

BIODELIVERY SCIENCES INTERNATIONAL INC

Form 3

August 31, 2006

**FORM 3**

UNITED STATES SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

OMB APPROVAL

OMB Number: 3235-0104

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**INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF SECURITIES**

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934,  
Section 17(a) of the Public Utility Holding Company Act of 1935 or Section  
30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *			2. Date of Event Requiring Statement	3. Issuer Name <b>and</b> Ticker or Trading Symbol	
Â ELLIOTT ASSOCIATES, L.P.			(Month/Day/Year)	BIODELIVERY SCIENCES INTERNATIONAL INC [BDSI]	
(Last)	(First)	(Middle)	08/21/2006		
712 FIFTH AVE			4. Relationship of Reporting Person(s) to Issuer		
(Street)			(Check all applicable)		
NEW YORK, Â NY Â 10019			<input type="checkbox"/> Director <input checked="" type="checkbox"/> 10% Owner <input type="checkbox"/> Officer <input type="checkbox"/> Other (give title below)    (specify below)		
(City)	(State)	(Zip)	5. If Amendment, Date Original Filed(Month/Day/Year)		
			6. Individual or Joint/Group Filing(Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> 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)
Common Stock	175,230	I	See <u>(1)</u>
Common Stock	2,000,000	I	See <u>(2)</u>

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

SEC 1473 (7-02)

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**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	5. Ownership Form of Derivative	6. Nature of Indirect Beneficial Ownership (Instr. 5)
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	Date Exercisable	Expiration Date	Title	Amount or Number of Shares	Derivative Security	Security: Direct (D) or Indirect (I) (Instr. 5)	
Stock Purchase Warrant (right to buy)	02/15/2006	Â (3)	Common Stock	601,120	\$ 2.91	I	See (2)
Stock Purchase Warrant (right to buy)	11/16/2006	Â (4)	Common Stock	904,000	\$ 3	I	See (2)

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
ELLIOTT ASSOCIATES, L.P. 712 FIFTH AVE NEW YORK, NY 10019	Â	Â X	Â	Â

## Signatures

Elliot Greenberg, VP of Braxton Associates, Inc., as GP of Elliott Capital Advisors, L.P., as GP of Elliott Associates, L.P.

08/31/2006

\_\_Signature of Reporting Person

Date

## Explanation of Responses:

\* 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).

- (1) Elliott Associates, L.P. ("Elliott") indirectly owns 175,230 shares of Common Stock through its subsidiary, The Liverpool Limited Partnership, a Bermuda limited partnership.

- (2) Elliott, through its subsidiary, Manchester Securities Corp., a New York corporation, has an indirect pecuniary interest in the 2,000,000 shares of common stock and warrants exercisable for 1,505,120 shares of common stock, owned by CDC IV, LLC ("CDC IV"). Elliott owns a majority of the equity interest of CDC IV (but not a controlling interest), and therefore disclaims beneficial ownership of the reportable securities owned by CDC IV, and pursuant to Rule 16a-1(4) promulgated under the Securities Exchange Act of 1934, as amended, Elliott states that the filing of this Form 3 and the statements made herein shall not be deemed an admission that Elliott is the beneficial owner of any of the securities covered by this Form except to the extent of its pecuniary interest therein.

- (3) According to the Form 3 filed on June 12, 2006 by CDC IV and CDC Operations LLC, CDC IV's manager (the "CDC Form 3"), the warrant shall be void after the earlier of (i) the second anniversary after the approval of the first NDA approved by the FDA under that certain Clinical Development and License Agreement, dated July 14, 2005, by and between CDC IV, as successor in interest to Clinical Development Capital LLC, BioDelivery Sciences International, Inc. ("BDSI") and Arius Pharmaceuticals, Inc., (ii) the closing of the BDSI sale of all or substantially all of its assets or the acquisition of the company by another entity by means of merger or other transaction as a result of which stockholders of BDSI immediately prior to such acquisition possess a minority of the voting power of the acquiring entity immediately following the acquisition, or (iii) any liquidation or winding up of BDSI.

- (4) According to the CDC Form 3, the warrant shall be void after the earlier of: (i) November 16, 2011, (ii) the closing of the BDSI's sale of all or substantially all of its assets or the acquisition of the company by another entity by means of merger or other transaction as a result of which stockholders of BDSI immediately prior to such acquisition possess a minority of the voting power of the acquiring entity immediately following the acquisition, or (iii) any liquidation or winding up of BDSI.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, See Instruction 6 for procedure.

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