



25 November 2005

Australian Stock Exchange Limited
Company Announcements Office
Exchange Centre
Level 4, 20 Bridge Street
Sydney NSW 2000

**Starpharma Holdings Limited (ASX:SPL, USOTC:SPHRY)
Share Purchase Plan**

Please find attached documentation for Starpharma Holdings Limited's Share Purchase Plan. The offer was announced to the ASX on 14 November 2005, and closes at 5pm on Friday 15 December 2005.

Yours sincerely

A handwritten signature in black ink, appearing to read "Ben Rogers".

Ben Rogers
Company Secretary

25 November 2005

**STARPHARMA HOLDINGS LIMITED
SHARE PURCHASE PLAN**

- ✓ *Eligible shareholders entitled to purchase up to \$5000 of ordinary shares*
 - ✓ *Price will be \$0.51 per ordinary share*
 - ✓ *No brokerage or additional transaction costs*
 - ✓ *Offer closes 5.00pm on Friday, 15 December 2005*
-

Dear Shareholder

As announced to the Australian Stock Exchange on 14 November 2005, the Board of Starpharma Holdings Limited (**Starpharma**) is pleased to provide eligible shareholders the opportunity to participate in the capital raising initiatives of Starpharma through a Share Purchase Plan (**SPP**). Starpharma recently announced the completion of an institutional placement to raise A\$12m. Starpharma has established the SPP to provide an opportunity for all eligible shareholders to purchase additional shares in Starpharma at the same discounted price that was offered to the institutions that participated in the recent capital raising. We encourage all eligible shareholders to consider taking advantage of this opportunity to acquire Starpharma shares at a discount. The SPP is underwritten by Patersons Securities Limited up to A\$3m.

SPP – At a Glance

The accompanying Terms and Application Form set out the terms of the offer under the SPP. By accepting the offer to purchase shares under the SPP, you agree to be bound by the accompanying terms. Starpharma currently has 128 million shares on issue (142 million on completion of the second tranche of the A\$12m institutional placement), held by approximately 2,200 shareholders. Patersons Securities Limited is underwriting the issue of 5,882,353 shares to raise A\$3m. The Board reserves the right to accept oversubscriptions, if it receives applications in excess of A\$3m.

Key points of the SPP are:

- You may acquire up to 9,804 shares as set out in the Application Form. There are no brokerage or other transaction costs payable on the allotment of shares under the SPP.
- Shares allotted under the SPP will rank equally with existing fully paid ordinary shares.

STARPHARMA HOLDINGS LTD ABN 20 078 532 180
**Baker Building, 75 Commercial Road,
Melbourne, Victoria 3004 Australia**
PO Box 6535, St Kilda Road Central, Vic 8008
Telephone: +613 8532 2700 Facsimile: +613 9510 5955 www.starpharma.com

- Should you elect to participate in the SPP, all shares will be issued at A\$0.51. This has been set at a 15.6% discount to the volume weighted average price in the market on the 30 trading days starting on 3 October and concluding on the record date, which was Friday 18 November 2005.
- The SPP is underwritten by Patersons Securities Limited up to A\$3m. This means that if less than 5,882,353 shares are taken up by shareholders, those shortfall shares will be subscribed for by Patersons Securities Limited (or persons nominated by Patersons Securities Limited in consultation with Starpharma).
- If you wish to participate in the SPP, please fill out the enclosed Application Form and attach a cheque or bank draft to the acceptance slip and mail it in the reply paid envelope so that it is received by the share registrar before **5.00pm Melbourne time on 15 December 2005**.

Shareholder Update

We believe that Starpharma's prospects for building shareholder value continue to improve. Sexually transmitted infections represent significant market opportunities (in excess of US\$1b) in both developed and developing nations. Efforts to develop vaccines have so far failed, and condoms cannot be fully effective when used improperly and infrequently. Starpharma is well positioned to develop its lead product, the microbicide VivaGel™, for the prevention of sexually transmitted infections in women.

In October of this year one of the world's leading research organisations, the National Institutes of Health (NIH), selected VivaGel™ as a microbicide candidate with the potential to prevent the global spread of HIV. The NIH awarded Starpharma US\$20.3m (A\$26.4m) to develop VivaGel™ for prevention of HIV. This NIH funding significantly reduces VivaGel™'s development risk as the funding supports development through to the final population study. Furthermore, the NIH relationship will facilitate access to world class clinicians, opinion leaders and facilities for its development work.

