

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

FORM 4

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

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

1. Name and Address of Reporting Person

Naveh David  
-----  
(Last) (First) (Middle)  
509 Madison Avenue, 14th Floor  
-----  
(Street)  
New York, New York 10022  
-----  
(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol

Discovery Laboratories, Inc. (Discovery)  
  
DSCO

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

4. Statement for Month/Year

August 1998

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

6. Relationship of Reporting Person to Issuer  
(Check all applicable)

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

7. 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

1. Title of Security (Instr. 3)	2. Transaction Date (mm/dd/yy)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned at End of Month (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr.4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Amount	(A) or (D)	Price			
Common Stock	8/18/98	P	1,000	A	\$4.00	21,600(1)	D	
Common Stock	8/18/98	P	600	A	\$4.125	21,600(1)	D	
Common Stock	8/18/98	P	2,400	A	\$4.25	21,600(1)	D	

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

