



Release of securities under voluntary escrow

Melbourne, Australia: 26 September 2006: Starpharma Holdings Limited (ASX:SPL, USOTC:SPHRY) today confirmed that 7,112,000 fully paid ordinary shares are due to be released from voluntary escrow on 10 October 2006. These shares were issued to the Biomolecular Research Institute Limited (BRI) in exchange for Starpharma acquiring outright ownership of core technology relating to three key patent families owned by BRI. A 25% royalty that was payable to BRI under the original licence was also cancelled under the agreement.

BRI Chairman, John V Plunkett commented: "We are excited about the progress made to date by Starpharma, in taking the technology that was initially developed by scientists at the BRI into the product development phase, and we look forward to the next steps in commercialization."

The BRI shareholding currently represents 4.81% of the total issued shares in Starpharma.

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™ (SPL7013 Gel), 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-signalling and targeting groups are added to allow location of specific cell type, such as cancer cells).

Starpharma also has a 33% equity interest in the US company, **Dendritic Nanotechnologies, Inc. (DNT)**, which it founded with the pioneer of dendrimer nanotechnology Dr Donald A. Tomalia. In 2005 the Dow Chemical Company assigned its entire dendrimer intellectual property portfolio into DNT and also holds a 30% equity stake in the company. DNT, a nano-materials company, has existing revenue streams from deals with leading organisations including Pfizer Inc, Sigma Aldrich; General Dynamics Corp., Qiagen, Dade Behring and the US Dept. Defense. Starpharma also holds equity in Dimerix Bioscience Pty Ltd – a drug development company specialising in G-Protein coupled receptors ("GPCRs").

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. As at September 2006, 9.7% of Starpharma's issued capital was held via ADRs.

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.

For further information:

Media	Starpharma www.starpharma.com	
Rebecca Wilson Buchan Consulting Tel: +61 2 9237 2800 Mob: +61 417 382 391 rwilson@bcg.com.au	Dr Jackie Fairley Chief Executive Officer +61 3 8532 2704	Ben Rogers Company Secretary +61 3 8532 2702 ben.rogers@starpharma.com