

[ ] Check this box if no longer subject of Section 16.

Form 4 or Form 5 obligations may continue. See Instruction 1(b).

[X] Form 3 Holdings Reported

[ ] Form 4 Transactions Reported

U.S. SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

ANNUAL STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934,  
Section 17(a) of the Public Utility Holding Company Act of 1935 or  
Section 30(f) of the Investment Company Act of 1940

1. Name and Address of Reporting Person

The Aries Fund, a Cayman Island Trust

(Last) (First) (Middle)

c/o MeesPierson (Cayman) Limited,  
P.O. Box 2003, British American  
Centre, Phase 3, Dr. Roy's Drive

(Street)

George Town, Grand Cayman

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol

Discovery Laboratories, Inc.

DSCO

3. IRS or Social Security Number of Reporting Person (Voluntary)

4. Statement for Month/Year

December 1997

5. If Amendment, Date of Original (Month/Year)

6. Relationship of Reporting Person to Issuer

(Check all applicable)

- [ ] Director [X] 10% Owner  
[ ] Officer (give title below) [ ] Other (specify below)

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

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Security Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned at End of Issuer's Fiscal Year (Instr. 3 & 4)	6. Owner- ship Form: Direct (D) or Indirect (I) (Instr.4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Amount	(A) or (D)	Price			
Common Stock	11/25/97	J(1)(2)	337,107	A	(1)	337,107	D	

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

(Print or type Responses)

Table II -- Derivative Securities Acquired, Disposed of, or Beneficially Owned  
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conver- sion or Exer- cise Price of Deriv- ative Secur- ity	3. Trans- action Date (Month/ Day/ Year)	4. Trans- action Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5) ----- (A) (D)	6. Date Exercisable and Expiration Date (Month/Day/Year) ----- Date Expira- tion Exer- tion cisable Date		7. Title and Amount of Underlying Securities (Instr. 3 and 4) ----- Title Amount or Number of Shares	8. Price of Deriv- ative Secur- ity (Instr. 5)	9. Number of Deriv- ative Secur- ities Benefi- cially Owned at End of Year (Instr. 4)	10. Owner- ship of Deriv- ative Secur- ity: Direct (D) or In- direct (I) (Instr. 4)	11. Nature of In- direct Bene- ficial Owner- ship (Instr. 4)	
Series B Convertible Preferred Stock	\$6.42	11/25/97	J(1)(3)	173,250	11/25/97	N/A	Common Stock	269,686	(1)	173,250	D	
Common Stock Warrants	\$0.64	11/15/96	J(4)	6,129	5/15/97	11/15/06	Common Stock	6,129	(1)	6,129	D	
Series B Convertible Preferred Stock Warrants	\$11.00	11/15/96	J(4)	15,750	5/15/97	11/15/06	Series B Convertible Preferred Stock	15,750	(1)	15,750	D	

Explanation of Responses:

(1) Securities acquired pursuant to the statutory merger (the "Merger") of Discovery Laboratories, Inc., a former Delaware corporation ("Old Discovery") with and into the Issuer (f/k/a Ansan Pharmaceuticals, Inc.). Pursuant to the Merger, securities of Old Discovery held by the Reporting Person were converted into securities of the Issuer. The securities of Old Discovery surrendered by the Reporting Person in the Merger constituted the consideration for the securities of the Issuer issued to the Reporting Person in the Merger. The securities of Old Discovery were not listed on a securities exchange or quoted on an inter-dealer quotation system and, accordingly, the Issuer is unable to determine the value of such consideration as of the date of the Merger.

(2) Includes 269,686 shares of Common Stock issuable upon conversion of Series B Convertible Preferred Stock (including Series B Convertible Preferred Stock issuable upon exercise of Series B Convertible Preferred Stock Warrants) and 6,129 shares of Common Stock issuable upon exercise of Common Stock Warrants.

(3) Includes 15,750 shares of Series B Convertible Preferred Stock issuable upon exercise of Series B Convertible Preferred Stock Warrants.

(4) The Common Stock Warrants and Series B Convertible Preferred Stock Warrants were issued to the Reporting Person in connection with a private placement of equity securities of Old Discovery in which an affiliate of the Reporting Person acted as placement agent. The Common Stock Warrants and Series B Convertible Preferred Stock Warrants were assumed by the Issuer in the Merger.

/s/ Lindsay A. Rosenwald

February 13, 1998

\*\*Signature of Reporting Person

Date

\*\* Intentional misstatements or omissions of facts constitute Federal Criminal Violations.  
See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

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