

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 December 2005

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 Form 40-F

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 No

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.

Date: December 30, 2005

pSivida Limited

By: /s/ Aaron Finlay

Aaron Finlay
Chief Financial Officer and Company Secretary

EXHIBIT INDEX

EXHIBIT 99.1: Appendix 3B - Issue of securities in accordance with Merger Agreement with Control Delivery Systems Inc.

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003.

Name of entity

PSIVIDA LIMITED

ABN

78 009 232 026

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

1	+Class of +securities issued or to be issued	<ol style="list-style-type: none"> 1. Fully paid ordinary shares to be issued as American Depositary Shares (ADSs) 2. Fully paid ordinary shares to be issued as ADSs 3-11. Unquoted Options to be issued over fully paid ordinary shares, represented by ADSs 12. Unquoted Employee Options
2	Number of +securities issued or to be issued (if known) or maximum number which may be issued	<ol style="list-style-type: none"> 1. 159,836,610 2. 1,211,180 3. 70,400 4. 38,720 5. 38,720 6. 704,000 7. 70,400 8. 58,080 9. 38,720 10. 352,000 11. 352,000 12. 1,850,000

+ See chapter 19 for defined terms.

Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion)

-
1. Fully paid ordinary shares to be issued as American Depositary Shares
 2. Fully paid ordinary shares to be issued as American Depositary Shares
 3. Unquoted options to acquire ordinary shares represented by ADSs at any time on or before 12 June 2006, exercisable at US\$32.2159 per ADS (representing US\$3.22159 per Share)
 4. Unquoted options to acquire ordinary shares represented by ADSs at any time on or before 9 July 2006, exercisable at US\$32.2159 per ADS (representing US\$3.22159 per Share)
 5. Unquoted options to acquire ordinary shares represented by ADSs at any time on or before 19 April 2007, exercisable at US\$29.9148 per ADS (representing US\$2.99148 per Share)
 6. Unquoted options to acquire ordinary shares represented by ADSs at any time on or before 18 September 2007, exercisable at US\$1.7756 per ADS (representing US\$0.17756 per Share)
 7. Unquoted options to acquire ordinary shares represented by ADSs at any time on or before 31 October 2007, exercisable at US\$29.9148 per ADS (representing US\$2.99148 per Share)
 8. Unquoted options to acquire ordinary shares represented by ADSs at any time on or before 15 April 2008, exercisable at US\$29.9148 per ADS (representing US\$2.99148 per Share)
 9. Unquoted options to acquire ordinary shares represented by ADSs at any time on or before 14 May 2009, exercisable at US\$0.0028 per ADS (representing US\$0.00028 per Share)
 10. Unquoted options to acquire ordinary shares represented by ADSs at any time on or before 25 August 2009, exercisable at US\$2.2727 per ADS (representing US\$0.22727 per Share)
 11. Unquoted options to acquire ordinary shares represented by ADSs at any time on or before 12 November 2009, exercisable at US\$3.4091 per ADS (representing US\$0.34091 per Share)
 12. Unquoted options to acquire ordinary shares at any time on or before 30 September 2010, exercisable at \$0.92 each
-

4	<p>Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?</p> <p>If the additional securities do not rank equally, please state:</p> <ul style="list-style-type: none"> · the date from which they do · the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment · the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment 	<hr/> <ol style="list-style-type: none"> 1. Yes 2. Yes 3-12. All fully paid ordinary shares issued on the exercise of the options will rank equally in all respects with the Company's then issued fully paid ordinary shares <hr/>
5	<p>Issue price or consideration</p>	<hr/> <ol style="list-style-type: none"> 1. Shares in Control Delivery Systems, Inc ("CDS") on a conversion rate of 3.52 pSivida ADSs for each CDS common stock share and 11.79 pSivida ADSs for each CDS preferred stock share, in accordance with the Merger Agreement 2. US\$5.087 per ADS, being the 10 day average closing price on the NASDAQ National Market for each of the 10 trading days ending on the trading day that is 4 full trading days prior to the completion of the Merger Agreement. 3-11. Nil 12. Nil <hr/>
6	<p>Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<hr/> <ol style="list-style-type: none"> 1. Shares issued pursuant to acquisition of CDS, in accordance with the Merger Agreement 2. Shares issued to CDS staff pursuant to retention agreements, in accordance with the Merger Agreement 3-11. CDS options now exercisable over pSivida ADSs 12. Issued as part of the CDS acquisition to further incentivise directors and staff towards the unified goals of the pSivida Group <hr/>
7	<p>Dates of entering +securities into uncertificated holdings or despatch of certificates</p>	<hr/> <p>30 December 2005</p> <hr/>

+ See chapter 19 for defined terms.

	Number	+Class
8	387,009,956	Ordinary Fully Paid Shares
		6,650,000 Ordinary Fully Paid Shares subject to voluntary escrow ending on the effectiveness of a registration statement or prospectus.
		1,211,180 Ordinary Fully Paid Shares subject to voluntary escrow ending on the effectiveness of a registration statement or prospectus.
		159,836,610 Ordinary Fully Paid Shares subject to voluntary escrow ending 30 June 2006, of which approximately 17,424,000 are subject to voluntary escrow ending 30 September 2006.

