**SECURITIES AND EXCHANGE COMMISSION**
**Washington, D.C. 20549**

# FORM 6-K

REPORT OF FOREIGN ISSUER
Pursuant to Rule 13a-16 or 15d-16 of
the Securities Exchange Act of 1934

**For the month of April 2006**

**Commission File Number 000-51122**

## pSivida Limited

(Translation of registrant's name into English)

Level 12 BGC Centre
28 The Esplanade
Perth WA 6000
(Address of principal executive offices)

(Indicate by check mark whether the registrant files or will file annual reports under cover Form 20-F or Form 40-F).

Form 20-F x Form 40-F o

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes o No x

If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): 82- ___.

**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant, pSivida Limited, has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

pSivida Limited

Date: April 28, 2006

By: /s/ Aaron Finlay

Aaron Finlay
*Chief Financial Officer and Company Secretary*

***EXHIBIT INDEX***

| | |
|---|---|
| **EXHIBIT 99.1:** | pSivida Quarterly Cashflow - March 2006 Commentary and Highlights |
| **EXHIBIT 99.2:** | Appendix 4C |

**ASX/Media RELEASE** **28 April 2006**

# pSivida Quarterly Cashflow - March 2006
# Commentary and Highlights

Retisert™ royalties rising, as sales increase
Cost savings from acquisition

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Global bio-nanotech company pSivida Limited is pleased to release its quarterly cashflow statement for the period ending the 31st of March, 2006.

Following the acquisition of pSivida Inc. (formerly Control Delivery Systems Inc.) on the 30th of December, 2005, the March quarter is the first whole quarter that includes the results of the recently acquired US business.

It is important to note that the net operating cash outflow for the quarter has been limited to AU$4.8 million, an increase of AU$203,000 or 4.4% when compared the previous quarter. Despite this increase, cash outflows were mitigated as a result of cost synergies being realised between the two companies, a review of costs being undertaken and implemented during the period and the receipt of payments from collaborative partners and Retisert™ royalties. Cost synergies from the merger are continuing to be pursued with greater use to be made of our Boston facilities.

Retisert™ royalties that would have otherwise been earned from launch in the United States in the second half of 2005 to the 31st of March, 2006 totalled AU$1.25 million (US$894,144). It should be noted, however that this amount is reduced by 50% in accordance with an advance royalty agreement Control Delivery Systems entered into with Bausch & Lomb in June 2005 and we refer you to a detailed analysis of Retisert™ royalties within the Appendix 4C.

In February, Bausch & Lomb appointed global pharmaceutical company, Novartis to co-promote Retisert™ for uveitis in the United States, significantly increasing the number of sales representatives dedicated to the promotion of Retisert™.

## Post Quarter Highlights and Announcements

**BrachySil™ clinical development programmes progress**
The clinical development of pSivida's targeted oncology product has progressed with further recruitment into the ongoing multicentre phase IIb trial in primary liver cancer. The clinical programme for pancreatic cancer progressed with the critical regulatory agency clinical trial applications filed with European and Asian agencies as the prerequisite for treatment of the first patients in this second indication of high unmet medical need.

**Positive European trial results for Retisert™ for Uveitis**
Two year results from Bausch & Lomb's European clinical trial of Retisert™ for the treatment of chronic non-infectious posterior segment uveitis showed the recurrence rate for uveitis was significantly lower in eyes receiving Retisert™ than in eyes receiving standard of care (systemic corticosteroid or other immunosuppressive agents). The study involved 146 patients across ten countries in Europe and the Middle East. These results were presented at the prestigious 6th International Symposium on Ocular Pharmacology and Therapeutics in Berlin that commenced on the 30th of March, 2006.

**pSivida signs new evaluation agreements for cardiovascular drug delivery**
pSivida entered into an evaluation agreement with an undisclosed large medical device company to evaluate cardiovascular delivery of drugs using pSivida's drug delivery technologies. The agreement demonstrated that pSivida's drug delivery technologies are being evaluated in areas beyond ophthalmology and oncology treatments and follows recent announcements that pSivida had signed evaluation agreements with various companies, including large global pharmaceutical companies, to evaluate pSivida's proprietary platform technology for their developmental compounds. pSivida has licensing agreements with Bausch & Lomb, Alimera Sciences and Beijing Med-Pharm and evaluation agreements with three of the five largest pharmaceutical companies in the world.

