

PALATIN TECHNOLOGIES, INC.

CODE OF CORPORATE CONDUCT AND ETHICS

Last Updated as of March 5, 2016

Palatin is determined to operate in conformity with applicable laws and maintain a reputation for integrity in its business practices. As a Palatin employee or director, you are expected to conduct your business affairs in an ethical and legal manner, consistent with your duties and responsibilities to the Company.

This Code of Corporate Conduct and Ethics (“Code”) is intended to provide you with a clear understanding of the principles of business conduct and ethics that are expected to promote high standards of compliance and integrity. This Code is applicable to all Company employees, officers and directors, including non-employee directors. While this Code cannot possibly guide every practice related to ethical behavior, it includes certain specific concepts and practices regarding business conduct that deserve particular emphasis, some of which are more fully described in the Employee Handbook and other Company communications.

Violation of this Code may subject you to disciplinary action, up to and including suspension and/or termination of employment.

Compliance with Applicable Laws

The Company expects you to comply with all of the laws, rules and regulations of the United States and other countries, and the states, counties, cities and other jurisdictions applicable to the Company or its business. Violations of laws can damage the Company’s reputation and subject it to liability and may subject you to personal liability. The Company expects you to gain a basic awareness of the legal and regulatory requirements applicable to your duties and responsibilities and to obtain an appropriate level of guidance when doubts or uncertainties arise.

Conflicts of Interests

You should avoid any direct or indirect, financial or non-financial relationships, including investments, associations or other relationships that would conflict, or appear to conflict, with your responsibility to make objective decisions in Palatin’s best interest. Upon employment, you are required to complete and sign a Conflict of Interest statement. You are expected to disclose any potential conflicts to the Company’s Human Resources Administrator and Chief Legal Officer, and otherwise pursue the ethical handling of conflicts where conflicts or the appearance of conflicts are unavoidable.

Also, to avoid potential conflicts of interests, the Audit Committee of the Board of Directors will review and approve all related-party transactions as required by the Securities and Exchange Commission (“SEC”), the NYSE MKT Exchange or any other applicable regulatory body.

Confidentiality, Inventions, Non-Compete & Non-Solicitation

During your course of employment with Palatin, you may receive, become aware of and/or be involved in the development of information including but not limited to trade secrets, research projects, practices, products, patents, financial matters, sales information, customers and potential customers, employee personal matters, policies, procedures, manuals and forms relating

to Palatin's business. You must hold this information in the strictest confidence. You are responsible for assuring the security of Company confidential and proprietary material in your possession. The Company reserves the right to search unlocked and/or locked Company property at any time without consent. The Company may request a search of personal property at the work site or locked Company property assigned to an individual for safety, security and/or illegal activity concerns. Upon employment, all employees are required to sign an agreement with confidentiality, inventions, non-compete and non-solicitation covenants that specify obligations that extend for a period of three years following the termination of the employment relationship.

Financial Information & Record Keeping

No receipts, payments or transfers of Company funds or assets shall be made which is not authorized and properly accounted for on the Company's books. All the Company's books and financial records must fully reflect all receipts and expenditures and its financial statements filed with the SEC must conform to generally accepted accounting principles and SEC rules and regulations. Employees who collect, provide or analyze information for or otherwise contribute to the preparation of these reports or any public disclosures should attempt to ensure our reports and disclosures are complete, fair, accurate, timely and understandable. All employees must cooperate fully with our accounting department, independent accountants and legal advisors to ensure that the Company's system for developing such reports and disclosures functions properly. No undisclosed or unrecorded funds of the Company should be established for any purpose. No undisclosed liabilities or contingencies may exist, except when specifically permitted by generally accepted accounting principles. Attempts to create false or misleading records are forbidden.

Acceptance of Payments

No employee should directly or indirectly seek or accept any payments, fees, services or other gratuities outside the normal course of business duties from any person, Company or organization. Gifts of cash or cash equivalents (checks, gift certificates, etc.) or other assets of any amount are strictly prohibited. The receipt of sales promotion items of small value (less than \$50), occasional meals and reasonable entertainment appropriate to a business relationship are generally acceptable.

