



28th April 2004

QUARTERLY CASH FLOW REPORT - PERIOD ENDED 31 MARCH 2004

Attached is the Appendix 4C – Quarterly Cashflow Report for Starpharma Holdings Ltd (ASX:SPL) for the quarter ended 31 March 2004.

The net cash balance increased by \$5.7 million due to a capital raising during the quarter. On 18 March 2004 the Company announced a share placement of 9 million new shares to leading Australian and international investors at an issue price of \$0.84, raising \$7.18 million after costs.

Expenditure for the period was in line with budget, with a net operating outflow of \$1.4 million for the quarter. The cash balance at the end of the quarter was \$17.5 million.

A handwritten signature in black ink, appearing to read 'BR', written over a horizontal line.

Ben Rogers
Company Secretary

Starpharma Holdings Limited (ASX:SPL) is focused on the development and application of dendrimer nanotechnologies as drugs against major diseases. Starpharma's lead dendrimer product, VivaGel™ has received clearance from the US FDA for human clinical trials. VivaGel™ is a topical microbicide gel product that has been developed for women as a preventative against the sexual transmission of HIV. It is also active in animal studies for the prevention of other sexually transmitted diseases including Genital Herpes and Chlamydia. SPL also has an equity interest in a US based company – Dendritic Nanotechnologies Inc. (DNT) – established with the US pioneer of dendrimer nanotechnology Dr Donald Tomalia.

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Appendix 4C

Quarterly report for entities admitted on the basis of commitments

Name of entity

Starpharma Holdings Limited

ABN

20 078 532 180

Quarter ended ("current quarter")

31 March 2004

Consolidated statement of cash flows

Cash flows related to operating activities

	Current Quarter \$A'000	Year to Date \$A'000
1.1 Receipts from customers	5	356
1.2 Payments for		
(a) staff costs	(496)	(1,676)
(b) advertising and marketing	(4)	(16)
(c) research and development	(1,063)	(3,047)
(d) leased assets	-	-
(e) other working capital	-	-
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	149	413
1.5 Interest and other costs of finance paid	-	(12)
1.6 Income taxes paid	-	-
1.7 Other	-	-
Net operating cash flows	(1,409)	(3,982)

Cash flows related to investing activities

1.9 Payment for acquisition of:		
(a) businesses (item 5)	-	-
(b) equity investments	-	-
(c) intellectual property	-	-
(d) physical non-current assets	(74)	(113)
(e) other non-current assets	-	-
1.10 Proceeds from disposal of:		
(a) businesses (item 5)	-	-
(b) equity investments	-	-
(c) intellectual property	-	-
(d) physical non-current assets	-	-
(e) other non-current assets	-	-
1.11 Loans to other entities	-	-
1.12 Loans repaid by other entities	-	-
1.13 Other	-	-
Net investing cash flows	(74)	(113)
1.14 Total operating and investing cash flows	(1,483)	(4,095)

Cash flows related to financing activities

1.15	Proceeds from issues of shares	7,560	14,494
1.16	Proceeds from sale of forfeited shares	-	-
1.17	Proceeds from borrowings	-	-
1.18	Repayment of borrowings	-	(60)
1.19	Dividends paid	-	-
1.20	Other (Share issue costs)	(378)	(706)
	Net financing cash flows	7,182	13,728
	Net increase (decrease) in cash held	5,699	9,633
1.21	Cash at beginning of quarter/year to date	11,825	7,891
1.22	Exchange rate adjustments		
1.23	Cash at end of quarter	17,524	17,524

Payments to directors of the entity and associates of the directors**Payments to related entities of the entity and associates of the related entities**

		Current quarter \$A'000
1.24	Aggregate amount of payments to the parties included in item 1.2	(84)
1.25	Aggregate amount of loans to the parties included in item 1.11	-
1.26	Explanation necessary for an understanding of the transactions	

Item 1.24 consists of the following:

(a) Remuneration paid to the Chief Executive Officer.

(b) Payments to Herbert Geer & Rundle:

A Director, Mr. L Gorr, is a Senior Partner of Herbert Geer & Rundle which provided some legal advice to the entity. These dealings with the entity are in the ordinary course of business and on normal terms of business.

The aggregate amount of these transactions for this supplier included in item 1.24 is \$3,958.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

Nil

2.2 Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest

Nil

Financing facilities available

Add notes as necessary for an understanding of the position. (See AASB 1026 paragraph 12.2).

- 3.1 Loan facilities
- 3.2 Credit standby arrangements - Credit card facility (total facility \$120,000)

Amount available \$A'000	Amount used \$A'000
-	-
120	26

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
4.1 Cash on hand and at bank	8,264	1,006
4.2 Deposits at call	9,260	10,819
4.3 Bank overdraft	-	-
4.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.23)	17,524	11,825

Acquisitions and disposals of business entities

- 5.1 Name of entity
- 5.2 Place of incorporation or registration
- 5.3 Consideration for acquisition or disposal
- 5.4 Total net assets
- 5.5 Nature of business

Acquisitions (Item 1.9(a))	Disposals (Item 1.10(a))
-	-
-	-
-	-
-	-
-	-

Compliance statement

1. This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Law (except to the extent that information is not required because of note 2) or other standards acceptable to ASX.
2. This statement does give a true and fair view of the matters disclosed.



B P Rogers
Company Secretary

28 April 2004