



Company update

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www.sunshineheart.com

Forward looking statement

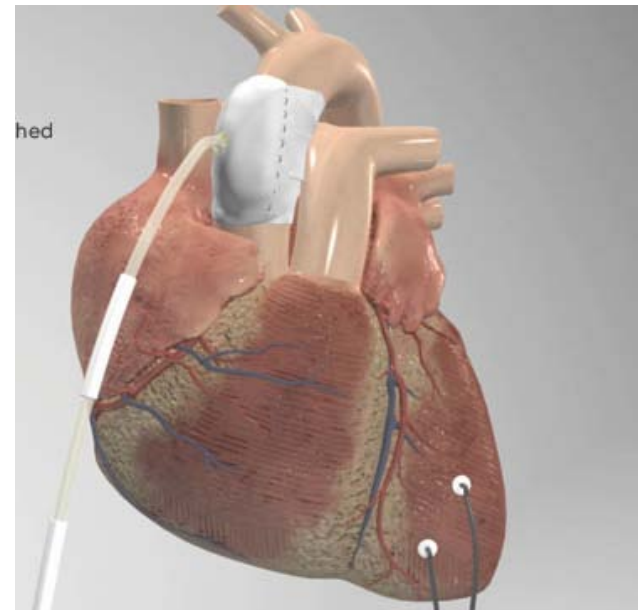


- This presentation may contain forward looking statements. Various factors could cause actual results to differ materially from these projections including timing, clinical results, financing availability, product sales and marketing or efficacy of products.
- Although the Company believes that the forward looking statements are reasonable, it can give no assurances that the Company's expectations are correct. All forward looking statements are expressly qualified in their entirety by this cautionary statement.
- Caution: C-Pulse[®] is an investigational device. The device is limited by federal (United States) law to investigational use only.
- C-Pulse is a registered trademark of Sunshine Heart Inc.

Company history

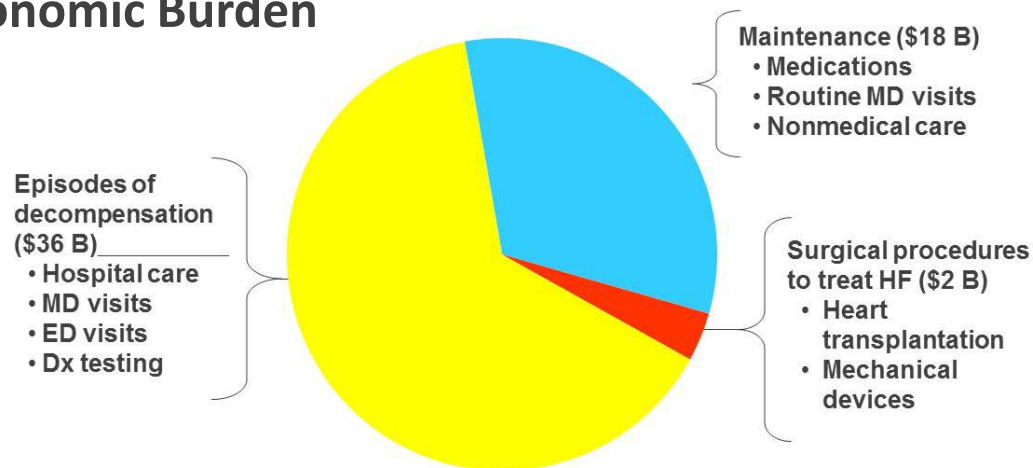


- Initial office established in Sydney, Australia
- 2004 ASX:SHC IPO
- Delaware corporation: headquartered in Minnesota
- Developing a therapeutic device for Class III HF patients
- First patient implanted in 2005
- Feasibility trial completed Q3 2011



Heart Failure

- **Major public health problem**
 - 5.8 Million in the US
 - 300,000 in Australia
- **Most common cause of hospitalisations of patients over 65**
 - Mortality rate is **30% at 12 months**, and 50% at 5 years
- **Huge Economic Burden**



Total HF cost: \$56 billion

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Heart Failure

Heart failure is a **progressive** disease caused by impairment in the heart's ability to pump blood to the various organs of the body.

