



Arterial disease imaging agent - funding awarded to Starpharma & Baker Heart Research Institute

MELBOURNE, Australia, 31 October 2007 – Starpharma Holdings Ltd (ASX:SPL, OTCQX:SPHRY) today announced that the National Health and Medical Research Council has agreed to provide \$327,000 to fund a joint project with the Baker Heart Research Institute to develop a novel imaging agent for vascular disease.

The imaging agent will be based on Starpharma's dendrimer technology and will be developed for the early detection of unstable atherosclerotic plaques on arterial walls. Unstable plaques can rupture, disrupting blood flow, blocking vessels, which potentially leads to heart attack or stroke.

Starpharma's dendrimer nanoparticles are coupled to an engineered antibody developed by the Baker that recognises the presence of unstable atherosclerotic plaques in the arteries. The nanoparticles' branched structures also contain a contrast reagent, which allows detection of the plaques through Magnetic Resonance Imaging (MRI) scanning.

Professor Garry Jennings, director of the Baker, said the work of Professor Karlheinz Peter towards the detection of unstable of atherosclerotic plaques has the potential to prevent disease progression and reduce the incidence of sudden cardiac death.

Dr Jackie Fairley, CEO of Starpharma said, "This joint collaboration and funding support is further evidence of the potential application of dendrimers across a range of exciting life science product categories, from MRI imaging agents to new biomedical products."

Starpharma and the Baker have also filed a patent application for the agent, based on positive laboratory results that have shown enhanced visibility of thrombi (clots resulting from the rupture of atherosclerotic plaques) *in vitro* using MRI scanning. The next steps include the measurement of this effect *in vivo*.

The new collaborative project in cardiovascular disease is a second application of dendrimers for imaging agents undertaken by Starpharma. Starpharma's wholly owned subsidiary in the US, DNT, has a contract valued at \$850,000 with the US National Cancer Institute. That contract aims to develop a different dendrimer product for the early diagnosis of certain cancers.

Cardiovascular diseases collectively account for almost 40 percent of deaths in Australia and are predicted to be the leading cause of death in developed countries by 2010. Heart attack and stroke, frequently caused by rupture of unstable atherosclerotic plaque, alone account for about 20 percent of deaths in Australia.

Cardiovascular disease is currently diagnosed using X-ray Angiography, a highly invasive procedure that involves injection of a radio-opaque dye using catheters inserted into blood vessels. Whilst this technique determines the degree of narrowing of the arteries, it does not identify unstable, rupture prone atherosclerotic plaques and is not recommended for routine screening due to the risks associated with its invasive nature. In 1999, it was estimated that 3.3 million angiograms were conducted in the US alone at an annual cost to the healthcare system of US\$6.6 billion (European Heart Journal 2003; 24:1164-1170).

About the Baker Heart Research Institute:

Established in 1926, the Baker Heart Research Institute is Australia's most distinguished cardiovascular research centre and one of the world's leading organisations investigating the causes and complications, treatment and prevention of heart, stroke and vascular disease

The Baker's research program is divided into four themes: Experimental Cardiology and Heart Failure; Atherothrombosis and Vascular; Diabetes and Metabolism; and Cardiovascular Neuroscience. Under the leadership of Baker director Professor Garry Jennings four associate directors of the Baker oversee the research activities of 26 laboratories. The Baker is devoted to the prevention and cure of cardiovascular disease.

About Starpharma:

Starpharma Holdings Limited (ASX:SPL, OTCQX: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 February 2007 Starpharma signed an agreement with EMD/Merck Biosciences for laboratory applications of Priofect[™], an RNAi transfection reagent. Starpharma has retained all therapeutic applications of this siRNA delivery technology and is actively seeking partners to develop products based on it.

In the wider pharmaceutical field Starpharma has specific programs in the areas of Drug Delivery and Drug Optimisation technologies (using dendrimers to control where and when drugs go when introduced to the body) 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 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 224 patents/applications issued and pending across 56 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 Mellon is the depositary bank. Starpharma's ADRs are listed on International OTCQX (www.otcqx.com), a premium market tier in the U.S. for international exchange-listed companies, operated by Pink Sheets, LLC.

Forward Looking Statements

This document contains certain forward-looking statements, relating to Starpharma's business, which can be identified by the use of forward-looking terminology such as "promising", "plans", "anticipated", "will", "project", "believe", "forecast", "expected", "estimated", "targeting", "aiming", "set to", "potential", "seeking to", "goal", "could provide", "intends", "is being developed", "could be", "on track", or similar expressions, or by express or implied discussions regarding potential filings or marketing approvals, or potential future sales of product candidates. Such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause actual results to be materially different from any future results, performance or achievements expressed or implied by such statements. There can be no assurance that any existing or future regulatory filings will satisfy the FDA's and other health authorities' requirements regarding any one or more product candidates nor can there be any assurance that such product candidates will be approved by any health authorities for sale in any market or that they will reach any particular level of sales. In particular, management's expectations regarding the approval and commercialization of the product candidates could be affected by, among other things, unexpected clinical trial results, including additional analysis of existing clinical data, and new clinical data; unexpected regulatory actions or delays, or government regulation generally; our ability to obtain or maintain patent or other proprietary intellectual property protection; competition in general; government, industry, and general public pricing pressures; and additional factors that involve significant risks and uncertainties about our products, product candidates, financial results and business prospects. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those described herein as anticipated, believed, estimated or expected. Starpharma is providing this information as of the date of this document and does not assume any obligation to update any forward-looking statements contained in this document as a result of new information, future events or developments or otherwise.

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