



ASX Company Announcement

21 October 2009

Renounceable Rights Issue

Sun Biomedical Limited (ASX:SBN) wishes to advise that the Company has today undertaken a renounceable rights issue.

Please find **attached** amended Appendix 3B pertaining to the Rights Issue.

For further information regarding this announcement please contact:

Terry Cuthbertson
Chairman

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/7/96. Origin: Appendix 5. Amended 1/7/98, 1/9/99, 1/7/2000, 30/9/2001, 11/3/2002, 1/1/2003, 24/10/2005.

Name of entity

SUN BIOMEDICAL LIMITED

ABN

18 001 285 230

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|--|-----------------------------|
| 1 | +Class of +securities issued or to be issued | Ordinary shares. |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | 891,456,280 |
| 3 | Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | Fully paid ordinary shares. |

+ See chapter 19 for defined terms.

4	<p>Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?</p> <p>If the additional securities do not rank equally, please state: the date from which they do the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</p>	Yes. Ordinary Shares rank pari passu with fully paid ordinary shares on issue.	
5	Issue price or consideration	0.1 cents per ordinary share.	
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	The funds raised will be used for working capital to identify and assess potential growth opportunities and acquisitions.	
7	Dates of entering +securities into uncertificated holdings or despatch of certificates	21 October 2009.	
8	Number and +class of all +securities quoted on ASX (including the securities in clause 2 if applicable)	Number 1,782,912,560 186,950,659	Ordinary Shares Options exercisable at \$0.02, expiring 30 November 2010
9	Number and +class of all +securities not quoted on ASX (including the securities in clause 2 if applicable)	4,000,000 20,000,000 2,000,000	Options – exercise price 4.5 cents, expiring 31 Dec 2010. Options – exercise price 10 cents, expiring 30 June 2011. Options – exercise price 2 cents, expiring 15 Sept 2011.

+ See chapter 19 for defined terms.

10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	The directors of the Company may from time to time determine to distribute the profits of the Company by way of dividend amongst the Shareholders in proportion to the amounts paid up on the Shares held by them.
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Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?	No.
12	Is the issue renounceable or non-renounceable?	Renounceable.
13	Ratio in which the +securities will be offered	1 New Ordinary Share for every 1 Share held at 7.00pm AEDT time on the Record Date.
14	+Class of +securities to which the offer relates	Ordinary Shares.
15	+Record date to determine entitlements	7.00pm AEDT time on 29 October 2009.
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	No.
17	Policy for deciding entitlements in relation to fractions	N/A
18	Names of countries in which the entity has +security holders who will not be sent new issue documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	British Virgin Islands Canada China Hong Kong Indonesia Mauritius Netherlands South Africa Switzerland Ukraine United Arab Emirates United Kingdom United States of America
19	Closing date for receipt of acceptances or renunciations	5.00pm AEDT time on 19 November 2009.
20	Names of any underwriters	Patersons Securities Limited.

+ See chapter 19 for defined terms.

21	Amount of any underwriting fee or commission	The Company is to pay the Underwriter a management fee of \$40,000, a selling fee of 1% of the amount raised under the Rights Issue, an underwriting commission equal to 5% of the dollar amount being underwritten and GST.
22	Names of any brokers to the issue	N/A
23	Fee or commission payable to the broker to the issue	N/A
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders	N/A
25	If the issue is contingent on +security holders' approval, the date of the meeting	N/A
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	5 November 2009.
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	21 October 2009.
28	Date rights trading will begin (if applicable)	23 October 2009.
29	Date rights trading will end (if applicable)	12 November 2009.
30	How do +security holders sell their entitlements <i>in full</i> through a broker?	Security Holders need to complete the section headed "Instructions to your Stockbroker" on the back of the entitlement and acceptance form indicating the number of rights they wish to sell and lodge the form with their stockbroker.
31	How do +security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	Security Holders need to complete the section headed "Instructions to your Stockbroker" on the back of the entitlement and acceptance form indicating number of New Ordinary Shares they wish to take up and the number of rights they wish to sell and lodge the form together with payment with their stockbroker.

+ See chapter 19 for defined terms.

32	How do ⁺ security holders dispose of their entitlements (except by sale through a broker)?	A Standard Renunciation Form must be used for an off market transfer of rights. These forms may be obtained from your Stockbroker or the registry, Computershare Investor Services Pty Limited.
33	⁺ Despatch date	27 November 2009.

⁺ See chapter 19 for defined terms.

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of securities
(tick one)

(a) ☒ Securities described in Part 1

(b) ☐ All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 ☐ If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 ☐ If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

37 ☐ A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

38 Number of securities for which
+quotation is sought

39 Class of +securities for which
quotation is sought

+ See chapter 19 for defined terms.

40	<p>Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities?</p> <p>If the additional securities do not rank equally, please state: the date from which they do the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment</p>					
41	<p>Reason for request for quotation now</p> <p>Example: In the case of restricted securities, end of restriction period</p> <p>(if issued upon conversion of another security, clearly identify that other security)</p>					
42	<p>Number and +class of all +securities quoted on ASX (<i>including</i> the securities in clause 38)</p>	<table border="1"> <thead> <tr> <th data-bbox="782 1030 1085 1064">Number</th> <th data-bbox="1085 1030 1375 1064">+Class</th> </tr> </thead> <tbody> <tr> <td data-bbox="782 1064 1085 1252"></td> <td data-bbox="1085 1064 1375 1252"></td> </tr> </tbody> </table>	Number	+Class		
Number	+Class					

+ See chapter 19 for defined terms.

Quotation agreement

- 1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.
- 2 We warrant the following to ASX.
 - The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
 - There is no reason why those +securities should not be granted +quotation.
 - An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.
Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty
 - Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
 - If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.
- 3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.
- 4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.



Sign here: Date: 21 October 2009

Print name: Alfonso Grillo (Company secretary)