In non-core areas, pSivida has signed two new material evaluation agreements this year for BioSilicon™ to be incorporated into devices with larger US based companies.

**Retisert™ slows progression of Diabetic Retinopathy in DME trials**
Additional two year trial results of Bausch & Lomb's two randomized trials to evaluate the safety and efficacy of the Retisert™ implant in releasing fluocinolone acetonide in the management of Diabetic Macular Edema (DME) demonstrated that 30% of eyes receiving standard of care (repeat laser treatment) had a worsening of their Diabetic Retinopathy compared with only 10% of eyes receiving a Retisert™ implant. This was statistically significant. Retisert™ also reduced retinal thickening involving the fovea (the centre most part of the macula responsible for sharp, central vision) and led to a statistically significant three line improvement in vision. The trial results were presented at the prestigious 6th International Symposium on Ocular Pharmacology and Therapeutics in Berlin that commenced on the 30th of March, 2006.

## Highlights and Announcements for the Quarter

**DSMB recommends continuation of Medidur™ Phase III clinical trial**
Following a planned interim review, a Data Safety Monitoring Board (DSMB) recommended the continuation of its Phase III clinical trial of Medidur™ following a meeting on March 16, 2006 to review the Medidur™ Phase III clinical trial data. Medidur™, a tiny injectable device, is being studied as a way to deliver fluocinolone acetonide, a corticosteroid, to the retina for up to three years as a treatment for diabetic macular edema (DME). After reviewing the preliminary safety data from the initial US patients enrolled in the Medidur™ trial, the DSMB agreed that enrolment should accelerate in the Phase III trial under the current protocol. The DSMB provides independent evaluation of study data to identify potential safety issues that might warrant modification or early termination of ongoing studies.

**Medidur™ manufacture certified to be GMP equivalent to EU standards**
Following an independent audit of its Boston, Massachusetts facility by a European Qualified Person (QP), the QP issued a certificate that Medidur™ is manufactured to a standard of Good Manufacturing Practice (GMP) equivalent to that in the European Union, as set out in directive 2003/94/EC and the EC Guide to GMP.

**pSivida added to new Nanotechnology Index**
pSivida has been included in a new nanotechnology index established by The Nanotech Company, LLC, of San Diego, California. The Nanotechnology.com 'Small Technology' Index is composed of 30 of the leading, international, publicly-traded companies and is designed to mimic the portfolio of a sophisticated fund manager with US$30 million to place in the area of small tech and nanotechnology. The index is diversified by geography, industry sector, type of small tech, market capitalization and other criteria and does not include Fortune 500 companies with relatively insignificant small tech product revenue. Rather, the index focuses on companies that are primarily involved in the nanotech space, such as pSivida.

**Diabetic Macular Edema trial with Retisert™**
Preliminary three year follow-up data from Bausch & Lomb's multi-center, randomized, controlled clinical trial of Retisert™ for the treatment of diabetic macular edema (DME) showed that significantly more patients receiving a Retisert™ implant had improved visual acuity (of three or more lines on an eye chart) than those receiving standard of care.

**Uveitis long term trial results positive for pSivida**
Preliminary three year follow-up data from Bausch & Lomb's multi-center, randomized, dose-masked clinical trial of Retisert™ for the treatment of chronic non-infectious posterior segment uveitis showed that the recurrence rate was significantly lower in eyes receiving Retisert™ than in non-implanted eyes. This study involved 278 patients from 27 hospitals in the United States and one in Singapore.

**Novartis to co-promote Retisert™ with Bausch & Lomb**
Retisert™, developed by pSivida, is the world's first intravitreal drug implant for the treatment of chronic noninfectious posterior segment uveitis, a sight threatening condition that affects an estimated 175,000 people in the United States and an estimated 800,000 people worldwide. Licensed to Bausch & Lomb, pSivida receives royalties on Retisert™ sales with the collaboration with Novartis expanding the dedicated sales force of Retisert™ in the United States.

**Several new Pharma agreements for pSivida Inc.**
Wholly owned subsidiary pSivida Inc. entered into a number of new evaluation agreements with various companies, including large global pharmaceutical companies, to evaluate pSivida's proprietary platform technology for their developmental compounds. The terms of the new evaluation agreements vary, but are typically 12 months in duration with the costs being borne by the counterparty.