Starpharma is also developing VivaGel™ for Genital Herpes and expects to enter human trials for this serious disease during calendar year 2006. In addition, the company is exploring the use of VivaGel™ as a coating for premium condoms. We expect other opportunities to arise in our discovery pipeline as we continue to apply our nanotechnology expertise to the development of therapeutics and diagnostics in:

- Cancer;
- Respiratory diseases; and
- Anti-angiogenesis applications.

Purpose of the Capital Fund Raising

The purpose of the SPP is to support ongoing operating costs, including funding the development of line extensions of VivaGel™ e.g. for prevention of Genital Herpes, to further build the company's product pipeline, and to increase collaborative activities with its investee company, US based Dendritic NanoTechnologies, Inc (DNT). The capital raised from the institutional placement and SPP combined with the funding received from the NIH ensures that the company has more than two years' cash reserves.

Thank you for your continuing support as a shareholder of Starpharma.

Yours sincerely



Peter T Bartels, AO

**CHAIRMAN
STARPHARMA HOLDINGS LIMITED**

TERMS

The following are the Terms applicable to the SPP approved by the Directors of Starpharma Holdings Limited (ABN 20 078 532 180).

Participation in the SPP

You are eligible to participate in the SPP if you were a registered holder of fully paid ordinary shares of Starpharma on 18 November 2005 with a registered address in either Australia or New Zealand. The offer under the SPP is non-renounceable. This means that you cannot transfer your right to purchase shares under the offer to anyone else.

If you are eligible to participate in the SPP, you may apply for new shares in Starpharma up to \$5,000. There is no minimum subscription. You have the option to apply in increments as set out below:

Option A	A\$5000
Option B	A\$4000
Option C	A\$3000
Option D	A\$2000
Option E	A\$1000
Option F	A\$500

The offer under the SPP has been structured to comply with the Australian Securities and Investments Commission Class Order 02/831. For this purpose, the maximum number of 9,804 new shares applies to all eligible shareholders (irrespective of the size of your current holding).

If, however, you are registered as a trustee or nominee in respect of more than 1 beneficiary, you may apply for up to \$5,000 of new shares for each occasion that you are separately recorded as a trustee or nominee for a different beneficiary.

Maximum raising

The board is seeking to raise approximately A\$3 million through the SPP, and reserves the right to scale back the issue on a pro-rata basis in the event of over-subscription. This means, for example, that if you apply for a \$5,000 parcel and applications are scaled back by 5%, then your application will be scaled back to \$4,750. In that event, you will receive a refund cheque at the same time as your transaction confirmation statement for the amount to be refunded.

Alternatively the Board reserves the right to accept additional funds if applications are received for more than A\$3 million.

Participation Costs

No brokerage or other transaction costs apply to the application for and allotment of new shares under the SPP.

Pricing

The issue price for each new share is \$0.51. The issue price is an amount equal to 15.6% of the volume weighted average price of Starpharma's ordinary shares traded on ASX during the 30 business days starting on 3 October 2005 and concluding on the record date, which was Friday 18 November 2005. You should note, however, that the market price of Starpharma's shares could rise or fall between the date of this offer

and the date when Starpharma allots the new shares to you. This means that the price you pay for every new share under this offer might exceed the market price of Starpharma's shares at the time the new shares are allotted to you under the SPP.

You should consult your stockbroker or professional adviser in relation to this offer and your participation under the SPP.

Issue of new shares

New shares will be issued on or about 20 December 2005. New shares will rank equally with existing fully paid ordinary shares in Starpharma.

It is expected that the new shares allotted to you under the SPP will be quoted on ASX on or about 23 December 2005 and you should receive your holding statement or confirmation advice shortly after that date.

Application

The offer will close at 5pm on 15 December 2005.

Applications to participate in the SPP must be made on the enclosed Application Form and sent with your payment by cheque made payable to "Starpharma Holdings Limited Share Purchase Plan" to our Share Registry so that it is received by 5pm on 15 December 2005.

Variations, waivers and resolutions of disputes

Starpharma reserves the right to vary the closing date and share issue date for the SPP, waive compliance with any of the terms of the offer, refuse to allot shares where it believes there has been a breach of these terms and settle in any manner it thinks fit any disputes or anomalies which may arise in connection with the SPP.