Business Entertainment and Gifts

It is Company policy that all solicitation of or dealings with suppliers, customers and others doing or seeking to do business with the Company will be conducted solely on the basis that reflects both the Company's best business interests and its high ethical standards. The providing of common courtesies, entertainment and occasional meals to individuals involved with aspects of Palatin's business in a manner appropriate to the business relationship and associated with business discussions is permitted, provided expenses incurred are reasonable, customary and authorized.

No employee shall authorize any payment or use of any funds for a bribe, "kickback" or similar payment which is directly or indirectly for the benefit of any individual, Company or organization which is designed to secure favored treatment for Palatin Technologies.

Payments or gifts shall not be made directly or indirectly to any government official if such payment or gift is illegal under the laws of the applicable jurisdiction. Under no circumstances should gifts be given to employees of the United States government.

Community, Political Activities & Media Relations

Personal community and political activities are permitted provided they are conducted in a legal manner and do not interfere with the employee's responsibilities to Palatin Technologies.

Employees may not represent Palatin Technologies in the participation of personal community and political activities or provide Company information to any media source (e.g., television, radio, newspaper) unless approved by the CEO or CFO.

Fair Dealing

Palatin endeavors to deal honestly and ethically with its employees, suppliers, collaborators, auditors and regulators. Employees must not take unfair advantage of others through the use of statements that are untrue, misleading or fraudulent; unauthorized use of assets or privileged information or similar practices.

Employees may not misrepresent the Company's products or describe the Company's products other than in accordance with the Company's documented specifications.

Employees may not spread false rumors about competitors or make misrepresentations about their products or business. Employees may not disrupt competitors businesses by unethical practices such as bribing their employees or enticing their employees away in order to obtain secrets or disrupt their organization.

Corporate Opportunities

Employees must not take for themselves corporate opportunities that are discovered through their use of Company position, property or information without first offering such opportunities to the Company. In addition, employees are prohibited from using Company position, property or information for their own gain and competing with the Company.

Protection of Assets

Employees should seek to protect Company assets and assets entrusted to it by others against misappropriation, theft, carelessness and waste. Employees must use Company assets, including supplies, computer equipment and office facilities, solely for legitimate business purposes.

Selective Disclosure and Insider Trading

As a result of their employment with the Company, employees may come into possession of material non- public information about the Company or other companies, including our suppliers and collaborators. Employees are prohibited by law and by Company policy from trading in securities on the basis of such information and from communicating such information to others who might trade on the basis of that information. The Company's Insider Trading and Securities Law Compliance Policy sets forth in greater detail the obligations of employees concerning Company non-public information and trading in the Company's stock.

Document Retention

A number of laws expressly require that certain documents be retained for specified periods of time, including the tax codes, environmental laws, employment laws, criminal statutes that punish obstruction and industry-specific laws and regulations. In addition, certain documents relevant to potential disputes should be retained for certain periods.

Employees may not destroy documents essential to the ongoing, legal and effective functioning

of the Company such as contracts, transactional documents, personnel files, financial information and official correspondence outside of established Company policies. In addition, employees may not destroy documents relevant to or discoverable in pending or potential litigation and other legal and official proceedings.

Economic Sanctions and Prohibited Transactions

As of September 18, 2013, the United States maintains comprehensive embargoes against Cuba, Iran, Sudan, Syria and North Korea and less restrictive economic sanctions against Burma/Myanmar, Belarus and Lebanon. The United States also maintains restrictions and/or prohibitions on business transactions with certain persons and entities as set forth in the Department of Treasury, Office of Foreign Assets Control's list of "Specially Designated Nationals and Blocked Persons." The types of prohibitions and restrictions imposed vary by sanctions programs, and the countries covered are subject to change. Such prohibitions and restrictions may affect the Company's exports, imports, travel, currency transactions, and assets and accounts. If you are considering doing any business, directly or indirectly, with a country, entity, or individual against which the United States maintains comprehensive embargoes or economic sanctions, consult first with the Chief Legal Officer even if you are conducting business outside of the United States. As a public reporting issuer, the Company is required to disclose in our annual and quarterly reports whether we or any of its affiliates have knowingly engaged in specific activities or transactions relating to Iran during the period covered by the report, including activities not prohibited by U.S. law and conducted outside the U.S. by non-U.S. affiliates in compliance with local law. You may not engage in any activity or transaction relating to Iran unless it has been approved by the Chief Legal Officer and Chief Financial Officer.

