



11 May 2005

INVESTEE COMPANY DIMERIX BIOSCIENCE OFFERED AUSINDUSTRY GRANT

Dimerix Bioscience Pty Ltd (“Dimerix”), an investee company of Starpharma Holdings Ltd (ASX:SPL, USOTC:SPHRY) has announced its success in securing a \$200,000 'Commercial Ready' grant by AusIndustry to support the development of a new class of drugs targeting G-protein Coupled Receptors (GPCRs) (refer to attached announcement).

Starpharma is the largest shareholder in Dimerix, with a 30% equity holding. Starpharma has also entered into a joint venture with Dimerix focused on dendrimer based GPCR drug discovery and development, utilising the Dimerix *Collision* technology.

Starpharma CEO Dr John Raff said: “Starpharma is confident that the Dimerix receptor coupling technology will lead to the development of new classes of pharmaceutical drugs. We are pleased that AusIndustry has also recognised the potential of this company’s technology.”

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 equity interests in two companies:

- Dendritic NanoTechnologies, Inc. (DNT) – established with the pioneer of dendrimer nanotechnology Dr Donald A. Tomalia and based in Michigan, USA.
- Dimerix Bioscience Pty Ltd – a specialist drug development company established to commercialise unique technology developed at the Western Australian Institute for Medical Research in the new field of receptor coupling, specifically G-Protein coupled receptors (“GPCRs”).

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.

For further information:

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Perth
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Dimerix Announces Grant Success

Dimerix Bioscience is pleased to announce that it has been offered a \$200,000 'Commercial Ready' grant by AusIndustry to support the development of a new class of drugs targeting G-protein Coupled Receptors (GPCRs) in a way that exploits their ability to form complexes to achieve enhanced therapeutic benefits.

Mr Matt Callahan, Dimerix Bioscience's Chief Executive Officer, said the grant represented major support for the company's research effort in the development of this new class of compounds.

"As an Australian company, we are extremely grateful for the support of AusIndustry. The grant will play a significant role in accelerating our research and early-stage commercialisation activities."

GPCRs are the single most successful class of drug targets, with more than one quarter of the top 200 best selling drugs targeting GPCRs as single elements or 'monomers'. Scientific and industry research now realises, however, that most GPCRs form complexes with each other which significantly changes their function compared to the GPCRs by themselves. This important feature has been difficult to analyse and thus, has not been systematically applied for the design of superior drugs and therapeutic strategies. To address this challenge, Dimerix have developed a proprietary assay system which allows researchers to look inside GPCR clusters, and to characterise them in ways not possible with existing technologies.

Dimerix are undertaking their development program in a joint venture with listed nano-medicine company Starpharma Holdings Limited (ASX:SPL). The grant funds will be used to accelerate the design of new polyvalent compounds utilising Starpharma's proprietary dendrimer structures. Starpharma's own product *VivaGel™*, a vaginal microbicide gel developed for women as a preventative against the sexual transmission of HIV, recently completed a Phase I trial and was shown to be safe for use in humans.

Matt Callahan, CEO of Dimerix, said that, "the offer of Commercial Ready support provides excellent independent validation of Dimerix' technology and drug discovery strategy."

Commercial Ready is a competitive merit-based grant program supporting innovation and its commercialisation. It aims to stimulate greater innovation and productivity growth in the private sector and offers industry a single entry point to competitive grants for early-stage commercialisation activities, research and development (R&D) with a high commercial potential, and proof-of-concept activities.

About Dimerix Bioscience

Dimerix is a drug discovery venture which focuses on fully validated drug targets and leverages existing knowledge on drug-like molecules. As a consequence, Dimerix leapfrogs the initial, low-value drug discovery steps. Using innovative technologies, these existing drugs or drug-like compounds are modified in a rational way to enhance their properties and achieve higher efficacy. The time to enter clinical trials is expected to take 2-3 years which is significantly shorter than the industry's average of 5-8 years.

<http://www.dimerix.com>

About AusIndustry

AusIndustry is the program delivery division of the Australian Government Department of Industry, Tourism and Resources. AusIndustry delivers a range of innovation grants, small business services, tax and duty concessions, industry support, and venture capital products to more than 10,000 businesses every year. *Commercial Ready* is a competitive merit-based grant program within AusIndustry supporting innovation and its commercialisation. It aims to stimulate greater innovation and productivity growth in the private sector by providing around \$200 million per year in competitive grants to small and medium-sized businesses between 2004-05 and 2010-11. It offers industry a single entry point to competitive grants for early-stage commercialisation activities, research and development (R&D) with a high commercial potential, and proof-of-concept activities.

Further Information:

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