

FORM 5

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

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

Form 3 Holdings Reported

Form 4 Transactions Reported

1. Name and Address of Reporting Person\*

Naveh, David  
-----  
(Last) (First) (Middle)  
-----  
119 Monte Avenue  
-----  
(Street)  
-----  
Piedmont, CA 94611  
-----  
(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol

Discovery Laboratories, Inc. ("Discovery") DSCO

3. IRS Identification Number of Reporting Person, if an Entity (Voluntary)

4. Statement for Month/Year

December 2000

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

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

Director  10% Owner  
 Officer (give title below)  Other (specify below)

Ex-Director

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

Form filed by One Reporting Person  
 Form filed by More than One Reporting Person

\* If the Form is filed by more than one Reporting Person, see Instruction 4(b)(v).

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. 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 and 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	09/25/00	M	10,000	A	\$0.81	24,000	D	
Common Stock	08/09/00	M	10,000	A	\$2.66	24,000	D	
Common Stock	08/25/00	S	10,000	D	\$5.00	24,000	D	
Common Stock	07/28/00	S	9,000	D	\$4.50	24,000	D	
Common Stock	07/27/00	S	1,000	D	\$4.5625	24,000	D	

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

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)	6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. Price of Deriv- ative Secur- ity (Instr. 5)	9. Number of Deriv- ative Secur- ities Bene- ficially Owned at End 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)	
Stock Option	\$2.21	06/16/00	A	20,000	06/16/00	06/15/10	Common Stock	20,000	\$2.21	20,000	D	
Stock Options	\$0.81	09/25/00	M	10,000	06/28/99	06/28/09	Common Stock	10,000	\$0.81	20,000	D	
Stock Options	\$2.66	08/09/00	M	10,000	06/16/98	06/16/08	Common Stock	10,000	\$2.66	20,000	D	

Explanation of Responses:

(1) NSO - Fully vested at the date of the grant.

/s/ David Naveh  
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\*\*Signature of Reporting Person

February 13, 2001  
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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.