)	$ (0.02)	$ (0.09)	$ (0.05)
Basic and diluted weighted average common shares outstanding	8,069,307	6,674,862	8,069,307	3,909,985

</TABLE>

See accompanying notes to condensed financial statements

CYTODYN, INC.
(A Development Stage Company)
Condensed Statements of Cash Flows
(Unaudited)

	Nine Months Ended February 28,	
	2005	2004
Net cash used in operating activities	$ (194,361)	$ (191,741)
Cash flows from investing activities:		
Property and equipment purchases	(3,167)	(1,722)
Net cash used in investing activities	(3,167)	(1,722)
Cash flows from financing activities:		
Capital contributions by president (Note 2)	5,512	2,500
Proceeds from notes payable to related parties (Note 2)	5,000	10,000

Proceeds from notes payable to others (Note 3)...	85,000	--
Proceeds from the sale of common stock	--	405,000
Payment of offering costs	--	(49,500)
Net cash provided by financing activities	95,512	368,000
Net change in cash	(102,016)	174,537
Cash, beginning of period	186,964	3,238
Cash, end of period	$ 84,948	$ 177,775
Supplemental disclosure of cash flow information:		
Income taxes	$ --	$ --
Interest	$ 375	$ --

See accompanying notes to condensed financial statements

CYTODYN, INC.
(A Development Stage Company)

Notes to Condensed Financial Statements
(Unaudited)

Note 1: Basis of Presentation

The condensed financial statements presented herein have been prepared by the Company in accordance with the instructions for Form 10-QSB and the accounting policies in its Form 10-KSB filed for the year ended May 31, 2004 and should be read in conjunction with the notes thereto.

In the opinion of management, the accompanying condensed financial statements contain all adjustments (consisting only of normal recurring adjustments) which are necessary to provide a fair presentation of operating results for the interim periods presented. The results of operations presented for the periods ended February 28, 2005 are not necessarily indicative of the results to be expected for the year.

The Company is in the development stage in accordance with Statements of Financial Accounting Standards (SFAS) No. 7 "Accounting and Reporting by Development Stage Enterprises".

Financial data presented herein are unaudited.

Note 2: Related Party Transactions

During the nine months ended February 28, 2005, the Company's president paid administrative expenses on behalf of the Company totaling $5,512. The payments have been recorded as contributed capital and is included in the accompanying condensed financial statements as "Additional paid-in capital".

As of May 31, 2004, the Company owed two officers promissory notes totaling of $71,694. The notes are due on demand and carry no interest rate. On January 18, 2005, an officer advanced the Company an additional $5,000 for working capital. Management plans to repay the notes through cash payments, issuance of the Company's common stock, or a combination thereof. The balance owed to the director carries no interest rate and is due on demand. The balance due of $76,694 remained unpaid at February 28, 2005 and is included in the accompanying condensed financial statements as "Indebtedness to related parties".

As of May 31, 2004, the Company owed a director $61,285 for legal services provided to the Company. As of November 30, 2004, no arrangements had been made for the Company to repay this obligation; however, management plans to repay the balance through cash payments, issuance of the Company's common stock, or a combination thereof. The Company anticipates that the director will continue to provide legal services in the future. The balance due of $61,285 is included in the accompanying condensed financial statements as "Indebtedness to related parties".

Note 3: Notes Payable

The Company's promissory notes payable consist of the following at February 28, 2005:

Note payable to an individual issued on February 24, 2005, matures March 9, 2006, 5% annual interest rate, unsecured	$ 30,000
Note payable to an individual issued on February 24, 2005, matures March 9, 2006, 5% annual interest rate, unsecured	25,000
Note payable to an individual issued on February 24, 2005, matures March 8, 2006, 5% annual interest rate, unsecured	25,000
Note payable to an individual issued on February 24, 2005, matures March 9, 2006, 5% annual interest rate, unsecured	5,000
	$ 85,000

Accrued interest payable on the above notes totaled $47 at February 28, 2005.

