

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

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

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

OMB APPROVAL	
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1. Name and Address of Reporting Person* GRACE BROTHERS LTD (Last) (First) (Middle) 1560 SHERMAN AVE SUITE 900 (Street) EVANSTON IL 60201 (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol ULTRALIFE BATTERIES INC [ULBI]	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director <input checked="" type="checkbox"/> 10% Owner Officer (give title below) Other (specify below)
	3. Date of Earliest Transaction (Month/Day/Year) 03/15/2007	
		6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> 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	03/15/2007		P		100	A	\$8.1	4,419,642	D	
Common Stock	03/15/2007		P		100	A	\$8.17	4,419,742	D	
Common Stock	03/15/2007		P		200	A	\$8.2	4,419,942	D	
Common Stock	03/15/2007		P		100	A	\$8.23	4,420,042	D	
Common Stock	03/15/2007		P		100	A	\$8.24	4,420,142	D	
Common Stock	03/15/2007		P		300	A	\$8.25	4,420,442	D	
Common Stock	03/15/2007		P		1,798	A	\$8.26	4,422,240	D	
Common Stock	03/15/2007		P		2,020	A	\$8.27	4,424,260	D	
Common Stock	03/15/2007		P		100	A	\$8.29	4,424,360	D	
Common Stock	03/15/2007		P		1,000	A	\$8.3	4,425,360	D	
Common Stock	03/15/2007		P		200	A	\$8.31	4,425,560	D	
Common Stock	03/15/2007		P		100	A	\$8.33	4,425,660	D	
Common Stock	03/15/2007		P		900	A	\$8.34	4,426,560	D	
Common Stock	03/15/2007		P		900	A	\$8.35	4,427,460	D	
Common Stock	03/15/2007		P		400	A	\$8.36	4,427,860	D	
Common Stock	03/15/2007		P		2,800	A	\$8.37	4,430,660	D	
Common Stock	03/15/2007		P		1,956	A	\$8.39	4,432,616	D	
Common Stock	03/15/2007		P		74,400	A	\$8.4	4,507,016	D	
Common Stock	03/15/2007		P		400	A	\$8.41	4,507,416	D	
Common Stock	03/15/2007		P		1,415	A	\$8.42	4,508,831	D	
Common Stock	03/15/2007		P		200	A	\$8.43	4,509,031	D	
Common Stock	03/15/2007		P		764	A	\$8.45	4,509,795	D	
Common Stock	03/15/2007		P		1,000	A	\$8.46	4,510,795	D	
Common Stock	03/15/2007		P		218	A	\$8.48	4,511,013	D	
Common Stock	03/15/2007		P		2,200	A	\$8.49	4,513,213	D	
Common Stock	03/15/2007		P		4,500	A	\$8.5	4,517,713	D	
Common Stock	03/15/2007		P		903	A	\$8.55	4,518,616	D	

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

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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 (e.g., puts, calls, warrants, options, convertible securities) (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. 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 Securities Underlying Derivative Security (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
Explanation of Responses:											
				Code V	(A) (D)	Date Exercisable Expiration Date	Bradford T. Whitmore, General Partner or Number of Reporting Person Shares		03/15/2007		

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

* 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).

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

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 Number.