



STARPHARMA TO RECEIVE UP TO \$5.6M GRANT FOR PRODUCT DEVELOPMENT

Melbourne, Australia, 1 April 2005 – Starpharma Holdings Limited (ASX: SPL, USOTC:SPHRY) a world leader in nanotechnology-based medicine today announced that its wholly owned subsidiary Starpharma Pty Ltd has been offered a grant of AUD\$5.6 million over four years under the Australian Government's Pharmaceuticals Partnerships Program (P3).

Industry Minister Ian Macfarlane today made the announcement during an industry visit to Starpharma's Melbourne headquarters.

Starpharma's grant will be used to progress development and commercialization of Starpharma's dendrimers as new pharmaceuticals. The projects include developing dendrimers against sexually-transmitted viruses, respiratory viruses and diabetes. Other applications will include the use of dendrimers as vaccines and inhibitors of new blood vessel growth for cancer therapy and delivery of radiation therapy.

CEO John Raff said: "Over the years the Australian Government has provided Starpharma with significant funding support for our dendrimer nanotechnology projects, initially through two START grants and now with this latest grant. This funding support provides benefits to the nation by allowing Australian companies like Starpharma to take their products close to market with minimal dilution of shareholders' equity."

Starpharma's VivaGel™, for preventing the sexual transmission of HIV, is the most advanced defined nano-drug under the US regulatory system and was the first in the world to enter human trials under the US Food and Drug Administration (FDA) Regulations. VivaGel™ was named one of the world's Top 5 Nanotech Breakthroughs of 2004 by the industry leading *Forbes/Wolfe Nanotech Report*.

About Starpharma

Starpharma Holdings Limited (ASX:SPL, USOTC:SPHRY) is leading the world in nanomedicine. Its lead product in development is VivaGel™, a vaginal microbicide gel that has been developed for women as a preventative against the sexual transmission of HIV. It has also shown activity in animal studies for the prevention of other sexually transmitted diseases including genital herpes. The Company has a broad range of opportunities arising from its innovations involving the discovery and development of pharmaceutical nanotechnology products using dendrimers and the multi-binding phenomenon of polyvalence. Development programs include multi-acting respiratory and anti-cancer applications.

Starpharma also has an equity interest in a Michigan 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.

American Depositary Receipts (ADRs): Starpharma's ADRs trade under the code **SPHRY** (CUSIP number 855563102). Each Starpharma ADR is equivalent to 10 ordinary shares of Starpharma as traded on the Australian Stock Exchange. The Bank of New York is the depositary bank.

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