



ASX Circular

Date: 27 January 2012

Key topics

1. Sunshine Heart Inc. – reverse stock split 1 for 200
2. Transmutation ratio change from 1:1 to 1:200
3. ASX Code: SHC
4. Reverse U.S Common Stock Split timetable

Reading List

Client Advisers (Brokers)
 Compliance Managers
 Corporate Advisory
 DTR Operators
 Issuers
 Institutions
 Listing Officers
 Managing Directors
 Non Broker Participants
 Operations Managers (back office)
 Research Analysts
 Share Registries

Authorised By

Kim-Ly Nguyen

Contact

Anthony Ingegneri

Telephone

(02) 9227 0441

ASX Limited
 ABN 98 008 624 691
 Exchange Centre
 20 Bridge Street
 Sydney NSW 2000
 PO Box H224
 Australia Square NSW 1215

Internet: <http://www.asx.com.au>

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SUNSHINE HEART INC. – REVERSE U.S COMMON STOCK-SPLIT – NUMBER SPLIT OF AUSTRALIAN CDIS

Participating organisations are advised that Sunshine Heart, Inc. (the “Company”) announced on 25 January 2012 that its board had resolved to do the following:

- Consolidate the Company’s U.S common stock at a ratio of 1 for 200 (“Reverse U.S Common Stock Split”); and
- Change the transmutation ratio of CHESS Depository Interests (“CDIs”) to shares from a ratio of 1:1 to 1:200.

The Company’s CDIs will not be consolidated but rather the transmutation ratio of CDIs to shares will change from 1:1 to 1:200, so that 1 share of common stock will be exchangeable for 200 CDIs.

If the Reverse U.S. Common Stock Split results in the issuance of a fraction of a U.S. common share, the Company will round up each holder’s underlying shares to the nearest whole number in order to bring the number of shares held by such holder up to the next whole number. Therefore, there will be a corresponding rounding up of each CDI holder’s aggregate holding of CDIs to nearest multiple of 200, after taking into account the new transmutation ratio of 1:200.

For the purpose of determining entitlements under the Reverse U.S. Common Stock Split, pre-Reverse Stock Split holdings registered in the same name will be aggregated. Where the Company considers that pre- Reverse Stock Split holdings have been split to take advantage of rounding, the Company reserves the right to aggregate holdings held by associated holders.

The Company does not expect that there will be any change to the underlying value of each CDI.

The last day for trading on ASX of CDIs on a 1:1 basis is Friday, 27 January 2012. The Reverse U.S Common Stock Split will be affected on Monday, 30 January 2012.

CDIs will trade on a deferred settlement basis (ASX: SHCDA) between Monday, 30 January 2012 and Friday, 10 February 2012 (inclusive).

The timetable in relation to the Reverse U.S Common Stock Split is as follows.

Date	Event
Friday, 27 January 2012	Last day for CDIs to trade on a 1:1 basis where 1 underlying Company share is equivalent to 1 CDI (ASX:SHC)
Monday, 30 January 2012	<p>Effective date of reverse U.S. common stock split of Company's shares.</p> <p>First day for CDIs to trade on 1:200 basis where 1 underlying Company share is equivalent to 200 CDIs.</p> <p>Trading in reorganised CDIs on a deferred settlement basis commences (ASX: SHCDA)</p>
Friday, 3 February 2012	<p>Record date to determine entitlements</p> <p>Last day for Company to register transfers of CDIs on a pre-reorganisation basis</p>
Monday, 6 February 2012	<p>First day for:</p> <ul style="list-style-type: none"> ▪ Company to send notice to each of its CDI holders informing them of the number of CDIs and underlying shares held before and after the consolidation ▪ Company to register transfers of CDIs on a post-reorganisation basis ▪ Despatch of holding statements to CDI holders.
Friday, 10 February 2012	<p>Despatch of holding statements completed</p> <p>Last day of deferred settlement trading (ASX:SHCDA)</p>
Monday, 13 February 2012	Normal T+3 trading commences (ASX:SHC)
Friday, 16 February 2012	Settlement of on market trades conducted on a deferred settlement basis and first settlement of trades conducted on a normal T+3 basis

Further information

For further details please refer to the Company's announcement dated 25 January 2012.