**Acquisition of Control Delivery Systems**
pSivida completed the acquisition of Boston based private drug delivery company Control Delivery Systems (CDS), following overwhelming approval by pSivida shareholders at the AGM held in November 2005. The acquisition is an integral part of pSivida's on-going US growth strategy. CDS' portfolio of products and product candidates includes two approved and marketed products, one Phase III product and other early-stage product candidates. Australian publication Bioshares announced pSivida's acquisition of CDS as the 'Biotech M&A Deal of the Year', citing pSivida's increased presence in the US, current revenue stream and synergies for combining the two companies' technologies and expertise. CDS was renamed pSivida Inc. and former CEO, Dr. Paul Ashton has been appointed to the pSivida Board and is now the Director of Strategy, based in Boston.

**Non-executive Director appointed**
Ms. Heather Zampatti has been appointed as a Non-executive Director of the Company, based in Perth, Australia. Ms. Zampatti is the National Head of Wealth Management, Australia for Bell Potter Securities, an Australian-owned private investment adviser and Top 10 broker by trading volume on the Australian Stock Exchange. Ms. Zampatti has over 20 years experience in investment advising and her expertise in stockbroking and financial investment planning is widely acknowledged in the Australian investment community. The appointment of Ms. Zampatti to the pSivida Board replaces Ms. Alison Ledger who has stepped down after 18 months of service to focus on new career initiatives. We thank Alison for her valuable contribution and wish her well in her future endeavours.

**-ENDS-**

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**NOTES TO EDITORS:**

pSivida is a global bio-nanotech company committed to the biomedical sector and the development of drug delivery products. Retisert™ is FDA approved for the treatment of uveitis. Vitrasert® is FDA approved for the treatment of AIDS-related CMV Retinitis. Bausch & Lomb own the trademarks; Vitrasert® and Retisert™. pSivida has licensed the technologies underlying both of these products to Bausch & Lomb. The technology underlying Medidur™, a treatment for diabetic macular edema, is licensed to Alimera Sciences and is in Phase III clinical trials.

pSivida owns the rights to develop and commercialise a modified form of silicon (porosified or nano-structured silicon) known as BioSilicon™, which has applications in drug delivery, wound healing, orthopaedics, and tissue engineering. pSivida's subsidiary, AION Diagnostics Limited is developing diagnostic products and the subsidiary pSiNutria is developing food technology products both using BioSilicon™.

pSivida's intellectual property portfolio consists of 70 patent families, 74 granted patents and over 290 patent applications.

pSivida conducts its operations from offices and facilities near Boston in the United States, Malvern in the United Kingdom, Perth in Western Australia and Singapore.

pSivida is listed on NASDAQ (**PSDV**), the Australian Stock Exchange (**PSD**) and in Germany on the Frankfurt Stock Exchange on the XETRA system (**German Symbol: PSI. Securities Code (WKN) 358705**). pSivida is a founding member of the NASDAQ Health Care Index and the Merrill Lynch Nanotechnology Index.

The Company's largest shareholder and a strategic partner is QinetiQ, a leading international defence, security and technology company, formed in 2001 from the UK Government's Defence Evaluation & Research Agency (DERA). QinetiQ was instrumental in discovering BioSilicon™ and pSivida enjoys a strong relationship with it having access to its cutting edge research and development facilities. For more information visit www.QinetiQ.com

