

INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF SECURITIES

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

(Print or Type Responses)

1. Name and Address of Reporting Person* Davis Cathleen Phillips (Last) (First) (Middle) 1300 SEAPORT BOULEVARD, 5TH FLOOR (Street) REDWOOD CITY, CA 94063 (City) (State) (Zip)	2. Date of Event Requiring Statement (Month/Day/Year) 08/08/2006	3. Issuer Name and Ticker or Trading Symbol THRESHOLD PHARMACEUTICALS INC [THLD]		
		4. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input type="checkbox"/> Director <input type="checkbox"/> 10% Owner <input checked="" type="checkbox"/> Officer (give title below) <input type="checkbox"/> Other (specify below) VP, Finance and Controller		5. If Amendment, Date Original Filed(Month/Day/Year) 08/14/2006
		6. Individual or Joint/Group Filing Check Applicable Line <input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> Form filed by More than One Reporting Person		

Table I - Non-Derivative Securities Beneficially Owned

1. Title of Security (Instr. 4)	2. Amount of Securities Beneficially Owned (Instr. 4)	3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	4. Nature of Indirect Beneficial Ownership (Instr. 5)
Common Stock	3,867	D	

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

SEC 1473 (7-02)

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 control number.

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

1. Title of Derivative Security (Instr. 4)	2. Date Exercisable and Expiration Date (Month/Day/Year)		3. Title and Amount of Securities Underlying Derivative Security (Instr. 4)		4. Conversion or Exercise Price of Derivative Security	5. Ownership Form of Derivative Security: Direct (D) or Indirect (I) (Instr. 5)	6. Nature of Indirect Beneficial Ownership (Instr. 5)
	Date Exercisable	Expiration Date	Title	Amount or Number of Shares			
Stock Option (Right to Buy)	(1)(3)	09/13/2015	Common Stock	40,000 (2)	\$ 12.45	D	
Stock Option (Right to Buy)	(1)(4)	03/09/2016	Common Stock	25,000 (2)	\$ 14.04	D	

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Davis Cathleen Phillips 1300 SEAPORT BOULEVARD 5TH FLOOR REDWOOD CITY, CA 94063			VP, Finance and Controller	

Signatures

/s/ David Southern, Attorney-in-fact		08/16/2006
**Signature of Reporting Person		Date

Explanation of Responses:

* If the form is filed by more than one reporting person, see Instruction 5(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) Immediately.

(2) The stock option was granted pursuant to the Threshold Pharmaceuticals, Inc. 2004 Amended and Restated Equity Incentive Plan.

- (3) The option shall vest and become exercisable at the rate of 1/4 of the shares subject to the option on June 22, 2006 and 1/48 of the total number of shares subject to the option on each monthly anniversary following June 22, 2006.
- (4) The option shall vest and become exercisable at the rate of 1/48 of the shares subject to the option on February 1, 2006 and 1/48 of the shares subject to the option on each monthly anniversary following February 1, 2006.

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

Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number.