

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 Ownership (Instr. 4)		
			Code	V	Amount	(A) or (D)	Price		
Common Stock	07/07/2009		P		197,628	A	1,278,228	D	
Common Stock					613,841	I			By Kazam Family Trust
Common Stock					165,530	I			By Spouse for Minor Child ⁽²⁾
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)	Amount or Number of Shares	
				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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