



ANNOUNCEMENT RESPONDING TO ARTICLE IN 'THE AGE' NEWSPAPER ON 20 JANUARY 2005 CONCERNING A POTENTIAL TRANSACTION

MELBOURNE, 24 JANUARY 2005: Starpharma Holdings Limited (ASX:SPL, USOTC:SPHRY) announced today that an article had appeared in *The Age* newspaper on 20 January 2005 concerning a potential transaction involving the Company.

Following publication of the article in *The Age*, the Company immediately requested the ASX to halt trading in the Company's securities.

The Company is not in a position to make a detailed announcement regarding the potential transaction at this time. However, the Company is intending to make a detailed announcement during this week.

Therefore the Company has requested a trading suspension until it is in a position to make a further announcement.

About Starpharma:

Starpharma Holdings Limited (ASX:SPL; USOTC:SPHRY) is focused on the development and application of dendrimer nanotechnologies as drugs against major diseases. 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 A. Tomalia.

Microbicides A microbicide inactivates, kills or destroys microbes. Microbicides may be formulated as gels, creams, sponges, suppositories or films with the purpose of reducing significantly the incidence of STDs. There are currently no vaginal microbicides on the market. They are intended for vaginal or rectal use to afford protection for varying periods, from several hours up to days. Microbicides may also be designed to have a contraceptive function by inhibiting sperm.

Dendrimers Dendrimers are a type of nanoparticle. They are man-made chemicals that form tiny balls made up of a dense network of branches. Dendrimers have applications in the medical, electronics, chemicals and materials industries.

For further information, please contact

Media

Rebecca Christie

Buchan 02 9293 2836 /0417 382 391

rchristie@bcg.com.au

John Raff

Chief Executive Officer +61 3 8532 2701

Mr Ben Rogers Company Secretary

+61 3 8532 2702

www.starpharma.com