

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): June 8, 2015

XBIOTECH INC.

(Exact name of Registrant as specified in its charter)

British Columbia, Canada

(State of Incorporation)

001-37347

(Commission File Number)

N/A

(I.R.S. Employer Identification No.)

8201 E Riverside Dr. Bldg 4, Ste 100

Austin, Texas

(Address of principal executive offices)

78744

(Zip Code)

(512) 386-2900

(Registrant's telephone number, including area code)

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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Item 5.02 Departure of Directors or Certain Officers: Election of Directors: Appointment of Certain Officers: Compensatory Arrangements of Certain Officers.

(c) Appointment of a New Officer

On June 8, 2015, XBiotech Inc. (the "Company") announced the appointment of Kelly R. Thornburg as the Senior Vice President of Operations at the Company. Mr. Thornburg, age 52, has more than 30 years of pharmaceutical operations experience to the Company, the prior 16 years spent at Amgen, Inc. ("Amgen"). In his last position at Amgen, Mr. Thornburg served as the Executive Director, Quality Site Head at Amgen from July 2013 to May 2015. In this role, Mr. Thornburg managed all aspects of Amgen's quality function at its manufacturing facilities in Colorado, providing oversight for two protein drug substance manufacturing plants and GMP warehouse facilities. From February 2012 to June 2013, Mr. Thornburg served as the Executive Director, Quality Control where he managed the quality control laboratory function of the Amgen Manufacturing Limited site in Juncos, Puerto Rico. From May 2010 until February 2012, Mr. Thornburg was Executive Director Product Quality at Amgen in Colorado with responsibilities for product specifications, technology transfer for commercial and clinical products, comparability protocols, supporting commissioning of a new fill finish manufacturing facility, and authoring CMC sections for regulatory filings.

Pursuant to Mr. Thornburg's employment letter agreement ("employment letter") with the Company, Mr. Thornburg has been employed on an at-will basis and will receive an annual base salary of \$315,000. Mr. Thornburg is also entitled to an annual bonus of 20% of his base salary providing satisfactory performance. Also included in the agreement, Mr. Thornburg will receive compensation for various relocation expenses, totaling \$92,000. In addition on June 8, 2015 (the "Grant Date"), Mr. Thornburg was awarded options to purchase 70,368 shares of the Company's common stock at an exercise price of \$20.93 per share (which is equal to the closing market price on June 8, 2015) pursuant to the Company's 2005 Incentive Stock Option Plan. Such options will vest 1/3 per year on June 8 of 2016, 2017 and 2018. The options will expire ten years after the Grant Date. Mr. Thornburg is also eligible to participate in all employee benefits plans from time to time in effect for the Company's other senior executive officers.

There are no family relationships between Mr. Thornburg and any of the Company's officers or directors that are required to be disclosed pursuant to Item 401(d) of Regulation S-K. Mr. Thornburg has not entered into any transactions with the Company that are required to be disclosed pursuant to Item 404(a) of Regulation S-K.

(e) Compensatory Arrangements of Certain Officers

Effective as of June 8, 2015, the Company and Kelly R. Thornburg entered into the employment letter described above under Item 5.02(c) of this Current Report on Form 8-K. The description of this employment letter set forth above in Item 5.02(c) is hereby incorporated herein by reference.

The foregoing description of the employment letter does not purport to be complete and is qualified in its entirety by reference to the complete text of the employment letter, a copy of which is attached as Exhibit 10.1 to this Current Report on Form 8-K and is incorporated herein by reference in its entirety.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

10.1 Employment Letter dated as of June 8, 2015 by XBiotech Inc. and Kelly R. Thornburg

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, XBiotech Inc. has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: June 10, 2015

XBIOTECH INC.

By: /s/ John Simard
John Simard
Chief Executive Officer and President

EXHIBIT INDEX

Exhibit
Number

Description

10.1

Employment Letter, dated as of June 8, 2015, by and between XBiotech Inc. and Kelly R. Thornburg

XBiotech

Next Generation Therapeutic Antibody Company

Kelly Thornburg

Re: Employment Letter

Dear Kelly,

On behalf of XBiotech USA Inc., I am pleased to offer you a position as Senior Vice President Operations. In this capacity, you will be paid at a gross semi-monthly rate of \$13,125. You will report to John Simard, CEO of XBiotech, and the effective date of the agreement will be June 8, 2015.

Your responsibilities will be ultimate delivering drug product on time to meet clinical and commercial obligations, which will include but not limit to the following:

- assuring regulatory compliance with FDA and EMA with respect to all facilities and processes;
- developing manufacturing processes and other reporting and quality systems necessary for establishing and operating cGMP processes;
- oversight of daily operations of Manufacturing, QA and QC;
- launch and validation of a new commercial manufacturing facility.

You are also entitled to an annual bonus of 20% of your base salary providing satisfactory performance. For the purposes of relocation you will be provided with \$1,500 house hunting trip to Austin, \$10,000 moving allowance, \$9,000 temporary house allowance; \$54,000 current house selling assistance; \$2,500 closing cost for a new house and \$15,000 other allowances related to relocation.

The offer described above is contingent upon the results of your reference/background check and completion of an I-9 form as well as e-verify. Your employment is also contingent upon your signing and returning a Confidentiality and Non-disclosure Agreement on your first day of work. XBiotech will provide you 100% employer-paid Medical and Dental Plan for individuals (not including family members). These benefits will begin after a waiting period not to exceed two months of your employment. XBiotech will also provide you with 70,368 (Seventy thousand three hundred and sixty-eight) Employee Stock Options, at an exercise price equal to the closing price on the day you start work at XBiotech (June 8, 2015), vesting annually in equal portion over three years.

We understand, based on what you have told us, that by coming to work for XBiotech in the above position you will not be violating any Employment Agreement, Confidentiality/Non-disclosure Agreement, Covenant Not to Compete Agreement, or Shareholder Agreement with any former employer. If you have signed any such agreements, we need you to provide us with a copy of each agreement before beginning employment with XBiotech. Further, we expect that you do not currently possess from your former employers any:

1. Biological samples.
2. Client, customer, vendor, contractor, consultant or employee files or lists.

XBiotech

8201 E Riverside Dr. Bldg 4 Ste 100 • Austin, TX 78744
Web: www.XBiotech.com

XBiotech

Next Generation Therapeutic Antibody Company

3. Confidential or trade secret information.

Please let us know if you possess any of the above. If you do, you will need to return them immediately to your former employer.

Your employment with XBiotech will be on an "at-will" basis, meaning that you can be terminated or released from your employment at any time, with or without cause or notice. Likewise, we respect your ability to leave employment at anytime, for any reason, with or without notice.

Please indicate your acceptance of our offer by signing below and returning one copy of the letter, with your original signature. This is the parties' entire agreement on the matter and supersedes all previous agreements or negotiations. If you have any questions, please do not hesitate to contact me.

Sincerely

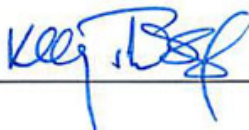
Queena Han, VP Finance and HR



I accept the terms and conditions of employment as set forth above and understand that I am not relying on any prior statements or representations not contained within this letter. I also confirm that I do not have possession of any of the types of files described above from any former employer. Finally, to the best of my knowledge, my employment with XBiotech will not violate any agreement that I have with any former employer

Date: June 8, 2015

Signature: _____



XBiotech

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