

Nile Therapeutics, Inc.
 Form 4
 July 23, 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)
 07/21/2009

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)
 Chief Executive Officer

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) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|---|
| Common Stock | | | | (A) or (D) | 1,278,228 | D | |
| Common Stock | | | | (A) or (D) | 613,841 | I | By Kazam Family Trust |
| Common Stock | | | | (A) or (D) | 165,530 | I | By Spouse for Minor Child ⁽¹⁾ |
| Common Stock | | | | (A) or (D) | 165,530 | I | By Kash Family Foundation |

(2)

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 | | | | | <u>(3)</u> | 01/25/2018 | Common Stock | 50,000 |
| Stock Option (Right to Buy) | \$ 0.93 | | | | | 01/01/2010 | 12/22/2018 | Common Stock | 25,000 |
| Warrant (Right to Buy) | \$ 1.25 | | | | | 07/07/2009 | 07/07/2014 | Common Stock | 49,407 |
| Warrant (Right to Buy) | \$ 1.71 | | | | | 07/07/2009 | 07/07/2014 | Common Stock | 49,407 |
| Warrant (Right to Buy) | \$ 2.28 | | | | | 07/07/2009 | 07/07/2014 | Common Stock | 98,814 |
| Warrant (Right to Buy) | \$ 1.375 | | | | | 07/15/2009 | 07/15/2019 | Common Stock | 31,650 |
| Stock Option (Right to Buy) | \$ 1.77 | 07/21/2009 | | A | 65,000 | 07/21/2010 | 07/21/2019 | Common Stock | 65,000 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|-------------------------|-------|
| | Director | 10% Owner | Officer | Other |
| Kazam Joshua A C/O TWO RIVER GROUP HOLDINGS, LLC 689 FIFTH AVENUE, 12TH FLOOR NEW YORK, NY 10022 | X | | Chief Executive Officer | |

Signatures

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

07/23/2009

__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).

- Held by Reporting Person's spouse as custodian for the benefit of their minor child under the Uniform Gift to Minors Act. The Reporting 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.
- (1) 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.
 - (2) The Reporting Person is the Trustee of the Kash Family Foundation and controls the right to vote and dispose of the shares held by the Trust. However, the Reporting Person has no pecuniary interest in the shares held by the Foundation.
 - (3) The shares subject to the option vest in three equal installments on September 17, 2008, September 17, 2009 and September 17, 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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