



**Quarterly cash flow report
Period ended 31 March 2007**

Melbourne; 30 April 2007: Attached is the Appendix 4C – Quarterly Cash Flow Report – for Starpharma Holdings Limited (ASX:SPL, OTCQX:SPHY) for the quarter ended 31 March 2007.

Cash at the end of the quarter was A\$12.7 million, which is A\$1.5 million greater than the previous quarter.

Receipts of A\$4.7 million for the quarter included grant funding payments, primarily from the U.S. National Institutes of Health (NIH), together with receipts from commercial relationships including the recently announced siRNA deal with EMD Biosciences.

About Starpharma Holdings Limited:

Starpharma Holdings Limited (ASX:SPL, OTCQX:SPHY) 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.

Starpharma's proprietary dendrimer platform, which includes Priostar, also has potential in targeted diagnostics and in drug delivery for a wide variety of drugs. Improvements including enhanced solubility, targeting and reduced toxicity have been demonstrated for a number of existing drugs. More broadly the company, via DNT, 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.

American Depositary Receipts (ADRs): Starpharma's ADRs trade under the code SPHY (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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Appendix 4C

Quarterly report for entities admitted on the basis of commitments

Name of entity

Starpharma Holdings Limited

ABN

20 078 532 180

Quarter ended ("current quarter")

31 March 2007

Consolidated statement of cash flows

		Current Quarter \$A'000	Year to Date \$A'000
Cash flows related to operating activities			
1.1	Receipts from customers	4,668	9,595
1.2	Payments for		
	(a) staff costs	(1,466)	(4,150)
	(b) advertising and marketing	(88)	(186)
	(c) research and development	(1,672)	(6,930)
	(d) leased assets	(16)	(117)
	(e) other working capital	-	-
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	142	496
1.5	Interest and other costs of finance paid	(6)	(27)
1.6	Income taxes paid	-	-
1.7	Other	-	-
	Net operating cash flows	1,562	(1,319)
Cash flows related to investing activities			
1.9	Payment for acquisition of:		
	(a) businesses (item 5)	-	-
	(b) equity investments	-	-
	(c) intellectual property	-	-
	(d) physical non-current assets	(33)	(154)
	(e) other non-current assets	-	-
1.10	Proceeds from disposal of:		
	(a) businesses (item 5)	-	-
	(b) equity investments	-	-
	(c) intellectual property	-	-
	(d) physical non-current assets	-	-
	(e) other non-current assets	-	-
1.11	Loans to other entities	-	-
1.12	Loans repaid by other entities	-	-
1.13	Other - Transaction costs on acquisition of subsidiary (net of cash acquired)	-	(89)
	Net investing cash flows	(33)	(243)
1.14	Total operating and investing cash flows	1,529	(1,562)
Cash flows related to financing activities			
1.15	Proceeds from issues of shares	-	-
1.16	Proceeds from sale of forfeited shares	-	-
1.17	Proceeds from borrowings	-	-
1.18	Repayment of borrowings	-	-
1.19	Dividends paid	-	-
1.20	Other	-	-
	Net financing cash flows	-	-
Net increase (decrease) in cash held		1,529	(1,562)
1.21	Cash at beginning of quarter/year to date	11,159	14,284
1.22	Exchange rate adjustments	(2)	(36)
1.23	Cash at end of quarter	12,686	12,686

Payments to directors of the entity and associates of the directors**Payments to related entities of the entity and associates of the related entities**

	Current quarter \$A'000
1.24 Aggregate amount of payments to the parties included in item 1.2	(171)
1.25 Aggregate amount of loans to the parties included in item 1.11	-

1.26 Explanation necessary for an understanding of the transactions

Item 1.24 consists of the following:

- (a) Remuneration paid to the Chief Executive Officer.
- (b) Directors' fees paid to non-executive directors.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

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2.2 Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest

Nil

Financing facilities available

Add notes as necessary for an understanding of the position. (See AASB 1026 paragraph 12.2).

	Amount available \$A'000	Amount used \$A'000
3.1 Loan facilities - Lease facility for laboratory equipment	482	482
3.2 Credit standby arrangements - Credit card facility	140	25

Item 3.1 A \$481,878 lease facility with National Australia Bank for the lease of laboratory equipment, which is guaranteed by term deposit.

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.

	Current quarter \$A'000	Previous quarter \$A'000
4.1 Cash on hand and at bank	5,553	2,406
4.2 Deposits at call	7,133	8,753
4.3 Bank overdraft	-	-
4.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.23)	12,686	11,159

Acquisitions and disposals of business entities

- 5.1 Name of entity
- 5.2 Place of incorporation or registration
- 5.3 Consideration for acquisition or disposal
- 5.4 Total net assets
- 5.5 Nature of business

Acquisitions (Item 1.9(a))	Disposals (Item 1.10(a))
-	-
-	-
-	-
-	-
-	-

Compliance statement

1. This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Law (except to the extent that information is not required because of note 2) or other standards acceptable to ASX.

2. This statement does give a true and fair view of the matters disclosed.



30th April 2007

B P Rogers
Company Secretary