

GREAT POINT PARTNERS LLC

Form 4

March 21, 2006

**FORM 4****UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

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

## OMB APPROVAL

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(Print or Type Responses)

1. Name and Address of Reporting Person \*  
GREAT POINT PARTNERS LLC

2. Issuer Name **and** Ticker or Trading  
Symbol  
ADVANCED MAGNETICS INC  
[AVM]

5. Relationship of Reporting Person(s) to  
Issuer

(Check all applicable)

(Last) (First) (Middle)  
165 MASON STREET,, 3RD  
FLOOR

3. Date of Earliest Transaction  
(Month/Day/Year)  
03/17/2006

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

(Street)  
GREENWICH, CT 06830

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

6. Individual or Joint/Group Filing(Check  
Applicable Line)  
\_\_\_\_ Form filed by One Reporting Person  
\_X\_ Form filed by More than One Reporting  
Person

(City) (State) (Zip)

**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                    | 03/17/2006                           |                                                    | S                              |                                                                   | 3,600  | D          | \$ 31.25 | 566,122                                                                                       | I                                                        | By Biomedical Value Fund, L.P. <sup>(1)</sup>         |
| Common Stock                    | 03/17/2006                           |                                                    | S                              |                                                                   | 480    | D          | \$ 31.4  | 565,642                                                                                       | I                                                        | By Biomedical Value Fund, L.P. <sup>(1)</sup>         |
| Common Stock                    | 03/17/2006                           |                                                    | S                              |                                                                   | 720    | D          | \$ 31.5  | 564,922                                                                                       | I                                                        | By Biomedical Value Fund,                             |

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|                 |            |   |       |   |             |         |   |                                                        |
|-----------------|------------|---|-------|---|-------------|---------|---|--------------------------------------------------------|
|                 |            |   |       |   |             |         |   | L.P. <sup>(1)</sup>                                    |
| Common<br>Stock | 03/17/2006 | S | 1,200 | D | \$ 31.6     | 563,722 | I | By<br>Biomedical<br>Value Fund,<br>L.P. <sup>(1)</sup> |
| Common<br>Stock | 03/17/2006 | S | 1,824 | D | \$ 31.7     | 561,898 | I | By<br>Biomedical<br>Value Fund,<br>L.P. <sup>(1)</sup> |
| Common<br>Stock | 03/17/2006 | S | 720   | D | \$<br>31.98 | 561,178 | I | By<br>Biomedical<br>Value Fund,<br>L.P. <sup>(1)</sup> |
| Common<br>Stock | 03/17/2006 | S | 144   | D | \$<br>32.05 | 561,034 | I | By<br>Biomedical<br>Value Fund,<br>L.P. <sup>(1)</sup> |
| Common<br>Stock | 03/17/2006 | S | 1,536 | D | \$ 32.1     | 559,498 | I | By<br>Biomedical<br>Value Fund,<br>L.P. <sup>(1)</sup> |
| Common<br>Stock | 03/17/2006 | S | 2,400 | D | \$ 32.2     | 557,098 | I | By<br>Biomedical<br>Value Fund,<br>L.P. <sup>(1)</sup> |
| Common<br>Stock | 03/17/2006 | S | 1,200 | D | \$<br>32.21 | 555,898 | I | By<br>Biomedical<br>Value Fund,<br>L.P. <sup>(1)</sup> |
| Common<br>Stock | 03/17/2006 | S | 528   | D | \$<br>32.19 | 555,370 | I | By<br>Biomedical<br>Value Fund,<br>L.P. <sup>(1)</sup> |
| Common<br>Stock | 03/17/2006 | S | 192   | D | \$<br>31.99 | 555,178 | I | By<br>Biomedical<br>Value Fund,<br>L.P. <sup>(1)</sup> |
| Common<br>Stock | 03/17/2006 | S | 480   | D | \$ 32       | 554,698 | I | By<br>Biomedical<br>Value Fund,<br>L.P. <sup>(1)</sup> |
| Common<br>Stock | 03/17/2006 | S | 720   | D | \$<br>31.79 | 553,978 | I | By<br>Biomedical<br>Value Fund,<br>L.P. <sup>(1)</sup> |

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|              |            |   |        |   |          |         |   |                                               |
|--------------|------------|---|--------|---|----------|---------|---|-----------------------------------------------|
| Common Stock | 03/17/2006 | S | 480    | D | \$ 31.67 | 553,498 | I | By Biomedical Value Fund, L.P. <sup>(1)</sup> |
| Common Stock | 03/17/2006 | S | 336    | D | \$ 31.54 | 553,162 | I | By Biomedical Value Fund, L.P. <sup>(1)</sup> |
| Common Stock | 03/17/2006 | S | 240    | D | \$ 31.55 | 552,922 | I | By Biomedical Value Fund, L.P. <sup>(1)</sup> |
| Common Stock | 03/20/2006 | S | 480    | D | \$ 31    | 552,442 | I | By Biomedical Value Fund, L.P. <sup>(1)</sup> |
| Common Stock | 03/20/2006 | S | 720    | D | \$ 31.1  | 551,722 | I | By Biomedical Value Fund, L.P. <sup>(1)</sup> |
| Common Stock | 03/20/2006 | S | 480    | D | \$ 31.2  | 551,242 | I | By Biomedical Value Fund, L.P. <sup>(1)</sup> |
| Common Stock | 03/20/2006 | S | 720    | D | \$ 31.3  | 550,522 | I | By Biomedical Value Fund, L.P. <sup>(1)</sup> |
| Common Stock | 03/20/2006 | S | 960    | D | \$ 31.4  | 549,562 | I | By Biomedical Value Fund, L.P. <sup>(1)</sup> |
| Common Stock | 03/20/2006 | S | 31,440 | D | \$ 31.5  | 518,122 | I | By Biomedical Value Fund, L.P. <sup>(1)</sup> |
| Common Stock | 03/20/2006 | S | 192    | D | \$ 31.6  | 517,930 | I | By Biomedical Value Fund, L.P. <sup>(1)</sup> |
| Common Stock | 03/20/2006 | S | 96     | D | \$ 31.53 | 517,834 | I | By Biomedical Value Fund, L.P. <sup>(1)</sup> |
|              | 03/20/2006 | S | 96     | D |          | 517,738 | I |                                               |

