

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

OMB APPROVAL	
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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* <u>CRANDELL KEITH</u> (Last) (First) (Middle) 8725 WEST HIGGINS ROAD SUITE 290 (Street) CHICAGO IL 60631 (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <u>XYCYTE THERAPIES INC [XCYT]</u>	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director <input checked="" type="checkbox"/> 10% Owner Officer (give title below) <input type="checkbox"/> Other (specify below) <input type="checkbox"/>
	3. Date of Earliest Transaction (Month/Day/Year) 03/19/2004	
	4. If Amendment, Date of Original Filed (Month/Day/Year)	6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> 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)
			Code	V	Amount	(A) or (D)	Price			
Common Stock	03/19/2004		C		1,866,771	A	\$0	1,866,771	I	Footnote ⁽¹⁾
Common Stock	03/19/2004		P		187,500	A	\$8	2,054,271	I	Footnote ⁽¹⁾

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	Amount or Number of Shares				
Series A Convertible Preferred Stock	(2)	03/19/2004		C			789,469 ⁽²⁾	03/19/2004	(13)	Common	143,539	\$0	0	I ⁽²⁾	Footnote ⁽²⁾
Series B Convertible Preferred Stock	(3)	03/19/2004		C			2,045,454 ⁽³⁾	03/19/2004	(13)	Common	371,900	\$0	0	I ⁽³⁾	Footnote ⁽³⁾
Series C Convertible Preferred Stock	(4)	03/19/2004		C			1,119,265 ⁽⁴⁾	03/19/2004	(13)	Common	203,502	\$0	0	I ⁽⁴⁾	Footnote ⁽⁴⁾
Series D Convertible Preferred Stock	(5)	03/19/2004		C			1,321,942 ⁽⁵⁾	03/19/2004	(13)	Common	240,352	\$0	0	I ⁽⁵⁾	Footnote ⁽⁵⁾
Series E Convertible Preferred Stock	(6)	03/19/2004		C			935,251 ⁽⁶⁾	03/19/2004	(13)	Common	170,045	\$0	0	I ⁽⁶⁾	Footnote ⁽⁶⁾
Warrants to purchase Series A Convertible Preferred Stock	(7)	03/19/2004		C			50,237 ⁽⁷⁾	03/19/2004	08/31/2007 ⁽⁷⁾	Common	17,425	\$0	0	I ⁽⁷⁾	Footnote ⁽⁷⁾
Warrants to purchase Common Stock	(8)	03/19/2004		C			26,918 ⁽⁸⁾	03/19/2004	08/08/2005 ⁽⁸⁾	Common	21,365	\$0	0	I ⁽⁸⁾	Footnote ⁽⁸⁾
Warrants to purchase Common Stock	(9)	03/19/2004		C			92,580 ⁽⁹⁾	03/19/2004	11/12/2006 ⁽⁹⁾	Common	91,943	\$0	0	I ⁽⁹⁾	Footnote ⁽⁹⁾
6% Convertible Promissory Notes	(10)	03/19/2004		C			354,837 ⁽¹⁰⁾	03/19/2004	04/30/2004 ⁽¹⁰⁾	Common	354,837	\$0	0	I ⁽¹⁰⁾	Footnote ⁽¹⁰⁾
Series F Convertible Preferred Stock	(12)	03/19/2004		C			899,104 ⁽¹²⁾	03/19/2004	(13)	Common	163,473	\$0	0	I ⁽¹²⁾	Footnote ⁽¹²⁾
Warrants to purchase Common Stock	(11)	03/19/2004		C			89,002 ⁽¹¹⁾	03/19/2004	02/04/2007 ⁽¹¹⁾	Common	88,390	\$0	0	I ⁽¹¹⁾	Footnote ⁽¹¹⁾

Explanation of Responses:

1. The amount reported in Column 4 includes 180,947 shares held by ARCH Venture Fund II, L.P., 1,428 shares held by ARCH V Entrepreneurs Fund, L.P., 331,901 shares held by Healthcare Focus Fund, L.P., 1,140,487 shares held by ARCH Venture Fund III and 212,008 shares held by ARCH Venture Fund V, L.P. Each of these entities is an affiliated entity of the reporting person, and the shares were acquired upon conversions of securities described in footnotes below. Each of the entities disclaims beneficial ownership of such securities and those purchased in Xcyte's initial public offering except to the extent of their pecuniary interest therein, and this report shall not be deemed an admission that the reporting person is the beneficial owner of such shares of common stock.
2. Represents securities held by ARCH Venture Fund II, L.P. (AVFII) and ARCH Venture Fund III, L.P. (AVFIII), both is an affiliated entity of the Reporting Person. AVFII holds 114,832 shares of common stock issued upon the automatic conversion of preferred stock upon the closing of Xcyte's initial public offering on March 19, 2004 while AVFIII holds 28,707 shares of common stock issued upon the automatic conversion of preferred stock upon the closing of Xcyte's initial public offering on March 19, 2004. The reporting person is the managing director of general partner of the general partner of the general partner of AVFII, and is the managing director of the general partner of AVFIII, and disclaims beneficial ownership of such securities except to the extent of their pecuniary interest therein, and this report shall not be deemed an admission that the reporting person is the beneficial owner of such shares of common stock.
3. Represents securities held by ARCH Venture Fund II, L.P. (AVFII) and ARCH Venture Fund III, L.P. (AVFIII), both is an affiliated entity of the Reporting Person. AVFII holds 66,115 shares of common stock issued upon the automatic conversion of preferred stock upon the closing of Xcyte's initial public offering on March 19, 2004 while AVFIII holds 305,785 shares of common stock issued upon the automatic conversion of preferred stock upon the closing of Xcyte's initial public offering on March 19, 2004. The reporting person is the managing director of general partner of the general partner of the general partner of AVFII, and is the managing director of the general partner of AVFIII, and disclaims beneficial ownership of such securities except to the extent of their pecuniary interest therein, and this report shall not be deemed an admission that the reporting person is the beneficial owner of such shares of common stock.
4. Represents securities held by ARCH Venture Fund III, L.P., an affiliated entity of the Reporting Person. ARCH Venture Fund III, L.P. holds 203,502 shares of common stock issued upon the automatic conversion of preferred stock upon the closing of Xcyte's initial public offering on March 19, 2004. The reporting person is the managing director of the general partner of ARCH Venture Fund III, L.P., and disclaims beneficial ownership of such securities except to the extent of their pecuniary interest therein, and this report shall not be deemed an admission that the reporting person is the beneficial owner of such shares of common stock.
5. Represents securities held by ARCH Venture Fund III, L.P., an affiliated entity of the Reporting Person. ARCH Venture Fund III, L.P. holds 240,352 shares of common stock issued upon the automatic conversion of preferred stock upon the closing of Xcyte's initial public offering on March 19, 2004. The reporting person is the managing director of the general partner of ARCH Venture Fund III, L.P., and disclaims beneficial ownership of such securities except to the extent of their pecuniary interest therein, and this report shall not be deemed an admission that the reporting person is the beneficial owner of such shares of common stock.
6. Represents securities held by ARCH Venture Fund III, L.P., an affiliated entity of the Reporting Person. ARCH Venture Fund III, L.P. holds 170,045 shares of common stock issued upon the automatic conversion of preferred stock upon the closing of Xcyte's initial public offering on March 19, 2004. The reporting person is the managing director of the general partner of ARCH Venture Fund III, L.P., and disclaims beneficial ownership of such securities except to the extent of their pecuniary interest therein, and this report shall not be deemed an admission that the reporting person is the beneficial owner of such shares of common stock.
7. Represents securities held by ARCH Venture Fund III, L.P., an affiliated entity of the Reporting Person. ARCH Venture Fund III, L.P. holds a warrant to purchase 50,237 shares of preferred stock, which shares automatically converted to common stock upon the close of initial public offering. Warrant is exercisable at the earlier of a close of an initial public offering or its expiration date. The reporting person is the managing director of the general partner of ARCH Venture Fund III, L.P., and disclaims beneficial ownership of such securities except to the extent of their pecuniary interest therein, and this report shall not be deemed an admission that the reporting person is the beneficial owner of such shares of common stock.
8. Represents securities held by ARCH Venture Fund III, L.P., an affiliated entity of the Reporting Person. ARCH Venture Fund III, L.P. holds a warrant to purchase 26,918 shares of common stock. Warrant is exercisable at the earlier of a close of an initial public offering or its expiration date. The reporting person is the managing director of the general partner of ARCH Venture Fund III, L.P., and disclaims beneficial ownership of such securities except to the extent of their pecuniary interest therein, and this report shall not be deemed an admission that the reporting person is the beneficial owner of such shares of common stock.
9. Represents securities held by ARCH Venture Fund III, L.P., an affiliated entity of the Reporting Person. ARCH Venture Fund III, L.P. holds a warrant to purchase 92,580 shares of common stock. Warrant is exercisable at the earlier of a close of an initial public offering or its expiration date.
10. Represents promissory notes (PNs) at 6% held by ARCH Venture Fund III, L.P. (AVFIII), ARCH V Entrepreneurs Fund, L.P. (AVEF), ARCH Venture Fund V, L.P. (AVF V) and Healthcare Focus Fund, L.P. (HFF), each of which is an affiliated entity of the Reporting Person. PNs were convertible into common stock (CS) anytime prior to the maturity date, April 30, 2004. Interest and principal automatically converted into shares of CS at the close of the initial public offering at \$9.625 per share. AVFIII, L.P. holds 61,363 shares of CS upon conversion of PNs, AVEF holds 1,428 shares of CS upon conversion of PNs, AVFV holds 212,008 shares of CS upon conversion of PNs, and HFF holds 80,038 shares of CS upon conversion of PNs. The reporting person is the managing director of the general partner of AVFIII and the managing director of the general partner of the general partner of AVF V, AVEF, and HFF and disclaims beneficial ownership in such CS except to the extent of its pecuniary interest therein.
11. Represents securities held by Healthcare Focus Fund, L.P., an affiliated entity of the Reporting Person. Warrant is exercisable at the earlier of a close on an initial public offering or its expiration date. The reporting person is the managing director of the general partner of the general partner of HFF and disclaims beneficial ownership in such common stock except to the extent of its pecuniary interest therein.
12. Represents 163,473 shares of common stock issued upon the automatic conversion of preferred stock held by Healthcare Focus Fund, L.P, an affiliated entity of the Reporting Person upon the closing of Xcyte's initial public offering on March 19, 2004. The reporting person is the managing director of the general partner of the general partner of HFF and disclaims beneficial ownership in such common stock except to the extent of its pecuniary interest therein.
13. These securities are preferred stock of Xcyte Therapies and do not have an expiration date. Each share of preferred stock automatically converted into one share of Xcyte's common stock upon the closing of Xcyte's initial public offering on March 19, 2004.

Keith Crandell, By:/s/Keith
Crandell

03/23/2004

** 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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