Questions

If you have any questions about the SPP, please contact:

Computershare Investor Services Pty Limited
GPO Box 505
MELBOURNE VIC 8060
Phone: 1300 850 505 (within Australia)
61 3 9415 4000 (outside Australia)

THIS DOCUMENT CONTAINS FORWARD-LOOKING STATEMENTS THAT INVOLVE RISKS AND UNCERTAINTIES. ALTHOUGH WE BELIEVE THAT THE EXPECTATIONS REFLECTED IN THE FORWARD-LOOKING STATEMENTS ARE REASONABLE AT THIS TIME, STARPHARMA CAN GIVE NO ASSURANCE THAT THESE EXPECTATIONS WILL PROVE TO BE CORRECT. ACTUAL RESULTS COULD DIFFER MATERIALLY FROM THOSE ANTICIPATED, BECAUSE OF VARIOUS IMPORTANT FACTORS, RISKS AND UNCERTAINTIES. THESE INCLUDE RISKS ASSOCIATED WITH DRUG DEVELOPMENT AND MANUFACTURE, RISKS INHERENT IN THE EXTENSIVE REGULATORY APPROVAL PROCESSES MANDATED BY REGULATORY AUTHORITIES, DELAYS IN CLINICAL TRIALS, FUTURE CAPITAL NEEDS AND GENERAL ECONOMIC UNCERTAINTY. ALSO, THERE CAN BE NO ASSURANCE THAT OTHERS WILL NOT INDEPENDENTLY DEVELOP SIMILAR PRODUCTS OR PROCESSES OR DESIGN AROUND PATENTS OWNED OR LICENSED BY THE COMPANY, OR THAT PATENTS OWNED OR LICENSED BY THE COMPANY WILL PROVIDE MEANINGFUL PROTECTION OR COMPETITIVE ADVANTAGES.



Starpharma Holdings Limited

ABN 20 078 532 180



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Please return completed form to:
Computershare Investor Services Pty Limited
GPO Box 505 Melbourne
Victoria 8060 Australia
Enquiries (within Australia) 1300 850 505
(outside Australia) 61 3 9415 4000
Facsimile 61 3 9473 2500
web.queries@computershare.com.au
www.computershare.com

Securityholder Reference Number (SRN)



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Entitlement Number:
Record Date: 18 November 2005
Offer Closes: 5.00pm AEDST on 15 December 2005
Price per Security: A\$0.51

SHARE PURCHASE PLAN APPLICATION FORM

Pursuant to the terms and conditions of the Starpharma Holdings Limited Share Purchase Plan ("SPP") contained in the letter to Starpharma Holdings Limited shareholders dated 25 November 2005, Starpharma Holdings Limited is offering eligible shareholders the opportunity to purchase Ordinary Fully Paid Shares up to a maximum value of A\$5,000.00 per eligible shareholder, subject to a minimum application of A\$500.00. If you do not wish to purchase additional shares under this offer there is no need to take action.

By submitting this form you agree to be bound by the Constitution of Starpharma Holdings Limited and agree that the submission of this form constitutes an irrevocable offer by you to Starpharma Holdings Limited to subscribe for Starpharma Holdings Limited Shares on the terms of the SPP. In addition, you also certify as at the date this application form is received by Starpharma Holdings Limited that the aggregate amount of shares applied for by you under the SPP (under this application and any other application submitted by you) does not exceed A\$5,000.00.

METHOD OF ACCEPTANCE

Your cheque or Bank Draft should be in Australian dollars and drawn on an Australian bank made payable to 'Starpharma Holdings Limited SPP' for the relevant amount and crossed 'Not Negotiable'. Please ensure you submit the correct amount. Incorrect payments may result in your application being rejected.

Your acceptance slip and cheque or Bank Draft must be received by the share registry before the close of the offer 5.00pm AEDST on 15 December 2005. You should allow sufficient time for this to occur. A reply paid envelope is enclosed for shareholders in Australia. New Zealand holders will need to affix the appropriate postage. Your Application Form should be returned in the envelope provided or delivered to our registry at the address shown on the reverse of this form. Refer overleaf for instructions.

