

EMAGIN CORP  
Form 4  
April 11, 2007

**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 \*  
STILLWATER LLC

(Last) (First) (Middle)  
15 EAST 62ND STREET  
(Street)

NEW YORK, NY 10021

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
EMAGIN CORP [EMAN]

3. Date of Earliest Transaction  
(Month/Day/Year)  
04/09/2007

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

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

6. Individual or Joint/Group Filing(Check Applicable Line)  
 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)
Common Stock				(A) or (D)	V Amount Price		
					760,682	D	
Common Stock					262,842	I	By Rainbow Gate Corporation (1)

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

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SEC 1474 (9-02)

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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 Underlying Instrument (Instr. 3)
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title
Stock Purchase Warrants (right to buy)	\$ 0.48	04/09/2007		P	1,000,000	04/09/2007	07/21/2011	Common Stock
6% Secured Convertible Note	\$ 0.35	04/09/2007		P	1,428,571	04/09/2007	01/21/2008 <sup>(3)</sup>	Common Stock
Stock Purchase Warrants (right to buy)	\$ 2.6 <sup>(4)</sup>	07/21/2006		H	192,308	07/21/2006	12/14/2006	Common Stock
Stock Purchase Warrants (right to buy)	<u>(5)</u>					<u>(5)</u>	<u>(5)</u>	Common Stock
Stock Purchase Warrants (right to buy)	<u>(6)</u>					<u>(6)</u>	<u>(6)</u>	Common Stock
Stock Purchase Warrants (right to buy)	<u>(7)</u>					<u>(7)</u>	<u>(7)</u>	Common Stock
Stock Purchase Warrants (right to buy)	<u>(8)</u>					<u>(8)</u>	<u>(8)</u>	Common Stock
6% Secured Convertible Note	<u>(10)</u>					<u>(10)</u>	<u>(3)</u>	Common Stock

Stock  
Purchase  
Warrants  
(right to  
buy)

(4) (11)

(11)

(11)

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## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
STILLWATER LLC 15 EAST 62ND STREET NEW YORK, NY 10021		X		

## Signatures

/s/ Mortimer D.A.  
Sackler 04/11/2007

\*\*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) These securities are owned solely by Rainbow Gate Corporation. The sole member of Stillwater LLC is the investment manager of Rainbow Gate Corporation, and this report shall not be deemed an admission that Stillwater LLC is the beneficial owner of these securities except to the extent of its pecuniary interest therein.
- (2) The Stock Purchase Warrants were acquired on April 9, 2007 as part of a private placement by the Issuer and in accordance with the Note Purchase Agreement, dated July 21, 2006, as amended on March 28, 2007, between the Issuer and the Reporting Person, which obligated the Reporting Person to purchase up to \$500,000 of secured notes and warrants if the warrants acquired on July 21, 2006 were not exercised (see Note 9 below) and other conditions in the Note Purchase Agreement were satisfied.
- (3) 50% of the Principal amount of the 6% Secured Convertible Note matures on July 21, 2007 and the remaining 50% expires on January 21, 2008.
- (4) The Stock Purchase Warrants were acquired on July 21, 2006 as part of a private placement by the Issuer.
- (5) The warrants to purchase Issuer's Common Stock have an exercise price of \$4.257 per share, are exercisable immediately, and will expire on June 20, 2007.
- (6) The warrants to purchase Issuer's Common Stock have an exercise price of \$27.60 per share, are exercisable immediately, and will expire on June 10, 2008.
- (7) The warrants to purchase Issuer's Common Stock are exercisable immediately, will expire on April 25, 2010, and had an exercise price of \$8.60 per share prior to the private placement described in Note 2 above but are subject to re-pricing due to such private placement in accordance with the terms of the original warrant.
- (8) The warrants to purchase Issuer's Common Stock have an exercise price of \$10.00 per share, are exercisable immediately, and will expire on October 20, 2010. The Stock Purchase Warrants were acquired on October 26, 2005 as part of a private placement by the Issuer.
- (9) These warrants expired and were not exercised by the Reporting Person.
- (10) The 6% Secured Convertible Note is convertible to Issuer's Common Stock at a conversion price of \$2.60 per share and are exercisable immediately.
- (11) The warrants to purchase Issuer's Common Stock have an exercise price of \$3.60 per share, are exercisable immediately, and will expire on July 21, 2011.

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