

Starpharma to lead a US\$5.4M NIH-funded project to develop a preventative treatment for HIV and other sexually transmitted diseases

Melbourne, Victoria Australia, September 30, 2004: Melbourne-based nanotechnology company Starpharma (ASX:SPL) will lead a consortium to develop a second generation microbicide for the prevention of infection by HIV and other sexually transmitted diseases (STDs). This consortium is being funded by a US\$5.4 million (A\$7.5 million) grant from the National Institute of Allergy and Infectious Diseases (NIAID), part of the US National Institutes of Health (NIH).

The consortium consists of Starpharma and ReProtect, Inc., together with research groups from the Johns Hopkins University, the University of Texas Medical Branch, the University of Kentucky, the University of Washington and the Burnet Institute in Melbourne.

Microbicides are chemical agents that in the form of gels can be used before intercourse to inactivate STD pathogens. Microbicides are currently being viewed by health officials as one of the best potential opportunities for stemming the spread of HIV/AIDS.

"It is very significant for us that NIH and NIAID have recognized not only the tremendous potential of microbicides in the fight against AIDS, but through their Peer Review system, have awarded our research consortium a grant to exploit the particular strengths of the complementary technologies owned by Starpharma and ReProtect," said John Raff, CEO of Starpharma.

According to Thomas Moench, President of ReProtect: "Attaining the goal of developing a combination microbicide against HIV and other STDs can be likened to putting both seat belts and airbags into cars, rather than building hospital beds for traffic accident victims. Success in this undertaking with Starpharma would provide an exciting new product with the broadest and most reliable protection against pregnancy and disease."

Both Starpharma and ReProtect already have microbicides in clinical trials. VivaGel[™], Starpharma's product based on proprietary dendrimer technology, is in Phase I clinical trials. ReProtect's BufferGel is currently in an NIH sponsored Phase II/IIb safety and efficacy trial for the prevention of HIV transmission.

A strength of the companies' working together is the opportunity to develop a microbicide that combines several protective actions to prevent transmission of a broad spectrum of STDs including HIV, herpes, chlamydia and human papilloma virus.

In the US, STDs including genital herpes affect more than 70 million people annually. It was estimated in 1999 that the annual cost of all STDs was more than US\$10 billion a year.

About Starpharma:

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.

About ReProtect, Inc.:

ReProtect is a US company with a research and commercialisation focus in reproductive health. The company's mission is to prevent unwanted pregnancies and STDs by providing the most effective and innovative products to women and men throughout the world.

Reprotect is the first company to offer a vaginal microbicide that works by reinforcing a natural protective action of the female reproductive tract, avoiding the use of hormones or potentially-toxic detergents. ReProtect's goal is to provide safe, reliable and effective form of female contraception which incorporates the ability to prevent the transmission of STDs.

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