

Watchorn Derek John  
 Form 4  
 November 02, 2011

**FORM 4**

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

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

**STATEMENT OF CHANGES IN 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 \*  
 Watchorn Derek John

(Last) (First) (Middle)  
 16530 CONCESSION 8, RR1  
 (Street)

SCHOMBERG, A6 L0G 1T0

(City) (State) (Zip)

2. Issuer Name and Ticker or Trading Symbol  
 PATHEON INC [PTI]

3. Date of Earliest Transaction  
 (Month/Day/Year)  
 10/31/2011

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

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

Director  10% Owner  
 Officer (give title below)  Other (specify below)

6. Individual or Joint/Group Filing(Check Applicable Line)  
 Form filed by One Reporting Person  
 Form filed by More than One Reporting Person

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

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Ownership Indirect Beneficial Ownership (Instr. 4)
				(A) or (D)	Code V	Amount	Price

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

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SEC 1474 (9-02)

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

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. F...
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Derivative Security	or Disposed of (D) (Instr. 3, 4, and 5)			Code	V	(A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Deferred Share Units	<u>(1)</u>	10/31/2011		A		12,118		<u>(1)</u>	<u>(1)</u>	Restricted Voting Shares	12,118

## Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
Watchorn Derek John 16530 CONCESSION 8 RR1 SCHOMBERG, A6 L0G 1T0	X			

## Signatures

/s/ David S Field, Attorney-in-fact	11/02/2011
<u>          </u> **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).

(1) Each deferred share unit ("DSU") entitles its holder, upon ceasing to be a director, to receive an amount of cash having the same value as one restricted voting share of Patheon Inc. at such time.

The DSUs credited to the director's account consist of (i) 5,788 DSUs for retainer fees that are required to be paid to the director in the form of DSUs and (ii) 6,330 DSUs for retainer fees that the director has elected to be paid in the form of DSUs. The number of DSUs (2) acquired by the director was based on the weighted-average price at which the Company's restricted voting shares traded on the Toronto Stock Exchange on October 27, 2011 and October 28, 2011 (the two trading days prior to the acquisition date), which was \$1.38 (as converted from C\$1.37 using the average of the closing rates of exchange from Reuters on October 27 and October 28, 2011).

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.