

FORM 4

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

OMB APPROVAL	
OMB Number:	3235-0287
Estimated average burden hours per response...	0.5

STATEMENT OF CHANGES IN 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

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

(Print or Type Responses)

1. Name and Address of Reporting Person* THREE ARCH MANAGEMENT III LLC		2. Issuer Name and Ticker or Trading Symbol THRESHOLD PHARMACEUTICALS INC [THLD]		5. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input type="checkbox"/> Director <input checked="" type="checkbox"/> 10% Owner <input type="checkbox"/> Officer (give title below) <input type="checkbox"/> Other (specify below)	
(Last) (First) (Middle) C/O THREE ARCH PARTNERS, 3200 ALPINE ROAD		3. Date of Earliest Transaction (Month/Day/Year) 02/03/2005			
(Street) PORTOLA VALLEY, CA 94028		4. If Amendment, Date Original Filed(Month/Day/Year)		6. Individual or Joint/Group Filing(Check Applicable Line) <input type="checkbox"/> Form filed by One Reporting Person <input checked="" type="checkbox"/> Form filed by More than One Reporting Person	
(City) (State) (Zip)					

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	02/03/2005		C		1,296,526	A	(1)	1,296,526	I	See Footnote (2)
Common Stock	02/03/2005		C		69,675	A	(1)	69,675	I	See Footnote (3)
Common Stock	02/03/2005		C		1,746,126	A	(1)	3,042,652	I	See Footnote (2)
Common Stock	02/03/2005		C		93,877	A	(1)	163,552	I	See Footnote (3)

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

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. SEC 1474 (9-02)

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 and Amount of Underlying Securities (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 of Derivative Security: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares				
Series A Preferred Stock	\$ 0 (1)	02/03/2005		C		2,135,250 (1)		(4)	(5)	Common Stock	1,296,526	(1)	0	I	See Footnote (2)
Series A Preferred Stock	\$ 0 (1)	02/03/2005		C		114,750 (1)		(4)	(5)	Common Stock	69,675	(1)	0	I	See Footnote (3)
Series B Preferred Stock	\$ 0 (1)	02/03/2005		C		2,875,696 (1)		(4)	(5)	Common Stock	1,746,126	(1)	0	I	See Footnote (2)
Series B Preferred Stock	\$ 0 (1)	02/03/2005		C		154,607 (1)		(4)	(5)	Common Stock	93,877	(1)	0	I	See Footnote (3)

Reporting Owners

	Relationships
--	----------------------

Reporting Owner Name / Address	Director	10% Owner	Officer	Other
THREE ARCH MANAGEMENT III LLC C/O THREE ARCH PARTNERS 3200 ALPINE ROAD PORTOLA VALLEY, CA 94028		X		
THREE ARCH PARTNERS III LP C/O THREE ARCH PARTNERS 3200 ALPINE ROAD PORTOLA VALLEY, CA 94028		X		
THREE ARCH ASSOCIATES III LP C/O THREE ARCH PARTNERS 3200 ALPINE ROAD PORTOLA VALLEY, CA 94028		X		
WAN MARK A C/O THREE ARCH PARTNERS 3200 ALPINE ROAD PORTOLA VALLEY, CA 94028		X		
JAEGER WILFRED E C/O THREE ARCH PARTNERS 3200 ALPINE ROAD PORTOLA VALLEY, CA 94028	X	X		
NICHOLSON BARCLAY C/O THREE ARCH PARTNERS 3200 ALPINE ROAD PORTOLA VALLEY, CA 94028		X		

Signatures

/s/ Chris Adams, Authorized Signatory		02/03/2005
<small>Signature of Reporting Person</small>		<small>Date</small>

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) Each share of Preferred Stock automatically converted into approximately 0.6072 shares of common stock upon the closing of the Issuer's initial public offering of common stock.
These shares are owned directly by Three Arch Partners III, L.P. ("TAP III"). Three Arch Management III, L.L.C. ("TAM III"), the general partner of TAP III, and Mark A. Wan, Wilfred E.
- (2) Jaeger and Barclay Nicholson, the managing members of TAM III, may be deemed to share voting and dispositive power over the shares held by TAP III. Such persons and entities disclaim beneficial ownership of shares held by TAP III except to the extent of any pecuniary interest therein.
These shares are owned directly by Three Arch Associates III, L.P. ("TAA III"). Three Arch Management III, L.L.C. ("TAM III"), the general partner of TAA III, and Mark A. Wan, Wilfred E.
- (3) E. Jaeger and Barclay Nicholson, the managing members of TAM III, may be deemed to share voting and dispositive power over the shares held by TAA III. Such persons and entities disclaim beneficial ownership of shares held by TAA III except to the extent of any pecuniary interest therein.
- (4) Immediately.
- (5) Not applicable.

