

INITIAL STATEMENT OF BENEFICIAL OWNERSHIP OF SECURITIES

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

(Print or Type Responses)

1. Name and Address of Reporting Person* ENGLE STEVEN B (Last) (First) (Middle) C/O XOMA LTD., 2910 SEVENTH STREET (Street) BERKELEY, CA 94710 (City) (State) (Zip)	2. Date of Event Requiring Statement (Month/Day/Year) 08/03/2007	3. Issuer Name and Ticker or Trading Symbol XOMA LTD /DE/ [XOMA]	
		4. Relationship of Reporting Person(s) to Issuer (Check all applicable) <input checked="" type="checkbox"/> Director <input type="checkbox"/> 10% Owner <input checked="" type="checkbox"/> Officer (give title below) <input type="checkbox"/> Other (specify below) CEO and President	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)
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Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

SEC 1473 (7-02)

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 control number.

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 of Derivative Security: 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			
Incentive Share Option (right to buy)	(1)	08/03/2017	Common Shares	184,328	\$ 2.17	D	
Non-Qualified Share Option (right to buy)	(1)	08/03/2017	Common Shares	1,915,672	\$ 2.17	D	
Non-Qualified Share Option (right to buy)	08/03/2007	08/03/2017	Common Shares	500,000	\$ 5	D	

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
ENGLE STEVEN B C/O XOMA LTD. 2910 SEVENTH STREET BERKELEY, CA 94710	X		CEO and President	

Signatures

By: Christopher J. Margolin For: Steven B. Engle	08/13/2007
**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) Exercisable as to (a) 25% of the option shares upon the first anniversary of the date of grant, and (b) the remaining 75% of the option shares in thirty-six (36) equal and consecutive monthly installments beginning one year and one month after the date of grant.

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.