



Wednesday, 20 August 2008

**Stirling Products** (ASX: STI) has now completed the transaction to acquire worldwide licensing rights for the product PetQuench™. STI in connection with this deal has setup Stirling Animal Health Inc. (SAH) as an independent, 100% wholly owned subsidiary of STI to commercialize the various opportunities.

PetQuench™, fortified water for dogs and cats, is already on the market in North America and is expected to be launched in Australia by the end of Q1 2009. CEO and Managing Director of Stirling Products, Dr. Calvin London said “It is refreshing to close a deal like this in such a short period of time. It has only been just over two months since we announced the signing of the term sheet for this product (ASX, June 4, 2008). We are undertaking the next production run in Canada in order to have new stock on the shelves in September and have already starting working on the Australia registration and market launch scheduled for early 2009”. Under the terms of the agreement, all global sales of PetQuench™ become Stirling’s.

President of Aquience Inc, Mr. Derrick Walker said “We are very happy to have formed a partnership with Stirling Products. PetQuench™ will now have the opportunity to be truly global and has an outstanding pedigree in the form of Stirling Animal Health (SAH) to support it.” Mr. Walker goes on to say, “The new company would bring products to the market that are based on the most current and up-to-date research in animal health. SAH is a company that has been formed by pet owners in both Canada and Australia with the support of a truly innovative veterinary pharmaceutical company in Australia.”

“Stirling gains access to sales and marketing expertise and additional development experience from the founders of Aquience, both of whom have had long and productive careers in the pet and commercial development arena. Together under the newly formed Stirling Animal Health subsidiary, we have already planned a product development pipeline with no less than five products expected to be launched over the next 12 -18 months,” commented Dr London. Co-founder and Vice President of Aquience, Mr. Mike Ramsay indicated “The philosophies of the two companies are ideally suited to this venture. Both are focused on developing high value solutions to the pressing problems of pet ownership in the modern world. Not only have we identified the root cause of a number of major concerns, but we are also developing novel solutions to satisfy both the needs and wants of the owner and pet alike,” he said.



Canada has one of the highest incidences of pet ownership with over half of all houses owning either a dog or a cat. Added to the increasing incidence of pet ownership in the USA, Australia, South East Asia, China and Japan, SAH is hoping to become an integral part of this market. “Since announcing the formation of SAH and the term sheet with Aquience, we have had several legitimate enquiries for distribution agreements in South East Asia and even Europe. We intend to maximize these relationships and together with an increasing presence in North America, establish conduits into the global pet market,” indicated Dr London.

### **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 (Pullover Apes, [www.pulmovet.com](http://www.pulmovet.com)) and an obesity treatment in companion animals. Stirling Products North America (trading as Progressive Bioactive Inc) is part of the Bioscience cluster located on Prince Edward Island, Canada. Phi’s lead product ProVale™, is the latest high purity beta glucan extract that has been designed as an alternative tool for sustainable livestock management 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).

About PetQuench™: The PetQuench™ philosophy is described on the website ([www.petquench.com](http://www.petquench.com)) together with testimonials of its success. Cats and dogs are attracted to PetQuench™ fortified water because of the proprietary Aquience™ attractant used in conjunction with our patented ingredient formulation. PetQuench™ fortified water, as part of a regular diet, helps aid digestion and helps reduce stool and urine odour. PetQuench™ fortified water is not meant to be yet another source of vitamins and supplements already available in your pet’s diet

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