STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person

WILLS STEPHEN T

2. Issuer Name and Ticker or Trading Symbol

PALATIN TECHNOLOGIES INC [ PTN ]

3. Date of Earliest Transaction (Month/Day/Year)

07/01/2004

4. If Amendment, Date of Original Filed

6. Individual or Joint/Group Filing (Check Applicable Line)

X Form filed by One Reporting Person

Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)

2. Transaction Date (Month/Day/Year)

2A. Deemed Execution Date, if any (Month/Day/Year)

3. Transaction Code (Instr. 8)

4. Securities Acquired (A) or Disposed Of (D) (Instr. 3, 4 and 5)

5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)

6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)

7. Nature of Indirect Beneficial Ownership (Instr. 4)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Derivative Security (Instr. 3)

2. Conversion or Exercise Price of Derivative Security

3. Transaction Date (Month/Day/Year)

3A. Deemed Execution Date, if any (Month/Day/Year)

4. Transaction Code (Instr. 8)

5. Number of Derivative Securities Acquired (A) or Disposed Of (D) (Instr. 3, 4 and 5)

6. Date Exercisable and Expiration Date (Month/Day/Year)

7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4)

8. Price of Derivative Security (Instr. 5)

9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)

10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)

11. Nature of Indirect Beneficial Ownership (Instr. 4)

Explanation of Responses:

1. The option becomes exercisable as to 1/3 of the shares on July 1 of 2004, 2005 and 2006.

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

** Signature of Reporting Person

[Signature]

Date

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.