

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

Form 8-K

Current Report

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date Of Report (Date Of Earliest Event Reported): **6/16/2008**



Commission File Number: **0-8092**

DE
(State or Other Jurisdiction of
Incorporation or Organization)

94-1620407
(I.R.S. Employer
Identification No.)

323 Vintage Park Drive, Suite B, Foster City, California 94404
(Address of Principal Executive Offices, Including Zip Code)

650-212-2568
(Registrant's Telephone Number, Including Area Code)

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act(17CFR240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act(17CFR240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act(17CFR240.13e-4(c))
-

Item 8.01 Other Events

On June 16, 2008, OXIS International, Inc. ("OXIS") requested via letter to its four debenture holders that the debenture holders retract their Notice of Disposition of Collateral dated June 5, 2008. A copy of the letter is attached hereto as Exhibit 99.1.

Also on June 16, 2008, OXIS issued a press release announcing that the company's four debenture holders have been notified that the sale of its majority interest in BioCheck Inc. and its diagnostic businesses is proceeding in a timely manner, and that the recently commenced foreclosure efforts disclosed in OXIS' 8-K filing of June 13, 2008 will both jeopardize repayment efforts and harm shareholder value. A copy of the press release is attached hereto as Exhibit 99.2.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

- 99.1 Request to Retract Notification of Disposition of Collateral dated June 16, 2008.
- 99.2 Press Release dated June 16, 2008.

SIGNATURE(S)

Pursuant to the Requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this Report to be signed on its behalf by the Undersigned hereunto duly authorized.

OXIS International, Inc.

Dated: June 17, 2008

By: /s/ Marvin S. Hausman

Marvin S. Hausman
CEO and Chairman

OXIS International, Inc.
323 Vintage Park Drive, Suite B, Foster City, California 94404

June 16, 2008

To 2006 Debenture Holders:

Alpha Capital Anstalt

Bristol Investment Fund, Ltd.

Cranshire Capital, LP

Whalehaven Capital Fund Limited

On behalf of our Board of Directors and in the best interests of our shareholders, debt holders, employees, customers and suppliers, I am requesting that each of you move immediately to retract your Notice of Deposition of Collateral dated June 5, 2008.

Our request is based on the simple fact that the management of Oxis International, Inc. (OXIS) combined with our investment banker, Burrill & Co. is better equipped and motivated to sell the BioCheck shares owned by Oxis and our research assay business ("Diagnostic Businesses") in a manner that maximizes value so that we can: a) repay funds owed to you, and b) provide capital to fund a new growth strategy based on our neutraceutical and therapeutic assets.

You have been aware of our strategy to repay you in full for a number of months as the sale of our Diagnostic Businesses has progressed on a normal schedule for this type of transaction with strong potential interest by prospective buyers. Burrill & Co., a leading life science investment banking and investment firm, was engaged last fall and has acted very ably as our investment banker for this project.

Early in the morning of Thursday June 5, 2008 we informed you of our positive progress towards the completion of the sale of the Diagnostics Businesses as now reported in our 8-K filed last Friday. Furthermore, one of our Directors met with the debenture holder contact at Alpha Capital Anstalt in New York to discuss a restructuring of the 2006 Debentures. However, to our amazement, Bristol Investments, collateral agent for the four investors, sent a notice of foreclosure the very same day it received the report on our favorable progress. We consider this timing particularly curious, and are baffled as to why you chose to interfere with our sale process after receiving the positive news.

Management and the Board of Directors of Oxis maintain that a foreclosure on the BioCheck stock that Oxis owns could significantly reduce its value in a sale, and also destroy our ability to obtain interim financing critical to continuing our operations. Should this happen, it would be harmful to shareholder value.

Thus, we reiterate our request that foreclosure efforts be cancelled and that Oxis Management be allowed to complete the sale of our Diagnostic Businesses to maximize the value of its sale to the Company and to continue our business.

As we have stated many times, we also remain amenable to restructuring the Debentures and will continue this dialog with you. However this process has become very challenging to complete since your collateral agent has said that you require us to negotiate separately with each individual fund. Moreover, the Debenture Holder requests on terms and conditions for a restructuring are unclear and keep changing. Restructuring under these conditions will be very time consuming, and thus may not be possible to complete in the few remaining days before the June 19 date indicated on the Notice of Disposition of Collateral. This time constraint is an additional reason why the Notice of Disposition of Collateral should be cancelled, or at least delayed until we can reach an agreement on the restructuring. We also request that one of the four Debenture holders act as a coordinator for negotiations, while recognizing that each holder has to make its own decision on any restructuring.