Note 4: Income Taxes

The Company records its income taxes in accordance with SFAS No. 109, "Accounting for Income Taxes". The Company incurred net operating losses for all periods presented resulting in a deferred tax asset, which was fully allowed for by a valuation allowance; therefore, the net benefit and expense resulted in $-0- income taxes.

Note 5: Stock Awards

During the year ended May 31, 2004, the Company committed to grant a financial representative warrants to purchase 426,000 shares of the Company's common stock. The warrants carry an exercise price of $.30 per share, vest on the date of grant and expire after five years from the date of grant. The warrants were granted on November 25, 2004 and, once exercised, the common shares underlying the warrants have been registered under the Company's SB-2 filing. No warrants have yet been exercised.

The Company's common stock had no traded market value on the date of grant. The market value of the stock was determined to be $.30 per share base on contemporaneous sales of common stock to unrelated third party investors. The weighted average exercise price and weighted average fair value of these options as of November 30, 2004 were $0.30 and $0.028, respectively.

The fair value for the options granted during the six months ended November 30, 2004 was estimated at the date of grant using the Black-Scholes option-pricing model with the following assumptions:

Risk-free interest rate	2.00%
Dividend yield	0.00%
Volatility factor	0.00%
Weighted average expected life	5 years

The following schedule summarizes the changes in the Company's outstanding stock options:

	Awards Outstanding and Exercisable		Weighted Average Exercise Price
	Number of Shares	Exercise Price Per Share	Per Share
Balance at May 31, 2004	150,000	$0.50 to $1.50	$ 1.00
Awards granted	426,000	$0.30	$ 0.30
Awards exercised	-	$0.00	$ -
Awards cancelled/expired	-	$0.00	$ -

Balance at February 28, 2005...	576,000	$0.30 to $1.50	$ 0.48

Note 6: Research and Development

The Company's director, Peggy C. Pence, PhD., is the President and Chief Executive Officer of Symbion Research International, Inc. ("Symbion"). On January 5, 2005, the Company entered into a buy-sell agreement to purchase certain intellectual property owned by Symbion. The agreement describes the intellectual property in detail which summarized, is the Phase 1 clinical data and the protocol for the Phase II study. This intellectual property is necessary to obtain approval for, and to conduct, further FDA clinical tests of Cytolin. Cytolin is a potential new drug being developed by the Company for the treatment of Human Immunodeficiency Virus ("HIV") disease.

Under the terms of this agreement:

- - The Company may purchase Symbion's Phase I clinical data in connection with obtaining approval from the FDA to conduct the Phase II/Phase III studies for Cytolin.
- - The Company will grant 83,122 non-qualified stock options with an exercise price of $.75 per share that will vest immediately and be exercisable over 5 years.
- - The Company will pay $25,000 to Symbion by February 10, 2005, 30 days after execution of the agreement.
- - The Company will pay $275,000 to Symbion once the Company's secondary financing is received.

The Company paid Symbion $25,000 out of loan proceeds received in March 2005. Although the payment was late, Symbion has accepted it and the contract is in force. In the event the Company's shareholders do not approve the company's option plan by December 31, 2005, the Company will pay Symbion $62,342.

The results of the Phase II/III studies for Cytolin shall be the sole property of the Company upon Symbion's receipt of the final payment called for by this agreement. If all remaining payments are not received, the property shall revert to Symbion.

Note 7: Commitments

The Company has signed Personal Service Agreements with three officers that cover the two years ended May 31, 2005 and 2006. Under the terms of the agreements, if an officer is terminated by the Company without cause or terminates service for good cause within three months of a change in control, the Company is required to pay the officer the balance of the base salary for the term of the agreement and for an additional 12 months after the expiration of the term.

Note 8: Financial Information - Development Stage

Following is the Statement of Operations for the period in which the Company has

been in the development stage as required by SFAS No. 7.

	October 28, 2003 Through February 28, 2005
Operating expenses:	
General and administrative	$ 638,465
Stock-based compensation:	
Financial consulting services	11,928
Legal fees, related party	20,050
Depreciation	1,415
Research and development.....	362,342
Total operating expenses	1,034,200
Operating loss	(1,034,200)
Interest income	573
Interest expense	(875)
Loss before income taxes	(1,034,502)
Income tax provision	--

Net loss	$ (1,034,502)

Following is the Statement of Cash Flows for the period in which the Company has been in the development stage as required by SFAS No. 7.

