

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

OMB Number: 3235-0145
Expires: February 28, 2009
Estimated average burden
hours per response 14.5

SCHEDULE 13D/A

Under the Securities Exchange Act of 1934
(Amendment No. 2)

Rexahn Pharmaceuticals, Inc.

(Name of Issuer)

Common Stock, par value \$0.0001 per share

(Title of Class of Securities)

761640 10 1

(CUSIP Number)

Cheol-Man Baik
KT&G Corporation
100 Pyoungchon-dong Daekeok-gu
Taejon City, Korea 306-130
011-82-2-3404-4521

(Name, Address and Telephone Number of Person Authorized to Receive Notices and Communications)

December 24, 2007

(Date of Event which Requires Filing of this Statement)

If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of Sections 240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box

Note: Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See Rule 13d-7(b) for other parties to whom copies are to be sent.

*The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

The information required on the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 (the "Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the Notes).

SCHEDULE 13D

CUSIP No. 761640 10 1

Page 2 of 5

1	NAMES OF REPORTING PERSONS I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS KT&G Corporation Not Applicable	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP* (a) £ (b) £	
3	SEC USE ONLY	
4	SOURCE OF FUNDS WC	
5	CHECK IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEMS 2(d) or 2(e) £	
6	CITIZENSHIP OR PLACE OF ORGANIZATION Republic of Korea	
	NUMBER OF SHARES	7 SOLE VOTING POWER 5,071,430
	BENEFICIALLY OWNED BY EACH REPORTING PERSON	8 SHARED VOTING POWER 0
	PERSON WITH	9 SOLE DISPOSITIVE POWER 5,071,430
	WITH	10 SHARED DISPOSITIVE POWER 0
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON 5,071,430	
12	CHECK BOX IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES £	
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) 9.99%	
14	TYPE OF REPORTING PERSON CO	

Explanatory Note:

This Amendment No. 2 (this "Amendment") amends and supplements the statement on Schedule 13D filed with the Securities and Exchange Commission (the "SEC") by KT&G Corporation, a Korean corporation ("KT&G"), on May 23, 2005, as amended by Amendment No. 1 to such Schedule 13D filed with the SEC on November 29, 2007.

This Amendment is filed with respect to the common stock, par value \$0.0001 per share (the "Common Stock"), of Rexahn Pharmaceuticals, Inc., a Delaware corporation (the "Issuer"), to reflect information required by Rule 13d-2 under the Securities and Exchange Act of 1934, as amended, with respect to KT&G's beneficial ownership of the Common Stock. The Issuer's principal executive office is located at 9620 Medical Center Drive, Rockville, MD 20850.

Item 3. Source and Amount of Funds or Other Consideration.

Item 3 is hereby supplemented as follows:

The total amount of funds expended by KT&G to acquire the securities reported herein is \$3,000,001.20. KT&G funded such purchase out of its working capital on hand.

Item 4. Purpose of Transaction.

Item 4 is hereby supplemented as follows:

As previously reported, on November 19, 2007, KT&G and the Issuer entered into a Securities Purchase Agreement (the "KT&G Securities Purchase Agreement"). Pursuant to the KT&G Securities Purchase Agreement, on December 24, 2007, KT&G purchased, upon and subject to the terms and conditions stated therein, (i) 2,142,858 shares of Common Stock and (ii) a warrant (the "Warrant") to acquire up to 428,572 shares of Common Stock at an exercise price of \$1.80 per share, for aggregate cash consideration of \$3,000,001.20.

Item 5. Interest in Securities of the Issuer.

Item 5 is hereby supplemented as follows:

(a) Upon the closing under the KT&G Securities Purchase Agreement, KT&G acquired (a) 2,142,858 additional shares of Common Stock, and (b) the Warrant to purchase 428,572 additional shares of Common Stock at any time prior to December 24, 2010 at an exercise price of \$1.80 per share. Upon the closing under the KT&G Securities Purchase Agreement, KT&G beneficially owns 5,071,430 shares of Common Stock, including the 428,572 shares of Common Stock subject to purchase upon exercise of the Warrant. Such shares constitute beneficial ownership by KT&G of 9.99% of the outstanding Common Stock, based on information relating to the number of outstanding shares of Common Stock outstanding on November 23, 2007 as set forth in the Information Statement on Schedule 14C filed by the Issuer on December 4, 2007.

Item 7. Material to be Filed as Exhibits.

- Exhibit 1. Securities Purchase Agreement, dated as of November 19, 2007, by and between Rexahn Pharmaceuticals, Inc. and KT&G Corporation, included as Exhibit 10.1 to the Current Report on Form 8-K of Rexahn Pharmaceuticals, Inc. filed November 21, 2007, is incorporated herein by reference.
- Exhibit 2. Warrant, dated December 24, 2007, issued to KT&G Corporation, filed as Exhibit 10.6 to the Issuer's Form 8-K filed December 26, 2007, is incorporated herein by reference.
- Exhibit 3. Registration Rights Agreement, dated December 24, 2007, among Rexahn Pharmaceuticals, Inc., KT&G Corporation and the several parties thereto, included as Exhibit 10.9 to the Current Report on Form 8-K of Rexahn Pharmaceuticals, Inc. filed December 26, 2007, is incorporated herein by reference.
-

SIGNATURE

After reasonable inquiry and to the best of my knowledge and belief, the undersigned hereby certifies that the information set forth in this statement is true, complete and correct.

Dated: December 24, 2007

By: /s/ Hyo-Jin Oh
Name: Hyo-Jin Oh
Title: Investment Manager
New Business Office
KT&G Corporation
