

INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF SECURITIES

OMB APPROVAL

OMB Number: 3235-0104

Estimated average burden

hours per response: 0.5

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934
or Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person* <u>Ashton Paul</u> (Last) (First) (Middle) <u>C/O PSIVIDA LIMITED</u> <u>400 PLEASANT STREET</u> (Street) <u>WATERTOWN MA 02472</u> (City) (State) (Zip)	2. Date of Event Requiring Statement (Month/Day/Year) <u>07/13/2007</u>	3. Issuer Name and Ticker or Trading Symbol <u>pSivida LTD [PSDV]</u> 4. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input checked="" type="checkbox"/> Director 10% Owner <input checked="" type="checkbox"/> Officer (give title below) Other (specify below) <p style="text-align: center;"><u>Managing Director</u></p>	5. If Amendment, Date of Original Filed (Month/Day/Year) 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
---	---	--	---

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)
Ordinary Shares ⁽¹⁾	16,532,410	D	
Ordinary Shares ⁽²⁾	671,270	I	By the Paul Ashton Children's Irrevocable Trust

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	Title	Amount or Number of Shares			
Option to purchase Ordinary Shares	12/30/2006	09/30/2010	Ordinary Shares	250,000	0.799 ⁽⁴⁾	D	
Option to purchase Ordinary Shares	12/30/2007	09/30/2010	Ordinary Shares	250,000	0.799 ⁽⁴⁾	D	
Option to purchase Ordinary Shares ⁽³⁾	12/30/2005	08/25/2009	Ordinary Shares	352,280	0.227	D	
Option to purchase Ordinary Shares ⁽³⁾	12/30/2005	09/18/2007	Ordinary Shares	528,420	0.177	D	

Explanation of Responses:

1. Mr. Ashton holds his ordinary shares in the form of American Depositary Share ("ADS"). Each ordinary share is represented by one-tenth of an ADS.
2. See footnote (1). These shares are owned by the Paul Ashton Children's Irrevocable Trust of which Mr. Ashton's minor children are the beneficiaries. Mr. Ashton disclaims beneficial ownership in these shares except to the extent of his pecuniary interest.
3. This is an option to purchase an ADS. Each ordinary share is represented by one-tenth of an ADS. Mr. Ashton holds an option for 88,070 ADSs (880,700 ordinary shares) with a vesting schedule as shown in lines 3-4.
4. 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/ Paul Ashton

08/27/2007

** 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.

POWER OF ATTORNEY

I hereby constitute and appoint Lori Freedman, signing singly, my true and lawful attorney-in-fact to:

- (1) execute for and on my behalf, in my capacity as an officer and director of pSivida Limited (the "Company"), Forms 3, 4 and 5 in accordance with Section 16(a) of the Securities Exchange Act of 1934 and the rules thereunder; and
- (2) do and perform any and all acts for and on my behalf that may be necessary or desirable to complete and execute any such Form 3, 4 or 5 and timely file such form with the United States Securities and Exchange Commission and any stock exchange or similar authority.

I hereby grant to each such attorney-in-fact full power and authority to do and perform any and every act and thing whatsoever requisite, necessary, or proper to be done in the exercise of any of the rights and powers herein granted, as fully to all intents and purposes as I might or could do if personally present, with full power of substitution or revocation, hereby ratifying and confirming all that such attorney-in-fact, or such attorney-in-fact's substitute or substitutes, shall lawfully do or cause to be done by virtue of this power of attorney and the rights and powers herein granted. I acknowledge that the attorneys-in-fact, in serving in such capacity at my request, are not assuming, nor is the Company assuming, any of my responsibilities to comply with Section 16 of the Securities Exchange Act of 1934.

This Power of Attorney shall remain in full force and effect until I am no longer required to file Forms 3, 4 and 5 with respect to my holdings of and transactions in Company securities, unless I earlier revoke it in a signed writing delivered to the attorneys-in-fact.

IN WITNESS WHEREOF, I have caused this Power of Attorney to be executed as of this 20th day of August, 2007.

/s/ Paul Ashton

Signature

Paul Ashton
Print Name