

FORM 4

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

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| OMB APPROVAL | |
| OMB Number: | 3235-0287 |
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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 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

| | | | | | | | | |
|--|---------|----------|--|--|--|---|--|--|
| 1. Name and Address of Reporting Person PROQUEST ASSOCIATES II 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) | 3. Date of Earliest Transaction (Month/Day/Year) 10/28/2005 | | | 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 | | |
| 90 NASSAU STREET`, 5TH FLOOR | | | 4. If Amendment, Date Original Filed (Month/Day/Year) | | | | | |
| (Street) | | | 4. If Amendment, Date Original Filed (Month/Day/Year) | | | 6. Individual or Joint/Group Filing (Check Applicable Line) | | |
| PRINCETON, NJ 08542 | | | 4. If Amendment, Date Original Filed (Month/Day/Year) | | | 6. Individual or Joint/Group Filing (Check Applicable Line) | | |
| (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 | 10/28/2005 | | S | | 52,959 | D | \$ 10.46 | 3,248,606 | D (1) | |
| Common Stock | 10/28/2005 | | S | | 2,223 | D | \$ 10.46 | 136,417 | D (2) | |
| Common Stock | 10/28/2005 | | S | | 55,182 | D | \$ 10.46 | 3,385,203 | I (3) | By each of ProQuest Associates II LLC, Jay Moorin and Alain Schreiber |

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 | | | | | |

Reporting Owners

| | | | | |
|--------------------------------|---------------|-----------|---------|-------|
| Reporting Owner Name / Address | Relationships | | | |
| | Director | 10% Owner | Officer | Other |

| | | | | |
|---|--|---|--|--|
| PROQUEST ASSOCIATES II LLC 90 NASSAU STREET' 5TH FLOOR PRINCETON, NJ 08542 | | X | | |
| PROQUEST INVESTMENTS II ADVISORS FUND LP 90 NASSAU STREET 5TH FLOOR PRINCETON, NJ 08542 | | X | | |
| PROQUEST INVESTMENTS II LP 90 NASSAU STREET 5TH FLOOR PRINCETON, NJ 08542 | | X | | |
| Moorin Jay C/O PROQUEST INVESTMENTS, L.P 90 NASSAU STREET, 5TH FLOOR PRINCETON, NJ 08542 | | X | | |
| SCHREIBER ALAIN C/O PROQUEST INVESTMENTS, LP 90 NASSAU STREET, 5TH FLOOR PRINCETON, NJ 08542 | | X | | |

Signatures

| | | |
|---|--|---------------------|
| /s/ Pasquale DeAngelis, as member of ProQuest Associates II LLC | | 10/31/2005 |
| <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) Reports the direct beneficial ownership of shares of Threshold Pharmaceuticals, Inc. ("Threshold") by ProQuest Investments II, L.P., a Delaware limited partnership ("Investments II").
- (2) Reports the direct beneficial ownership of shares of Threshold by ProQuest Investments II Advisors Fund, L.P., a Delaware limited partnership ("Advisors").
Reports the indirect beneficial ownership of shares of Threshold by ProQuest Associates II LLC ("Associates"), as the general partner of each of Investments II and Advisors, and by Jay Moorin and Alain Schreiber, as managing members of Associates. This filing shall not be deemed an admission that the Reporting Persons are or were, for
- (3) purposes of Section 16 of the Securities Exchange Act of 1934 or otherwise, the beneficial owners of any securities covered by this Form. Each of such Reporting Persons disclaims beneficial ownership in the securities covered by this Form except to the extent such Reporting Persons' pecuniary interest in such securities.

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.