

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): February 16, 2007

ZIOPHARM Oncology, Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of incorporation)

0-32353
(Commission File Number)

84-1475642
(IRS Employer Identification No.)

1180 Avenue of the Americas, 19th Floor
New York, NY 10036
(Address of principal executive offices) (Zip Code)

(646) 214-0700
(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 (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 1.01. Entry into Material Definitive Agreement.

On February 16, 2007, ZIOPHARM Oncology, Inc. (the “Company”) entered into securities purchase agreements and related documentation (the “Purchase Agreements”) with certain accredited institutional investors pursuant to which the Company agreed to sell a total of 5,910,047 shares of common stock (the “Shares”) in a private placement (the “Offering”) at a price of \$5.225 per Share. In addition to the Shares, the Company agreed to issue to each investor a five-year warrant (each a “Warrant”) to purchase, at an exercise price of \$5.75 per share, an additional number of shares of common stock equal to 20 percent of the Shares to be purchased by such investor in the Offering. In the aggregate, these Warrants entitle investors to purchase an additional 1,182,014 shares of common stock. Based on the Purchase Agreements, total gross proceeds from the Offering will be approximately \$30.9 million, before deducting selling commissions and expenses.

In connection with the Offering, on February 16, 2007, the Company also entered into a related placement agent agreement with Oppenheimer & Co. Inc., Paramount BioCapital, Inc. and Griffin Securities, Inc. (the “Placement Agents”) whereby the Placement Agents agreed to act as placement agents in connection with the placement of the Shares. In consideration for their services, the Company has agreed to pay aggregate cash commissions and fees equal to six percent of the gross cash proceeds from the Offering, or approximately \$1.9 million. The Company is also required to issue five-year warrants to the Placement Agents to purchase an aggregate of three percent of the Shares sold in the Offering) at an exercise price of \$5.75 per share (the “Placement Agent Warrants”).

Pursuant to the Offering, the Company has agreed to file a registration statement covering the resale of the Shares and the common stock issuable upon exercise of the Warrants and Placement Agent Warrants within 45 days following the closing date of the Offering, and use its best efforts to cause the registration statement to be effective within 90 days after such closing date.

Neither the Shares, Warrants or Placement Agent Warrants to be sold and issued in the Offering (including the shares of common stock issuable upon exercise of the Warrants or Placement Agent Warrants), will be registered under the Securities Act of 1933, as amended (the “Securities Act”) at the time of sale, and therefore may not be offered or sold in the United States absent registration or an applicable exemption from registration requirements. For these issuances, the Company is relying on the exemption from federal registration under Section 4(2) of the Securities Act and/or Rule 506 promulgated thereunder, based on the Company’s belief that the offer and sale of the Shares, Warrants and Placement Agent Warrants has not and will not involve a public offering as each investor was “accredited” and no general solicitation has been involved in the Offering.

The Company’s press release dated February 16, 2007, announcing the private placement discussed above is attached hereto as Exhibit 99.1 and incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

99.1 Press Release dated February 16, 2007.

SIGNATURE

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.

ZIOPHARM Oncology, Inc.:

(Registrant)

Date: February 16,
2007

By: /s/ Jonathan Lewis

Jonathan Lewis, *Chief Executive Officer*

Exhibit Index

Exhibit No.

Description

99.1

Press Release date February 16, 2007

ZIOPHARM Announces \$30.9 Million “At-Market” Private Placement

NEW YORK, NY - February 16, 2007 - ZIOPHARM Oncology, Inc. (NASDAQ: ZIOP) announced today it has entered into definitive agreements with institutional investors to raise approximately \$30.9 million in gross proceeds, before deducting placement agent fees and estimated offering expenses, in a private placement of units consisting of one share of common stock and a warrant to purchase 0.2 shares of common stock. The Company has entered into subscription agreements with these investors, with the purchase price per unit being equal to \$5.225. At closing, the Company will issue approximately 5.9 million shares of common stock, and warrants to purchase approximately 1.2 million shares of common stock. The closing of the offering is subject to certain conditions, and is expected to occur on or around February 22, 2007.

Lead and new investors were Essex Woodlands Health Ventures and PTV Sciences. There was also significant participation from existing investors including ProQuest Investments, LB I Group Inc. (an affiliate of Lehman Brothers), Henderson Global Investors and two funds (Medical Biohealth Trends, Pharma/wHealth) advised by Medical Strategy from Germany. Oppenheimer & Co. Inc. served as lead placement agent and Paramount BioCapital, Inc. and Griffin Securities, Inc. served as co-placement agents for the offering.

Proceeds from the financing will be used primarily for ongoing clinical development of the Company’s three lead products, ZIO-101, ZIO-201, and ZIO-301 currently in phase I and/or phase II trials. The Company anticipates completing phase II trials with ZIO-101 and ZIO-201 followed by initiation of pivotal studies. Funds will also be used to advance ZIO-301 into phase II trials, and for general corporate purposes.

“We are extremely pleased and appreciative to have received such strong support from this premier group of new and existing investors.” commented Jonathan Lewis, M.D., Ph.D, Chief Executive Officer.

The securities have not been registered under the Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration under such act and applicable state securities laws or an applicable exemption from those registration requirements. This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to the registration or qualification under the securities laws of any such jurisdiction.

About ZIOPHARM Oncology, Inc.

ZIOPHARM Oncology, Inc. is a biopharmaceutical company engaged in the development and commercialization of a diverse, risk-sensitive portfolio of in-licensed cancer drugs to address unmet medical needs. The Company applies new insights from molecular and cancer biology to understand the efficacy and safety limitations of approved and developmental cancer therapies and identifies proprietary and related molecules for better patient treatment. For more information, visit www.ziopharm.com.

Forward-Looking Safe Harbor Statement:

This press release contains forward-looking statements for ZIOPHARM Oncology, Inc. that involve risks and uncertainties that could cause the Company's actual results to differ materially from the anticipated results and expectations expressed in these forward-looking statements. These statements are based on current expectations, forecasts and assumptions that are subject to risks and uncertainties, which could cause actual outcomes and results to differ materially from these statements. Among other things, there can be no assurance that any of the Company's development efforts relating to its product candidates will be successful, or such product candidates will be successfully commercialized. Other risks that affect forward-looking information contained in this press release include the possibility of being unable to obtain regulatory approval of the Company's product candidates, the risk that the results of clinical trials may not support the Company's claims, and risks related to the Company's ability to protect its intellectual property and its reliance on third parties to develop its product candidates. The Company assumes no obligation to update these forward-looking statements, except as required by law. For further risk factors see the Company's latest 10-KSB filed with the SEC.

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Investors:

ZIOPHARM Oncology, Inc.
Suzanne McKenna, Investor Relations,
646-214-0703
smckenna@ziopharm.com

Media:

Rx Communications
Tina Posterli
917-322-2565
tposterli@rxir.com