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|                 |            |  |   |       |             |             |         |   |                                                                    |
|-----------------|------------|--|---|-------|-------------|-------------|---------|---|--------------------------------------------------------------------|
| Common<br>Stock |            |  |   |       | \$<br>31.19 |             |         |   | By<br>Biomedical<br>Value Fund,<br>L.P. <sup>(1)</sup>             |
| Common<br>Stock | 03/20/2006 |  | S | 912   | D           | \$<br>31.15 | 516,826 | I | By<br>Biomedical<br>Value Fund,<br>L.P. <sup>(1)</sup>             |
| Common<br>Stock | 03/20/2006 |  | S | 48    | D           | \$<br>31.09 | 516,778 | I | By<br>Biomedical<br>Value Fund,<br>L.P. <sup>(1)</sup>             |
| Common<br>Stock | 03/20/2006 |  | S | 96    | D           | \$<br>31.04 | 516,682 | I | By<br>Biomedical<br>Value Fund,<br>L.P. <sup>(1)</sup>             |
| Common<br>Stock | 03/17/2006 |  | S | 3,900 | D           | \$<br>31.25 | 629,088 | I | By<br>Biomedical<br>Offshore<br>Value Fund,<br>Ltd. <sup>(2)</sup> |

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

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SEC 1474  
(9-02)

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

| 1. Title of<br>Derivative<br>Security<br>(Instr. 3) | 2. Conversion<br>or Exercise<br>Price of<br>Derivative<br>Security | 3. Transaction Date<br>(Month/Day/Year) | 3A. Deemed<br>Execution Date, if<br>any<br>(Month/Day/Year) | 4. Transaction<br>Code<br>(Instr. 8) | 5. Number<br>of<br>Derivative<br>Securities<br>Acquired<br>(A) or<br>Disposed<br>of (D)<br>(Instr. 3,<br>4, and 5) | 6. Date Exercisable and<br>Expiration Date<br>(Month/Day/Year) | 7. Title and<br>Amount of<br>Underlying<br>Securities<br>(Instr. 3 and 4) | 8. Price of<br>Derivative<br>Security<br>(Instr. 5) | 9. Number of<br>Derivative<br>Securities<br>Beneficially<br>Owned<br>Following<br>Transaction<br>(Instr. 6) |
|-----------------------------------------------------|--------------------------------------------------------------------|-----------------------------------------|-------------------------------------------------------------|--------------------------------------|--------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------|---------------------------------------------------------------------------|-----------------------------------------------------|-------------------------------------------------------------------------------------------------------------|
|                                                     |                                                                    |                                         |                                                             | Code                                 | V (A) (D)                                                                                                          | Date<br>Exercisable                                            | Expiration<br>Date                                                        | Title                                               | Amount<br>or<br>Number<br>of<br>Shares                                                                      |

## Reporting Owners

| Reporting Owner Name / Address                                                                   | Relationships |           |         |       |
|--------------------------------------------------------------------------------------------------|---------------|-----------|---------|-------|
|                                                                                                  | Director      | 10% Owner | Officer | Other |
| GREAT POINT PARTNERS LLC<br>165 MASON STREET,<br>3RD FLOOR<br>GREENWICH, CT 06830                |               | X         |         |       |
| JAY JEFFREY R<br>GREAT POINT PARTNERS, LLC<br>165 MASON STREET, 3RD FLOOR<br>GREENWICH, CT 06830 |               | X         |         |       |

## Signatures

GREAT POINT PARTNERS, LLC By: /s/ Jeffrey R. Jay, M.D. as senior managing member 03/21/2006

\_\_Signature of Reporting Person

Date

/s/ Dr. Jeffrey R. Ray, M.D.

03/21/2006

\_\_Signature of Reporting Person

Date

## 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) Great Point Partners, LLC ("Great Point") is the investment manager of Biomedical Value Fund, L.P. ("BMVF") and by virtue of such status may be deemed to be the beneficial owner of the shares held by BMVF. Dr. Jeffrey R. Jay, M.D., as senior managing member of Great Point ("Dr. Jay"), has voting and investment power with respect to the shares held by BMVF and may be deemed to be the beneficial owner of the shares held by BMVF. Great Point and Dr. Jay disclaim beneficial ownership of the shares held by BMVF, except to the extent of any pecuniary interest, and this report shall not be deemed to be an admission that they are the beneficial owners of such securities.

(2) Great Point is the investment manager of Biomedical Offshore Value Fund, Ltd. ("BOVF") and by virtue of such status may be deemed to be the beneficial owner of the shares held by BOVF. Dr. Jay, as senior managing member of Great Point, has voting and investment power with respect to the shares held by BOVF and may be deemed to be the beneficial owner of the shares held by BOVF. Great Point and Dr. Jay disclaim beneficial ownership of the shares held by BOVF, except to the extent of any pecuniary interest, and this report shall not be deemed to be an admission that they are the beneficial owners of such securities.

### Remarks:

Due to the maximum number of entries within an edgarized Form 4, this is Part 1 of 2 submissions constituting one Form 4.

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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