Remarks:

Exhibit List

Exhibit 24 Statement Appointing Designated Filer and Authorized Signatories

Exhibit 99 Joint Filer Information

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.

STATEMENT APPOINTING DESIGNATED FILER AND AUTHORIZED SIGNATORIES
SEPTEMBER 3, 2002

Each of the entities listed on Schedule A attached hereto (each, a "Reporting Entity") and each party listed on Schedule B attached hereto (each, a "Reporting Individual"; together with the Reporting Entities, the "Reporting Persons") hereby authorizes and designates Chris Adams and Barclay Nicholson (each, a "Designated Filer"), for so long as they are employed by Three Arch Partners, to prepare and file on behalf of such Reporting Persons, individually or jointly together with other Reporting Persons, any and all reports, notices, communications and other documents (including, but not limited to, reports on Schedule 13D, Schedule 13G, Form 3, Form 4 and Form 5) (the "Reports") that such Reporting Person may be required to file with the United States Securities and Exchange Commission or with any regulatory body, including United States federal, state and self-regulatory bodies, with respect to the Reporting Person's ownership of, or transactions in, the securities of any entity whose securities are beneficially owned (directly or indirectly) by such Reporting Person (collectively, the "Companies").

Each Reporting Person hereby further authorizes and designates Chris Adams and Barclay Nicholson (each, an "Authorized Signatory") to execute and file on behalf of such Reporting Person the Reports and to perform any and all other acts, which in the opinion of the Designated Filer or Authorized Signatory may be necessary or incidental to the performance of the foregoing powers herein granted.

The authority of each Designated Filer and each Authorized Signatory under this document with respect to each Reporting Person shall continue until such Reporting Person is no longer required to file any Reports with respect to the Reporting Person's ownership of, or transactions in, the securities of the Companies, unless earlier revoked in writing. Each Reporting Person acknowledges that the Designated Filer and the Authorized Signatory are not assuming any of the Reporting Person's responsibilities to comply with any United States federal or state law or with any regulations promulgated thereto.

IN WITNESS WHEREOF, the undersigned has caused this Statement Appointing Designated Filer and Authorized Signatories to be effective as of September 3, 2002.

REPORTING PERSONS:

9/3/02 /s/ Thomas J. Fogarty, M.D.

Thomas J. Fogarty, M.D.

9/3/02 /s/ Wilfred E. Jaeger

Wilfred E. Jaeger

9/3/02 /s/ Mark A. Wan

Mark A. Wan

9/3/02 /s/ Barclay Nicholson

Barclay Nicholson

9/3/02 Three Arch Partners, L.P.

By: Three Arch Management, L.P.,
Its General Partner

By: /s/ Mark A. Wan

Mark A. Wan, General Partner

9/3/02 Three Arch Associates, L.P.

By: Three Arch Management, L.P.,
Its General Partner

By: /s/ Mark A. Wan

Mark A. Wan, General Partner

9/3/02 Three Arch Management, L.P.

By: /s/ Mark A. Wan

Mark A. Wan, General Partner

9/3/02 Three Arch Partners II, L.P.

By: Three Arch Management II, L.L.C.,
Its General Partner

By: /s/ Mark A. Wan

Mark A. Wan, Managing Member

9/3/02 Three Arch Management II, L.L.C.

By: /s/ Mark A. Wan

Mark A. Wan, Managing Member

9/3/02 Three Arch Partners III, L.P.

By: Three Arch Management III, L.L.C.
Its General Partner

By: /s/ Mark A. Wan

Mark A. Wan, Managing Member

9/3/02 Three Arch Associates III, L.P.

By: Three Arch Management III, L.L.C.
Its General Partner

By: /s/ Mark A. Wan

Mark A. Wan, Managing Member

9/3/02 Three Arch Management III, L.L.C.

