NANOPHASE TECHNOLOGIES CORPORATION
Form 4
September 29, 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 *
BILICKI DANIEL S

(Last) (First) (Middle)

1319 MARQUETTE DRIVE

(Street)

ROMEOVILLE, IL 60446

(City) (State) (Zip)

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

3. Date of Earliest Transaction (Month/Day/Year)
09/27/2005

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

_____ Director _____ 10% Owner
__X__ Officer (give title below) _____ Other (specify below)
VP - Sales & Marketing

6. 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 (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 Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock								8,000	D	
Common Stock	09/27/2005		A		1,500	A	(3)	1,500	D	

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

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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)	
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Stock Option (right to buy)	$ 2.375							03/15/2000 [(1)](#)	03/15/2009	Common Stock	50,000
Stock Option (right to buy)	$ 7.6875							05/24/2001 [(2)](#)	05/24/2010	Common Stock	50,000
Stock Option (right to buy)	$ 10.875							01/26/2002 [(2)](#)	01/26/2011	Common Stock	30,000
Stock Option (right to buy)	$ 7.0625							02/28/2002 [(2)](#)	02/28/2011	Common Stock	30,000
Stock Option (right to buy)	$ 6.65							01/03/2003 [(2)](#)	01/03/2012	Common Stock	30,000
Stock Option (right to buy)	$ 3.66							03/24/2004 [(2)](#)	03/24/2013	Common Stock	21,000
Stock Option (right to buy)	$ 5.55							10/11/2005 [(2)](#)	10/11/2014	Common Stock	9,300
Stock Option (right to buy)	$ 6.03	09/27/2005		A		9,000		09/27/2006 [(2)](#)	09/27/2015	Common Stock	9,000

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
BILICKI DANIEL S 1319 MARQUETTE DRIVE ROMEOVILLE, IL 60446			VP - Sales & Marketing	

Signatures

/s/ Daniel S. Bilicki	09/29/2005
**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, options vest in five equal annual installments.
- **(2)** Subject to certain restrictions, beginning on this date, options vest in three equal annual installments.
- **(3)** Issued pursuant to a restricted share grant under the Company's 2004 Equity Compensation Plan.

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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