

| 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**

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*<br><b>NELSEN ROBERT</b><br><br>(Last) (First) (Middle)<br><b>8755 WEST HIGGINS ROAD</b><br><b>SUITE 1025</b><br><br>(Street)<br><b>CHICAGO IL 60631</b><br><br>(City) (State) (Zip) | 2. Issuer Name and Ticker or Trading Symbol<br><b>Denali Therapeutics Inc. [ DNI ]</b> | 5. Relationship of Reporting Person(s) to Issuer<br>(Check all applicable)<br><input checked="" type="checkbox"/> Director <input checked="" type="checkbox"/> 10% Owner<br>Officer (give title below) Other (specify below) |
|  | 3. Date of Earliest Transaction (Month/Day/Year)<br><b>08/08/2019</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   |            |   |   |  |   |
| Common Stock                    | 08/08/2019                           |  | J <sup>(1)</sup>               |   | 400,000 | D          | \$0   | 10,668,749 | I | Held by ARCH Venture Fund VIII, L.P. <sup>(2)(3)</sup>  |  |   |
| Common Stock                    | 08/08/2019                           |  | J <sup>(1)(4)</sup>            |   | 2,030   | A          | \$0   | 2,030      | D |   |  |   |

**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 |  | Date Exercisable   | Expiration Date |   |  |  |   |  |

**Explanation of Responses:**

- Distribution of Common Stock held by a limited partnership to its partners for no consideration.
- Following the transactions reported herein, 10,668,749 shares of common stock held of record by ARCH Venture Fund VIII, L.P. ("ARCH Fund VIII").
- The sole general partner of ARCH Fund VIII is ARCH Venture Partners VIII, L.P. ("ARCH Partners VIII"). The sole general partner of ARCH Partners VIII is ARCH Venture Partners VIII, LLC ("ARCH VIII LLC"). ARCH Partners VIII may therefore be deemed to beneficially own the securities held by ARCH Fund VIII and ARCH VIII LLC may be deemed to beneficially own the securities held by ARCH Fund VIII. ARCH Partners VIII and ARCH VIII LLC disclaim beneficial ownership of such securities, except to the extent of any pecuniary interest therein. The Reporting Person is a managing director of ARCH VIII LLC and may be deemed to beneficially own the shares held by ARCH Fund VIII. Messr. Nelsen disclaims beneficial ownership of such shares, except to the extent of any pecuniary interest therein.
- Reflects change from indirect to direct ownership of shares previously reported as beneficially owned by the reporting person.

**Remarks:**

/s/ Mark McDonnell  
Attorney-in-Fact for Robert Nelsen      08/12/2019

\*\* 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.

