

INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF SECURITIES

OMB APPROVAL

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or Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person* <u>Freedman Lori</u>	2. Date of Event Requiring Statement (Month/Day/Year) 07/13/2007	3. Issuer Name and Ticker or Trading Symbol <u>pSivida LTD [PSDV]</u>	
		4. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director 10% Owner <input checked="" type="checkbox"/> Officer (give title below) Other (specify below) <u>VP Corp Affairs, Gen Coun & Sec</u>	5. If Amendment, Date of Original Filed (Month/Day/Year)
(Last) (First) (Middle) <u>C/O PSIVIDA LIMITED</u> <u>400 PLEASANT STREET</u>	(Street) <u>WATERTOWN MA</u> <u>02472</u>	6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person Form filed by More than One Reporting Person	
(City) (State) (Zip)			

Table I - Non-Derivative Securities Beneficially Owned

1. Title of Security (Instr. 4)	2. Amount of Securities Beneficially Owned (Instr. 4)	3. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	4. Nature of Indirect Beneficial Ownership (Instr. 5)
<u>Ordinary Shares⁽¹⁾</u>	<u>2,592,320</u>	<u>D</u>	

Table II - Derivative Securities Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 4)	2. Date Exercisable and Expiration Date (Month/Day/Year)		3. Title and Amount of Securities Underlying Derivative Security (Instr. 4)	4. Conversion or Exercise Price of Derivative Security	5. Ownership Form: Direct (D) or Indirect (I) (Instr. 5)	6. Nature of Indirect Beneficial Ownership (Instr. 5)
	Date Exercisable	Expiration Date				
<u>Option to purchase Ordinary shares⁽²⁾</u>	<u>10/18/2007</u>	<u>09/30/2011</u>	<u>Ordinary Shares</u>	<u>83,333</u>	<u>0.282⁽⁴⁾</u>	<u>D</u>
<u>Option to purchase Ordinary shares⁽²⁾</u>	<u>10/18/2008</u>	<u>09/30/2011</u>	<u>Ordinary Shares</u>	<u>83,333</u>	<u>0.282⁽⁴⁾</u>	<u>D</u>
<u>Option to purchase Ordinary shares⁽²⁾</u>	<u>10/18/2009</u>	<u>09/30/2011</u>	<u>Ordinary Shares</u>	<u>83,333</u>	<u>0.282⁽⁴⁾</u>	<u>D</u>
<u>Option to purchase Ordinary shares⁽³⁾</u>	<u>12/30/2006</u>	<u>09/30/2010</u>	<u>Ordinary Shares</u>	<u>118,750</u>	<u>0.799⁽⁵⁾</u>	<u>D</u>
<u>Option to purchase Ordinary shares⁽³⁾</u>	<u>12/30/2007</u>	<u>09/30/2010</u>	<u>Ordinary Shares</u>	<u>118,750</u>	<u>0.799⁽⁵⁾</u>	<u>D</u>

Explanation of Responses:

- Ms. Freedman holds her ordinary shares in the form of American Depositary Share ("ADS"). Each ordinary share is represented by one-tenth of an ADS.
- Ms. Freedman holds an option for 250,000 ordinary shares with a vesting schedule as shown in lines 1-3.
- Ms. Freedman holds an option 237,500 ordinary shares with a vesting schedule as shown in lines 4-5.
- The exercise price was converted from A\$0.325 using the noon-day rate of exchange of the Federal Reserve Bank of New York on July 13, 2007. The actual exercise price will be the Australian dollar amount regardless of the exchange rate on the date of grant or of exercise.
- The exercise price was converted from A\$0.92 using the noon-day rate of exchange of the Federal Reserve Bank of New York on July 13, 2007. The actual exercise price will be the Australian dollar amount regardless of the exchange rate on the date of grant or of exercise.

/s/ Lori Freedman08/27/2007

** 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 5 (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.