



F 000001 000 SPL  
MR SAM SAMPLE  
FLAT 123  
123 SAMPLE STREET  
THE SAMPLE HILL  
SAMPLE ESTATE  
SAMPLEVILLE VIC 3030

22 October 2012

Dear Shareholder

I am pleased to invite you to attend our Annual General Meeting and have enclosed the Notice of Meeting which sets out the items of business.

The meeting will be held at the offices of Norton Rose, Level 15, RACV Tower, 485 Bourke Street, Melbourne, Victoria at 10.00am on Friday, 30 November 2012.

If you are attending this meeting, please bring this letter with you to facilitate registration for the meeting.

If you are unable to attend the meeting, you are encouraged to complete the enclosed proxy form. The proxy form should be returned in the envelope provided or faxed to our share registry, Computershare Investor Services Pty Ltd, on (03) 9473 2555 so that it is received by 10.00am on Thursday, 29 November 2012. Alternatively, it should be returned by that time to the Company's registered office at Level 6, Baker IDI Building, 75 Commercial Road, Melbourne, Victoria 3004 or faxed to (03) 9510 5955.

Corporate Shareholders should complete a "Certificate of Appointment of Representative" to enable a person to attend the meeting on their behalf. A form of this certificate may be obtained from the Company's share registry at [www.investorcentre.com](http://www.investorcentre.com).

The Starpharma Annual Report for the year ended 30 June 2012 is available on our website at [www.starpharma.com](http://www.starpharma.com). Hard copies of the report are distributed only to those Shareholders who have elected to receive it in printed form.

I look forward to your attendance at the meeting.

Yours sincerely,



**Peter T Bartels, AO**  
Chairman

Encl:



## Notice of Annual General Meeting

Starpharma Holdings Ltd ABN 20 078 532 180

Notice is hereby given that the Annual General Meeting of the Shareholders of Starpharma Holdings Ltd (**Company**) will be held at the offices of Norton Rose, Level 15, RACV Tower, 485 Bourke Street, Melbourne, Victoria at **10.00am (Melbourne time) on Friday, 30 November 2012**.

The Explanatory Memorandum accompanying this Notice of Meeting is incorporated in and forms part of this Notice of Meeting.

### Ordinary Business

#### Financial Statements and Reports

To receive and consider the Company's financial statements and the related Directors' Report, Directors' Declarations and Auditors' Report for the year ended 30 June 2012.

*No vote is required on this item.*

#### Resolutions

##### 1. Adoption of Remuneration Report (Resolution 1)

To consider, and if thought fit, pass the following as an **advisory resolution**:

*"That, for the purposes of section 250R(2) of the Corporations Act 2001 (Cth), the Company's Remuneration Report for the financial year ended 30 June 2012 be adopted."*

Under the Corporations Act, this resolution is advisory only and does not bind the Directors or the Company. However, please refer to the Explanatory Memorandum for an explanation of the consequences of 25% or more eligible votes being cast against this advisory resolution under recent amendments to the Corporations Act.

#### **Voting exclusion statement**

Except to the extent otherwise permitted by law, a vote must not be cast on Resolution 1 by or on behalf of a member of the Company's key management personnel (**KMP**), details of whose remuneration are included in the Remuneration Report for the Company, and their closely related parties, whether as a Shareholder or as a proxy. However, the Company need not disregard a vote by such person if either:

- the person is voting as a proxy appointed by writing that specifies how the proxy is to vote on the resolution; or
- the person is the chair of the meeting voting an undirected proxy which expressly authorises the chair to vote the proxy on a resolution connected with the remuneration of a member of the KMP,

and in each case the vote is not cast on behalf of a member of the KMP or their closely related parties.

##### 2. Re-election of Mr Ross Dobinson (Resolution 2)

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

*"That Mr Ross Dobinson, who retires by rotation in accordance with the constitution of the Company and being eligible for re-election, is re-elected as a Director of the Company."*

##### 3. Re-election of Dr Peter Jenkins as a Director (Resolution 3)

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

*"That Dr Peter Jenkins, who retires by rotation in accordance with the constitution of the Company and being eligible for re-election, is re-elected as a Director of the Company."*

**4. Election of Mr Peter Turvey as a Director (Resolution 4)**

To consider and, if thought fit, to pass the following resolution as an **ordinary resolution**:

*“That Mr Peter Turvey, who retires in accordance with rule 11.3 of the constitution of the Company and being eligible for election, is elected as a Director of the Company.”*

