1. Name and Address of Reporting Person

Trevor J. Hallam

(PALATIN TECHNOLOGIES INC [PTN]

4C CEDAR BROOK DRIVE

CRANBURY NJ 08512

2. Issuer Name and Ticker or Trading Symbol

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

12/31/2009

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

X Form filed by One Reporting Person

Form filed by More than One Reporting Person

5. Relationship of Reporting Person(s) to Issuer

Director 10% Owner

Officer (give title below)

Exec VP - Research & Dev

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

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

<table>
<thead>
<tr>
<th>Security</th>
<th>Date</th>
<th>Transaction Code</th>
<th>Amount</th>
<th>Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>common stock</td>
<td>12/31/2009</td>
<td>M</td>
<td>250,000</td>
<td>$0</td>
</tr>
<tr>
<td>common stock</td>
<td>12/31/2009</td>
<td>F</td>
<td>73,625</td>
<td>$0.37</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Security</th>
<th>Date</th>
<th>Transaction Code</th>
<th>Amount</th>
<th>Date Exercisable and Expiration Date</th>
<th>Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>restricted stock unit</td>
<td>12/31/2009</td>
<td>M</td>
<td>250,000</td>
<td>12/31/2009 and 12/31/2009</td>
<td>$0.37</td>
</tr>
</tbody>
</table>

Explanation of Responses:

1. Shares issued on vesting of Restricted Stock Units.

2. Shares withheld by the Registrant to pay employee withholding taxes, valued at $0.37 per share, the closing price on the vesting date, 12/31/2009.

3. Each Restricted Stock Unit represented the right to receive, on vesting, one share of common stock. This transaction represents the vesting of Restricted Stock Units.

** Signature of Reporting Person

Date