

TECHSTAR COMMERCIALISES SPORTZWHISTLE TECHNOLOGY

Techstar today announced that it has signed a Heads of Agreement for the sale of a subsidiary company, and a technology package.

This is the first international commercial technology commercialization agreement that Techstar has executed since it acquired the Ipoh Group of companies in December 2005.

Techstar, through its subsidiary technology company Sportzwhistle, has developed a patented electronic whistle, and several innovative applications.

Currently an initial order for 10,000 electronic whistles is being completed for Hudson in the UK, the world's largest manufacturer of quality whistles. Another use for the technology is being completed with an emergency response vest being developed for NRMA for its roadside assistance staff. Design evaluation has been completed and recently lodged with NRMA who have requested that the research continue.

New Zealand based Titchfield Services Limited has entered into two separate Heads of Agreement with Techstar. The first agreement provides for Titchfield to acquire the Sportzwhistle company and the Sportzwhistle technology for a Purchase Price of \$1,750,000 to be paid over 5 years through a revenue-sharing royalty. Techstar will also receive a perpetual trailing royalty. The overall transaction has the potential to generate in excess of \$12,500,000 additional cash flow to Techstar over the decade.

The second agreement provides for Titchfield to acquire the emergency response vest technology for an Initial Purchase Price of \$250,000, also to be paid over 5 years through a revenue-sharing royalty. Techstar will also receive a perpetual trailing royalty. This transaction has the potential to generate in excess of \$2,500,000 additional cash flow to Techstar over the decade.

These two agreements provide for Techstar to achieve its previously stated goal of disposing of these two technologies prior to the end of 2006, and provide significant future earnings potential.

These transactions signal the commencement of the commercialization phase of Techstar's previous technology incubation projects by Techstar's alliance partner Capital Technic Group. In reporting these transactions, Techstar's Executive Director Paul Byrne advised that Techstar was on track to realize the full commercial value of previous technology investments made by Techstar.

Techstar is currently investing in its technology project pipeline and is planning to bring additional projects to market within the next 12 months, including the internationally recognized Ironbar project.

Techstar is also investing in its portfolio of patented technologies for environmental engineering applications.