**5. Approval of Issue of Performance Rights to Dr Jacinth Fairley (Resolution 5)**

To consider and, if thought fit, to pass the following as an ordinary resolution:

*“That, for the purposes of ASX Listing Rule 10.14 and all other purposes, Shareholders approve the issue of 960,000 Rights to Dr Jacinth Fairley under the Starpharma Holdings Ltd Employee Performance Rights Plan on the terms set out in the Explanatory Memorandum accompanying the Notice of Meeting.”*

**Voting exclusion statement**

The Company will disregard any votes cast on Resolution 5 by any Director of the Company and any associate of those persons.

However, the Company need not disregard a vote on Resolution 5 if:

- it is cast by a person as proxy for a person who is entitled to vote, in accordance with the direction on the proxy form; or
- it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

If the Chairman of the Meeting is appointed as a proxy (or the Chairman of the Meeting becomes a proxy by default) in relation to Resolution 5, the Chairman may exercise the proxy in respect of Resolution 5 even though the Chairman is, and Resolution 5 is connected directly or indirectly with the remuneration of, a member of the KMP of the Company.

In relation to Resolution 5, if a member of the KMP (other than the Chairman) or their closely related parties is appointed as proxy in relation to Resolution 5, that person will not be able to exercise that proxy unless it is cast by that person in accordance with the direction on the proxy form.

**By order of the Board**



B P Rogers  
Company Secretary  
22 October 2012

## **Voting Entitlements**

The Company has determined that all securities of the Company that are quoted securities as at 7.00pm (Melbourne time) on 28 November 2012 will be taken, for the purpose of the Meeting, to be held by the person who held them at the time.

## **Important voting information**

The Company encourages all Shareholders who submit proxies to direct their proxy how to vote on the Resolutions.

The Chairman of the Annual General Meeting intends to vote all undirected proxies in favour of each Resolution, except in respect of Resolution 2. The Chairman intends to vote all undirected proxies in respect of Resolution 2 against the Resolution. In respect of Resolution 1 and 5, if the Chairman of the Meeting is appointed as your proxy and you have not specified the way the Chairman is to vote on Resolution 1 and 5, by signing and returning the Proxy Form, (and, in the case of Resolution 5, marking the appropriate box) you are considered to have provided the Chairman with an express authorisation to vote the proxy in accordance with the Chairman's intention, notwithstanding the fact that the resolution may be related to the remuneration of a KMP or closely related party of a KMP.

In respect of Resolutions 1 and 5, if your proxy is a KMP (other than the Chairman), or a closely related party of a KMP, the person may still vote as your proxy provided you have directed your proxy on the Proxy Form how to vote and your proxy does vote as directed.

## **Proxies**

A Shareholder has the right to appoint a proxy, who need not be a Shareholder of the Company.

If a Shareholder is entitled to cast two or more votes they may appoint two proxies and may specify the percentage of votes each proxy is appointed to exercise. The Proxy Form must be received by no later than 10:00am on Thursday 29 November 2012 at the share registry of the Company, Computershare Investor Services Pty Limited, located at Yarra Falls, 452 Johnston Street Abbotsford, Vic 3067 or at the Company's registered office, Level 6, Baker IDI Building, 75 Commercial Road, Melbourne, Vic 3004 or by facsimile to Computershare on (03) 9473 2555 or to the Company on (03) 9510 5955.

For Intermediary Online subscribers only (custodians):  
[www.intermediaryonline.com](http://www.intermediaryonline.com)

# EXPLANATORY MEMORANDUM

Starpharma Holdings Ltd ABN 20 078 532 180

---

This Explanatory Memorandum has been prepared to assist Shareholders with their consideration of the Resolutions to be put to the Annual General Meeting on Friday, 30 November 2012. This Explanatory Memorandum should be read with, and forms part of, the accompanying Notice of Meeting.

Terms and expressions used in this Explanatory Memorandum, the Notice of Meeting and the Proxy Form have the meaning given to them in the 'Definitions' section located at the end of this Explanatory Memorandum.

## FINANCIAL STATEMENTS AND REPORTS

The Corporations Act requires the Annual Financial Report of the Company (which includes the Financial Statements and Directors' Declaration), the Directors' Report (which includes the Remuneration Report) and the Auditors' Report in respect of the financial year ended on 30 June 2012 to be put before the Annual General Meeting. There will be an opportunity for Shareholders to ask questions and comment on these documents and on the business, operations and management of the Company. No resolution is required to be passed on this item.

