HARRINGTONGROUP

ASX Company Announcement

30 June 2006

ACQUISITION OF
SUN BIOMEDICAL LABORATORIES INC.

Harrington Group Limited (ASX:HGR) advises that the Company has exercised its option to acquire the remaining 60% balance of Sun Biomedical Laboratories Inc. for consideration of total cash payments of US$1,680,000.

Harrington Group Limited currently owns 40% of Sun Biomedical Laboratories Inc. and as previously advised held an option to acquire the remaining 60% of Sun Biomedical Laboratories Inc. exercisable on or before 30 June 2006.

The acquisition is subject to completion and formalisation of relevant documentation and provides for the balance acquisition payment of US$1,680,000 to be paid on revised terms with the initial payment of US$200,000 being due upon execution of the Acquisition Agreement by all parties.

The Acquisition Agreement will provide for an installment payment of US$100,000 payable six months from the execution date of the Acquisition Agreement and further installment payments of US$200,000 thereafter at six monthly intervals with the final balance outstanding payable in mid 2008.

The Acquisition Agreement also provides for the execution of a Promissory Note of US$1,480,000 in favour of the Sun Biomedical Laboratories Inc.'s 60% shareholders.

The Company notes that, subject to formal ASX advice, the acquisition of the remaining 60% of Sun Biomedical Laboratories Inc. may be subject to Harrington Group Limited shareholder approval pursuant to ASX Listing Rule 11.1.

Completion of the Sun Biomedical acquisition will allow Harrington Group Limited to consolidate the existing business revenue and to drive the global marketing of the existing illicit drug screening product portfolio. The Company will also seek to leverage the core technology platform in the development of diagnostic tests for diseases and also for emerging biological threats.

For further information see www.hgrltd.com or contact:
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