

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 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person SHEEHAN ANDREW T		2. Issuer Name and Ticker or Trading Symbol THRESHOLD PHARMACEUTICALS INC [THLD]		5. Relationship of Reporting Person(s) to Issuer (Check all applicable) ____ Director ____ Officer (give title below) ____ X ____ 10% Owner ____ Other (specify below)	
(Last) (First) (Middle) 755 PAGE MILL ROAD, SUITE A-200		3. Date of Earliest Transaction (Month/Day/Year) 10/05/2009			
(Street) PALO ALTO, CA 94304-1005		4. If Amendment, Date Original Filed (Month/Day/Year)		6. Individual or Joint/Group Filing (Check Applicable Line) X Form filed by One Reporting Person ____ 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	10/05/2009		p	1	13,156	A	\$ 1.91	42,480	I	By Trust (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.

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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 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				
Common Stock Warrant	\$ 2.23	10/05/2009		p	1	5,262		10/05/2009	10/05/2014	Common Stock	5,262	\$ 1.91	5,262	I	By Trust (3)

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
SHEEHAN ANDREW T 755 PAGE MILL ROAD, SUITE A-200 PALO ALTO, CA 94304-1005		X		

Signatures

Robert Yin, by power of attorney 10/07/2009

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) Acquired from the issuer pursuant to a Securities Purchase Agreement dated September 29, 2009, with a closing date of October 5, 2009.
- (2) Purchase price per unit. Each unit consists of 1 common share and a warrant to purchase 0.4 of a share of common stock at an exercise price of \$2.23 per share.
- (3) Shares held by a trust of which the reporting person is a trustee. The reporting person disclaims beneficial ownership in these shares except as to the reporting person's pecuniary interest therein.

Remarks:

This Form 4 excludes certain shares held by Sutter Hill Ventures, A California Limited Partnership which are reported separately on Form 4 dated October 5, 2009. The reporting person is a Managing Director of the General Partner of this Form 4 also excludes certain shares held by Sutter Hill Entrepreneurs Fund (AI), LP and Sutter Hill Entrepreneurs Fund (QP), LP which have previously been reported here. In the future, when there are activities in these partnerships

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

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