Shareholders will also have the opportunity to ask the auditors or their representative questions relating to the conduct of the audit, the preparation and content of the Auditors' Report, the accounting policies adopted by the Company in relation to the preparation of the financial statements, and the independence of the auditors. Shareholders may also submit written questions to the auditors in respect of the Auditors' Report or the conduct of the audit. The questions should be received by the Company no later than 5 business days before the meeting.

## RESOLUTION 1 – ADOPTION OF REMUNERATION REPORT

The Corporations Act requires publicly listed companies to disclose certain information relating to the remuneration of Directors and executives. This disclosure is contained in a separate section of the Directors' Report called the Remuneration Report, which is set out on pages 14 to 21 of the Annual Report.

The Corporations Act also requires publicly listed companies to put its Remuneration Report for each financial year to a resolution of members at the Company's Annual General Meeting. Under section 250R(3) of the Corporations Act, the vote is advisory only and does not bind the Directors or the Company.

However, under the Corporations Act, if at least 25% of the votes cast on the resolution are voted against adoption of the Remuneration Report at the Annual General Meeting and then again at the 2013 Annual General Meeting of the Company, the Company will be required to put to Shareholders a resolution at the 2013 Annual General Meeting proposing the calling of an Extraordinary General Meeting to consider the election of Directors of the Company (known as a "**spill resolution**").

If more than 50% of Shareholders vote in favour of the spill resolution, the Company must convene the Extraordinary General Meeting (known as a "**spill meeting**") within 90 days of the 2013 Annual General Meeting. All of the Directors who were in office when the 2013 Remuneration Report was approved by the Board, other than the Managing Director of the Company, will cease to hold office immediately before the end of the spill meeting but may stand for re-election at the spill meeting. Following the spill meeting, those persons whose election or re-election as Directors is approved will be the Directors of the Company.

In compliance with section 300A of the Corporations Act, the Remuneration Report sets out the Company's policy for determining the nature and amount of remuneration for the Directors and specified executive officers of the Company. The Board has a policy of ensuring that remuneration paid to Directors and executives is competitive with its peers and the market more broadly while at the same time aligned to the achievement of strategic objectives and the creation of value for Shareholders.

### **Recommendation**

The Board makes no recommendation in respect of Resolution 1 given their interest in the resolution.

## RESOLUTION 2 – RE-ELECTION OF MR ROSS DOBINSON

Mr Ross Dobinson retires by rotation in accordance with the constitution of the Company and is eligible for re-election.

Mr Dobinson has been a non-executive director of Starpharma Holdings Ltd since August 1996. He is a merchant banker with a background in investment banking and stockbroking. He was an executive director of the National Australia Bank Limited's corporate advisory subsidiary, and later headed the Corporate Advisory Division of Dresdner Australia Limited. He is Managing Director of TSL Group Limited, a corporate advisory company specialising in establishing and advising life sciences companies, and is also a director of a number of unlisted companies. He has been Executive Chairman of ASX-listed biotech company, Acrux Limited since 1 July 2012, and was previously a non-executive director.

In September 2011 the Starpharma Board resolved that it was appropriate to initiate an orderly board renewal process. At this time it was also agreed that six directors was considered to be an appropriate number for a company at the stage of development and size of Starpharma. As part of the board renewal process two new directors were appointed – Ms Zita Peach and Mr Peter Turvey – and there are currently seven directors on the board including Mr Dobinson.

Mr Dobinson has been a director of Starpharma for over fifteen years, and his re-election as a director would not be consistent with the Company's Corporate Governance policy regarding maximum term of office.

**Recommendation**

The Board does not support the re-election of Ross Dobinson and recommends that shareholders vote against this resolution.

**RESOLUTION 3 – RE-ELECTION OF DR PETER JENKINS**

Dr Peter Jenkins was first elected as a non-executive director of Starpharma Holdings Ltd in November 2000. He is a consultant physician and gastroenterologist who holds clinical and research positions with the Alfred Hospital and has held clinical research positions with the Baker Medical Research Centre. He is a former judge of the Australian Technology Awards, and is Executive Director of AusBio Limited, an unlisted public biotechnology company.

Dr Jenkins is Deputy Chairman of the Board, and Chairman of the Remuneration & Nomination Committee.

