

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d) OF THE
SECURITIES EXCHANGE ACT OF 1934

Date of report (Date of earliest event reported): June 1, 2010

NILE THERAPEUTICS, INC.

(Exact name of Registrant as Specified in its Charter)

Delaware
(State or other jurisdiction
of incorporation)

001-34058
(Commission
File Number)

88-0363465
(I.R.S. Employer
Identification No.)

4 West 4th Ave., Suite 400
San Mateo, California 94402
(Address of Principal Executive Offices)

(650) 458-2670
(Registrant's telephone number, including area code)

Not Applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 3.01. Notice of Delisting or Failure to Satisfy a Continued Listing Rule or Standard; Transfer of Listing

On June 1, 2010, Nile Therapeutics, Inc. (the "Company") received a notice from The Nasdaq Stock Market ("Nasdaq") stating that the minimum bid price of the Company's common stock has been below \$1.00 per share for 30 consecutive business days and that the Company was therefore not in compliance with the minimum bid price requirement for continued listing set forth in Marketplace Rule 5550(a)(2).

Nasdaq stated in its letter that, in accordance with Marketplace Rule 5810(c)(3)(A), the Company has been provided an initial period of 180 calendar days, or until November 29, 2010, to regain compliance with the minimum bid requirement. The letter also states that if at any time before November 29, 2010, the bid price of the Company's common stock closes at \$1.00 per share or more for a minimum of 10 consecutive business days, the Nasdaq staff will provide written notification that the Company has achieved compliance with the minimum bid requirement. At the close of the grace period, if the Company has not regained compliance, it may be eligible for an additional grace period of 180 days, if it meets the initial listing standards, with the exception of bid price, for the NASDAQ Capital Market. If it is not eligible for an additional grace period, the Company will receive notification that its securities are subject to delisting, and it may then appeal the delisting determination to a Nasdaq Hearings Panel.

The Company intends to actively monitor the bid price for its common stock between now and November 29, 2010, and will consider available options to resolve the deficiency and regain compliance with the Nasdaq minimum bid price requirement but has not yet determined to take any other action in response to the notice.

On June 4, 2010, the Company issued a press release announcing the receipt of the notice from Nasdaq. A copy of the press release is attached to this current report as Exhibit 99.1 and is incorporated herein by reference.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

Exhibit No.	Description
99.1	Press release dated June 4, 2010.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the Registrant has duly caused this report to be signed on its behalf by the undersigned, hereunto duly authorized.

NILE THERAPEUTICS, INC.

Date: June 4, 2010

By: /s/ Daron Evans
Daron Evans
Chief Financial Officer

EXHIBIT INDEX

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press release dated June 4, 2010.

**PRESS RELEASE****June 4, 2010****Nile Therapeutics Receives Notice Related to Nasdaq Minimum Closing Bid Price Rule**

SAN MATEO, CA, June 4, 2010 -- Nile Therapeutics, Inc. (NASDAQ: NLTX), a company focused on the development of novel therapeutics for heart failure patients, today announced that, on June 1, 2010, the Company received a letter from The NASDAQ Stock Market indicating that the minimum closing bid price of its common stock had fallen below \$1.00 for 30 consecutive trading days, and therefore, Nile was not in compliance with Marketplace Rule 5550(a)(2). The Company has been provided 180 calendar days, or until November 29, 2010, to regain compliance with the minimum bid price requirement. This notice does not impact the Company's listing on NASDAQ at this time.

Nile can regain compliance with the minimum closing bid price rule if the bid price of its common stock closes at \$1.00 or higher for a minimum of ten consecutive business days during the initial 180-day compliance period.

If Nile does not regain compliance within the initial 180-day period, but otherwise meets the listing standards, NASDAQ will notify the Company that it has an additional 180 days to regain compliance. If Nile is not eligible for an additional compliance period, or does not regain compliance during any additional compliance period, NASDAQ will provide written notice to the Company that its securities are subject to delisting. At such time, Nile may appeal the delisting determination to a NASDAQ Listing Qualifications Panel.

About Nile Therapeutics

Nile Therapeutics, Inc. is a clinical-stage biopharmaceutical company that develops innovative products for the treatment of cardiovascular disease and other areas of unmet medical needs. Nile is initially focusing its efforts on developing its lead compound, CD-NP, a novel rationally designed chimeric peptide in clinical studies for the treatment of heart failure, and CU-NP, a novel rationally designed natriuretic peptide. More information on Nile can be found at <http://www.nilethera.com>.

Contact:

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[Missing Graphic Reference]**Safe Harbor Paragraph for Forward-Looking Statements:** This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 that involve substantial risks and uncertainties. All statements, other than statements of historical facts, included in this press release regarding Nile's ability to regain compliance with Nasdaq's continued listing standards, or the timing, progress and anticipated results of the clinical development, regulatory processes, clinical trial timelines, expected patient enrollment, anticipated benefits of CD-NP, Nile's strategy, future operations, outlook, milestones, the timing and success of Nile's product development, future financial position, future financial results, plans and objectives of management are forward-looking statements. Nile may not actually achieve these plans, intentions or expectations and Nile cautions investors not to place undue reliance on Nile's forward-looking statements. Actual results or events could differ materially from the plans, intentions and expectations disclosed in the forward-looking statements Nile makes. Various important factors that could cause actual results or events to differ materially from the forward-looking statements that Nile makes include Nile's need to raise additional capital to fund its product development programs to completion, Nile's reliance on third-party researchers to develop its product candidates, and its lack of experience in developing and commercializing pharmaceutical products. Additional risks are described in greater detail in the reports Nile files with Securities and Exchange Commission, including those described under the caption "Risk Factors" in Item 1A of its Annual Report on Form 10-K for the year ended December 31, 2009 filed with the Securities and Exchange Commission on March 3, 2010. Nile is providing this information as of the date of this press release and does not undertake any obligation to update any forward-looking statements as a result of new information, future events or otherwise.
