

# Appendix 3Y

## Change of Director's Interest Notice

*Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.*

Introduced 30/9/2001.

<b>Name of entity</b>	<b>SUNSHINE HEART, INC.</b>
<b>ABN</b>	<b>79 109 440 888</b>

We (the entity) give ASX the following information under listing rule 3.19A.2 and as agent for the director for the purposes of section 205G of the Corporations Act.

<b>Name of Director</b>	<b>PETER CRISPIN MARSH</b>
<b>Date of last notice</b>	<b>27 June 2006</b>

### **Part 1 - Change of director's relevant interests in securities**

*In the case of a trust, this includes interests in the trust made available by the responsible entity of the trust*

Note: In the case of a company, interests which come within paragraph (i) of the definition of "notifiable interest of a director" should be disclosed in this part.

<b>Direct or indirect interest</b>	<b>DIRECT</b>
<b>Nature of indirect interest (including registered holder)</b> <small>Note: Provide details of the circumstances giving rise to the relevant interest.</small>	Issue of share options to Peter Crispin Marsh
<b>Date of change</b>	<b>1 November 2006</b>

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+ See chapter 19 for defined terms.

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<b>No. of securities held prior to change</b>	<p>3,930,235 total Ordinary Shares (delivered as CDIs) , represented by:</p> <p>1,953,669 Ordinary Shares (delivered as CDIs) held by PCLM Investments Pty Limited</p> <p>1,976,566 Ordinary Shares (delivered as CDIs) held by SCP Investments Pty Ltd</p> <p>400,000 Warrants held by PCLM Investments Pty Limited (Exercise Price \$AU 0.25; Exercise Period 10 Years)</p> <p>797,881 Options to subscribe for Ordinary Shares (to be delivered as CDIs) held directly (Exercise Price USD 0.1237; vesting from 31 January 2003; expire 31 January 2013)</p>
<b>Class</b>	Share Options to subscribe for fully paid ordinary shares (to be delivered as CDIs) .
<b>Number acquired</b>	Share Options to subscribe for 258,784 fully paid ordinary shares (to be delivered as CDIs)
<b>Number disposed</b>	
<b>Value/Consideration</b> Note: If consideration is non-cash, provide details and estimated valuation	Nil upon grant of option, \$0.30 per share to be paid to Sunshine Heart upon exercise of the option.

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<b>No. of securities held after change</b>	<p>3,930,235 total Ordinary Shares (delivered as CDIs), represented by:</p> <p>1,953,669 Ordinary Shares (delivered as CDIs) held by PCLM Investments Pty Limited</p> <p>1,976,566 Ordinary Shares (delivered as CDIs) held by SCP Investments Pty Ltd</p> <p>400,000 Warrants held by PCLM Investments Pty Limited (Exercise Price \$AU 0.25; Exercise Period 10 Years)</p> <p>1,056,665 Share Options to subscribe for fully paid ordinary shares (to be delivered as CDIs) represented by:</p> <p>797,881 Options to subscribe for Ordinary Shares (to be delivered as CDIs) held directly (Exercise Price USD 0.1237; vesting from 31 January 2003; expire 31 January 2013)</p> <p>258,784 Options to subscribe for Ordinary Shares (to be delivered as CDIs) held directly (Exercise Price AUD 0.30; vesting from 1 November 2006; expire 31 October 2016)</p>
<b>Nature of change</b> <small>Example: on-market trade, off-market trade, exercise of options, issue of securities under dividend reinvestment plan, participation in buy-back</small>	Issue of options under amended and restated 2002 Stock Plan

**Part 2 – Change of director's interests in contracts**

Note: In the case of a company, interests which come within paragraph (ii) of the definition of "notifiable interest of a director" should be disclosed in this part.

<b>Detail of contract</b>	
<b>Nature of interest</b>	
<b>Name of registered holder (if issued securities)</b>	

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<b>Date of change</b>	
<b>No. and class of securities to which interest related prior to change</b> <small>Note: Details are only required for a contract in relation to which the interest has changed</small>	
<b>Interest acquired</b>	
<b>Interest disposed</b>	
<b>Value/Consideration</b> <small>Note: If consideration is non-cash, provide details and an estimated valuation</small>	
<b>Interest after change</b>	

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+ See chapter 19 for defined terms.