**Recommendation**

The Board recommends that Shareholders vote in favour of this resolution.

**RESOLUTION 4 – ELECTION OF MR PETER TURVEY**

Mr Peter Turvey was appointed a non-executive Director on 19 March 2012 in accordance with rule 11.3 of the Company's constitution, to hold office until next general meeting of the Company. Mr Turvey retires as a Director and being eligible, offers himself for election.

Mr Turvey is the former Executive Vice President Licensing and Company Secretary of global specialty biopharmaceutical company CSL Limited having retired in 2011. He is a Principal of Foursight Associates Pty Limited, a non-executive director of Allied Healthcare Group Limited, and a director of the industry organisation AusBiotech Limited. After completing an Arts/Law degree at the Australian National University, he joined Biotechnology Australia, then Australia's largest biotechnology company, as Manager of Intellectual Property and Company Secretary. He joined CSL in 1992 as its first in-house Corporate Counsel and was appointed Company Secretary in 1998. He played a key role in the transformation of CSL from a government owned enterprise, through ASX listing in 1994, to a global plasma and biopharmaceutical company. He also had responsibility for the protection and licensing of CSL's intellectual property and for risk management within CSL. Among the many licensing deals he was involved with, the most significant included the Gardasil license to Merck & Co., the licensing of the Iscomatrix® adjuvant platform technology to the world's leading vaccine manufacturers, and establishment of the *P.gingivalis* vaccine technology collaboration between the CRC for Oral Health and Sanofi-Pasteur.

Mr Turvey is Chairman of the Audit & Risk Committee.

**Recommendation**

The Board recommends that Shareholders vote in favour of this resolution.

**RESOLUTION 5 – APPROVAL OF ISSUE OF RIGHTS TO DR JACINTH FAIRLEY**

*Background*

In order to continue to optimally align the CEO's performance based rewards with the interests of shareholders, the Board proposes to issue 960,000 Rights to Dr Fairley under the Company's Employee Performance Rights Plan (which was approved by Shareholders on 10 November 2011). The proposed terms and conditions attaching to these Rights, including applicable vesting conditions, are set out below.

## ASX Listing Rule Requirements

ASX Listing Rule 10.14 provides that Shareholders of an ASX listed company must approve the issue of securities to a Director under an employee incentive scheme.

The 960,000 Rights proposed to be granted to Dr Fairley under the Company's Employee Performance Rights Plan represent securities to be issued to a Director under an employee incentive scheme within the meaning of the ASX Listing Rules. Accordingly, the Board seeks Shareholder approval under Resolution 5 for the grant of 960,000 Rights to Dr Fairley.

### Rights

The 960,000 Rights proposed to be issued to Dr Fairley will be split into 5 tranches, as set out in the table below.

The Shares issued to Dr Fairley upon vesting of the Rights will be issued subject to a holding lock (so that they cannot be transferred) for a period of 1 year from the Vesting Date. The Shares may be released from the holding lock early if certain events occur which are outside of Dr Fairley's control (e.g. if a change of control occurs in respect of the Company). Further, if Dr Fairley ceases to be employed by the Company (or a related body corporate of the Company), the Shares will be released from the holding lock.

Vesting of the Rights will be conditional upon the following vesting conditions being satisfied. All tranches are conditional upon Dr Fairley still being employed by the Company (or a subsidiary of the Company) at the applicable Vesting Date. All or part of the Rights may vest earlier, at the Board's discretion, if certain events occur which are outside of Dr Fairley's control (e.g. if a change of control occurs in respect of the Company).

If the volume weighted average price of Starpharma's fully paid ordinary shares calculated for the 3 month period ending 30 September 2013 is equal to or greater than 95% of the share price target for tranche A or B (but less than the relevant share price target), the Board shall have the discretion to allow the vesting of a number of Rights not exceeding 90% of the full entitlement for that tranche of Rights.

