

22 June 2011

Sale of Controlling interest in TeleMedCare

Health Care NZ Publishes Results of Successful e-Health Trial using TeleMedCare

Healthcare group, Stirling Products Limited (ASX: STI) advises that the Company has continued its negotiations with regard to the sale of TeleMedCare.

The Company today exchanged a conditional Purchase Offer Term Sheet with Grupo Neat of Spain for the sale of 80% of TeleMedCare for \$3,000,000. The Term Sheet provides for time to be of the essence, is subject to due diligence, and following completion of due diligence, agreement of the respective Boards to the transaction. The Company is also further required to provide that the sale be clear of all encumbrances, and present a balance sheet free of debt, promissory notes and other liabilities.

Pending completion of this transaction, the Company will seek to achieve a TeleMedCare structural reorganisation and cause TeleMedCare Pty Ltd to cease trading forthwith whilst its affairs are formally addressed pending the potential sale. TeleMedCare Holdings Pty Ltd and its subsidiary, MedCare Pty Ltd, which controls the TeleMedCare Intellectual Property, will continue to trade. Until the sale becomes unconditional with the required approval of the respective Boards of Stirling Products and Grupo Neat, there can be no assurance that the transaction will complete.

As previously reported, TeleMedCare last week received the internationally coveted dual ISO 13485:2003 and CMDCAS Certification for the design, development, manufacture, distribution and service provision of multi-parameter telehealth monitors. This award greatly increases the global regulatory acceptance of the Company's products and services. This certification followed a three-day intensive audit by TUV SUD, one of the world's largest and most respected ISO and CMDCAS accreditation bodies. ISO 13485:2003 is a certification relating to the proven establishment of a medical device quality management system for regulatory purposes and certification according to the Canadian Medical Devices Conformity Assessment System (CMDCAS) is a pre-requisite for medical device entry into Canada which is along with gaining FDA clearance for entry into the USA is TeleMedCare's immediate expectations.

Adding to this significant milestone development, the Company has also just been advised of the publication by New Zealand's largest provider of home and community based health and disability services, Health Care NZ of the results of a significant 12 month e-Health trial in which half the chronically ill parties used the TeleMedCare for daily vital signs monitoring whilst the other half continued traditional under traditional care. Although the 12-month trial was small it was never the less significant with 10% of the TeleMedCare daily monitored chronically ill group dying compared to 40% in the control group.

Details of the pilot can be accessed at:
healthcarenz.co.nz/News%20features/Telehealth

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