

DISCOVERY LABORATORIES, INC.  
 SUPPLEMENT DATED JULY 11, 2000  
 TO PROSPECTUS DATED NOVEMBER 4, 1999

This Supplement should be read in conjunction with the Prospectus dated November 4, 1999, contained in Registration Statement No. 333-86105 of Discovery Laboratories, Inc. (the "Company") including the exhibits hereto. The Selling Securityholder Table is amended by deleting the reference to Paramount Capital, Inc., and adding the persons listed in the table below as Selling Securityholders. Paramount Capital, Inc. has distributed certain unit purchase options to the persons in the table below, who are employees of Paramount Capital, Inc. Paramount Capital, Inc. has acted as placement agent for the Company and may be deemed to be an affiliate of the Company.

Name	Number of Shares of Common Stock, not including Warrants, Beneficially Owned	Number of Shares Represented by Warrants Beneficially Owned	Total Number of Shares of Common Stock Beneficially Owned +	Percentage Beneficially Owned Before Offering	Number of Shares to be Offered for the Account of Selling Stockholders	Number of Shares to be Owned After this Offering	Percentage to be Beneficially Owned After this Offering
Lindsay Rosenwald <sup>1</sup>	2,784,975	703,134	3,488,109	16.29%	168,802	3,319,307	15.63%
Wayne Rubin	0	70,936	70,936	*	24,298	46,638	*
John Knox	0	3,300	3,300	*	3,038	262	*
John Papadimitropoulos	0	3,038	3,038	*	3,038	0	*
Karl Ruggeberg	5,631	13,224	18,855	*	13,224	18,855	*
Scott Katzmann	0	245,143	245,143	1.17%	182,558	62,585	*
Andrew Daniels	0	10,000	10,000	*	10,000	0	*

\* Less than 1%.

+ The information contained in this table reflects "beneficial" ownership of common stock within the meaning of Rule 13d-3 under the Exchange Act. On May 8, 2000, the Company had 20,788,449 shares of common stock outstanding. Beneficial ownership information reflected in the table includes shares issuable upon the exercise of outstanding warrants issued by the Company.

<sup>1</sup> Includes shares beneficially owned by RAQ, LLC and Aries Domestic Fund, L.P. ("Aries Domestic") and The Aries Master Fund, a Cayman Island Exempted Corporation ("Aries Fund" and, together with Aries Domestic, "Aries"). Lindsay Rosenwald is Chairman, President and sole stockholder of Paramount Capital, Inc. ("Paramount Capital"). Dr. Rosenwald is also Chairman, President and sole stockholder of Paramount Capital Asset Management, Inc. ("PCAM"). PCAM is the general partner of Aries Domestic and the investment manager of Aries Fund. As a consequence of these relationships, each of Dr. Rosenwald and PCAM may be deemed to share beneficial ownership of the Common Stock beneficially owned by Aries. Dr. Rosenwald is also the Managing Member of RAQ, LLC and, accordingly, may be deemed to have beneficial ownership of the Common Stock beneficially owned by RAQ, LLC. Dr. Rosenwald disclaims beneficial ownership of any securities issuable upon exercise of warrants held by employees of Paramount Capital.