



MARKET UPDATE - CORRECTION

With respect to the Market Update lodged with the ASX on 14 October 2005, it has come to the Company's attention that there was an error on slide 14 regarding the market opportunity for microbicides in developed countries. The assumption "*115m (40%) of those unmarried (ignores use by 176m married women)*" was incorrectly included and should be deleted. A copy of the corrected slide is attached.

For clarity, the Company emphasises that the market estimates (for developed countries) included in the table have been based on an addressable market of 291 million women.

About Starpharma:

Starpharma Holdings Limited (ASX:SPL, USOTC:SPHRY) leads the world in the application of nanotechnology to pharmaceuticals. The Company's lead development product is VivaGel™, a vaginal microbicide designed to prevent the transmission of STIs, including HIV and genital herpes.

VivaGel™ is the first example of a product to come from Starpharma's dendrimer-based discovery pipeline, which also includes specific programs in the fields of ADME Engineering™ (using dendrimers to control where and when drugs go when introduced to the body), Polyvalency (using the fact that dendrimers can activate multiple receptors simultaneously) and Targeted Diagnostics (using dendrimers as a scaffold to which both location-signaling and targeting groups are added to allow location of specific cell type, such as cancer cells).

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; and
- *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").

Dendrimers: A type of precisely-defined, branched nanoparticle. Dendrimers have applications in the medical, electronics, chemicals and materials industries.

Microbicides: A microbicide inactivates, kills or destroys microbes such as viruses and bacteria. Microbicides may be formulated as gels, creams, sponges, suppositories or films with the purpose of reducing significantly the incidence of STIs. 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.

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:

Media	Starpharma www.starpharma.com	
Rebecca Wilson Buchan Tel: +61 2 9237 2800 Mob: +61 417 382 391 rwilson@bcg.com.au	Dr John Raff Chief Executive Officer +61 3 8532 2701 john.raff@starpharma.com	Ben Rogers Company Secretary +61 3 8532 2702 ben.rogers@starpharma.com

Market Penetration	Average Frequency of Use per Annum		
	25x	50x	100x
2.5%	US\$365m	US\$730m	US\$1460m
5.0%	US\$725m	US\$1450m	US\$2900m
10.0%	US\$1450m	US\$2900m	US\$5800m

- Key assumptions
 - 291m women of reproductive age (15-49) in developed countries
 - Unit sale price circa US\$2
 - Usage rates according to published data