October 28, 2003 Through February 28, 2005

Net cash used in operating activities	$ (551,256)
Cash flows from investing activities:	
Equipment purchases	(6,502)
Net cash used in investing activities	(6,502)
Cash flows from financing activities:	
Capital contributions by president	5,512
Proceeds from notes payable issued to related parties	116,194
Repayment of notes payable to related parties	(50,000)
Proceeds from notes payable issued to others	85,000
Proceeds from the sale of common stock	540,000
Payment of offering costs	(54,000)
Net cash provided by financing activities	642,706
Net change in cash	84,948
Cash, beginning of period	--
Cash, end of period	$ 84,948
Supplemental disclosure of cash flow information:	
Income taxes	$ --
Interest.....	$ 828

Note 9: Litigation

CytoDyn of New Mexico, Inc. et al., v. Amerimmune Pharmaceuticals, Inc. et al.,
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Case number BC 290154, California Superior Court in and for the County of Los
- ---
Angeles.
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The First Amended and Supplemental Complaint alleged causes of action for unfair business competition, inducement of breach of contract, fraud and unjust enrichment, and declaratory and equitable relief. This case was dismissed due to the attorney's lack of attention to the case. The judge stated that the evidence was not presented in an orderly and logical fashion. The company may appeal this case given the costs associated with it and the relief awarded to us in the case below.

Rex H. Lewis, a Defendant and former director and C.E.O. of Amerimmune

Pharmaceuticals, Inc. has filed a First Amended Cross-Complaint against CytoDyn of New Mexico, Inc., Allen D. Allen, Corinne E. Allen, Ronald J. Tropp, Brian J. McMahon , Daniel M. Stickland, M.D. and unknown others designated as "Does 101-150".

Mr. Lewis alleges, among other things, misrepresentations or failure to make disclosures related to Cytolin and its development, approval and marketing;

interference with Amerimmune's attempt to complete clinical research related to Cytolin and Mr. Lewis' actual or prospective business relationships; and libel and slander of Mr. Lewis.

Currently the Cross-Complaint asserts causes of action for fraud, interference with prospective business interests, libel and slander. The requested relief includes damages (alleged to range from $3 million to $20 million or more), punitive damages, costs and other "just and proper" relief.

The outcome of litigation is uncertain. Management believes that an unfavorable result is unlikely with respect to the claims raised by the Complaint, and that the claims raised by the Cross-Complaint are without merit. The defendants have retained new counsel which are the same attorney's that represented us in the following case that was decided in our favor.

Discovery is continuing. Trial is scheduled for June 2005.

CytoDyn, Inc., et al. v. Amerimmune, Inc. et al., Case number SC039250,
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California Superior Court in and for the County of Ventura.
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The Declaratory Relief Sought and Attorneys' Fees Were Awarded.

The action was filed on April 21, 2004. CytoDyn and Allen D. Allen were the plaintiffs. The defendants were Amerimmune Inc., its parent Amerimmune Pharmaceuticals, Inc., and unknown others designated as "Does 1-100".

The action concerned a Conditional License Agreement, dated February 24, 2000, between Allen D. Allen and CytoDyn of New Mexico, on one hand, and Amerimmune, Inc., on the other. The complaint alleged that the Conditional License Agreement licensed to the defendants technology and patents related to Cytolin and assigned to defendants an FDA approved investigational new drug application related to Cytolin. Further, it alleged that the defendants breached the Conditional License Agreement, resulting in its termination.

The principal relief sought was a declaration that the license granted and the assignment of the technology, patents and drug application made pursuant to the Conditional License Agreement were terminated no later than September 12, 2001, and that Allen and we are the owners of the technology, patents and investigational new drug application, free of any claims of the defendants. Costs, attorney's fees, and other "just and proper" relief also were sought.

This case was decided in favor of the plaintiffs, CytoDyn and Allen October 4, 2004.