NYHA Functional Class

I Asymptomatic

Generally doing well on available therapies

II Symptomatic with moderate exertion

III Symptomatic with minimal exertion

Desperately need new therapies

IV Symptomatic at rest

Require heroic measures (LVAD, transplantation) or end-of-life care

% of HF patients

- Drug therapy (ie β -blockers)
- Pacemakers

LVAD

41 %

Still symptomatic despite the

C-Puls



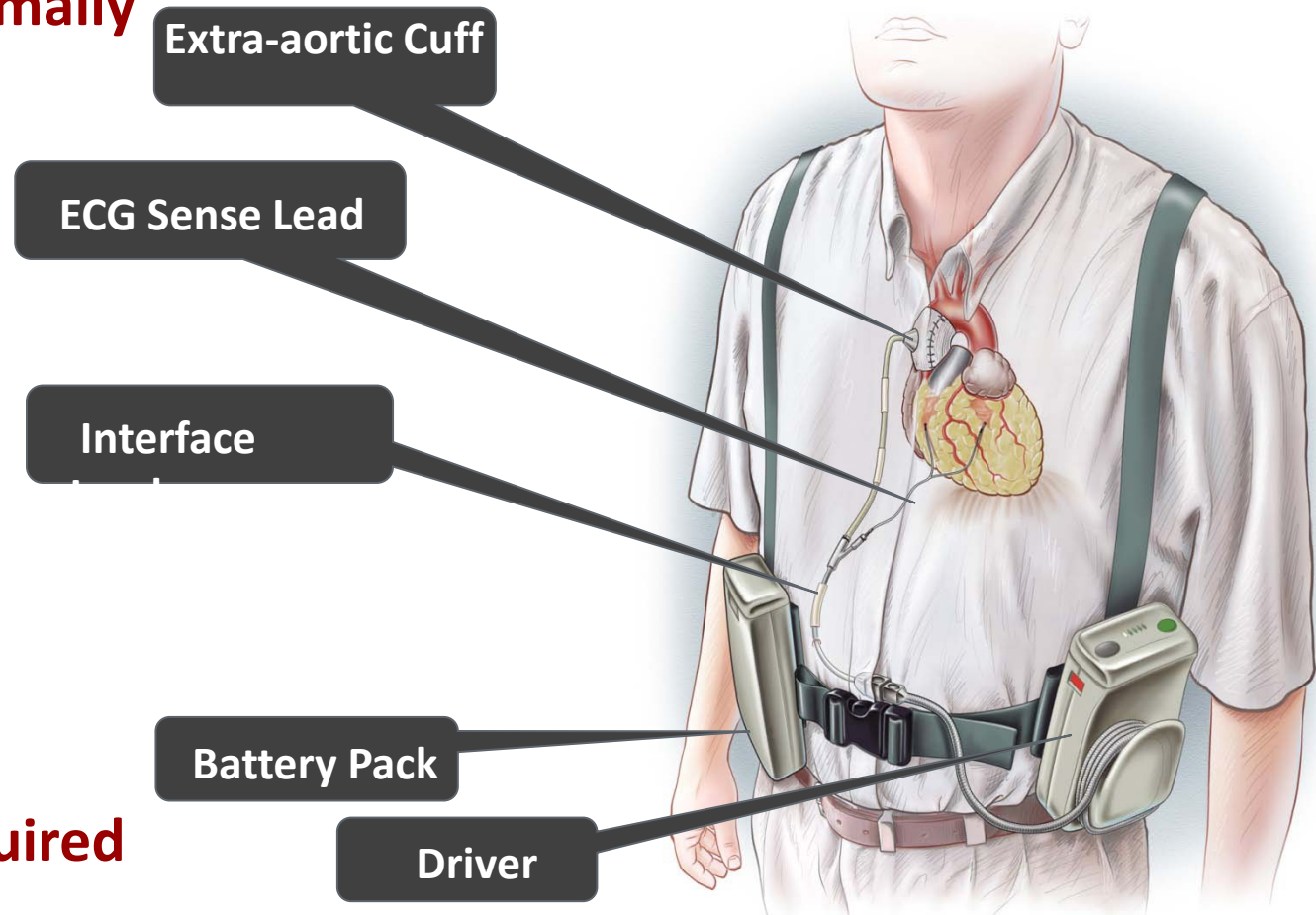
The C-Pulse System



- **Implanted minimally invasively**



- **Disconnectable**
- **No additional medication required**



C-Pulse has performed in the clinic



Safety	Efficacy
No Myocardial infarctions	19/20 patients improved or maintained their HF classification
No stroke/neurological events	2 patients disconnected permanently due to absence of symptoms – super responders
No blood borne infections	3 patients bridged to transplant – 1 supported for 22 months
1 non-device related patient death *	Improvements in quality of life scores, ejection fractions, 6 minute walk distances and reduced medications

Supports progress to randomized controlled pivotal trial to confirm safety and efficacy of C-Pulse

*** Full results will be announced at TCT Conference by Dr Bill Abraham in San Francisco on the 8th November**

US pivotal trial to begin Q2 2012



- Still before the FDA
- ~270 patients
- 30 hospital sites in the US
- Control group – best available medical therapy (drugs)
- Primary end point:
 - Reduction in HF re-hospitalization
 - Recently published papers cite this is #1 expense in U.S.
 - FDA has recently approved a similar endpoint.

Major value creating milestones ahead



Goal is to develop a safe and successful therapy for class III HF patients

- **LVAD developers for Class IV HF have paved the way**
 - Heartware – \$800Mn Mkt cap
 - Thoratec – \$1.5 Bn Mkt cap
- Further implants under FDA Continuous Access Protocol – 3Q11
- US pilot trial data at Transcatheter Cardiovascular Therapeutics TCT – 4Q11
- Completion of single unit C-Pulse – 4Q11
- CE Mark approval – 1Q12
- Start of US pivotal study – 1Q12
- CE Mark Approval – 3Q12

Company snapshot



Developing a therapeutic device for Class III heart failure patients

ASX Code	SHC	• Experienced leadership team
Market cap	\$45 million	• C-Pulse has performed in the clinic
Stock on issue	1,002 million	• Heart failure market large and growing
Cash @ 30 June 2011	\$ 6.2 million	• LVADs have pioneered the market
Revenue @30 June 2011	\$ 0.5 mill ion	• C-Pulse has clear advantages over LVADs
Employees:	21	• European CE Mark approval pending
Price range	\$0.022-\$0.063	• US pivotal trial set to begin
Sector	Healthcare	• Fully implantable system promising
Top Shareholders	77.05%	
GBS Ventures	23.6%	
CM Capital	27.16%	
Straus USA	7.52%	
JPMorgan	3.12%	
RRC USA	2.6%	