



9 February 2011

Darren Collins
Senior Adviser, Listings
ASX Compliance Pty Ltd

By email

Dear Darren,

**Starpharma Holdings Limited (the “Company”)
RE: PRICE QUERY**

With reference to your Price Query letter of 9 February 2011, I provide the following information (using your numbering):

1. The Company is not aware of any information concerning it that has not been announced which, if known, could be an explanation for recent trading in the securities of the Company.
2. Not applicable.
3. The Company is aware of at least two recent positive analyst reports from stockbroking houses, and there has also been media commentary regarding a promising prognosis for the biotechnology sector in general. A recent financial media article named Starpharma as one of the stock picks in the sector. The combination of these factors may be responsible for the recent increase in price and volume.

The Company does not have any other explanation for the price change and increase in volume in the securities of the Company.

4. The Company is in compliance with the listing rules and, in particular, listing rule 3.1.

Yours sincerely,

A handwritten signature in black ink, appearing to read "BR", written over a horizontal line.

Ben Rogers
Company Secretary