Grant Stuart Form 4 March 15, 2012

FORM 4

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF

SECURITIES

OMB APPROVAL OMB

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obligations

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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 may continue. 30(h) of the Investment Company Act of 1940 See Instruction

1(b).

(Print or Type Responses)

1. Name and Address of Reporting Person *

Grant Stuart

2. Issuer Name and Ticker or Trading

Symbol

PATHEON INC [PTI]

(Middle) (Last) (First)

(Street)

3. Date of Earliest Transaction

4721 EMPEROR BLVD, SUITE 200 03/14/2012

(Month/Day/Year)

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check

Director

X_ Officer (give title

Applicable Line)

5. Relationship of Reporting Person(s) to

(Check all applicable)

below) Chief Financial Officer

10% Owner

Other (specify

X Form filed by One Reporting Person Form filed by More than One Reporting

Person

Issuer

below)

DURHAM, NC 27703

(City) (State) (Zip)

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1.Title of Security (Instr. 3)

2. Transaction Date 2A. Deemed (Month/Day/Year)

Execution Date, if

(Month/Day/Year)

3. 4. Securities TransactionAcquired (A) or Code Disposed of (D) (Instr. 3, 4 and 5) (Instr. 8)

5. Amount of Securities Beneficially Owned Following

Reported

6. Ownership 7. Nature of Form: Direct Indirect (D) or Indirect Beneficial Ownership (T) (Instr. 4) (Instr. 4)

Transaction(s)

(Instr. 3 and 4)

Code V Amount (D) Price

(A)

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

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

1. Title of Derivative Security

Conversion or Exercise

3. Transaction Date 3A. Deemed (Month/Day/Year)

Execution Date, if any

4. 5. Number of **Transaction**Derivative Code Securities

6. Date Exercisable and **Expiration Date** (Month/Day/Year)

7. Title and Amount of **Underlying Securities** (Instr. 3 and 4)

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(Instr. 3)	Price of Derivative Security		(Month/Day/Year)	(Instr.	8)	Acquired (A Disposed of (Instr. 3, 4, 5)	f (D)				
				Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount Number Shares
Employee Stock Option (Right to Buy)	\$ 1.86 <u>(1)</u>	03/14/2012		A		425,000		(2)	03/13/2022	Restricted Voting Shares	425,00

Reporting Owners

Reporting Owner Name / Address Relationships

Director 10% Owner Officer Other

Grant Stuart 4721 EMPEROR BLVD SUITE 200 DURHAM, NC 27703

Chief Financial Officer

Signatures

/s/ David S FIeld, Attorney-in-fact 03/15/2012

**Signature of Reporting Person Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, see Instruction 4(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).
- The exercise price was converted from C\$1.85 based on the March 14, 2012 closing rate of exchange of 0.9932 Canadian dollars per U.S. (1) dollars as quoted by Reuters. The actual exercise price will be the Canadian dollar amount regardless of the exchange rate on the date of grant or of exercise.
- The option vests in five equal annual installments on March 14, 2013, March 14, 2014, March 14, 2015, March 14, 2016, and March 14, 2017

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure. Potential persons who are to respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB number. r>*If the form is filed by more than one reporting person, *see* Instruction 4(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)Shares Redeemed for Taxes per Performance Shares Vesting on March 15, 2008.(2)(1) Shares Redeemed for Taxes per Restricted Stock Vesting on March 15, 2008.(3)This Form 4 merely reflects the transfer of the Phantom Stock Units over to Table I to reflect that the Phantom Stock Units will be settled in Common Shares.

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