[]	Check this box if no
			longer subject to
			Section 16, Form 4 or
			Form 5 obligations may
			continue. See Instruction 1(b)
[]	Form 3 Holdings Reported
Γ	Χ	1	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

	estment Company Act of 1940
1. Name and address of Reporting Persor McDade, Herbert H. Jr.	1
	rst) (MI)
660 White Plains Road, Suite 400	
(Str	reet)
Tarrytown NY	10501
(City) (Sta	tte) (Zip)
Issuer Name and Ticker or Trading Syniscovery Laboratories, Inc. ("Discovery SCO IRS or Social Security Number of Reporting Person (Voluntary)	
4. Statement for Month/Year	5. If Amendment, Date of Original (Month/Year)
6. Relationship of Reporting to Issuer	(Check all applicable)
[X] Director	[] 10% Owner
[] Officer (give title below)	[] Other (specify below)

TABLE	т	_	Non-Derivative	Securities	Acquired.	Disposed	of.	or	Beneficially	Owned
IADEL	_		MOII-DELTVALIVE	Secur Ities	Acquireu,	DISPOSEU	σι,	UI	Deliciteration	Owneu

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year) 	3. Transaction Code (Instr. 8)	4. Securities A of (D) (Inst	cquired (A r. 3, 4 & !) or Disposed 5)
		 	Amount	(A)or (D)	Price
	l	I	I	 	
		<u> </u>	I	l 	l
		<u> </u>	I	l 	l
	<u> </u>	<u> </u>	I	l 	l
	<u> </u>	<u> </u>	<u> </u>	l 	<u> </u>
	<u> </u>	<u> </u>	<u> </u>	l 	
	 	<u> </u>	<u> </u>	<u> </u>	l
	 	l 	<u> </u>	l 	l
	 	 	I	 	
	 	l 		 	
=======================================	 	 :============	 :=======	 =======	 =======
 Title of Security (Instr. 3) 	5. Amount of Securities Beneficially Owned at End of Fiscal Year (Instr. 3 & 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of In Ownership (I 	direct Bend nstr. 4)	eficial
		I	I		
	l	I	I		
	l	I	I		
		I	I		
		1	I		
			<u> </u>		
			I		
		I	I		
		<u> </u>	I		
			I		
	1	1	1		

Reminder: Report on a separte line for each class of securities beneficially owned directly or indirectly. (Print or type Reponses)

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. Conversion Exercise F Derivative	rice of	3. Transaction Da (Month/Day/Yea	te 4. Transactio r) Code (Instr. 8)	(A) or D	f Derivative es Acquired isposed of tr. 3, 4 & 5)
	I			l	(A)	(D)
Non-Statutory Stock Option(1)	\$2.66 		6/16/98	A,4 	10,000	
		 		l		
	<u> </u>	I		I		<u> </u>
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	: 	 			<u>'</u> 	- <u>'</u>
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	 	I		I	 	
1. Title of Derivative Security (Instr. 3)	6. Date Exerci Expiration (Month/Day/	Date	7. Title and A Securities 	mount of Underlying (Instr. 3 & 4)	8. Price of Security 	Derivative (Instr. 5)
	Date Exercisable	Expiration Date 	Title	Amount or Number of Shares	- <u>'</u> 	
	6/16/98(2) 	6/16/08 	Common Stock	10,000		
	. <u>-</u>					
	<u> </u>	<u> </u>			<u> </u>	
	. <u></u>	 		_ <u>'</u>	 	

	Title of Derivative Security (Instr. 3)	9. Number of Derivative Securities Beneficially Owned at End of Year (Instr. 4)	10. Ownership Form of Derivative Security: Direct (D) or Indirect (I) (Instr. 4) 	11. Nature of Indirect Beneficial Ownership (Instr. 4)
-		23,619 	D 	
_		l	l	l
		l	l	I
-		l	l	l
-		l	l	l
-		l	l	l
-		l	l	l
-		l	l	l
-		 	 	
-		 	 	
-			 	
-			 	

Explanation of Responses:

- (1) Represents a right to buy.
- (2) Unvested shares of Common Stock of the Issuer subject to such options will be subject to repurchase by the Company, at the then exercise price per share, upon the Reporting Persons cessation of Board service. The shares of Common Stock of the Issuer subject to such options will vest (and the Company's repurchase rights will lapse) in four successive equal annual installments over the Reporting Person's period of service, beginning six months after the option grant date.
- ** Intentional Misstatements or omissions of facts constitute Federal Criminal Violations. See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

/s/ Herbert McDade	March 31, 1999
**Signature of Reporting Person	Date

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