



Starpharma Signs Collaborative Research Agreement with Stiefel Laboratories, Inc.

Melbourne; 3 December 2007 – Starpharma today announced the signing of a collaborative research agreement with Stiefel Laboratories, Inc., the world's largest independent pharmaceutical company specializing in dermatology, to apply Starpharma's dendrimer nanotechnology to certain drugs used dermally. Stiefel Laboratories has five Global Research and Development Centers and has products marketed in more than 100 countries around the world.

The collaboration will apply Starpharma's dendrimer technology to deliver drugs through the skin with the aim of improving the effectiveness and tolerability of certain dermal treatments. Under the terms of the agreement Starpharma will receive staged payments on successful completion of technical milestones within the collaborative project. The agreement also deals with commercialization rights arising from the collaboration. Confidentiality provisions restrict disclosure of further details of the collaborative program and agreement.

"This agreement is significant for Starpharma in that it expands the applications for dendrimer technology to a new and potentially lucrative drug-delivery area. We consider drug delivery applications of dendrimers to represent a highly attractive commercial opportunity and we are delighted to be working with such a strong international partner in dermatology," commented Starpharma CEO, Dr. Jackie Fairley.

This is the fourth agreement signed by Starpharma this year to develop commercial applications for its dendrimer technology. Starpharma also has dendrimer drug delivery programs underway in cancer and protein therapeutics.

According to Gavin Corcoran, M.D., Senior Vice President, Global Research & Development for Stiefel Laboratories, this development agreement is aligned with Stiefel's commitment to advancing the field of dermatology.

"Our partnership with Starpharma and the resulting agreement will add to Stiefel's innovative technology offerings including the VersaFoam™, EPX™ and dimethylisobutyl (DMI) vehicles that have greatly enhanced topical drug delivery," said Corcoran.

In February 2007 Starpharma entered into a worldwide exclusive license and supply agreement with EMD Biosciences, part of Merck KGaA's Performance and Life Science Chemicals division. Under the terms of that agreement, Starpharma supplies EMD with Priofect® transfection reagents based on Priostar® proprietary dendrimers for the DNA and siRNA transfection research markets. Additionally two co-development agreements have recently been signed in relation to condom coating applications of Starpharma's lead product VivaGel®. One of the agreements is with SSL International Plc, the makers of Durex®, and a second with an undisclosed condom manufacturer. VivaGel® is a vaginal microbicide being developed under IND to prevent the transmission of HIV and genital herpes during sexual intercourse.

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.

About Stiefel Laboratories, Inc.

Founded in 1847, Stiefel Laboratories (a privately held company) is the world's largest independent pharmaceutical company specializing in dermatology. The company manufactures and markets a variety of prescription and non-prescription dermatological products. Some of the newest and best-known brands include Duac® (clindamycin, 1% - benzoyl peroxide, 5%) Topical Gel; Evoclin® (clindamycin phosphate, 1%) Foam; Luxiq® (betamethasone valerate, 0.12%) Foam; Mimyx®; Olux™ (clobetasol propionate, 0.05%) Foam; Olux-E™ (clobetasol propionate, 0.05%) Foam; Soriatane® (acitretin) CK CONVENIENCE KIT™; Verdeso™ (desonide, 0.05%) Foam; Brevoxyl® (benzoyl peroxide, 4% or 8%) Creamy Wash packaged in the convenient new BREVOXYL Acne Wash Kit; Extina® (ketoconazole, 2%) Foam; Oilatum®; Physiogel®; Stieprox® (ciclopirox olamine); REVALÉSKIN™; and Sarna®. Its wholly-owned global network is comprised of more than 30 subsidiaries, manufacturing plants in six countries, research and development facilities on four continents, and products marketed in more than 100 countries around the world.

Stiefel Laboratories supplements its R&D efforts by seeking strategic partnerships and acquisitions around the world. To learn more about Stiefel Laboratories, Inc. visit www.stiefel.com.

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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