



1 March 2010

The Manager  
Company Announcements Platform  
ASX Limited

### NEW INVESTMENTS

Sun Biomedical Limited (*SBN*) advises that it has been assessing a number of investment opportunities and has made the following investments.

#### EQUITY INVESTMENT - ARGUS BUSINESS SYSTEMS LIMITED

SBN is pleased to announce that it has purchased ordinary shares in Argus Solutions Limited (*Argus*), a company listed on the ASX, worth approximately \$47,000. SBN had been considering a potential investment in Moore Business Systems Pty Limited, prior to its acquisition by Argus Solutions Limited, which affected a back-door listing of Moore Business Systems Pty Ltd. SBN has continued to monitor this business and has proceeded to execute this investment.

#### CONVERTIBLE NOTE INVESTMENT - SOUTH AMERICAN IRON AND STEEL CORPORATION LIMITED

SBN and South American Iron and Steel Corporation Limited ("SAY"), each being listed on the ASX, are pleased to announce that they have executed a Convertible Note Subscription Agreement (*Agreement*) pursuant to which SBN agreed to provide a minimum of \$200,000 in funding to SAY secured by Convertible Notes. SBN may at its sole discretion subscribe for further Convertible Notes to the value of \$300,000 in addition to the initial \$200,000.

Under the terms of the Convertible Notes, the Convertible Notes may be converted into ordinary shares in SAY (*Shares*) at the lower of:

- (a) if SAY completes a capital raising prior to 30 June 2010, the issue price for Shares (or convertible securities) so issued; or
- (b) if SAY does not undertake a capital raising prior to 30 June 2010, a 20% discount to the 30-day volume-weighted average price for the Shares calculated at the date of conversion.

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Limited**  
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**ASX:SBN**

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The Convertible Notes bear interest at a minimum of 12% per annum which is capitalised quarterly.

In consideration for the issue of each \$100,000 convertible note, SAY will issue 400,000 ordinary fully paid shares to SBN.

The funding provided by SBN is to assist SAY exercise an option to acquire several tenements in Chile currently owned by Hanwell S.A. (a foreign corporation) known as the "Quince Iron Ore Project" and to provide working capital for SAY while it undertakes a capital raising process for the exercise of the Quince Option.

In the event the Quince Option is not exercised by SAY on or before 30 June 2010 then SBN may at its election require the assignment of the Quince Option in consideration of the payment of AUD\$222,222 being the amount paid by SAY to purchase the Quince Option.

It should be noted that the Chairman, Terry Cuthbertson, is Chairman of the Boards of SBN and SAY. As a result, Terry Cuthbertson did not vote or take any part in relation to the decision to execute the Agreement.

**Alfonso Grillo**

**Company Secretary**

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