Tranche	No of Rights	Vesting Conditions	Vesting Date
A	100,000	The volume weighted average price of Starpharma's fully paid ordinary shares calculated for the 3 month period ending 30 September 2013 is equal to or greater than \$1.86. This represents a 25% increase in the share price over the volume weighted average price of Starpharma's fully paid ordinary shares calculated for the 3 month period ending on 30 September 2012, being \$1.49.	30 September 2013
B	100,000	The volume weighted average price of Starpharma's fully paid ordinary shares calculated for the 3 month period ending 30 September 2013 is equal to or greater than \$2.09. This represents a 40% increase in the share price over the volume weighted average price of Starpharma's fully paid ordinary shares calculated for the 3 month period ending on 30 September 2012, being \$1.49.	30 September 2013
C	200,000	The achievement of certain key business performance indicators specified by the Board of Starpharma. These key business performance indicators are linked to the following matters which the Board believes are key drivers of Shareholder value: <ul style="list-style-type: none"><li>To continue to advance the development of VivaGel® for Bacterial Vaginosis through completion of the Phase III treatment studies, NDA filing and commercial deal(s);</li><li>Actively work with the Company's commercial partners to complete all requisite pre-launch activities to facilitate timely and successful commercial launches of VivaGel® as a condom coating;</li><li>To actively manage existing, and execute further, commercial arrangements to build Shareholder value and exploit Starpharma's technology in areas including (but not limited to) VivaGel®, drug delivery and agrochemicals, and to significantly advance one or more commercial opportunities in the area of drug delivery and / or agrochemical initiatives; and</li></ul>	30 September 2013

- To manage the Company's capital and finances in a prudent manner and secure appropriate personnel to execute the Company's plans.

D	200,000	The Tranche D Rights are subject to the following vesting conditions:	30 November 2014
		i. 50,000 Rights will vest if Dr Fairley remains employed by the Company until the Vesting Date (30 November 2014);	
		ii. 50,000 Rights will vest if the Company achieves a TSR, relative to the Index for the Vesting Period, which is equal to or greater than the Index; and	
		iii. 100,000 Rights will vest if the Company achieves a TSR, relative to the Index for the Vesting Period, which is 10% or more greater than the Index.	
E	360,000	The Tranche E Rights are subject to the following vesting conditions:	30 November 2015
		i. 80,000 Rights will vest if Dr Fairley remains employed by the Company until the Vesting Date (30 November 2015);	
		ii. 80,000 Rights will vest if the Company achieves a TSR, relative to the Index for the Vesting Period, which is equal to or greater than the Index; and	
		iii. 200,000 Rights will vest if the Company achieves a TSR, relative to the Index for the Vesting Period, which is 10% or more greater than the Index.	

#### *Other ASX Listing Rule Requirements*

In accordance with ASX Listing Rule 10.15, the following information is provided to Shareholders for the purpose of assisting Shareholders to make a decision on Resolution 5:

- Dr Fairley is the Chief Executive Officer and a Director of the Company.
- The maximum number of Rights to be issued to Dr Fairley is 960,000.
- No consideration is payable by Dr Fairley for the grant of the Rights or for the issue of Shares on vesting of the Rights. However, the Rights will be subject to the vesting conditions set out above.
- No person referred to in ASX Listing Rule 10.14 other than Dr Fairley has been granted Rights under the Plan to date. Dr Fairley was granted 1,428,571 Shares and 750,000 Rights to fully paid ordinary shares as part of a long term incentive package following Shareholder approval on 25 March 2010. 487,500 of these Rights vested on 31 December 2010 and were converted into Shares. These Shares are escrowed until 1 March 2013 provided that they may be released early if certain events occur (as set out in the Explanatory Memorandum that accompanied the Notice of Extraordinary General Meeting mailed to Shareholders on 22 February 2010). 262,500 of the Rights lapsed as the applicable vesting conditions were not satisfied. In addition, Dr Fairley was previously granted 350,000 options under the Company's Employee Share Option Plan which was last approved by Shareholders, for the purposes of ASX Listing Rule 7.2, Exception 9, on 15 November 2007. No amount was paid for the options granted to Dr Fairley which had an exercise price of 50.35 cents. These options were exercised on 11 November 2010. Dr Fairley was granted 375,000 Rights to fully paid ordinary shares under the Starpharma Employee Performance Rights Plan following Shareholder approval on 10 November 2011. 125,000 of these Rights vested on 30 September 2012 and were converted into Shares. These Shares are escrowed until 30 September 2013 provided that they may be released early if certain events occur (as set out in the Explanatory Memorandum that accompanied the Notice of General Meeting mailed to Shareholders on 10 October 2011). 125,000 of these Rights lapsed as the applicable vesting condition – that the volume weighted average price of Starpharma's fully paid ordinary shares in the 3 months ending on 30 September 2012 be equal to or greater than \$1.50 – was not satisfied. Similarly, 125,000 of these Rights lapsed as the applicable vesting condition – that the volume weighted average price of Starpharma's fully paid ordinary shares in the 3 months ending on 30 September 2012 be equal to or greater than \$2.00 – was not satisfied.
- All Directors of the Company are entitled to participate in the Plan.
- A voting exclusion statement in respect of Resolution 5 is set out in the Notice of Meeting.