For more information, visit www.psivida.com

This document contains forward-looking statements that involve risks and uncertainties. The statements are indicated by the use of words such as "believes", "expects", "anticipates" and similar words and phrases. Although we believe that the expectations reflected in such forward-looking statements are reasonable at this time, we can give no assurance that such expectations will prove to be correct. Given these uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements. Actual results could differ materially from those anticipated in these forward-looking statements due to many important factors including: the failure of the results of the Retisert for DME trial to be a good indicator of the results of pSivida's ongoing Phase III Medidur™ for DME trial; failure of the Medidur™ trials in DME to show a very similar improvement in visual acuity and diabetic retinopathy severity score as Retisert™ for DME; inability to recruit patients for the Phase III Medidur™ for DME trial; our failure to develop applications for BioSilicon™ due to regulatory, scientific or other issues, our inability to successfully integrate pSivida Inc's operations and employees; the failure of the pSivida Inc's products to achieve expected revenues and the combined entity's inability to develop existing or proposed products; the failure of the Bausch & Lomb/Novartis co-promotion arrangement to provide faster royalty growth; failure of the slower progression or reduction of diabetic retinopathy resulting from the Retisert™ implant to have significant implications for Retisert™ and Medidur; failure of our evaluation agreements to result in license agreements; failure of Medidur™ to release the same drug as Retisert™ at the same rate; failure of the Medidur™ trials in DME to show a very similar stabilization or improvement diabetic retinopathy as Retisert™ for DME; failure to achieve cost savings. Other reasons are contained in cautionary statements in the Annual Report on Form 20-F filed with the U.S. Securities and Exchange Commission, including, without limitation, under Item 3.D, "Risk Factors" therein. We do not undertake to update any oral or written forward-looking statements that may be made by or on behalf of pSivida.

*Rule 4.7B*

# Appendix 4C

## Quarterly report for entities admitted on the basis of commitments

Introduced 31/3/2000. Amended 30/9/2001

| Name of entity |
|---|
| pSivida Limited |

| ABN | | Quarter ended ("current quarter") |
|---|---|---|
| 78 009 232 026 | | 31 March 2006 |

### Consolidated statement of cash flows

| | | Current quarter $A'000 | Year to date (9 months) $A'000 |
|---|---|---|---|
| **Cash flows related to operating activities** | | | |
| 1.1 | Receipts from customers | 1,014 | 1,014 |
| 1.2 | Payments for (a) staff costs | (327) | (1,119) |
| | (b) advertising and marketing | - | - |
| | (c) research and development | (3,174) | (8,434) |
| | (d) leased assets | - | - |
| | (e) other working capital | (1,956) | (5,421) |
| 1.3 | Dividends received | - | - |
| 1.4 | Interest and other items of a similar nature received | 182 | 428 |
| 1.5 | Interest and other costs of finance paid | (634) | (635) |
| 1.6 | Income taxes paid | - | - |
| 1.7 | Other - other income | 26 | 68 |
| | - income received in advance | - | 494 |
| | **Net operating cash flows** | (4,869) | (13,605) |

+ See chapter 19 for defined terms.

| | | Current quarter $A'000 | Year to date (9 months) $A'000 |
|---|---|---|---|
| 1.8 | Net operating cash flows (carried forward) | (4,869) | (13,605) |
| | **Cash flows related to investing activities** | | |
| 1.9 | Payment for acquisition of: | | |
| | (a) businesses (item 5) | - | - |
| | (b) equity investments | (3,561) | (4,647) |
| | (c) intellectual property | - | - |
| | (d) physical non-current assets | (201) | (979) |
| | (e) other non-current assets | - | - |
| 1.10 | Proceeds from disposal of: | | |
| | (a) businesses (item 5) | - | - |
| | (b) equity investments | - | - |
| | (c) intellectual property | - | - |
| | (d) physical non-current assets | - | - |
| | (e) other non-current assets | - | - |
| 1.11 | Loans to other entities | - | - |
| 1.12 | Loans repaid by other entities | - | - |
| 1.13 | Other - costs of acquisition not capitalised | (1,868) | (1,868) |
| | **Net investing cash flows** | (5,630) | (7,494) |
| **1.14** | **Total operating and investing cash flows** | (10,499) | (21,099) |
| | **Cash flows related to financing activities** | | |
| 1.15 | Proceeds from issues of shares, options, etc. | - | 5,636 |
| 1.16 | Proceeds from sale of forfeited shares | - | - |
| 1.17 | Proceeds from borrowings | - | 19,927 |
| 1.18 | Repayment of borrowings | - | - |
| 1.19 | Dividends paid | - | - |
| 1.20 | Other - share issue costs | - | (469) |
| | - other financing costs | (59) | (92) |
| | **Net financing cash flows** | (59) | 25,002 |
| | **Net increase (decrease) in cash held** | (10,558) | 3,903 |
| 1.21 | Cash at beginning of quarter/year to date | 27,683 | 12,892 |
| 1.22 | Exchange rate adjustments to item 1.20 | 259 | 589 |
| 1.23 | **Cash at end of quarter** | 17,384 | 17,384 |

+ See chapter 19 for defined terms.

