



ASX Announcement

Sunshine Heart Appoints Vital Engineering as US Clinical Trials Near

Sydney, 26 July 2007: Sunshine Heart (ASX: SHC) has moved a step closer to full readiness for clinical feasibility trial of its C-PulseTM implantable heart device at six prestigious US university teaching hospitals following the appointment of Pittsburgh-based biomedical team, Vital Engineering (Vital) as a strategic partner. Vital will provide clinical support for the USA feasibility trial pending approval of the trial by the US Food and Drug Administration (FDA).

Vital Engineering brings to the C-Pulse trial their extensive experience with nearly 300 clinical implants in the field of heart devices, transplant and cardiovascular procedures. Vital will assist the SHC Team in key areas such as device training for investigational sites, device management, in-hospital patient care and out-of-hospital care-giver support for the trial, scheduled to occur at selected university-based hospitals and regional referral hospitals including North Western School of Medicine; University of Alabama Medical Centre; Jewish Hospital, University of Louisville; Ohio State Medical Centre; and University of Florida School of Medicine.

Robert Kormos, MD, Medical Director of Vital and Director of the UPMC Artificial Heart Program said "We look forward to assisting Sunshine Heart in the feasibility trial phase for this unique C-Pulse heart assist device. In fact, we await the ability to potentially join this outstanding group of clinical investigators as the trial expands into the pivotal phase."

"We are pleased to add Vital's extensive heart assist device experience to this start-up phase of the C-Pulse trial" said Mr Donald Rohrbaugh, Chief Executive Officer of Sunshine Heart Inc.

As announced in March 2007, Alquest, Inc of Minneapolis will be the Clinical Research Organisation for the clinical trial and both Alquest and Vital have now completed their initial training of the C-Pulse and clinical study design.

"Combining the extensive clinical support expertise of Vital Engineering, a group I have known for years, together with Alquest as the Clinical Research Organisation working on the design and execution of the trial, completes the SHC Clinical team for the US feasibility trial" Mr Rohrbaugh said.

At a facility near Melbourne earlier this month, the Vital Engineering team including Christian A. Bermudez, MD Assistant Professor of Surgery, University of Pittsburgh, Richard D. Schaub, Jr., PhD Senior Biomedical Engineer and Douglas Lohmann, M Eng Senior Biomedical Engineer were trained extensively by Sunshine Heart's

Clinical, Research and Development staff on all aspects of implanting and operating the device.

At the conclusion of the training program Dr Bermudez noted "The C-Pulse is minimally invasive and the implantation procedure is quick and straightforward using only a very small incision. The device has the advantage of being non blood contacting whilst being based on the well established theory of counterpulsation which should facilitate its adoption in the clinic. I look forward to our role in helping Sunshine Heart during the feasibility study. I think that the training of the centres for feasibility trial will be straightforward compared with other devices such as LVAD's which address end-stage patients rather than the broader universe of patients with moderate heart failure addressed by the C-Pulse device."

About Vital Engineering

Vital Engineering is a program associated with the University of Pittsburgh Medical Center (UPMC) Pittsburgh, PA. UPMC is an internationally renowned pioneer in the field of heart assist and transplantation. The Vital Engineering program combines the expertise of surgeons, nurses and bioengineers and has supported over 150 international medical centres in similar clinical procedures.

More information about Vital Engineering may be obtained at www.vitalengineering.com

About Sunshine Heart (ASX: SHC) is a global medical device company committed to the commercialisation of the C-Pulse™, an implantable, non-blood contacting, heart assist device for the treatment of people with heart failure. Sunshine Heart listed on the ASX in September 2004 and has a presence in Australia, New Zealand and the United States of America.

More information about the Sunshine Heart C-Pulse™ heart assist device may be obtained at www.sunshineheart.com

For further information, please contact:

Vital Engineering Stephen Winowich Director of Operations +1 412 647 6082 winowichs@upmc.com http://www.vitalengineering.com	Sunshine Heart Victor Windeyer Chief Operating Officer +61 2 8424 7700 victor.windeyer@sunshineheart.com Don Rohrbaugh Chief Executive Officer +1 714 665 1951 don.rohrbaugh@sunshineheart.com
--	---

Statements in this document that are not purely historical are forward looking statements. Various factors could cause actual results to differ materially from any forward looking statement such as the timing and outcomes of clinical results including the efficacy of products, financing availability and product sales and marketing. Whilst we believe any forward looking statement made to be reasonable as of the date hereof, we can give no assurance that our expectations are correct. All forward looking statements are expressly qualified in their entirety by this cautionary statement.