Starpharma Holdings Limited may make determinations in any manner it thinks fit, in relation to any difficulties, anomalies or disputes which may arise in connection with or by reason of the operation of the SPP whether generally or in relation to any participant or application. Any determinations by Starpharma Holdings Limited will be conclusive and binding on all eligible shareholders and other persons to whom the determination relates. Starpharma Holdings Limited reserves the right to waive strict compliance with any provision of the terms and conditions of the SPP, to amend or vary those terms and conditions and to suspend or terminate the SPP at any time. Any such amendment, variation, suspension or termination will be binding on all eligible shareholders even where Starpharma Holdings Limited does not notify you of that event.

THIS IS AN IMPORTANT DOCUMENT

Should you have any doubt about how to deal with it please consult a financial advisor
This offer is non-renounceable - No Signature is required
Return Acceptance Slip and Cheque or Bank Draft in the envelope provided

S P L

S P R M

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Starpharma Holdings Limited
ABN 20 078 532 180

Pin cheque(s) here. Do not staple.



Entitlement Number: <xxxxxxxxxx>

I/We wish to purchase shares:

<input type="checkbox"/> 9,804 shares or A\$5,000.00	or	<input type="checkbox"/> 7,844 shares or A\$4,000.00	or	<input type="checkbox"/> 5,883 shares or A\$3,000.00	or	<input type="checkbox"/> 3,922 shares or A\$2,000.00	or	<input type="checkbox"/> 1,961 shares or A\$1,000.00	or	<input type="checkbox"/> 981 shares or A\$500.00
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* These share amounts may be subject to scale-back in accordance with the terms of the SPP.

Payment Details

Drawer	Cheque Number	BSB Number	Account Number	Amount of cheque
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	A\$ <input type="text"/>

Make your cheque or bank draft payable to "Starpharma Holdings Limited SPP"

Enter your contact details

Contact Name

Telephone Number - Business Hours / After Hours

1234567890123456+1234567890-1234+12

Instructions

Payment Details

Make your cheque or bank draft payable to "Starpharma Holdings Limited SPP" in Australian currency and cross it Not Negotiable. Your cheque or bank draft must be drawn on an Australian Bank. Please ensure you submit the correct amount. Incorrect payments may result in your application being rejected.

Complete cheque details in the boxes provided.

Cheques will be processed on the day of receipt and as such, sufficient cleared funds must be held in your account as cheques returned unpaid may not be re-presented and may result in your Application being rejected. Pin (do not staple) your cheque(s) to the Share Purchase Plan Application Form where indicated. Cash will not be accepted. A receipt for payment will not be forwarded.

Contact Details

Enter your contact details. These are not compulsory but will assist us if we need to contact you.

Lodgement of Application

Application Forms must be received at the Melbourne office of Computershare Investor Services Pty Limited by no later than 5.00pm (AEDST) on 15 December 2005. You should allow sufficient time for this to occur. The postal acceptance rule does not apply to the Share Purchase Plan. A reply paid envelope is enclosed for shareholders in Australia. New Zealand holders will need to affix the appropriate postage.

Return the Application Form with cheque(s) attached to:

MAILING ADDRESS

Starpharma Holdings Limited
Computershare Investor Services Pty Limited
GPO BOX 505
Melbourne, Victoria 8060
AUSTRALIA

DELIVERY ADDRESS

Computershare Investor Services Pty Limited
Yarra Falls
452 Johnston Street
Abbotsford, Victoria 3067

Privacy Statement

Personal information is collected on this form by Computershare Investor Services Pty Limited ("CIS"), as registrar for securities issuers ("the issuer"), for the purpose of maintaining registers of securityholders, facilitating distribution payments and other corporate actions and communications. Your personal information may be disclosed to our related bodies corporate, to external service companies such as print or mail service providers, or as otherwise required or permitted by law. If you would like details of your personal information held by CIS, or you would like to correct information that is inaccurate, incorrect or out of date, please contact CIS. In accordance with the Corporations Act 2001, you may be sent material (including marketing material) approved by the issuer in addition to general corporate communications. You may elect not to receive marketing material by contacting CIS. You can contact CIS using the details provided on the front of this form or E-mail privacy@computershare.com.au

If you have any enquiries concerning this form, please contact Computershare Investor Services Pty Limited on 1300 850 505.