

OMB APPROVAL	
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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

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

1. Name and Address of Reporting Person* <u>Redmile Group, LLC</u> (Last) (First) (Middle) <u>ONE LETTERMAN DRIVE, BUILDING D SUITE D3-300</u> (Street) <u>SAN FRANCISCO CA 94129</u> (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <u>FATE THERAPEUTICS INC [FATE]</u>	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input checked="" type="checkbox"/> Director <input checked="" type="checkbox"/> 10% Owner Officer (give title below) Other (specify below)
	3. Date of Earliest Transaction (Month/Day/Year) <u>04/13/2023</u>	
	4. If Amendment, Date of Original Filed (Month/Day/Year)	
Rule 10b5-1(c) Transaction Indication <input type="checkbox"/> Check this box to indicate that a transaction was made pursuant to a contract, instruction or written plan that is intended to satisfy the affirmative defense conditions of Rule 10b5-1(c). See Instruction 10.		

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	04/13/2023		c ⁽¹⁾		167,205	A	(2)(3)	13,135,758	I	See Footnote ⁽¹⁰⁾
Common Stock	04/14/2023		s		302,339	D	\$5.84	12,833,419	I	See Footnote ⁽¹⁰⁾
Common Stock	04/14/2023		j ⁽⁵⁾		5,492,385	D	\$5.84	12,833,419	I	See Footnote ⁽¹⁰⁾
Common Stock	04/14/2023		j ⁽⁵⁾		5,492,385	A	\$5.84	12,833,419	I	See Footnote ⁽¹⁰⁾
Common Stock	04/14/2023		p		25,700	A	\$6 ⁽¹¹⁾	12,859,119	I	See Footnote ⁽¹⁰⁾

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
Class A Convertible Preferred Stock	(2)(3)	04/13/2023		c ⁽¹⁾			33,441	(4)	(4)	Common Stock	167,205	(2)(3)	2,761,108	I	See Footnote ⁽¹⁰⁾
Class A Convertible Preferred Stock	(2)(3)	04/14/2023		j ⁽⁵⁾			45,752	(4)	(4)	Common Stock	228,760	\$29.2 ⁽²⁾⁽³⁾	2,761,108	I	See Footnote ⁽¹⁰⁾
Class A Convertible Preferred Stock	(2)(3)	04/14/2023		j ⁽⁵⁾		45,752		(4)	(4)	Common Stock	228,760	\$29.2 ⁽²⁾⁽³⁾	2,761,108	I	See Footnote ⁽¹⁰⁾
Pre-Funded Warrants to Purchase Common Stock	\$0.001	04/14/2023		j ⁽⁵⁾			54,960	(6)	(6)	Common Stock	54,960	\$5.839	257,310	I	See Footnote ⁽¹⁰⁾
Pre-Funded Warrants to Purchase Common Stock	\$0.001	04/14/2023		j ⁽⁵⁾		54,960		(6)	(6)	Common Stock	54,960	\$5.839	257,310	I	See Footnote ⁽¹⁰⁾
Cash-settled Swaps	\$3.02 ⁽⁹⁾	04/14/2023		j ⁽⁵⁾			550,000	(7)	(8)	Common Stock	550,000	\$5.84	559,100	I	See Footnote ⁽¹⁰⁾
Cash-settled Swaps	\$3.02 ⁽⁹⁾	04/14/2023		j ⁽⁵⁾		550,000		(7)	(8)	Common Stock	550,000	\$5.84	559,100	I	See Footnote ⁽¹⁰⁾

1. Name and Address of Reporting Person* <u>Redmile Group, LLC</u> (Last) (First) (Middle) <u>ONE LETTERMAN DRIVE, BUILDING D</u>
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SUITE D3-300

(Street)

SAN FRANCISCO CA 94129

(City) (State) (Zip)

1. Name and Address of Reporting Person*

Green Jeremy

(Last) (First) (Middle)

C/O REDMILE GROUP, LLC (NY OFFICE)
45 W. 27TH STREET, FLOOR 11

(Street)

NEW YORK NY 10001

(City) (State) (Zip)

Explanation of Responses:

