



ANNOUNCEMENT TO THE AUSTRALIAN STOCK EXCHANGE

15 July 2008

PROVALE™ EFFECTIVE AT INHIBITING LOMA INFECTION IN RAINBOW TROUT

- ***Stirling Products making progress against *L. salmonae* infection prevalent in farmed salmon***
- ***Stirling Products to present results at AFS Meeting in Canada***

Stirling Products North America Inc (STI-NA) has presented results of a ground-breaking study into the Loma gill disease infection of farmed fish, especially salmon and trout, at the 2008 Annual Meeting of the American Fisheries Society (FHS-AFS). The results presented demonstrate the effectiveness of Stirling's proprietary beta glucan product, ProVale™, in inhibiting the impact of *Loma salmonae*, a costly and untreatable disease in farmed fish, especially Pacific salmon.

World aquaculture has been growing at a rate of 8.8% per annum and over 60 million tons are produced per annum, equivalent to over US\$70 billion. Estimates place the Australian aquaculture industry at over US\$2 billion by the year 2010. Salmon fish farming, although only accounting for approximately 2% of the total aquaculture farming, still represents over 1.4 million tons of salmon worth US\$5.4 billion, produced each year. Loma disease is recognized as one of the most economically significant diseases in farmed Pacific and Chinook salmon.

Dr. Nicole Guselle, presenting on behalf of Stirling Products (ASX:STI), has conducted trials on the effectiveness of ProVale™ at inhibiting a *L. salmonae* infection when administered through an intraperitoneal injection. Dr. Guselle commented "At this time there are no therapeutic agents or vaccines available for use as treatments for the microsporidian, *Loma salmonae*. When comparing the use of current unlicensed products to the use of Provale™ as a preventative agent for this infection in rainbow trout, Provale™ proved more effective."

The FHS conference attracted some of the leading scientists, research organizations and fish health companies from around the world and was held in Charlottetown, Prince Edward Island, Canada between 9th and 12th July.

Dr. David Speare from the Atlantic Veterinary College (who was the project leader on this study), indicated "It was an exciting opportunity to evaluate ProVale™ purified beta

glucan as a treatment for Loma Microsporidial Gill Disease of salmon. We have known that the cell mediated immune response of fish is critical for them to defend against microsporidial diseases; having a treatment that augments the immune response is therefore a very logical commercial approach for disease control."

"This work further confirms the ability of ProVale™ as a novel therapeutic agent to significantly improve the level of disease resistance of aquatic species even under challenged conditions," indicated Mr. Shane Patelakis, President, STI-NA. "As a result of this work and other successful clinical / commercial trials in aquaculture, the company is already entertaining several discussions related to licensing and distribution agreements."

The final results will be published in a suitable peer reviewed journal.

ENDS

About Stirling Products:

Stirling Products is developing patented animal growth agents that increase meat production, therefore improving the production efficiency of livestock animals, while decreasing fat accumulation for the benefit of consumers. The Stirling growth agents are under development for swine, poultry, cattle and sheep for global markets and are being positioned to take a major role in reducing the global use of antibiotics and steroid hormones in livestock. Stirling is also developing veterinary medications for heaves in horses through its joint venture in Europe (Pulmovet ApS, www.pulmovet.com) and an obesity treatment in companion animals.

Stirling Products North America Inc. (STI's whole owned subsidiary) lead product ProVale™, is the latest high purity beta glucan extract that has been designed as an alternative tool for sustainable livestock management and productivity in the face of increasing viral disease challenges where antibiotics have no or limited application. ProVale™ is available for targeted applications in swine, poultry and farmed aquaculture with a future focus on further developing applications for companion animals (e.g., horses, dogs, cats and reptiles).

For further information about this announcement or Stirling Products please contact Dr. London on (08) 9480 1480 or 0400 204616. Additional information may be found on the Company website www.stirlingproducts.net.

About ProVale™:

ProVale™ is a highly purified, safe and natural immune-stimulating bioactive extract for use as a livestock or pet animal feed supplement. This unique "immunobiotic" has the benefit of boosting the immune system against various bacterial and viral diseases of animals. The product already has sales for poultry and swine in North America with further sales opportunities expected in South Asian Pacific regions. For more information visit PBI's website: www.progressivebioactives.com