

VivaGel™ Clinical Trials Proceeding as Planned - Statement on CS Trial Closure

Melbourne; 2 February 2007: Starpharma (ASX:SPL, USOTC:SPHRY), today responded to the announcement of a decision to halt clinical trials of another microbicide gel. The product, cellulose sulphate (CS) is being developed by a completely unrelated company. Starpharma's VivaGel™ is both physically and chemically very different from the affected candidate CS.

VivaGel™ is in development as a microbicide for the prevention of the sexually transmitted infections genital herpes and HIV/AIDS. Two clinical trials of VivaGel™ are currently in progress – a safety trial in men being conducted in Melbourne, Australia, and an expanded female safety study conducted at two trial sites in San Francisco, USA and Kisumu, Kenya. Both of these trials are proceeding as planned, with recruitment in the male study nearing completion, and activities at both female study sites progressing well.

The VivaGel™ clinical trials are funded by the US National Institute of Allergy and Infectious Diseases (NIAID), part of the NIH. These trials are not affected by the decision to halt the CS trials.

Phase III trials of CS were being conducted under the sponsorship of two not-for-profit research groups, CONRAD, and Family Health International. It is understood that at the recommendation of their respective Data Safety Monitoring Boards both sponsors chose to discontinue their CS trials after findings suggested that CS might be contributing to an increased risk of HIV infection.

The CS trial closure is unfortunate for the millions exposed to the risk of HIV infection, and will be a great disappointment to the microbicide community in general. However the Company considers the impact for Starpharma's shareholders to be positive as this development is likely to result in one less potential entrant into the topical microbicide market.

About Starpharma:

Starpharma Holdings Limited (ASX:SPL, USOTC:SPHRY) is a world leader in the development of dendrimer nanotechnology for pharmaceutical, life-science and other applications. SPL is principally composed of two operating companies, Starpharma Pty Ltd in Melbourne, Australia and Dendritic Nanotechnologies, Inc in Michigan, USA. Products based on SPL's dendrimer technology are already on the market in the form of diagnostic elements and laboratory reagents.

The Company's lead pharmaceutical development product is VivaGel™ (SPL7013 Gel), a vaginal microbicide designed to prevent the transmission of STIs, including HIV and genital herpes.

In the pharmaceutical field Starpharma has additional specific programs in the areas of Drug Delivery and ADME EngineeringTM (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).

More broadly the company is actively exploring dendrimer opportunities in materials science with applications as diverse as adhesives, lubricants and water remediation.

SPL has a comprehensive IP portfolio that comprises more than 180 patents/applications issued and pending across 32 patent families - a unique level of IP concentration among nanotechnology companies.

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:

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