Symbion Research International, Inc., v. Amerimmune, Inc. et al., Case number
- ---
SC035668, California Superior Court in and for the County of Ventura.
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The complaint was filed on March 14, 2003. Symbion Research International, Inc was the plaintiff. Amerimmune, Inc. was the remaining defendant. We were not a party to this action, however the action affects intellectual property which is important to us.

A default judgment was entered on December 18, 2003. A judgment was entered in favor of Symbion Research International ("Symbion") on September 17, 2004 granting the declarative relief sought by Symbion.

The action concerned intellectual property generated in connection with services provided by Symbion with respect to early phase FDA clinical trials of Cytolin, including research data and a patent application filed in 2002. The complaint alleged that Symbion performed early phase FDA trials (designated in the

Complaint as "Phase Ia" and "Phase Ib/II", on behalf of Amerimmune pursuant to

an oral agreement, and that Amerimmune failed to pay Symbion for its services, and otherwise breached its obligations under the agreement.

The complaint asserted causes of action for breach of oral contract, account stated, work and labor done, fraud, and declaratory and injunctive relief. The relief sought included a declaration that Symbion is the owner of the intellectual property resulting from the services provided by Symbion.

The intellectual property generated in the early phase FDA clinical trials is necessary to obtain approval for, and to conduct, further FDA clinical tests of Cytolin. Because a satisfactory result was obtained in this action, we have negotiated an agreement with Symbion that will allow the use in subsequent phases of clinical test of Cytolin of the research data generated in the early phases. CytoDyn will purchase this data from Symbion in order to apply for FDA registration of Cytolin.

Note 10: Subsequent Events

During March 2005, the Company issued promissory notes payable for proceeds of $36,000. The notes carry a 5% interest rate and mature one year from the date of the note.

During March 2005, the Company paid Symbion $25,000 toward its Buy-Sell Agreement (see Note 6).

Part I. Item 2. Management's Discussion and Analysis or Plan of Operation

Plan of Operation

During the next 12 months, our objectives are:

- to continue clinical trials of Cytolin;
- to continue our efforts to protect our technology by obtaining additional patents in The United Kingdom, the European Union and Hong Kong;
- to develop an established market for our shares,
- to raise funds to support our research and development efforts, the clinical trials relating to Cytolin, and our general and administrative expenses; and
- to explore joint venture arrangements for other possible pharmaceutical products.

Continuing Clinical Trials:

Phase I clinical trials were conducted by Symbion Research International under the sponsorship of Amerimmune, Inc. during 2002. We believe that the data from these trials support approval by the FDA of Phase II trials.

Projected costs to complete our research and development and to obtain FDA approval of a BLA:

We have negotiated with Symbion International for the right to use the Phase 1 data for a total of $362,000 and to seek approval for the Phase II trials from the FDA. If the Phase II/III study is approved by the FDA, we expect it, together with the pre-Phase II/III efforts, to cost an estimated $2,050,000 to $3,350,000 for Symbion to conduct the clinical trials, plus estimated manufacturing and supply costs of $350,000 to $400,000 and $362,000 for the Phase Ia/b data for a total of $2,762,000 to $4,112,000.

Timing and anticipated completion dates for research and development.

These trials can take anywhere from 29 to 42 months. Until we have met with the FDA, which we plan to do within the next six months, we cannot be certain what additional studies, assuming that Phase II/III study supports the efficacy and safety of Cytolin, will be required to receive marketing approval The completion of a Phase II/III Pivotal Study would allow the submission of a marketing application and if approved, would allow us to market Cytolin in the United States.

Date we expect to begin benefiting from the product:

- ---

We expect to complete our research and development of all Cytolin clinical trials needed for approval of a marketing application if at all by December 2008.

Risks and uncertainties associated with completing development within reasonable
- ---
period of time and if products are not completed on a timely basis:
- ---

Even if we are able to complete the development within a reasonable period of time our competitors could still come out with something competitive to our product. Toxicity in the product could go undetected until Phase IV Safety Surveillance after drug approval. We may have to continue to litigate to protect technology, or challenges to patents that have not yet expired, etc. The medical community may lack of acceptance of our product. There may be an inability to secure third party payees such as if Medicare would cover costs. Post registration manufacturing problems or downturn of economy or industry could also be risks.

