

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): August 27, 2008 (August 12, 2008)

Rexahn Pharmaceuticals, Inc.

(Exact name of registrant as specified in its charter)

Delaware

(State or Other Jurisdiction of Incorporation)

000-50590

(Commission File Number)

11-3516358

(I.R.S. Employer Identification No.)

9620 Medical Center Drive

Rockville, Maryland 20850

(Address of principal executive offices) (Zip code)

(240) 268-5300

(Registrant's telephone number, including area code)

Not Applicable

(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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INFORMATION TO BE INCLUDED IN THE REPORT

Item 1.01. Entry Into a Material Definitive Agreement.

On August 12, 2008, Rexahn Pharmaceuticals, Inc. and Y. Michele Kang entered into a Consulting Agreement. The Consulting Agreement provides that Ms. Kang shall provide up to eight hours of consulting services to Rexahn each week for at least a one-year period. Either party, however, may terminate the Consulting Agreement on 30 days' notice to the other. As consideration for her services to Rexahn under the Consulting Agreement on August 12, 2008, Rexahn issued to Ms. Kang an option to purchase 150,000 shares of its common stock at a price of \$1.47 (which was the market value of such common stock as of the option grant date). Such option vests as to 30% of the subject shares on the first anniversary of the grant date; as to an additional 30% of the subject shares on the second anniversary of the grant date; and as to the final 40% of the subject shares on the third anniversary of the grant date. Such vesting will occur regardless of when the Consulting Agreement terminates.

The preceding summary of the terms of the Consulting Agreement is qualified by reference to the full text thereof, which is attached hereto as Exhibit 10.1 and hereby incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

<u>Exhibit Number</u>	<u>Description</u>
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10.1	Consulting Agreement, dated as of August 12, 2008, between Rexahn Pharmaceuticals, Inc. and Y. Michele Kang.
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SIGNATURES

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.

REXAHN PHARMACEUTICALS, INC.
(Registrant)

By /s/ TAE HEUM JEONG

Tae Heum Jeong
Chief Financial Officer

Date: August 27, 2008

EXHIBIT INDEX

**Exhibit
Number**

Description

10.1	Consulting Agreement, dated as of August 12, 2008, between Rexahn Pharmaceuticals, Inc. and Y. Michele Kang.
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REXAHN PHARMACEUTICALS, INC.

9620 Medical Center Drive, Rockville, MD 20850
Tel. 240-268-5300 Fax. 240-268-5310 www.rexahn.com

August 12, 2008

Ms. Michele Kang
CEO
Cognosante, Inc.
7921 Jones Branch Drive, Suite 106
McLean, Virginia 22102-3332

Re: Consulting Agreement

Dear Michele:

This Letter Agreement (the "Agreement") sets forth the terms and conditions of the engagement of you by Rexhan Pharmaceuticals, Inc. (the "Company") to provide certain consulting service to the Company (the "Service").

As you are aware, the Company is in the phase of rapid growth and transformation. In particular, the Company will be challenged as it pursues corporate growth, possible acquisition, combination, hiring of executive teams, and other general business matters. The Service that we hope to obtain from you includes general business consulting in regard to these matters and other matters as may be reasonably requested by myself and Ted Jeong.

As discussed, you will be expected to personally spend eight hours (one working day) per week in providing the Company with the Service. We do not necessarily expect you to be physically available at our Company premises in Rockville, Maryland while providing the Service on the clinical trials on Serdaxin and several types of financial transactions, but would require your presence when reasonably asked by me or Ted, or by a director of the Company's board of directors.

The Service to be rendered by you shall always be in accordance with the professional standard of care commensurate with similarly situated firms in the Washington, DC Metropolitan area, and you agree that you shall perform your obligations hereunder in compliance with all laws.

We expect the Service to be provided for at least a period of one year from the above date; provided, however, that the Service can be terminated by either party upon at least thirty (30) days' prior written notice of its intention to terminate this Agreement.

Under this Agreement, you shall be an independent contractor, and not that of principal and agent, employer and employee, partnership, or affiliate and this Agreement confers no power upon you to legally bind or commit the Company, its affiliates or others. You shall be responsible for the payment of all federal, state and other taxes with respect to all payments made to you.

As consideration for the Service, subject to a three (3) year vesting period with 30% of the shares shall vest on the first (1st) anniversary of the grant date; 30% on the second (2nd) anniversary of the grant date; and 40% on the third (3rd) anniversary of the grant date, you shall be eligible to receive awards of options to purchase 150,000 shares of the Company's stock (the "Stock Options") in accordance with the terms of the Company's Stock Option Plan (the "Plan"), as the Plan may be amended, suspended, or terminated from time to time, and pursuant to the attached stock option agreement (Attachment A). In the event that your Service is terminated before the one year term, the award of Stock Options shall be pro-rated.

In addition to Stock Options, the Company agrees that it will be solely responsible, and will reimburse you, for all out-of pocket costs and expenses incurred on behalf of the Company in connection with the engagement hereunder as evidenced by receipts hereunder.

This Agreement shall be governed by the laws of the State of Maryland without regard to principles of conflicts of laws, and shall not be modified in any way, unless pursuant to a written agreement which has been executed by each of the parties hereto. In the event that a dispute shall arise between the parties to this Agreement concerning any provision of this Agreement (including a claimed breach hereof), the parties shall first attempt to resolve such dispute in good faith for at least 20 days. The parties hereby irrevocably and unconditionally consent to submit to the exclusive jurisdiction of the courts of the State of Maryland for any lawsuits, claims or other proceedings arising out of or relating to this Agreement and agree not to commence any such lawsuit, claim or other proceeding except in such courts.

Please confirm that the foregoing is in accordance with your understanding by signing and returning to us the enclosed duplicate of this letter.

Sincerely yours,

By: /s/ Chang H. Ahn
Chang H. Ahn, Ph.D.
Chairman/Chief Executive Officer
Rexahn Pharmaceuticals, Inc.

Received and Agreed to:
Cognosante, Inc.

By: /s/ Michele Kang
Michele Kang
Chief Executive Officer
