

OMB APPROVAL	
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**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP**

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

1. Name and Address of Reporting Person* <b>BAKER BROS. ADVISORS LP</b>  (Last) (First) (Middle) <b>667 MADISON AVENUE, 21ST FLOOR</b>  (Street) <b>NEW YORK NY 10065</b>  (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <b>AQUINOX PHARMACEUTICALS, INC [ AQXP ]</b>	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input checked="" type="checkbox"/> Director <input checked="" type="checkbox"/> 10% Owner Officer (give title below) Other (specify below)
	3. Date of Earliest Transaction (Month/Day/Year) <b>05/08/2017</b>	
4. If Amendment, Date of Original Filed (Month/Day/Year)		

**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			

**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 Securities Underlying Derivative Security (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: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)	
				Code	V	(A)	(D)	Date Exercisable	Expiration Date						Title
Non-Qualified Stock Option (right to buy)	\$13.74	05/08/2017		A		36,000		(1)	05/07/2027	Common Stock	36,000	\$0	36,000	I	See Footnotes <sup>(1)</sup> (2)(3)

1. Name and Address of Reporting Person\*  
**BAKER BROS. ADVISORS LP**  
 (Last) (First) (Middle)  
**667 MADISON AVENUE, 21ST FLOOR**  
 (Street)  
**NEW YORK NY 10065**  
 (City) (State) (Zip)

1. Name and Address of Reporting Person\*  
**667, L.P.**  
 (Last) (First) (Middle)  
**667 MADISON AVENUE, 21ST FLOOR**  
 (Street)  
**NEW YORK NY 10065**  
 (City) (State) (Zip)

1. Name and Address of Reporting Person\*  
**BAKER FELIX**  
 (Last) (First) (Middle)  
**667 MADISON AVENUE, 21ST FLOOR**  
 (Street)  
**NEW YORK NY 10065**  
 (City) (State) (Zip)

(City)	(State)	(Zip)
1. Name and Address of Reporting Person*		
<a href="#">BAKER JULIAN</a>		
(Last)	(First)	(Middle)
667 MADISON AVENUE, 21ST FLOOR		
(Street)		
NEW YORK	NY	10065
(City)	(State)	(Zip)
1. Name and Address of Reporting Person*		
<a href="#">Baker Bros. Advisors (GP) LLC</a>		
(Last)	(First)	(Middle)
667 MADISON AVENUE, 21ST FLOOR		
(Street)		
NEW YORK	NY	New York
(City)	(State)	(Zip)
1. Name and Address of Reporting Person*		
<a href="#">Baker Brothers Life Sciences LP</a>		
(Last)	(First)	(Middle)
667 MADISON AVENUE, 21ST FLOOR		
(Street)		
NEW YORK	NY	10065
(City)	(State)	(Zip)

**Explanation of Responses:**

- 18,000 non-qualified stock options ("Stock Options") exercisable solely for common shares of Aquinox Pharmaceuticals, Inc. (the "Issuer") were granted to Dr. Kelvin M. Neu and 18,000 Stock Options were granted to Dr. Richard S. Levy, employees 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 \$13.74 per share and vest in equal annual installments over three years.
- 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 and Julian C. Baker's ownership interest in the general partners of the general partners of the Funds, Felix J. Baker and Julian C. Baker may be deemed to have an indirect pecuniary interest in the Stock Options (i.e. no direct pecuniary interest).
- Baker Bros. Advisors LP (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. 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:**

Remarks: Dr. Kevin M. Neu and Dr. Richard S. Levy, employees 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.

[/s/ BAKER BROS. ADVISORS LP Name: Scott L. Lessing /s/ 05/09/2017](#)  
[Scott L. Lessing](#)  
[Baker Bros. Advisors LP, Mgmt. Co. and Inv. Adviser to 667, L.P., pursuant to authority granted to Baker Biotech Capital, L.P., GP to 667, L.P. Name: Scott L. Lessing, Title: President /s/ Scott L. Lessing 05/09/2017](#)  
[/s/ Felix J. Baker 05/09/2017](#)  
[/s/ Julian C. Baker 05/09/2017](#)  
[/s/ By: Baker Bros. Advisors \(GP\) LLC Name: Scott L. Lessing Title: President /s/ Scott L. Lessing 05/09/2017](#)  
[/s/ Baker Bros. Advisors LP, Mgmt. Co. and Inv. Adviser to Baker Brothers Life Sciences, L.P., pursuant to authority granted to Baker Brothers Life Sciences Capital, L.P., GP to Baker Brothers Life Sciences, 05/09/2017](#)

L.P. Name: Scott L. Lessing

Title: President

\*\* 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.

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