- (g) The Company has **not** implemented any loan or financing arrangements in respect of the issue of the Rights to Dr Fairley.
- (h) The 960,000 Rights, if approved, will be issued within 10 business days of approval.

### **Recommendation**

Noting that each Director is excluded from voting their Shares on Resolution 5 (as set out in the voting exclusion statement in the Notice of Meeting), the Directors (other than Dr Fairley) recommend that Shareholders vote in favour of Resolution 5.

### **Voting Exclusion Statements**

For the purpose of the voting exclusion statements set out in the Notice of Meeting and Explanatory Memorandum:

- The '**key management personnel of the Company**' or '**KMPs**' are those persons having authority and responsibility for planning, directing and controlling the activities of the Company either directly or indirectly. It includes all Directors (Executive and Non-Executive). The KMPs during the year ended 30 June 2012 are listed in the Remuneration Report contained in the Directors' Report for the year ended 30 June 2012.
- A '**closely related party**' of a KMP means:
  - a spouse or child of the KMP; or
  - a child of the KMP's spouse; or
  - a dependant of the KMP or of the KMP's family and may be expected to influence the KMP, or be influenced by the KMP, in the KMP's dealings with the Company; or
  - a company which the KMP controls.

The Company will also apply the voting exclusions, on an equivalent basis, to persons appointed as attorney by a Shareholder to attend and vote at the Annual General Meeting under a power of attorney.

## DEFINITIONS

Unless the context requires otherwise, the following words shall have the following meanings in this Explanatory Memorandum, the Notice of Meeting and the Proxy Form:

- (1) **Annual General Meeting** means the 2012 annual general meeting of the Company convened by the Notice of Meeting.
- (2) **ASX** means ASX Limited ACN 008 624 691 or, as the context requires, the market operated by it.
- (3) **ASX Listing Rule** means a listing rule of ASX as amended or waived.
- (4) **Board** means the board of Directors of the Company.
- (5) **Company** or **Starpharma** means Starpharma Holdings Limited ABN 20 078 532 180.
- (6) **Corporations Act** means the *Corporations Act 2001* (Cth).
- (7) **Directors** means the directors of the Company from time to time.
- (8) **Explanatory Memorandum** means this Explanatory Memorandum.
- (9) **Index** means the S&P/ASX 300 Accumulation Index.
- (10) **KMP** means the key management personnel of the Company.
- (11) **Notice of Meeting** means the notice of Annual General Meeting accompanying this Explanatory Memorandum.
- (12) **Plan** means the *Starpharma Holdings Limited Employee Performance Rights Plan*, a summary of which was included in the Explanatory Memorandum to the Notice of Meeting dated 7 October 2011 for the Company's 2011 Annual General Meeting.
- (13) **Proxy Form** means the proxy form accompanying this Explanatory Memorandum.
- (14) **Resolutions** means the resolutions set out in the Notice of Meeting.
- (15) **Right** means a right granted by the Company under the Plan which entitles the holder to one Share upon vesting of the right;
- (16) **Shareholder** means a person or entity entered in the Company's register of members from time to time as the holder of Shares.
- (17) **Shares** means fully paid ordinary shares in the capital of the Company quoted on the ASX under the code "SPL".
- (18) **Total Shareholder Return** (or TSR) is measured by the following formula:  
$$\text{TSR} = \frac{((\text{Share Price End of Period} - \text{Share Price Begin of Period}) + \text{Dividends per share})}{\text{Share Price Begin of Period}}$$

The Share Price Begin of Period will be the volume weighted average price of Starpharma's fully paid ordinary shares calculated for the 3 month period ending 30 November 2012. The Share Price End of Period will be measured as the volume weighted average price of Starpharma's fully paid ordinary shares calculated for the 3 month period ending on the Vesting Date.
- (19) **Vesting Date** means:

In relation to Tranches A, B and C of Resolution 5:	30 September 2013;
In relation to Tranche D of Resolution 5:	30 November 2014; and
In relation to Tranche E of Resolution 5:	30 November 2015.
- (20) **Vesting Period** means the period commencing on 1 December 2012 and ending on the Vesting Date.

