Swanberg David Form 4 September 13, 2007

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF **SECURITIES**

Form 5 Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, obligations 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 * Swanberg David

2. Issuer Name and Ticker or Trading Symbol

5. Relationship of Reporting Person(s) to

Issuer

(Last)

IsoRay, Inc. [ISR]

(Middle)

3. Date of Earliest Transaction

(Month/Day/Year)

06/01/2007

_X__ Director 10% Owner

(Check all applicable)

X_ Officer (give title Other (specify below) below) **EVP Operations & Secretary**

350 HILLS STREET, SUITE 106

(Street)

(First)

4. If Amendment, Date Original

Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check

Applicable Line)

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

Person

RICHLAND, WA 99354

(City) (State) (Zip) 2. Transaction Date 2A. Deemed

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

1.Title of Security (Month/Day/Year) (Instr. 3)

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

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

(A)

Reported Transaction(s) (Instr. 3 and 4)

Code V Amount (D) Price

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

Persons who respond to the collection of SEC 1474 information contained in this form are not (9-02)required to respond unless the form displays a currently valid OMB control number.

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

1. Title of Derivative Conversion Security or Exercise

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

Execution Date, if any

4. 5. Number Transaction of Derivative Expiration Date Code Securities

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

7. Title and Amount of Underlying Securities

8. P

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(Instr. 3)	Price of Derivative Security	(Month/Day/Year)	(Instr. 8	(A) or Dispose (D)	Disposed of (D) (Instr. 3, 4,				(Instr. 3 and 4)	
			Code '	V (A)	(D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares	
stock options (right to buy)	\$ 4.14	06/01/2007	A	5,000		<u>(1)</u>	06/01/2017	common stock	5,000	

Reporting Owners

Reporting Owner Name / Address	Relationships
Reporting Owner Manie / Address	

Director 10% Owner Officer Other

Swanberg David

350 HILLS STREET X **EVP Operations & Secretary** SUITE 106

RICHLAND, WA 99354

Signatures

/s/ David 09/13/2007 Swanberg

**Signature of Date Reporting Person

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) 1,666 stock options vest 6/1/2008, 1,667 stock options vest 6/1/2009, 1,667 stock options vest 6/1/2010.
- (2) 25,000 stock options are held indirectly through Mr. Swanberg's spouse. The remaining 300,000 stock options are held directly.

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.

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