

| OMB APPROVAL | |
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STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

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>Sherman Matthew L</u> (Last) (First) (Middle) <u>2503 SOUTH LOOP DRIVE</u> <u>STE 5100</u> (Street) <u>AMES IA 50010</u> (City) (State) (Zip) | 2. Issuer Name and Ticker or Trading Symbol <u>NEWLINK GENETICS CORP [(NLNK)]</u> | 5. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input checked="" type="checkbox"/> Director 10% Owner Officer (give title below) Other (specify below) |
| | 3. Date of Earliest Transaction (Month/Day/Year) <u>07/31/2019</u> | |
| 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 | | | |

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 | | | | |
| Stock Option (Right to Buy) | \$4.56 | 07/31/2019 | | D | | 63,447 | | 04/30/2019 | 04/29/2028 | Common Stock | 63,447 | (I) | 0 | D | |
| Stock Option (Right to Buy) | \$1.77 | 07/31/2019 | | A | | 13,218 | | (2) | 07/31/2026 | Common Stock | 13,218 | (I) | 13,218 | D | |
| Stock Option (Right to Buy) | \$1.77 | 07/31/2019 | | A | | 18,506 | | (3) | 07/31/2026 | Common Stock | 18,506 | (I) | 18,506 | D | |
| Stock Option (Right to Buy) | \$5.33 | 07/31/2019 | | D | | 27,777 | | (4) | 05/22/2028 | Common Stock | 27,777 | (I) | 0 | D | |
| Stock Option (Right to Buy) | \$1.77 | 07/31/2019 | | A | | 13,889 | | (2) | 07/31/2026 | Common Stock | 13,889 | (I) | 13,889 | D | |

Explanation of Responses:

- On July 31, 2019, the issuer cancelled this option grant pursuant to the issuer's option exchange program. In exchange, for every two cancelled options, the reporting person received a replacement option having an exercise price of \$1.77 per share.
- The option vests as to 50% on the first anniversary of grant date and the remaining 50% on the second anniversary of grant date.
- The option vests as to 50% on the second anniversary of grant date and the remaining 50% on the third anniversary of grant date.
- The option provided that one hundred percent (100%) of the shares would vest on the earlier of (i) the first anniversary of the date of grant and (ii) the date of the first Annual Meeting following the date of grant, in each case subject to the Reporting Person's continuous service as of such date.

Remarks:

/s/ Ryan Trytten, attorney-in-fact 08/02/2019

** 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.