	Number	+Class
9	4,375,000	Options expiring 31 December 2007 exercisable at \$0.61 each (ESOP).
	2,050,000	Options expiring 5 August 2008 exercisable at \$1.09 each.
	8,934,672	Options expiring 5 August 2009 exercisable at \$1.18 each (ESOP).
	115,000	Options expiring 31 December 2008 exercisable at \$0.80 each.
	200,000	Options expiring 22 April 2010 exercisable at \$1.02 each.
	3,852,000	Options expiring 31 March 2010 exercisable at \$0.80 each (ESOP).
	1,330,000	Options expiring 5 August 2008 exercisable at US\$1.25 each, over ordinary fully paid shares (represented by 133,000 warrants over ADSs, exercisable at US\$12.50 per ADS) subject to voluntary escrow ending on the effectiveness of a registration statement or prospectus.
	2,250,000	Options expiring 30 September 2010 exercisable at \$0.92 each (ESOP).
	15,000,000	US\$1.00 8% subordinated convertible notes maturing 15 November 2008
	6,338,030	Options expiring 15 November 2011 exercisable at US\$0.72 each, over ordinary fully paid shares (represented by 633,803 warrants over ADSs, exercisable at US\$7.20 per ADS)
	70,400	Options expiring 12 June 2006, exercisable at US\$3.22159 each, over ordinary fully paid shares (represented by 7,040 options over ADSs, exercisable at US\$32.2159 per ADS)

38,720

Options expiring 9 July 2006, exercisable at US\$3.22159 each, over ordinary fully paid shares (represented by 3,872 options over ADSs, exercisable at US\$32.2159 per ADS)

+ See chapter 19 for defined terms.

38,720	Options expiring 19 April 2007, exercisable at US\$2.99148 each, over ordinary fully paid shares (represented by 3,872 options over ADSs, exercisable at US\$29.9148 per ADS)
704,000	Options expiring 18 September 2007, exercisable at US\$0.17756 each, over ordinary fully paid shares (represented by 70,400 options over ADSs, exercisable at US\$1.7756 per ADS)
70,400	Options expiring 31 October 2007, exercisable at US\$2.99148 each, over ordinary fully paid shares (represented by 7,040 options over ADSs, exercisable at US\$29.9148 per ADS)
58,080	Options expiring 15 April 2008, exercisable at US\$2.99148 each, over ordinary fully paid shares (represented by 5,808 options over ADSs, exercisable at US\$29.9148 per ADS)
38,720	Options expiring 14 May 2009, exercisable at US\$0.00028 each, over ordinary fully paid shares (represented by 3,872 options over ADSs, exercisable at US\$0.0028 per ADS)
352,000	Options expiring 25 August 2009, exercisable at US\$0.22727 each, over ordinary fully paid shares (represented by 35,200 options over ADSs, exercisable at US\$2.2727 per ADS)
352,000	Options expiring 12 November 2009, exercisable at US\$0.34091 each, over ordinary fully paid shares (represented by 35,200 options over ADSs, exercisable at US\$3.4091 per ADS)

10 Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests) N/A

Part 2 - Bonus issue or pro rata issue

11 Is security holder approval required? N/A

12 Is the issue renounceable or non-renounceable? N/A

13 Ratio in which the +securities will be offered N/A

14	+Class of +securities to which the offer relates	N/A
15	+Record date to determine entitlements	N/A
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	N/A

+ See chapter 19 for defined terms.

17	Policy for deciding entitlements in relation to fractions	N/A
18	Names of countries in which the entity has +security holders who will not be sent new issue documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	N/A
19	Closing date for receipt of acceptances or renunciations	N/A
20	Names of any underwriters	N/A
21	Amount of any underwriting fee or commission	N/A
22	Names of any brokers to the issue	N/A
23	Fee or commission payable to the broker to the issue	N/A
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders	N/A
25	If the issue is contingent on +security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	N/A
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	N/A
28	Date rights trading will begin (if applicable)	N/A

29	Date rights trading will end (if applicable)	N/A
30	How do +security holders sell their entitlements <i>in full</i> through a broker?	N/A
31	How do +security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	N/A
32	How do +security holders dispose of their entitlements (except by sale through a broker)?	N/A
33	+Despatch date	N/A

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

- 34 Type of securities
(tick one)
- (a) Securities described in Part 1
- (b) All other securities
Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

- 35 If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders
- 36 If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over
- 37 A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

38 Number of securities for which +quotation is sought N/A

39 Class of +securities for which quotation is sought N/A

40 Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities? N/A

If the additional securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

41 Reason for request for quotation now N/A
Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another security, clearly identify that other security)

		Number	+Class
42	Number and +class of all +securities quoted on ASX (including the securities in clause 38)		

+ See chapter 19 for defined terms.

Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.
Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty
- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- We warrant that if confirmation is required under section 1017F of the Corporations Act in relation to the +securities to be quoted, it has been provided at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here: _____ Date: 30 December 2005
(Company secretary)

Print name: Aaron Finlay

+ See chapter 19 for defined terms.