## Payments to directors of the entity and associates of the directors

**Payments to related entities of the entity and associates of the related entities**

| | | Current quarter $A'000 |
|---|---|---|
| 1.24 | Aggregate amount of payments to the parties included in item 1.2 | 271 |
| 1.25 | Aggregate amount of loans to the parties included in item 1.11 | - |

1.26 Explanation necessary for an understanding of the transactions

1.1 Royalty revenues otherwise payable to the Company under the Bausch & Lomb licence agreement for the sale of Retisert for the first calendar quarter amounted to approximately $474,000 (US$338,720). It should be noted, however that this amount is reduced by 50% to $237,000 (US$169,360) in accordance with an agreement CDS entered into with Bausch & Lomb in June 2005. Under this agreement, CDS received US$3 million from Bausch & Lomb as an advance payment in lieu of US$6.25 million of future royalties that would otherwise be payable to CDS. Under the terms of the related agreement, the royalty payable will be reduced as follows: Bausch & Lomb will retain 50% of the first US$3 million of royalties or US$1.5 million; and 100% of the next US$4.75 million or royalties. Since this advance is non refundable, other than as an offset to future royalties receivable by CDS and there are no future performance obligations by CDS, the full US$3 million was reflected by CDS as royalty revenue in the month of June 2005. On the basis that the acquisition of CDS completed on 30 December, 2005 the CDS results will be consolidated from this date. As a result of the Bausch & Lomb agreement, pSivida will record as revenues 50% of the royalty revenue that is otherwise payable by Bausch and Lomb for the first US$3 million of royalties and will record no royalty revenue on the next US$4.75 million of royalty revenue that is otherwise payable. After cumulative royalties otherwise payable reach a total of US$6.25 million, pSivida will record the full amount of subsequent royalties as royalty income in its consolidated financial statements.

1.2(a) Staff costs include consultants and directors' fees paid by pSivida.

1.2(c) Research and development costs include all expenditure incurred by pSiMedica and pSiOncology.

**Non-cash financing and investing activities**

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

N/A

2.2 Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest

N/A

+ See chapter 19 for defined terms.

## Financing facilities available

*Add notes as necessary for an understanding of the position. (See AASB 1026 paragraph 12.2).*

| | | Amount available $A'000 | Amount used $A'000 |
|---|---|---|---|
| 3.1 | Loan facilities | - | 21,097 |
| 3.2 | Credit standby arrangements | - | - |

**Reconciliation of cash**

| Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows. | | Current quarter $A'000 | Previous quarter $A'000 |
|---|---|---|---|
| 4.1 | Cash on hand and at bank | 4,685 | 2,406 |
| 4.2 | Deposits at call | 12,699 | 25,277 |
| 4.3 | Bank overdraft | - | - |
| 4.4 | Other (provide details) | - | - |
| | **Total: cash at end of quarter** (item 1.22) | 17,384 | 27,683 |

## Acquisitions and disposals of business entities

| | | Acquisitions *(Item 1.9(a))* | Disposals *(Item 1.10(a))* |
|---|---|---|---|
| 5.1 | Name of entity | N/A | N/A |
| 5.2 | Place of incorporation or registration | | |
| 5.3 | Consideration for acquisition or disposal | | |
| 5.4 | Total net assets | | |
| 5.5 | Nature of business | | |

+ See chapter 19 for defined terms.

## Compliance statement

1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act (except to the extent that information is not required because of note 2) or other standards acceptable to ASX.

2 This statement does give a true and fair view of the matters disclosed.

Sign here: _____ Date: 28 April 2006
(Company secretary)

Print name: Aaron Finlay

## Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.

2. The definitions in, and provisions of, *AASB 107: Cash Flow Statements* apply to this report except for the paragraphs of the Standard set out below.

- 6.2 - reconciliation of cash flows arising from operating activities to operating profit or loss

- 9.2 - itemised disclosure relating to acquisitions
- 9.4 - itemised disclosure relating to disposals
- 12.1(a) - policy for classification of cash items
- 12.3 - disclosure of restrictions on use of cash
- 13.1 - comparative information

3. **Accounting Standards.** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

+ See chapter 19 for defined terms.