We remain interested in working with you to the benefit of all Oxis shareholders and look forward to hearing from you.

Sincerely,

/s/ Marvin S. Hausman
Marvin S. Hausman, MD
CEO and Chairman

Oxis Requests Debt Holders End Foreclosure Proceedings

Sale of assets as planned would result in full repayment,
enhance shareholder value, and fund future operations

Foster City, CA. – June 16, 2008—Oxis International Inc. (OXIS.OB) today said that the company's four debenture holders have been notified that the sale of its majority interest in BioCheck Inc. and its diagnostic businesses is proceeding in a timely manner with strong interest from multiple potential buyers, and warned that the recently commenced foreclosure efforts disclosed in Oxis' 8-K filing of June 13, 2008 related to their collateral will both jeopardize repayment efforts and harm shareholder value.

"It would be completely irresponsible to attempt foreclosure proceedings when a prospective sale is on track that will clearly benefit our shareholders, debt holders, employees, suppliers and customers," said Marvin S. Hausman, M.D., Chairman and Chief Executive. "We are hopeful that our debt holders will recognize this fact, and allow us to move forward toward finalizing an asset sale."

As reported in its recent 8-K, Oxis currently has four letters of intent from interested parties. Proceeds from the asset sales will be used to repay debenture holders in full, as well as to generate funds to implement a growth strategy based on its neutraceutical and therapeutic assets. Last Fall, Oxis retained Burrill & Co., a San Francisco investment bank to assist in the sale of its diagnostic businesses and informed the debenture holders of its plan to repay them with the sale proceeds.

In a separate letter sent today, Dr. Hausman requested that debenture holders Alpha Capital Anstalt, Bristol Investment Fund, Ltd, Cranshire Capital, L.P., and Whalehaven Capital Fund Limited end their foreclosure proceedings.

Dr. Hausman noted that Oxis, with the assistance of Burrill, is better equipped and motivated to sell the assets itself to maximize value as compared to a post-foreclosure sale attempt by the debenture holders, which could reduce the asset values as well as prohibit the company from arranging financing required to continue operations. Should this happen, Dr. Hausman noted, it would be harmful to shareholder value. (A copy of Dr. Hausman's letter will be filed shortly with the Securities and Exchange Commission and will be available at www.oxis.com)

Dr. Hausman added that Oxis is open to discussions related to restructuring of the debentures, but said that negotiating with each fund individually would be onerous and unnecessarily time consuming given the deadline set by the foreclosure actions. He requested that one of the four debenture holders act as a coordinator for negotiations, while recognizing that each fund has to make its own decision on any restructuring.

Dr. Hausman said that should the debenture holders continue to move forward with foreclosure proceedings; Oxis will consider all legal options necessary to preserve and enhance shareholder value.

"We are continuing our discussions with the debenture holders regarding a restructuring, and are hopeful all parties can reach a satisfactory and timely resolution," Dr. Hausman said.

About OXIS and BioCheck:

OXIS International, Inc. develops technologies and products to research, diagnose, treat and prevent diseases of oxidative stress associated with damage from free radical and reactive oxygen species. The company holds the rights to four therapeutic classes of compounds in the area of oxidative stress, and has focused commercialization programs in clinical cardiovascular markers, including MPO (myeloperoxidase) and GPx (glutathione peroxidase), as well as a highly potent antioxidant, Ergothioneine, that may be sold over-the-counter (OTC) as a neutraceutical supplement. OXIS has acquired a 53% interest in and has the option to purchase the remaining 47% of BioCheck.

BioCheck, Inc. is a leading provider of high quality enzyme immunoassay research services and products including immunoassay kits for cardiac and tumor markers, infectious diseases, thyroid function, steroids, and fertility hormones. The company operates a 15,000 square-foot, U.S. Food and Drug Administration (FDA) certified cGMP, and ISO device-manufacturing facility in Foster City, California.

More information about OXIS, BioCheck and their products, services as well as current SEC filings may be obtained by visiting <http://www.oxis.com> and <http://www.biocheckinc.com>.

The statements in this press release that are not purely historical are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, including, without limitation, statements regarding our expectations, objectives, anticipations, plans, hopes, beliefs, intentions or strategies regarding the future. Factors that could cause actual results to differ materially from the forward-looking statements include risks and uncertainties indicated in the company's filings with the Securities and Exchange Commission. It is important to note that actual outcomes could differ materially from those in such forward-looking statements.

Contact:
Sitrick & Co.
Jim Bates
310-788-2850

Source: OXIS International, Inc.