SUN Biomedical Limited

11 August 2008

The Manager
Company Announcements Platform
ASX Limited

Dear Sir/Madam

Shortfall under the renounceable Rights Issue

The Directors of Sun Biomedical Limited confirm that the closing date for acceptances under the renounceable Rights Issue was 6 August 2008.

As announced on 26 June 2008, the renounceable Rights Issue was to raise up to $3,178,963 pursuant to which Eligible Shareholders were given the opportunity to subscribe for:

(a) 4 New Ordinary Shares for every 5 Shares held at $0.01 per New Ordinary Share; together with

(b) 1 free attaching Option with an exercise price of $0.02 expiring 30 November 2010 on the basis of 1 Option for every 2 New Ordinary Shares subscribed for.

The Minimum Subscription of $2,000,000 is underwritten by Patersons Securities Limited.

Acceptances received totalled 112,212,169 New Ordinary Shares and 56,106,085 Options for a total subscription price of $1,122,121.69. The Shortfall for the Maximum Subscription under the Rights Issue is therefore $2,056,841.41. This Shortfall total does not take into account the sub-underwriting contributions of a number of the Company's major shareholders.

The Shortfall for the Maximum Subscription may be placed by the Company in conjunction with Patersons Securities Limited within three months from the close of the Rights Issue.

The expected date of quotation of the New Ordinary Shares and Options is 15 August 2008.

For further information see www.sunbiomed.com or contact:

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