1. On April 13, 2023, a private investment vehicle managed by Redmile Group, LLC ("Redmile") exercised its conversion right with respect to the non-voting Class A Convertible Preferred Stock of the Issuer (the "Class A Preferred Stock") held directly by such private investment vehicle.
2. The Class A Preferred Stock is convertible into the Issuer's common stock, \$0.001 par value per share (the "Common Stock"), in accordance with the terms of Issuer's Amended and Restated Certificate of Incorporation and the Issuer's Certificate of Designation of Preferences, Rights and Limitations of Class A Convertible Preferred Stock (as amended and restated, the "Certificate of Designation") at any time and from time to time at the holder's election based on a conversion ratio equal to the Class A Preferred Stock's stated value of \$13.30 divided by its conversion price of \$2.66.
3. The one-for-five conversion rate is taken into account in the amount of underlying Common Stock involved in the cross trade listed under Column 7 of Table II and used to determine the price of the Class A Preferred Stock in connection with the cross trade listed under Column 8 of Table II (which is equal to five times the price per share of the Common Stock underlying the Class A Preferred Stock at the time of the cross trade).
4. The Certificate of Designation provides that the holder may not convert any shares of Class A Preferred Stock if, after giving effect to the attempted conversion, the holder and its affiliates would beneficially own in the aggregate more than 14.99% of the number of shares of Common Stock outstanding after giving effect to such attempted conversion, which percentage may be changed at a holder's election upon 61 days' notice to the Issuer. The Class A Preferred Stock has no expiration date.
5. On April 14, 2023, certain private investment vehicles and separate accounts managed by Redmile (the "Redmile Affiliates") engaged in cross trades with respect to their Common Stock, Class A Preferred Stock, pre-funded warrants to purchase Common Stock (the "Pre-Funded Warrants") and cash-settled swap agreements. The reported transactions occurred simultaneously at the market open, at which time the price per share of the Common Stock was \$5.84, and therefore the reported transactions resulted in no profit to Redmile or Jeremy Green and resulted in no change in either of their aggregate beneficial ownership.
6. The Pre-Funded Warrants are exercisable by the holder at any time until fully exercised at an exercise price per share of \$0.001, subject to a limitation on the right of the Issuer to issue the Pre-Funded Warrant Shares if and the extent that such exercise would cause the holder and its affiliates to beneficially own in the aggregate more than 9.99% of the combined voting power of all of the securities of the Issuer outstanding after giving effect to such attempted conversion, which percentage may be changed at a holder's election upon 61 days' notice to the Issuer. The Pre-Funded Warrants have no expiration date.
7. Certain Redmile Affiliates are parties to swap agreements with counterparties. Each notional share subject to each swap agreement represents the economic equivalent of one share of Common Stock. These agreements do not give the Reporting Persons direct or indirect voting, investment or dispositive control over any securities of the Issuer and do not require the counterparties thereto to acquire, hold, vote or dispose of any securities of the Issuer.
8. The Redmile Affiliates that are parties to the swap agreements have the right to terminate and close out each swap at any time. Upon settlement of the swap agreements, either (i) the counterparty will pay to the Redmile Affiliates in cash an amount determined in part by reference to any increase between the reference price and the market value of the notional number of shares of Common Stock subject to the swap agreement or (ii) the Redmile Affiliates will pay to the counterparty in cash an amount determined in part by reference to any decrease between the reference price and the market value of the notional number of shares of Common Stock subject to the swap agreement.
9. Represents the reference price associated with the cash-settled swap agreements.
10. The securities reported herein are directly owned by the Redmile Affiliates, none of which individually is a 10% owner. The reported securities may be deemed beneficially owned by Redmile as investment manager of the Redmile Affiliates and by Jeremy Green as the managing principal of Redmile. Each of Redmile and Mr. Green (the "Reporting Persons") disclaims beneficial ownership of the reported securities except to the extent of their pecuniary interest therein. This report shall not be deemed an admission that the Reporting Persons are a beneficial owners of such securities for purposes of Section 16 of the Securities Exchange Act of 1934, as amended, or for any other purpose.
11. The price reported in Column 4 is a weighted average price. These shares were purchased in multiple transactions at prices ranging from \$5.995 to \$6.0189, inclusive. The Reporting Person undertakes to provide upon request by the staff of the Securities and Exchange Commission, the Issuer or a security holder of the Issuer full information regarding the number of shares purchased at each separate price.

Remarks:

Mr. Michael Lee, a member of the board of directors of the Issuer and a managing director of Redmile, was elected to the board of the Issuer as a representative of Redmile. As a result, the Reporting Persons are directors by deputization for purposes of Section 16 of the Securities Exchange Act of 1934, as amended.

By: /s/ Jeremy Green, Managing
Member of Redmile Group, LLC 04/17/2023

/s/ Jeremy Green 04/17/2023

** 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.