

LIFELINE THERAPEUTICS, INC.

Form 4

October 16, 2006

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

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 OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
Lister William L

2. Issuer Name and Ticker or Trading Symbol
LIFELINE THERAPEUTICS, INC.
[LFLT]

5. Relationship of Reporting Person(s) to Issuer
(Check all applicable)

(Last) (First) (Middle)
6400 S. FIDDLER'S GREEN
CIRCLE, SUITE 1970

(Street)

3. Date of Earliest Transaction
(Month/Day/Year)
10/04/2006

Director 10% Owner
 Officer (give title below) Other (specify below)

GREENWOOD
VILLAGE, CO 80111

(City) (State) (Zip)

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 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 Ownership (Instr. 4) |
|---------------------------------|--------------------------------------|--|--------------------------------|---|---|--|-----------------------------------|
| | | | | (A) or (D) | Amount | | Price |

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

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 control number.

SEC 1474 (9-02)

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

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| 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 Underlying Security (Instr. 3 and 4) | Amount or Number of Shares |
|--|--|--------------------------------------|--|--------------------------------|---|--|---|----------------------------|
| Stock Option (right to buy) | \$ 3.37 | 10/04/2006 | | A | 30,000 | (1) 02/01/2009 | Series A Common Stock | 30,000 |
| Stock Option (right to buy) | \$ 3.37 | 10/04/2006 | | D | 30,000 | 02/01/2006 02/01/2009 | Series A Common Stock | 30,000 |

Reporting Owners

| Reporting Owner Name / Address | Relationships | | | |
|---|---------------|-----------|---------|-------|
| | Director | 10% Owner | Officer | Other |
| Lister William L 6400 S. FIDDLER'S GREEN CIRCLE SUITE 1970 GREENWOOD VILLAGE, CO 80111 | X | | | |

Signatures

William L. Lister
10/16/2006
Date

**Signature of Reporting Person

Explanation of Responses:

* 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).

(1) The option is vested as to 22,500 shares on the date of grant. With respect to the remaining 7,500 shares underlying the option, the option will vest with respect to 2,500 shares on each of October 31, 2006, November 30, 2006, and December 31, 2006. Vesting with respect to 3,000 remaining shares underlying the option stops if Grantee ceases to serve on the Marketing Committee of the Board, vesting with respect to 3,000 remaining shares underlying the option stops if Grantee ceases to serve on the Science Committee of the Board, and vesting with respect to 1,500 remaining shares underlying the option stops if Grantee ceases to serve on the Compensation Committee of the Board.

(2) The reporting person agreed to cancellation of an option granted to him on February 1, 2006, in exchange for a new option under the 2007 Long-Term Incentive Plan. The new option is on substantially the same terms as the cancelled option, including as to number of underlying shares, exercise price, vesting schedule, and expiration date.

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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