



23 March 2012

ASX Limited  
Company Announcements Office  
Level 4, Stock Exchange Centre  
20 Bridge Street  
SYDNEY NSW 2000

Dear Sir/Madam

### **MARGIN LOAN UPDATE**

Sun Biomedical Limited (ASX: SBN) wishes to advise that settlement of the loan advanced pursuant to the Margin Loan Agreement it entered into on 31 July 2011 has now been completed.

As previously announced, the loan was an interest bearing loan pursuant to which SBN advanced \$291,236 to the Borrower. SBN is pleased to confirm that \$362,733.22 in respect of the principal, interest and costs has been repaid to it by the Borrower via a cash payment of \$208,794.92 and the transfer of 10,995,593 MAR shares at a deemed issue price of \$0.014 each.

SBN is continuing to investigate and assess a number of potential investment opportunities that will provide the Company and shareholders with a commercial return.

Yours faithfully

A handwritten signature in black ink, appearing to read 'Terry Cuthbertson', with a stylized flourish at the end.

Terry Cuthbertson  
Chairman