

## Announcement to the ASX

### Results of the Extraordinary General Meeting

**Sydney, Australia - Friday 20 October 2006:** In accordance with Listing Rule 3.13.2 notice is hereby given that the shareholders of Sunshine Heart Inc (Company) approved the following resolutions at the Extraordinary General Meeting of shareholders held on Friday 20 October 2006.

#### Resolution 1: Issue of Shares and Placement Options to Non-Associated Persons

That, for all purposes, including ASX Listing Rule 7.1, the Company approves the issue of:

- (a) 22,013,641 Shares at an issue price of \$0.15 each to be delivered as CHESS Depository Interests to the persons not currently associated with the Company and specified in the Explanatory Statement (**Non-Associated Persons**);
- (b) 6,604,079 Placement Options to the Non-Associated Persons; and
- (c) 6,604,079 Shares to the Non-Associated Persons, to be delivered as CHESS Depository Interests upon the exercise of those Placement Options,

on the dates and on the terms set out in the Explanatory Statement. **Approved by poll**

Total number of proxy votes in respect to the resolution:

In favour of the resolution	30,485,709
Against the resolution	135,039
Abstain from the resolution	34,000

The proxy may vote at the proxy's discretion

#### Resolution 2: Issue of Shares and Placement Options to Associated Persons

That, for all purposes, including ASX Listing Rules 7.1 and 10.11 and section 611 Item 7 of the Corporations Act (as it would apply if the Company was incorporated in Australia), the Company approves the issue of:

Tranche 1

- (a) 70,000,000 Shares at an issue price of \$0.15 each to be delivered as CHESS Depository Interests to the persons specified as being associated with the Company in the Explanatory Statement (**Associated Persons**);
- (b) 21,000,000 Placement Options to the Associated Persons; and
- (c) 21,000,000 Shares to the Associated Persons, to be delivered as CHESS Depository Interests upon the exercise of those Placement Options,

on the dates and on the terms set out in the Explanatory Statement; and

Tranche 2

- (a) upon the exercise of the Tranche 2 Options, 40,000,000 Shares at an issue price of \$0.15 each to be delivered as CHESS Depository Interests to the Associated Persons;

- (b) upon the exercise of the Tranche 2 Options, 12,000,000 Placement Options to the Associated Persons; and
- (c) 12,000,000 Shares to the Associated Persons to be delivered as CHESS Depositary Interests upon the exercise of those Placement Options,

on the dates and on the terms set out in the Explanatory Statement.

**Approved by poll**

Total number of proxy votes in respect to the resolution:

In favour of the resolution      23,930,811  
 Against the resolution      131,039  
 Abstain from the resolution      40,000  
 The proxy may vote at the proxy's discretion

**Resolution 3: Approval of previous issue of Plan Options under the 2002 Stock Plan**

That, for all purposes, including ASX Listing Rule 7.4, the Company approves the issue of:

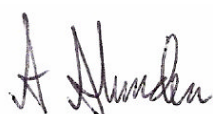
- (a) 1,408,200 options to subscribe for Shares (**Plan Options**); and
- (b) 1,408,200 Shares upon the exercise of the Plan Options, to be delivered as CHESS Depositary Interests,

to the employees, consultants and member of the Medical Advisory Board (**Plan Participants**) specified in, and on the terms described in, the Explanatory Statement.

**Approved by poll**

Total number of proxy votes in respect to the resolution:

In favour of the resolution      36,894,821  
 Against the resolution      126,039  
 Abstain from the resolution      34,000  
 The proxy may vote at the proxy's discretion



Mr Andrew W. Blunden  
 Company Secretary  
 20 October 2006

**More information about the C-Pulse device may be obtained at [www.sunshineheart.com](http://www.sunshineheart.com) .**  
 For further information, please contact:

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The shares of Sunshine Heart have not been registered under the Securities Act of 1933 (the "US Securities Act") and may not be offered, sold or delivered in the United States, or to, or for the account or benefit of, any US Person, as such term is defined in Regulation S of the US Securities Act. In addition, hedging transactions with regard to the shares may not be conducted unless in accordance with the US Securities Act.