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
   SPANA CARL
   CRANBURY NJ 08512

2. Issuer Name and Ticker or Trading Symbol
   PALATIN TECHNOLOGIES INC [PTN]

3. Date of Earliest Transaction (Month/Day/Year)
   10/06/2006

4. If Amendment, Date of Original Filed (Month/Day/Year)
   10/06/2007

5. Relationship of Reporting Person(s) to Issuer
   X Director 10% Owner
   X Officer (give title below)
   President & CEO

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

<table>
<thead>
<tr>
<th>Title of Security</th>
<th>Transaction Date</th>
<th>Transaction Code</th>
<th>Securities Acquired (A) or Disposed Of (D)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Restricted stock unit</td>
<td>10/06/2006</td>
<td>A</td>
<td>375,000</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Title of Derivative Security</th>
<th>Conversion or Exercise Price of Derivative Security</th>
<th>Transaction Date</th>
<th>Transaction Code</th>
<th>Derivative Securities Acquired (A) or Disposed Of (D)</th>
<th>Date Exercisable</th>
<th>Expiration Date</th>
<th>Title of Derivative Security</th>
<th>Amount of Derivative Security Beneficially Owned Following Reported Transaction(s)</th>
<th>Amount of Shares</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stock option</td>
<td>2.49</td>
<td>10/06/2006</td>
<td>A</td>
<td>125,000</td>
<td>10/06/2007(1)</td>
<td>10/06/2016</td>
<td>Common stock</td>
<td>125,000</td>
<td>125,000</td>
</tr>
<tr>
<td>Restricted stock unit</td>
<td>0</td>
<td>10/06/2006</td>
<td>A</td>
<td>375,000</td>
<td>10/06/2010(2)</td>
<td></td>
<td>Common stock</td>
<td>375,000</td>
<td>375,000</td>
</tr>
</tbody>
</table>

Explanation of Responses:
1. The options vest as to 25% of the shares per year, starting October 6, 2007.
2. Restricted stock units will automatically convert into common stock without further payment upon attainment of the following vesting conditions: one third of the shares upon attainment of a $4.00 common stock trading price for twenty consecutive trading days; one third of the shares upon attainment of a $6.00 common stock trading price for twenty consecutive trading days; and one third of the shares upon attainment of an $8.00 common stock trading price for twenty consecutive trading days.

Carl Spana 10/11/2006

** Signature of Reporting Person Date

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

* If the form is filed by more than one reporting person, see Instruction 4 (b)(v).


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.