All references to time in the Notice of Meeting are to Melbourne time.

This page has been left intentionally blank

This page has been left intentionally blank

This page has been left intentionally blank

000001 000 SPL  
MR SAM SAMPLE  
FLAT 123  
123 SAMPLE STREET  
THE SAMPLE HILL  
SAMPLE ESTATE  
SAMPLEVILLE VIC 3030

**Lodge your vote:****By Mail:**

Computershare Investor Services Pty Limited  
GPO Box 242 Melbourne  
Victoria 3001 Australia

Alternatively you can fax your form to  
(within Australia) 1800 783 447  
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only  
(custodians) [www.intermediaryonline.com](http://www.intermediaryonline.com)

**For all enquiries call:**

(within Australia) 1300 850 505  
(outside Australia) +61 3 9415 4000

## Proxy Form



**For your vote to be effective it must be received by 10.00am (Melbourne time)  
on Thursday, 29 November 2012**

### How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

#### Appointment of Proxy

**Voting 100% of your holding:** Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote as they choose. If you mark more than one box on an item your vote will be invalid on that item.

**Voting a portion of your holding:** Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

**Appointing a second proxy:** You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

**A proxy need not be a securityholder of the Company.**

### Signing Instructions

**Individual:** Where the holding is in one name, the securityholder must sign.

**Joint Holding:** Where the holding is in more than one name, all of the securityholders should sign.

**Power of Attorney:** If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

### Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at [www.investorcentre.com](http://www.investorcentre.com) under the information tab, "Downloadable Forms".

**Comments & Questions:** If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**Turn over to complete the form** →



View your securityholder information, 24 hours a day, 7 days a week:

**[www.investorcentre.com](http://www.investorcentre.com)**

- Review your securityholding
- Update your securityholding

**Your secure access information is:**

SRN/HIN: I9999999999



**PLEASE NOTE:** For security reasons it is important that you keep your SRN/HIN confidential.

MR SAM SAMPLE  
 FLAT 123  
 123 SAMPLE STREET  
 THE SAMPLE HILL  
 SAMPLE ESTATE  
 SAMPLEVILLE VIC 3030

**Change of address.** If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

I ND

# Proxy Form

Please mark  to indicate your directions

## STEP 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Starpharma Holdings Limited hereby appoint

the Chairman of the Meeting **OR**

**PLEASE NOTE:** Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Starpharma Holdings Ltd to be held at the offices of Norton Rose, Level 15, RACV Tower, 485 Bourke Street, Melbourne, Victoria on Friday, 30 November 2012 at 10.00am (Melbourne time) and at any adjournment or postponement of that Meeting.

**Chairman authorised to exercise undirected proxies on remuneration related resolutions:** Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolutions 1 and 5 (except where I/we have indicated a different voting intention below) even though Resolutions 1 and 5 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

**Important Note:** For Resolution 5, this express authority is also subject to you marking the box in the section below.

If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolutions 1 and 5 by marking the appropriate box in step 2 below.

**Important for Resolution 5:** If the Chairman of the Meeting is your proxy and you have not directed the Chairman how to vote on Resolution 5 below, please mark the box in this section. If you do not mark this box and you have not otherwise directed your proxy how to vote on Resolution 5, the Chairman of the Meeting will not cast your votes on Resolution 5 and your votes will not be counted in computing the required majority if a poll is called on this item. The Chairman of the Meeting intends to vote available undirected proxies in favour of Resolution 5 of business.

I/We acknowledge that the Chairman of the Meeting may exercise my/our proxy even if the Chairman has an interest in the outcome of Resolution 5 and that votes cast by the Chairman, other than as proxy holder, would be disregarded because of that interest.

## STEP 2 Items of Business

**PLEASE NOTE:** If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

The Chairman of the Meeting intends to vote all available undirected proxies in favour of each item of business **except for Resolution 2 where the Chairman will be voting all undirected proxies AGAINST that resolution.**

### Ordinary Business

	For	Against	Abstain
Resolution 1 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2 Re-election of Mr Ross Dobinson as a Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3 Re-election of Dr Peter Jenkins as a Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4 Election of Mr Peter Turvey as a Director of the Company	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5 Approval of Issue of Performance Rights to Dr Jacinth Fairley	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

## SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name

Contact Daytime Telephone

Date / /

S P L

9 9 9 9 9 9 A

Computershare +