

Nile Therapeutics, Inc.  
 Form 4  
 July 09, 2009

**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, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person \*  
**Kazam Joshua A**

(Last) (First) (Middle)

**C/O TWO RIVER GROUP HOLDINGS, LLC, 689 FIFTH AVENUE, 12TH FLOOR**

(Street)

**NEW YORK, NY 10022**

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
**Nile Therapeutics, Inc. [NLTX]**

3. Date of Earliest Transaction  
 (Month/Day/Year)  
**07/07/2009**

4. If Amendment, Date Original Filed(Month/Day/Year)

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director  10% Owner  
 Officer (give title below)  Other (specify below)

6. Individual or Joint/Group Filing(Check Applicable Line)  
 Form filed by One Reporting Person  
 Form filed by More than One Reporting Person

**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                    | 07/07/2009                           |  | P                              |   | 197,628   | A  | 1,278,228   |
| Common Stock                    |                                      |  |                                |   | 613,841   | I  | By Kazam Family Trust                                 |
| Common Stock                    |                                      |  |                                |   | 165,530   | I  | By Spouse for Minor Child <sup>(2)</sup>              |
| Common Stock                    |                                      |  |                                |   | 165,530   | I  | By Kash Family  |

Foundation  
(3)

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

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(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) |              |                            |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|--------------|----------------------------|
|  |  |                                      |  | Code                           | V (A) (D)   | Date Exercisable   | Expiration Date   | Title        | Amount or Number of Shares |
| Stock Option (Right to Buy)                | \$ 4.5   |                                      |  |                                |   | (4)  | 01/25/2018  | Common Stock | 50,000                     |
| Stock Option (Right to Buy)                | \$ 0.93  |                                      |  |                                |   | (5)  | 12/22/2018  | Common Stock | 25,000                     |
| Warrant (Right to Buy)                     | \$ 1.25  | 07/07/2009                           |  | P                              | 49,407  | 07/07/2009   | 07/07/2014  | Common Stock | 49,407                     |
| Warrant (Right to Buy)                     | \$ 1.71  | 07/07/2009                           |  | P                              | 49,407  | 07/07/2009   | 07/07/2014  | Common Stock | 49,407                     |
| Warrant (Right to Buy)                     | \$ 2.28  | 07/07/2009                           |  | P                              | 98,814  | 07/07/2009   | 07/07/2014  | Common Stock | 98,814                     |

## Reporting Owners

| Reporting Owner Name / Address | Relationships |           |         |       |
|--------------------------------|---------------|-----------|---------|-------|
|                                | Director      | 10% Owner | Officer | Other |
| Kazam Joshua A                 |               |           | X       |       |

C/O TWO RIVER GROUP HOLDINGS, LLC  
689 FIFTH AVENUE, 12TH FLOOR  
NEW YORK, NY 10022

## Signatures

Daron Evan as Attorney-in-Fact for Joshua A. Kazam pursuant to Power-of-Attorney  
previously filed.

07/09/2009

\_\_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).

The reported securities were part of a unit purchase by the Reporting Person at a price of \$1.265 per unit, with each unit consisting of one  
(1) share of common stock and one warrant to purchase common stock. 25% of the warrants are exercisable at \$1.25 per share, an additional 25% are exercisable at \$1.71 per share, and the remaining 50% are exercisable at \$2.28 per share.

Held by Reporting Person's spouse as custodian for the benefit of their minor child under the Uniform Gift to Minors Act. The Reporting  
(2) Person disclaims beneficial ownership of these shares except to the extent of his pecuniary interest therein, if any, and this report shall not be deemed an admission that the Reporting Person is the beneficial owner of these shares for purposes of Section 16 or any other purpose.

(3) Reporting Person is Trustee of Foundation.

(4) The shares subject to the option vest in three equal installments on September 17, 2008, September 17, 2009, and September 17, 2010.

(5) 100% of the shares subject to the option shall vest and become exercisable on January 1, 2010.

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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