

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

SCHEDULE 13G

Under the Securities Exchange Act of 1934

(Amendment No. 1)<sup>1</sup>

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**XBIOTECH INC.**

(Name of Issuer)

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**Common Shares, no par value**

(Title of Class of Securities)

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**98400H102**

(CUSIP Number)

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**December 31, 2016**

(Date of Event which Requires Filing of this Statement)

Check the appropriate box to designate the rule pursuant to which this Schedule is filed:

Rule 13d-1(b)

Rule 13d-1(c)

Rule 13d-1(d)

<sup>1</sup>The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter the disclosures provided in a prior cover page.

The information required in the remainder of this cover page shall not be deemed to be "filed" for the purpose of Section 18 of the Securities Exchange Act of 1934 ("Act") or otherwise subject to the liabilities of that section of the Act but shall be subject to all other provisions of the Act (however, see the *Notes*).

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SCHEDULE 13G

CUSIP No.	98400H102
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<b>1</b>	<b>Names of Reporting Persons</b> W. Thorpe McKenzie	
<b>2</b>	<b>Check the appropriate box if a member of a Group (see instructions)</b> (a) <input type="checkbox"/> (b) <input type="checkbox"/>	
<b>3</b>	<b>Sec Use Only</b>	
<b>4</b>	<b>Citizenship or Place of Organization</b> USA	
<b>Number of Shares Beneficially Owned by Each Reporting Person With:</b>	<b>5</b>	<b>Sole Voting Power</b> 5,293,600 <sup>(1)</sup>
	<b>6</b>	<b>Shared Voting Power</b> 211,500 <sup>(3)</sup>
	<b>7</b>	<b>Sole Dispositive Power</b> 5,293,600 <sup>(1)</sup>
	<b>8</b>	<b>Shared Dispositive Power</b> 211,500 <sup>(3)</sup>
<b>9</b>	<b>Aggregate Amount Beneficially Owned by Each Reporting Person</b> 5,505,100 <sup>(1)(2)</sup>	
<b>10</b>	<b>Check box if the aggregate amount in row (9) excludes certain shares (See Instructions)</b> <input type="checkbox"/>	
<b>11</b>	<b>Percent of class represented by amount in row (9)</b> 16.2% <sup>(4)</sup>	
<b>12</b>	<b>Type of Reporting Person (See Instructions)</b> IN	

- (1) These figures include shares of common stock underlying stock options held by the Reporting Person, including options that are immediately exercisable within 60 days of December 31, 2016.
- (2) Includes 100,000 shares held by the McKenzie Foundation, 100,000 shares held by Mr. McKenzie's spouse and 11,500 shares held in a Trust for Mr. McKenzie's stepchildren.
- (3) The Reporting Person's spouse owns, controls and holds sole dispositive power to 100,000 shares for which the Reporting Person disclaims beneficial ownership of such shares, except to the extent of his pecuniary interest therein. The Reporting Person's Foundation owns, controls and holds sole dispositive power to 100,000 shares for which the Reporting Person disclaims beneficial ownership of such shares, except to the extent of his pecuniary interest therein. The Reporting Person's stepchildren owns, controls and holds sole dispositive power to 11,500 shares for which the Reporting Person disclaims beneficial ownership of such shares, except to the extent of his pecuniary interest therein.
- (4) The percentage is calculated based upon 32,483,265 shares outstanding as of December 31, 2016.

**Item 1.**

**(a) Name of Issuer:**

XBiotech Inc.

**(b) Address of Issuer's Principal Executive Offices:**

8201 E. Riverside Dr. Bldg. 4, Ste. 100  
Austin, TX 78744

**Item 2.**

**(a) Name of Person Filing:**

W. Thorpe McKenzie

**(b) Address of Principal Business Office or, if None, Residence:**

735 Broad Street, Suite 1108  
Chattanooga, TN 37402

**(c) Citizenship:**

USA

**(d) Title and Class of Securities:**

Common Shares, no par value

**(e) CUSIP No.:**

98400H102

**Item 3. If this statement is filed pursuant to §§ 240.13d-1(b) or 240.13d-2(b) or (c), check whether the person filing is a:**

Not Applicable

**Item 4. Ownership**

As of December 31, 2016

**(a) Amount Beneficially Owned:**

5,505,100<sup>(1)(2)</sup> shares

**(b) Percent of Class:**

16.2%<sup>(4)</sup>

**(c) Number of shares as to which such person has:**

**(i) Sole power to vote or to direct the vote:**

5,293,600<sup>(1)</sup> shares

**(ii) Shared power to vote or to direct the vote:**

211,500<sup>(3)</sup>

**(iii) Sole power to dispose or to direct the disposition of:**

5,293,600<sup>(1)</sup> shares

**(iv) Shared power to dispose or to direct the disposition of:**

211,500<sup>(3)</sup>

- (1) These figures include shares of common stock underlying stock options held by the Reporting Person, including options that are immediately exercisable within 60 days of December 31, 2016.
- (2) Includes 100,000 shares held by the McKenzie Foundation, 100,000 shares held by Mr. McKenzie's spouse and 11,500 shares held in a Trust for Mr. McKenzie's stepchildren.
- (3) The Reporting Person's spouse owns, controls and holds sole dispositive power to 100,000 shares for which the Reporting Person disclaims beneficial ownership of such shares, except to the extent of his pecuniary interest therein. The Reporting Person's Foundation owns, controls and holds sole dispositive power to 100,000 shares for which the Reporting Person disclaims beneficial ownership of such shares, except to the extent of his pecuniary interest therein. The Reporting Person's stepchildren owns, controls and holds sole dispositive power to 11,500 shares for which the Reporting Person disclaims beneficial ownership of such shares, except to the extent of his pecuniary interest therein.
- (4) The percentage is calculated based upon 32,483,265 shares outstanding as of December 31, 2016.

**Item 5. Ownership of Five Percent or Less of a Class.**

Not Applicable

**Item 6. Ownership of more than Five Percent on Behalf of Another Person.**

Not Applicable

**Item 7. Identification and classification of the subsidiary which acquired the security being reported on by the parent holding company or control person.**

Not Applicable

**Item 8. Identification and classification of members of the group.**

Not Applicable

**Item 9. Notice of Dissolution of Group.**

Not Applicable

**Item 10. Certifications.**

Not Applicable

**SIGNATURE**

After reasonable inquiry and to the best of my knowledge and belief, I certify that the information set forth in this statement is true, complete and correct.

Dated: February 14, 2017

/s/ W. Thorpe McKenzie

W. Thorpe McKenzie