If we are unable to complete clinical trials on a timely basis, with favorable results, our costs will increase significantly and we may not have enough capital to support further research and development and continue in business. Also, if we incur significant delays in being able to market our product, even if we are ultimately able to do so, we will be delayed in earning revenues and probably will require additional financing to continue in business.

Patents

During fiscal year 2004, several European patents were granted. The new patents are covered by our License Agreement with Allen D. Allen, our president that gives us the exclusive right to develop his technology worldwide. These patents are designated European Patent No. 94 912826.8, for the United Kingdom, Germany, France, Switzerland, Italy, the Netherlands, Portugal, Spain, and Sweden, and are the counterparts to our United States Patent No. 5424066. Patents are pending in those same countries which, if granted, will be the equivalent of our United States Patent No. 5651970. We estimate the costs associated with these pending patents to be approximately $65,000, including amounts we have already spent. We may file additional patents during the current fiscal year if our research and development efforts warrant them, but we do not have any such potential patents identified at this time. The license acquired gives us the right to develop Mr. Allen's worldwide patents.

Litigation

For a thorough discussion of our pending litigation, please see the section entitled "Legal Proceedings." In Part 2, Item 1.

We were plaintiffs in two pending cases, CytoDyn of New Mexico, Inc. et. al., v. Amerimmune Pharmaceuticals, Inc. et al., Case number BC290154 and the other in Ventura County, in a case captioned CytoDyn, Inc., et al. v. Amerimmune, Inc. et al., Case number SC039250., each involving our rights to the patented technology underlying Cytolin and any other products we might wish to develop. The first case was dismissed and the second case was decided in our favor.

Establishing a Market and Obtaining Funding

We will require funding during the 2005 fiscal year in order to continue with research and development efforts and to stay in business. Additional funding will have to occur within the next twelve months in order to continue operations. The amount of that funding is directly related to the clinical trials we are able to conduct and the amounts we will need to continue operations.

In addition to operating funds, we will need from approximately $2,762,000 to $4,112,000 for research and development, including clinical trials, and manufacturing and supply costs, depending upon whether we are approved by the FDA to conduct a Phase II/III pivotal study.

We borrowed $121,000 from certain individuals who are friends and business acquaintances of the officers and directors of the Company in March 2005. The company issued promissory notes in exchange for the borrowed funds. The notes carry 5% interest and are due by March 9, 2006. In addition to operating funds and clinical trial funds the company will need to raise the funds to repay these notes.

We do not have any of this funding arranged or secured, and we do not yet have plans for raising the funding we require. We anticipate that we will seek the funding through further equity offerings, either by private placement or by registered offering, or by possible joint venture arrangements with other parties. If we are unable to secure the necessary funding, we will not be able to conduct our research and development activities or to continue in business.

Joint Ventures

Buy-Sell Agreement with Symbion Research International. Effective January 5, 2005.

Our director, Peggy C. Pence, PhD., is the President and Chief Executive Officer of Symbion Research International, Inc. On January 5, 2005, we entered into a buy-sell agreement to purchase intellectual property owned by Symbion. The agreement describes the intellectual property in detail which summarized, is the Phase 1 clinical data and the protocol for the Phase II study. Under the terms of this agreement:

- - CytoDyn, Inc may purchase Symbion's Phase I clinical data in connection with obtaining approval from the FDA to conduct the Phase II/Phase III studies for Cytolin.
- - CytoDyn, Inc will grant 83,122 non-qualified stock options with an exercise price of $.75 per share that will vest immediately and be exercisable over 5 years.
- - CytoDyn, Inc will pay $25,000 to Symbion by February 10, 2005, 30 days after execution of the agreement.
- - CytoDyn, Inc will pay $275,000 to Symbion once our secondary financing is received.

We have paid Symbion $25,000 out of the loan proceeds we received in March 2005. Although the payment was late, Symbion has accepted it and the contract is in force.

In the event the shareholders do not approve the company's option plan by December 31, 2005, CytoDyn, Inc will pay Symbion $62,341.50 in U.S. dollars.

