

NANOPHASE TECHNOLOGIES CORPORATION
 Form 4
 March 24, 2005

FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION
 Washington, D.C. 20549

OMB APPROVAL

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

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(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
 MCCLUNG JAMES A

2. Issuer Name and Ticker or Trading Symbol
 NANOPHASE TECHNOLOGIES CORPORATION [NANX]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)

3. Date of Earliest Transaction (Month/Day/Year)
 03/21/2005

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

1319 MARQUETTE DRIVE

(Street)

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

ROMEDEVILLE 60446

(City) (State) (Zip)

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

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Ownership (Instr. 4)
			Code	V Amount (A) or (D) Price			
Common Stock					13,771	D	
Common Stock					15,000	I	By Wife
Common Stock	03/21/2005		S	2,450 D \$ 5.75	12,550	I	By Wife
Common Stock	03/24/2005		S	2,550 D \$ 5.7876	10,000	I	By Wife

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

Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB control number.

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(9-02)

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 or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction 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. Amount or Number of Shares
Common Stock (right to buy)	\$ 6.3125					02/03/2001 ⁽¹⁾ 02/03/2010	Common Stock	10,000
Common Stock (right to buy)	\$ 7.625					05/25/2001 ⁽¹⁾ 05/25/2010	Common Stock	2,000
Common Stock (right to buy)	\$ 9.92					06/05/2002 ⁽¹⁾ 06/05/2011	Common Stock	2,000
Common Stock (right to buy)	\$ 3.78					11/25/2003 ⁽¹⁾ 11/25/2012	Common Stock	2,000
Common Stock (right to buy)	\$ 5.07					06/26/2004 ⁽¹⁾ 06/26/2013	Common Stock	2,000

Reporting Owners

Reporting Owner Name / Address

Relationships

Director 10% Owner Officer Other

MCCLUNG JAMES A
1319 MARQUETTE DRIVE X
ROMEDEVILLE 60446

Signatures

By Jess Jankowski, under UPA, for James A.
McClung

03/24/2005

__Signature of Reporting Person

Date

Explanation of Responses:

* If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).

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

(1) Subject to certain restrictions, beginning on this date, the options vest in three equal annual installments.

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

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