



SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 8-K

Current Report

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

June 25, 2007

Date of Report
(Date of earliest event reported)

A.P. PHARMA, INC.

(Exact name of Registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

000-16109
(Commission File Number)

94-2875566
(I.R.S. Employer
Identification No.)

123 Saginaw Drive
Redwood City, California 94063
(Address of principal executive offices) (Zip code)

(650) 366-2626
(Registrant's telephone number, including area code)

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 8.01 Other Events

On June 25, 2007, A.P. Pharma, Inc. (the “Company”) announced that based on the Company’s closing of its public offering, the Company believes it has regained compliance for continued listing on the NASDAQ Global Market by satisfying the NASDAQ’s minimum stockholders’ equity requirement of the NASDAQ Marketplace Rule 4450(a)(3). NASDAQ will continue to monitor the Company’s ongoing compliance with the stockholders’ equity requirement.

Item 9.01 Financial Statements and Exhibits

(d) Exhibits.

Exhibit 99.1 Press Release dated June 25, 2007.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

A.P. PHARMA, INC.

Date: June 25, 2007

By: /s/ Michael O'Connell

Name: Michael O'Connell

Title: Chief Operating Officer and
Chief Financial Officer

EXHIBIT INDEX

99.1 Press Release dated June 25, 2007.



News Release

A.P. PHARMA REGAINS COMPLIANCE WITH NASDAQ GLOBAL MARKET LISTING REQUIREMENTS

REDWOOD CITY, Calif. (June 25, 2007) – A.P. Pharma, Inc. (NASDAQ:APPA), a specialty pharmaceuticals company, today announced that based on the recent completion of a public offering of 24,393,939 shares of its common stock at a public offering price of \$1.65 per share, the Company believes it has regained compliance for continued listing on the NASDAQ Global Market by satisfying the NASDAQ's minimum stockholders' equity requirement of the NASDAQ Marketplace Rule 4450(a)(3). NASDAQ will continue to monitor the Company's ongoing compliance with the stockholders' equity requirement.

As background, A.P. Pharma reported on May 15, 2007 that the Company was advised by the NASDAQ Listing Qualifications Department that NASDAQ was reviewing the Company's eligibility for continued listing on the NASDAQ Global Market as the Company did not comply with the NASDAQ's minimum \$10 million stockholders' equity requirement set forth in Marketplace Rule 4450(a)(3) as of March 31, 2007.

As NASDAQ requested, the Company submitted a specific plan to achieve and sustain compliance with all NASDAQ Global Market Listing Requirements, including the minimum shareholders' equity standard.

NASDAQ acknowledged that the Company had provided a definitive plan evidencing its ability to achieve and sustain compliance with Rule 4450(a)(3) subject to the Company completing the public offering.

About A.P. Pharma

A.P. Pharma is a specialty pharmaceutical company focused on the development of ethical (prescription) pharmaceuticals utilizing its proprietary polymer-based drug delivery systems. The Company's primary focus is the development and commercialization of its bioerodible injectable and implantable systems under the trade name Biochronomer™. Initial target areas of application for the Company's drug delivery technology include anti-nausea, pain management, anti-inflammation and DNA/RNAI applications. For further information visit the Company's web site at www.appharma.com.

Forward-looking Statements

This news release contains "forward-looking statements" as defined by the Private Securities Reform Act of 1995. These forward-looking statements involve risks and uncertainties including uncertainties associated with maintaining compliance with NASDAQ rules, timely development, approval, launch and acceptance of new products, satisfactory completion of clinical studies, establishment of new corporate alliances, progress in research and development programs and other risks and uncertainties identified in the Company's filings with the Securities and Exchange Commission. We caution investors that forward-looking statements reflect our analysis only on their stated dates. We do not intend to update them except as required by law.

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