The results of the Phase II/III studies for Cytolin shall be the sole property of CytoDyn, Inc upon Symbion's receipt of the final payment called for by this agreement. If all remaining payments are not received, the property shall revert to Symbion.

Exploring Other Joint Ventures

While we continue to pursue FDA approval of our Cytolin product, we are also considering entering into joint ventures to develop other types of products. We have, for instance, entered into a nondisclosure agreement with another development stage biotech company to discuss the possibility of the joint development of drugs to treat neuropsychiatric diseases or disorders. These discussions are in the early stages and we do not know if we will enter into a joint venture or other arrangement with this company or if any products might ensue from our efforts.

We may also pursue joint ventures or other arrangements to obtain funding for our Cytolin-related endeavors, but we have not pursued this possibility and do not have any prospects at this time.

Other Matters

We do not expect, in the next 12 months, to make any significant expenditures for equipment. We will continue to staff the company as funds become available. However, currently, we have no plans for significant changes in number of employees.

Part I. Item 3. Controls and Procedures

(a) Evaluation of disclosure controls and procedures

We maintain controls and procedures designed to ensure that information required to be disclosed in the reports that we file or submit under the Securities Exchange Act of 1934 is recorded, processed, summarized and reported within the time periods specified in the rules and forms

of the Securities and Exchange Commission. Based upon their evaluation of those controls and procedures performed within 90 days of the filing date of this report, our chief executive officer and the chief financial officer concluded that our disclosure controls and procedures were adequate.

(b) Changes in internal controls

There were no significant changes in our internal controls or in other factors that could significantly affect these controls subsequent to the date of the evaluation of those controls by the chief executive officer and chief financial officer.

Part 2. Other Information

Item 1 - Legal Proceedings.

CytoDyn of New Mexico, Inc. et al., v. Amerimmune Pharmaceuticals, Inc. et al., Case number BC 290154, California Superior Court in and for the County of Los Angeles

The First Amended and Supplemental Complaint alleged causes of action for unfair business competition, inducement of breach of contract, fraud and unjust enrichment, and declaratory and equitable relief. This case was dismissed due to the attorney's lack of attention to the case. The judge stated that the evidence was not presented in an orderly and logical fashion. The company may appeal this case given the costs associated with it and the relief awarded to us in the case below.

Rex H. Lewis, a Defendant and former director and C.E.O. of Amerimmune Pharmaceuticals, Inc. has filed a First Amended Cross-Complaint against CytoDyn of New Mexico, Inc., Allen D. Allen, Corinne E. Allen, Ronald J. Tropp, Brian J. McMahon , Daniel M. Stickland, M.D. and unknown others designated as "Does 101-150".

Mr. Lewis alleges, among other things, misrepresentations or failure to make disclosures related to Cytolin and its development, approval and marketing; interference with Amerimmune's attempt to complete clinical research related to Cytolin and Mr. Lewis' actual or prospective business relationships; and libel and slander of Mr. Lewis.

Currently the Cross-Complaint asserts causes of action for fraud, interference with prospective business interests, libel and slander. The requested relief includes damages (alleged to range from $3 million to $20 million or more), punitive damages, costs and other "just and proper" relief.

The outcome of litigation is uncertain. Management believes that an unfavorable result is unlikely with respect to the claims raised by the Complaint, and that the claims raised by the Cross-Complaint are without merit. The defendants have retained new counsel which are the same attorney's that represented us in the following case that was decided in our favor.

Discovery is continuing. Trial is scheduled for June 2005.

CytoDyn, Inc., et al. v. Amerimmune, Inc. et al., Case number SC039250, California Superior Court in and for the County of Ventura.

The principal relief sought was a declaration that the license granted and the assignment of the technology, patents and drug application made pursuant to the Conditional License Agreement were terminated no later than September 12, 2001, and that Allen and we are the owners of the technology, patents and investigational new drug application, free of any claims of the defendants. Costs, attorney's fees, and other "just and proper" relief also were sought.

This case was decided in favor of the plaintiffs, CytoDyn and Allen, on October 4, 2004 and the plaintiffs were awarded the declaratory relief sought and attorneys' fees.

