



13 October 2010

The Manager
Company Announcements Platform
ASX Limited

**UPDATE ON CONVERTIBLE NOTE
IN SOUTH AMERICAN IRON & STEEL CORPORATION LTD**

Sun Biomedical Limited has elected to convert its final \$100,000 convertible note held in South American Iron & Steel Corporation Ltd (ASX Code: SAY) and has been issued with 1,819,344 ordinary shares in SAY at an issue price of 5.5 cents per share.

On 1 March 2010 SBN announced that it had entered into a convertible note subscription agreement with SAY. Since this time SBN subscribed for four \$100,000 convertible notes of which the other three convertible notes have been repaid.

SBN currently holds 3,019,344 shares in SAY. Based on SAY's closing share price on 13 October 2010 of 10.5 cents, SBN's current investment is valued at \$317,031.12.

In addition to SBN's current shareholding, the convertible note investment has earned SBN \$18,177.22 in interest and net proceeds of \$37,186.40 on the sale of 400,000 SAY shares sold by SBN on 24 September 2010.

Terry Cuthbertson
Chairman

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