FORM 4

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

0549

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

Washington, D.C. 2

OMB APPROVAL

OMB Number: 3235-0287 Estimated average burden

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

	uon 1(b).			riic									Act of 194				
		Reporting Person*					r Name						ALS, II	NC [5. Rela		
BAKE	R BROS.	ADVISORS	<u>LP</u>		_	Q <u>U</u> QXP		11	17111	.1 V1 / 1C	<u> </u>	110/	1110, 11	<u>1C</u> [X		irect
(Last)	(F	First)	(Middle)														office elow
	SHINGTON	N STREET					of Earlie	st Tr	ansact	ion (Mo	nth/Da	ay/Yea	r)				
3RD FL0	JOR 					, 0, , ,											
(Street)	DD17 - N		10011		4. 1	If Am	endmen	t, Da	te of C	riginal I	Filed (Month/	Day/Year)		6. Indiv		al or orm
NEW YO	JRK N	IY 	10014												X		orm
(City)	(5	State)	(Zip)														
		7	Γable I - Nor	n-Deriv	ativ	ve S	ecurit	ies	Acqı	uired,	Disp	ose	d of, or	Benefic	ially C	wn	ed
1. Title of S	Security (Ins	tr. 3)		2. Trans Date	actio	n	2A. De Execut			3. Transa	ction			quired (A) (Instr. 3, 4			Amou
				(Month/	Day/Y	rear)				Code (8)		·		, ,	,	Ber Ow	nefic ned oorte
										Code	v	Amo		(A) or (D) P	rice	Tra	nsac str. 3
			Table II -	Deriva	tive	Se	curitie	es A	cqui	red, [Dispo	sed	of, or B	eneficia	ally Ov	vne	
			I		uts	, ca								ecuritie	-		
1. Title of Derivative Security	2. Conversion or Exercise	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date if any		sacti e (Ins		5. Numb of Derivati		Expir	te Exerc ation Da th/Day/\	ate	and	7. Title ai of Securi Underlyii		8. Price Derivat Securit	tive	9. N der Ser
(Instr. 3)	Price of Derivative Security		(Month/Day/Ye	ar) 8)			Securiti Acquire (A) or						Derivativ (Instr. 3 a	e Security and 4)	(Instr. !	5)	Bei Ow Fol
	Security						Dispose of (D) (II	nstr.									Re _l Tra
				\vdash	_	\dashv	3, 4 and	5)						Amount	-		(Ins
														or Number			
				Cod	e V	<u>'</u>	(A)	(D)	Date Exerc	isable	Date	ation	Title	of Shares			
Non- Qualified																	
Stock Option (right to	\$13.1	05/07/2018		A			30,000		'	(1)	05/06	/2028	Common Stock	30,000	\$0		
buy)																	
		Reporting Person* ADVISORS															
- DAKE	K BROS.	ADVISORS	<u>Lr</u>														
(Last)		(First)	(Middle	e)													
860 WAS	SHINGTON	N STREET															
,———	JUK																
(Street) NEW Y	אסר	NY	10014														
,		111	10014														
(City)		(State)	(Zip)														
		Reporting Person*															
667, L.	<u>P.</u>																
(Last)		(First)	(Middle	e)													
860 WAS	SHINGTON	N STREET, 3RD	FLOOR														
(Street)																	
NEW YO	ORK	NY	10014	ļ													
(City)		(State)	(Zip)														
	nd Address of	Reporting Person*					1										
ı		<u>visors (GP) Ll</u>															
(Last)		(First)	(Middle	e)													
	SHINGTON		(care	,													

3RD FLOOR

1			hours pe	r respo	nse:	0.5
		ionship of Re all applicable		erson(s) to Issuer	
	X	Director		X	10% Owner	
		Officer (giv below)	e title		Other (specify below)	
	6. Indivi	dual or Joint Form filed		٠,	neck Applicable ig Person	Line)
	X	Form filed	by More th	nan Or	ne Reporting Pe	rson

2. Transaction	2A. Deemed	3.	4. Securities Acquired (A) or	5. Amoun
Date	Execution Date,	Transaction	Disposed Of (D) (Instr. 3, 4 and 5)	Securities
(Month/Day/Voor)	l if any	Code (Inetr	, ,,,	Donoficia

Month/Day/Year) 8) (A) or (D) Code Price Amount (Instr. 3 and 4)

6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4) Beneficially Owned Following Reported Transaction

7. Nature of Indirect Beneficial Ownership (Instr. 4)

		cquired, Disposed nts, options, conve	,	•	d
ion	of	6. Date Exercisable and Expiration Date	of Securities	8. Price of Derivative	derivative

Title of rivative curity str. 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. Transa Code (l 8)		5. Numb of Derivati Securiti Acquire (A) or Dispose of (D) (II 3, 4 and	ve es d ed estr.	Expiration Da	Expiration Date (Month/Day/Year)		of Securities ear) Underlying		of Securities Derivations Underlying Security (Instr.		3. Price of Derivative Security Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)		11. Nature of Indirect Beneficial Ownership (Instr. 4)
				Code	v	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares						
on- nalified ock otion ght to y)	\$13.1	05/07/2018		A		30,000		(1)	05/06/2028	Common Stock	30,000	\$0	30,000	I	See Footnotes ⁽¹⁾⁽²⁾ (3)(4)		

