

# FORM 4

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

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 * 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) ____ Director <input checked="" type="checkbox"/> 10% Owner ____ Officer (give title below)      ____ Other (specify below)	
(Last) C/O THREE ARCH PARTNERS, 3200	(First) ALPINE ROAD	(Middle)	3. Date of Earliest Transaction (Month/Day/Year) 02/09/2005		6. Individual or Joint/Group Filing (Check Applicable Line) ____ Form filed by One Reporting Person <input checked="" type="checkbox"/> Form filed by More than One Reporting Person
(Street) PORTOLA VALLEY, CA 94028		4. If Amendment, Date Original Filed (Month/Day/Year)			
(City)	(State)	(Zip)	<b>Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned</b>		

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	02/09/2005		P		222,059	A	\$ 7	3,264,711	I	See Footnote (1)
Common Stock	02/09/2005		P		11,939	A	\$ 7	175,491	I	See Footnote (2)

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

SEC 1474 (9-02)  
**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 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		Date Exercisable	Expiration Date					

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	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		02/10/2005
<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).
 

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. (1) Wan, Wilfred 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 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 (2) A. Wan, Wilfred 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.

### 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 SIGNATURES

Chris Adams has signed certain of these documents as Authorized Signatory. Note that copies of the applicable Statement Appointing Designated Filer and Authorized Signatories are already on file with the appropriate agencies.

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: 2/09/2005
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: 2/09/2005
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: 2/09/2005
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: 2/09/2005
Issuer Name and Ticker
or Trading Symbol: Threshold Pharmaceuticals Inc. (THLD)

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

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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: 2/09/2005

Issuer Name and Ticker  
or Trading Symbol: Threshold Pharmaceuticals Inc. (THLD)

Signature: Barclay Nicholson

By: /s/ Chris Adams

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Authorized Signatory