

Appendix 4C

Quarterly report for entities admitted on the basis of commitments

Introduced 31/3/2000. Amended 30/9/2001, 24/10/2005.

Name of entity

SUN BIOMEDICAL LIMITED

ABN

18 001 285 230

Quarter ended ("current quarter")

31 March 2009

Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A'000	Year to date (9 months) \$A'000
1.1	Receipts from customers	190	644
1.2	Payments for (a) staff costs	(319)	(966)
	(b) advertising and marketing	-	(6)
	(c) research and development	-	-
	(d) leased assets	-	-
	(e) other working capital	(300)	(1,143)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	8	30
1.5	Interest and other costs of finance paid	-	(13)
1.6	Income taxes paid	-	-
1.7	Other – sale of tax losses by US subsidiary	-	111
Net operating cash flows		(421)	(1,343)

+ See chapter 19 for defined terms.

Appendix 4C
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admitted on the basis of commitments

	Current quarter \$A'000	Year to date (...9.... months) \$A'000
1.8 Net operating cash flows (carried forward)	(421)	(1,343)
Cash flows related to investing activities		
1.9 Payment for acquisition of:		
(a) businesses (item 5)	-	(608)
(b) equity investments	-	-
(c) intellectual property	-	(13)
(d) physical non-current assets	-	(81)
(e) other non-current assets	-	(42)
1.10 Proceeds from disposal of:		
(a) businesses (item 5)	-	-
(b) equity investments	-	-
(c) intellectual property	-	-
(d) physical non-current assets	-	-
(e) other non-current assets	-	-
1.11 Loans to other entities	-	-
1.12 Loans repaid by other entities	-	-
1.13 Other	-	-
Net investing cash flows	-	(744)
1.14 Total operating and investing cash flows	(421)	(2,087)
Cash flows related to financing activities		
1.15 Proceeds from issues of shares, options, etc.	-	3,179
1.16 Proceeds from sale of forfeited shares	-	-
1.17 Proceeds from borrowings	-	120
1.18 Repayment of borrowings	-	(120)
1.19 Dividends paid	-	-
1.20 Other – share issue costs	-	(436)
Net financing cash flows	-	2,743
Net increase (decrease) in cash held	(421)	656
1.21 Cash at beginning of quarter/year to date	1,168	118
1.22 Exchange rate adjustments	(12)	(39)
1.23 Cash at end of quarter	735	735

+ See chapter 19 for defined terms.

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter \$A'000
1.24	Aggregate amount of payments to the parties included in item 1.2	15
1.25	Aggregate amount of loans to the parties included in item 1.11	-
1.26	<p>Explanation necessary for an understanding of the transactions</p> <p>During the previous quarter, Peter King and Jim Hallam were issued with 3,635,857 fully paid ordinary shares at 1.5872 cents in satisfaction of accrued directors' fees of A\$57,708.</p> <p>During the September quarter, Log Creek Pty Ltd advanced a loan of A\$120,000 on commercial terms to fund the Company's working capital requirements during the Rights Issue period. This loan was repaid from the proceeds of the Rights Issue. Refer items 1.17 and 1.18.</p>	

Non-cash financing and investing activities

- 2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

A promissory note of US\$1,480,000 in favour of the vendors of Sun Biomedical Laboratories acquisition was entered into on 16 August 2006. The transaction is detailed in Note 19 of the Company's 30 June 2008 Annual Accounts. As at 30 June 2008, the outstanding amount was US\$980,000. During the September 2008 quarter, US\$490,000 was repaid from the proceeds of the Rights Issue (refer item 1.9a) and the remaining US\$490,000 was converted into equity at the Rights Issue price of 1 cent following the conclusion of the Rights Issue.

- 2.2 Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest

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Financing facilities available

Add notes as necessary for an understanding of the position. (See AASB 1026 paragraph 12.2).

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities	-	-
3.2 Credit standby arrangements	-	-

+ See chapter 19 for defined terms.

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		Current quarter \$A'000	Previous quarter \$A'000
4.1	Cash on hand and at bank	735	1,168
4.2	Deposits at call	-	-
4.3	Bank overdraft	-	-
4.4	Other (provide details)	-	-
Total: cash at end of quarter (item 1.23)		735	1,168

Acquisitions and disposals of business entities

	Acquisitions (Item 1.9(a))	Disposals (Item 1.10(a))
5.1	Name of entity	Sun Biomedical Laboratories Inc.
5.2	Place of incorporation or registration	New Jersey USA
5.3	Consideration for acquisition or disposal	USD\$1,680,000 (AUD\$2,270,000)
5.4	Total net assets	USD\$101,000 (AUD\$136,000)
5.5	Nature of business	Investment, Diagnostics, Illicit Drug Testing, R&D and Manufacturer

The payment of A\$608,000 during the September quarter identified in 1.9(a) reflects the final payment under the terms of the Promissory Note as part of the Sun Biomedical Acquisition (see 5.3 above). The transaction is detailed in the Company's 30 June 2008 Annual Accounts.

Compliance statement

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act (except to the extent that information is not required because of note 2) or other standards acceptable to ASX.
- 2 This statement does ~~does not~~* (*delete one*) give a true and fair view of the matters disclosed.



Sign here.....Date: 30 April 2009

Director
Print name: Jim Hallam

+ See chapter 19 for defined terms.

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
2. The definitions in, and provisions of, *AASB 1026: Statement of Cash Flows* apply to this report except for the paragraphs of the Standard set out below.
 - 6.2 - reconciliation of cash flows arising from operating activities to operating profit or loss
 - 9.2 - itemised disclosure relating to acquisitions
 - 9.4 - itemised disclosure relating to disposals
 - 12.1(a) - policy for classification of cash items
 - 12.3 - disclosure of restrictions on use of cash
 - 13.1 - comparative information
3. **Accounting Standards.** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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