NEW YORK	NY	10014
(City)	(State)	(Zip)
1. Name and Address Baker Brothers		
(Last) 860 WASHINGTO 3RD FLOOR	(First) ON STREET	(Middle)
(Street) NEW YORK	NY	10014
(City)	(State)	(Zip)
1. Name and Address BAKER FELI (Last) 860 WASHINGTO	X (First)	* (Middle)
(Street) NEW YORK	NY	10014
(City)	(State)	(Zip)
1. Name and Address BAKER JULI		•
(Last) 860 WASHINGTO	(First) ON STREET, 3RI	(Middle) D FLOOR
(Street) NEW YORK	NY	10014
(City)	(State)	(Zip)
Explanation of Respo	onses:	

Explanation of Responses:

- 1. 15,000 non-qualified stock options ("Stock Options") exercisable solely for common shares of Aquinox Pharmaceuticals, Inc. (the "Issuer") were granted to Dr. Kelvin M. Neu, an employee and 15,000 Stock Options were granted to Dr. Richard S. Levy, a part-time employee of Baker Bros. Advisors LP (the "Adviser"). The Stock Options granted pursuant to the Issuer's 2014 Equity Incentive Plan have a strike price of \$13.10 per share and vest monthly over twelve months commencing on the date of grant.
- 2. Dr. Kelvin M. Neu and Dr. Richard S. Levy serve on the Issuer's Board of Directors (the "Board") as representatives of 667, L.P. ("667") and Baker Brothers Life Sciences, L.P. ("Life Sciences", and together with 667, the "Funds" and their affiliates). Pursuant to the policies of the Adviser, Dr. Kelvin M. Neu and Dr. Richard S. Levy do not have any right to any of the Issuer's securities issued as part of their service on the Board and the Funds are entitled to receive all the pecuniary interest in the securities issued. The Funds each own an indirect proportionate pecuniary interest in the Stock Options. Solely as a result of Felix J. Baker's and Julian C. Baker may be deemed to have an indirect pecuniary interest in the Stock Options (i.e. no direct pecuniary interest).
- 3. The Adviser serves as the Investment Adviser to the Funds. In connection with the services provided by the Adviser, the Adviser receives an asset-based management fee that does not confer any pecuniary interest in the securities held by the Funds. Baker Bros. Advisors (GP) LLC (the "Adviser GP") is the Adviser's sole general partner. Julian C. Baker and Felix J. Baker are principals of the Adviser GP. The Adviser has complete and unlimited discretion and authority with respect to the investment and voting power of the securities held by the Funds.
- 4. The general partners of the Funds relinquished to the Adviser all discretion and authority with respect to the investment and voting power of the securities held by the Funds. Julian C. Baker, Felix J. Baker, the Adviser GP and the Adviser disclaim beneficial ownership of the securities held directly by the Funds except to the extent of their pecuniary interest therein, and this report shall not be deemed an admission that any of Julian C. Baker, Felix J. Baker, the Adviser GP or the Adviser is a beneficial owner of such securities for purposes of Section 16 or any other purpose.

Remarks

(Street)

Remarks: Dr. Kelvin M. Neu, an employee and Dr. Richard S. Levy, a part-time employee of Baker Bros. Advisors LP (the "Adviser") are directors of Aquinox Pharmaceuticals, Inc. ("the Issuer"). By virtue of their representation on the Board of Directors of the Issuer, for purposes of Section 16 of the Securities Exchange Act of 1934, as amended, the reporting persons are deemed directors by deputization of the Issuer.

By: Baker Bros. Advisors LP,
Name: Scott L. Lessing, Title: 05/09/2018

President /s/ Scott L. Lessing

Baker Bros. Advisors LP, Mgmt. Co. and Inv. Adviser to 667,

L.P., pursuant to authority

granted by Baker Biotech 05/09/2018

<u>Capital, L.P., GP to 667, L.P.</u> <u>Name: Scott L. Lessing, Title:</u>

President /s/ Scott L. Lessing

By: Baker Bros. Advisors (GP)

LLC, Name: Scott L. Lessing,

Title: President /s/ Scott L.

05/09/2018

Lessing

Baker Bros. Advisors LP, Mgmt. 05/09/2018

Co. and Inv. Adviser to BAKER

BROTHERS LIFE SCIENCES,

L.P., pursuant to authority

granted by Baker Brothers Life Sciences Capital, L.P., GP to

Baker Brothers Life Sciences,

L.P., Name: Scott L. Lessing,

Title: President /s/

<u>/s/ Felix J. Baker</u> <u>05/09/2018</u> <u>/s/ Julian C. Baker</u> <u>05/09/2018</u>

** Signature of Reporting Person Date

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

- * 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).

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

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 Number.