Administration of The Code of Corporate Conduct and Ethics

Questions

If you have any questions concerning this Code, please feel free to consult with your supervisor or the Human Resources Administrator.

Obligation to Report Possible Violations or Unethical Behavior

Compliance with this Code is a key responsibility of all Employees. If you are aware of a possible violation of this Code, or any unethical behavior, it is your responsibility to report it promptly. Employees who receive complaints from third parties, including complaints concerning the Company's accounting, internal accounting control or auditing matters, should also promptly report any possible violations.

Every employee is encouraged to act proactively by asking questions, seeking guidance and reporting suspected violations of the Code and other policies and procedures of the Company, as well as any violation or suspected violation of applicable law, rule or regulation arising in the conduct of the Company's business or occurring on the Company's property. **If any employee believes that actions have taken place, may be taking place, or may be about to take place that violate or would violate the Code or any law, rule or regulation applicable to the Company, he or she is obligated to bring the matter to the attention of the Company.**

Reporting any Possible Violations or Unethical Behavior

You may start by seeking advice on ethics-related issues or reporting potential violations of the

Code with your supervisor. However, if the conduct in question involves your supervisor, if you have reported the conduct in question to your supervisor and do not believe that your supervisor has dealt with it properly, or if you do not feel that you can discuss the matter with your supervisor, then you may proceed by any of the following methods:

- You may report it directly to the Human Resources Administrator, the CFO or the CEO or, in the case of violations concerning accounting or auditing matters, to the Audit Committee by mail addressed to The Audit Committee, Palatin Technologies, Inc., 4-B Cedar Brook Drive, Cranbury, NJ 08512. In the case of letters, your report may be anonymous.
- You may make a report, including an anonymous report, by using the online reporting option the Company has established on its website, www.palatin.com.
- You may call a whistleblower telephone account the Company has established. Your call may be anonymous. The telephone numbers and company identifier for the voicemail account are on our website, www.palatin.com.

If you have received complaints from third parties regarding the Company's accounting, internal accounting control or auditing matters, you should proceed by any of the methods described above. Similarly, if you have concerns or a complaint regarding questionable accounting or auditing matters, including internal accounting controls or securities law matters, you should submit such concerns by any of the methods described above.

Reports received through the Company's online reporting option or voicemail account will be received by an outside, independent company that provides a dedicated phone line and internet site. Each report will be forwarded to the appropriate member of management or the Audit Committee for investigation and resolution.

Anonymity

When reporting suspected violations of the Code, the Company prefers that you identify yourself to facilitate the Company's ability to take appropriate steps to address the report, including conducting any appropriate investigation. However, the Company also recognizes that some people may feel more comfortable reporting a suspected violation anonymously.

If you wish to remain anonymous, you may do so in making a report. However, there may be circumstances involving applicable laws, rules, regulations, or legal proceedings in which the Company cannot protect your anonymity. The Company will use reasonable efforts to protect the confidentiality of a reporting person, but there are no guarantee that anonymity can or will be maintained.

In the event a report is made anonymously, the Company may not have sufficient information to look into or otherwise investigate or evaluate the allegations. Accordingly, persons who make reports anonymously should provide as much detail as is reasonably necessary to permit the Company to evaluate the matter(s) set forth in the anonymous report and, if appropriate, commence and conduct an appropriate investigation.

No Reprisals

If you have any questions regarding this code or need to report a violation of this code, you should contact the appropriate party as provided above, without fear of retaliation by the Company.

Employees may not be fired, demoted, reprimanded or otherwise harmed for the reporting of the suspected violation, issues or concerns.

Waivers

If a situation should arise where you believe that you should take a course of action that would likely result in a violation of the Code but for which you believe that there is a valid reason for such action, you should contact Human Resources to seek a waiver prior to the time such action is taken. Human Resources will facilitate the review of waiver requests by the CEO or CFO. Waiver requests by an executive officer or director will be referred to the Board of Directors.

It is the Company's intention only to grant waivers in limited and compelling circumstances.

Distribution and Amendment

This Code will be distributed to all employees upon employment and at least annually thereafter. Each employee must confirm that he or she has received and read the Code and has complied with its terms.

The Company may amend this Code from time to time for any reason. The most current version of this Code can be obtained from the Human Resources Administrator or from the Company's website, www.palatin.com.

References in this Code to employees are intended to cover officers and, as applicable, members of the Board of Directors.