By: /s/ Mark A. Wan

Mark A. Wan, Managing Member

9/3/02 Three Arch Capital, L.P.

By: TAC Management, L.L.C
Its General Partner

By: /s/ Mark A. Wan

Mark A. Wan, Managing Member

9/3/02 TAC Associates, L.P.

By: TAC Management, L.L.C
Its General Partner

By: /s/ Mark A. Wan

Mark A. Wan, Managing Member

9/3/02 TAC Management, L.L.C.

By: /s/ Mark A. Wan

Mark A. Wan, Managing Member

SCHEDULE A

Three Arch Partners, L.P.
Three Arch Associates, L.P.
Three Arch Management, L.P.
Three Arch Partners II, L.P.
Three Arch Management II, L.L.C.
Three Arch Partners III, L.P.
Three Arch Associates III, L.P.
Three Arch Management III, L.L.C.
Three Arch Capital, L.P.
TAC Associates, L.P.
TAC Management, L.L.C.

SCHEDULE B

Thomas J. Fogarty, M.D.
Wilfred E. Jaeger
Mark A. Wan
Barclay Nicholson

JOINT FILER INFORMATION

Joint Filer Name: Three Arch Partners III, L.P. ("TAP III")
Relationship to Issuer: 10% Owner
Address: 3200 Alpine Road
Portola Valley, CA 94028
Designated Filer: Three Arch Management III, L.L.C.
Date of Event Requiring Statement: 2/03/2005
Issuer Name and Ticker or Trading Symbol: Threshold Pharmaceuticals, Inc. (THLD)

Signature: Three Arch Partners III, L.P.
By: Three Arch Management III, L.L.C.
("TAM III")
Its General Partner
By: /s/ Chris Adams
Authorized Signatory

Joint Filer Name: Three Arch Associates III, L.P. ("TAA III")
Relationship to Issuer: 10% Owner
Address: 3200 Alpine Road
Portola Valley, CA 94028
Designated Filer: Three Arch Management III, L.L.C.
Date of Event Requiring Statement: 2/03/2005
Issuer Name and Ticker or Trading Symbol: Threshold Pharmaceuticals, Inc. (THLD)

Signature: Three Arch Associates III L.P.
By: Three Arch Management III, L.L.C.
Its General Partner
By: /s/ Chris Adams
Authorized Signatory

Joint Filer Name: Mark A. Wan
Relationship to Issuer: 10% Owner, as a managing member of TAM III, the general partner of TAP III and TAA III (the reporting person disclaims beneficial ownership of the reported securities except to the extent of his pecuniary interest therein)
Address: 3200 Alpine Road
Portola Valley, CA 94028
Designated Filer: Three Arch Management III, L.L.C.
Date of Event Requiring Statement: 2/03/2005
Issuer Name and Ticker or Trading Symbol: Threshold Pharmaceuticals, Inc. (THLD)

Signature: Mark A. Wan
By: /s/ Chris Adams
Authorized Signatory

Joint Filer Name: Wilfred E. Jaeger
Relationship to Issuer: Director, and 10% Owner, as a managing member of TAM III, the general partner of TAP III and TAA III (the reporting person disclaims beneficial ownership of the reported securities except to the extent of his pecuniary interest therein)
Address: 3200 Alpine Road
Portola Valley, CA 94028
Designated Filer: Three Arch Management III, L.L.C.
Date of Event Requiring Statement: 2/03/2005
Issuer Name and Ticker or Trading Symbol: Threshold Pharmaceuticals Inc. (THLD)

Signature: Wilfred E. Jaeger
By: /s/ Chris Adams

Authorized Signatory

Joint Filer Name: Barclay Nicholson
Relationship to Issuer: 10% Owner, as a managing member of
TAM III, the general partner of TAP
III and TAA III (the reporting
person disclaims beneficial ownership
of the reported securities
except to the extent of his pecuniary
interest therein)
Address: 3200 Alpine Road
Portola Valley, CA 94028
Designated Filer: Three Arch Management III, L.L.C.
Date of Event Requiring
Statement: 2/03/2005
Issuer Name and Ticker
or Trading Symbol: Threshold Pharmaceuticals Inc. (THLD)

Signature: Barclay Nicholson

By: /s/ Chris Adams

Authorized Signatory