Symbion Research International, Inc., v. Amerimmune, Inc. et al., Case number SC035668, California Superior Court in and for the County of Ventura. We were

not a party to this action; however the action affects intellectual property which is important to us.

A default was entered against Amerimmune, Inc. on December 18, 2003. A judgment was entered in favor of Symbion International on September 17, 2004 granting the declarative relief sought.

The intellectual property generated in the early phase FDA clinical trials is necessary to obtain approval for, and to conduct, further FDA clinical tests of Cytolin. Because a satisfactory result was obtained in this action, we anticipate negotiating an agreement with Symbion that will allow the use in subsequent phases of clinical test of Cytolin of the research data generated in the early phases. CytoDyn will purchase this data for $362,000 as stated under a purchase agreement, $25,000 will paid from the SB-2 registration proceeds, 83,122 stock options will be granted with an exercise price of $0.75 per share and $275,000 will be due and payable once the secondary round of financing has been received.

Item 2 - Changes in Securities and Small Business Issuer Purchases of Equity Securities.

No response required.

Item 3 - Defaults Upon Senior Securities.

No response required.

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

No response required.

Item 5 - Other Information.

No response required.

Item 6 - Exhibits and Reports on Form 8-K.

(a) Exhibits:

1. 31.1: Certification by the CEO
2. 31.2: Certification by the CFO
3. 32.1: Certification Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 - CEO
4. 32.2: Certification Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 - CFO

(b) Reports on Form 8-K:

None.

SIGNATURES

The financial information furnished herein has not been audited by an independent accountant; however, in the opinion of management, all adjustments (only consisting of normal recurring accruals) necessary for a fair presentation of the results of operations for the three and six months ended November 30, 2004 have been included.

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

CYTODYN, INC.
(Registrant)

DATE: April 18, 2005

BY: /s/ Allen D. Allen

Allen D. Allen
President and CEO

Exhibit 31.1

CERTIFICATION

I, Allen D. Allen, certify that:

1. I have reviewed this quarterly report on Form 10-QSB of CytoDyn, 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 report;

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

4. The small business issuer's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the small business issuer and have:

a) Designed such disclosure controls and procedures , or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the small business issuer, including any consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the small business issuer's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the small business issuer's internal control of financial reporting that occurred during the small business issuer's most recent fiscal quarter (the small business issuer's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect the small business issuer's internal control over financial reporting; and

5. The small business issuer's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the small business issuer's auditors and the audit committee of the small business issuer's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the small business issuer's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the small business issuer's internal control over financial reporting.

Date: April 18, 2005

/s/ Allen D. Allen
- ------------------
Allen D. Allen

Chief Executive Officer

Exhibit 31.2

CERTIFICATION

I, Wellington A. Ewen, certify that:

1. I have reviewed this quarterly report on Form 10-QSB of CytoDyn, 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 report;

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

4. The small business issuer's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the small business issuer and have:

a) Designed such disclosure controls and procedures , or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the small business issuer, including any consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the small business issuer's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

d) Disclosed in this report any change in the small business issuer's internal control of financial reporting that occurred during the small business issuer's most recent fiscal quarter (the small business issuer's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect the small business issuer's internal control over financial reporting; and

5. The small business issuer's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the small business issuer's auditors and the audit committee of the small business issuer's board of directors (or persons performing the equivalent functions):

a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the small business issuer's ability to record, process, summarize and report financial information; and

b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the small business issuer's internal control over financial reporting.

Date: April 18, 2005

/s/ Wellington A. Ewen
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Wellington A. Ewen

Chief Financial Officer

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of CytoDyn, Inc. (the "Company") on Form 10-QSB for the period ending February 28, 2005, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Allen D. Allen, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

/s/ Allen D. Allen
- ----------
Allen D. Allen
Chief Executive Officer

April 18, 2005

Exhibit 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of CytoDyn, Inc. (the "Company") on Form 10-QSB for the period ending February 28, 2005, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Wellington A. Ewen, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

/s/ Wellington A. Ewen
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Wellington A. Ewen
Chief Financial Officer
April 18, 2005