



ASX ANNOUNCEMENT

Starpharma completes A\$18 million placement - SPP to follow

Melbourne, Australia; 22 September 2014: Starpharma Holdings Limited (ASX: SPL; OTCQX:SPHRY) is pleased to announce it has raised A\$18 million via a placement to international and domestic institutional, sophisticated and professional investors (“**Placement**”). Eligible shareholders will have the opportunity to also participate at the same price, through a Share Purchase Plan (SPP), which will raise up to a further A\$5 million.

The Placement was significantly oversubscribed seeing strong demand from existing institutional shareholders as well as a number of new international and domestic funds. The placement was conducted at \$0.65 per share, representing an 8.5% discount to the last closing price prior to SPL shares going into a Trading Halt (A\$0.71 per share).

The funds raised will be used to support the completion of the Phase 3 trials of VivaGel[®] for prevention of recurrent bacterial vaginosis (BV), regulatory and commercialisation activities of VivaGel[®] for Symptomatic Relief of BV, to accelerate the DEP[™] docetaxel chemotherapeutic clinical trials from Phase 1 into Phase 2, and to advance other development programs including the agrochemical program.

Starpharma Chief Executive Officer Dr Jackie Fairley said: “We are pleased to have received such strong interest from our existing institutional shareholders and we thank them for their continuing support. We also have welcomed several new local and international funds as shareholders in Starpharma for the first time. The SPP is planned to ensure that our existing retail investors are also able to participate in this capital raising and add to their holdings, at the same price, without brokerage costs. The funds raised will allow us to confidently advance our VivaGel[®], drug delivery and agrochemical programs; and strengthen the balance sheet for the various commercialisation discussions already underway. Meanwhile, we look forward to the anticipated Australian launch of the VivaGel[®] condom with Ansell in the near future, as well as further progress in our DEP[™] docetaxel trial where promising early data has already been seen.”

Bell Potter Securities Limited acted as Sole Lead Manager to the Placement.

Share Purchase Plan

The SPP will offer all eligible shareholders the opportunity to subscribe up to a maximum of \$15,000 of shares at the same Placement price of \$0.65 per share. The amount to be raised under the SPP will be capped at \$5 million.

The record date for participation in the SPP is 7:00pm (Melbourne time) on 17 September 2014, and the opening date of the SPP will be Monday 29 September 2014. Full details will be sent to investors in the coming days.

Use of funds

The combined \$23 million being raised under the Placement and the SPP will significantly strengthen Starpharma's cash balance, which at 30 June was \$24 million. This will allow the company to fund advancement across all areas of the business including:

- Completion of Phase 3 trials of VivaGel[®] prevention of recurrence of BV
- Commercialisation of VivaGel[®] for Symptomatic Relief of BV (Regulatory Submissions, Licence/s)
- Accelerating DEP[™] docetaxel through completion of Phase 1 and into Phase 2
- Completion of pre-clinical development for another DEP[™] candidate (eg. DEP[™] oxaliplatin)
- Commercialisation of Agrochemical products
- Provide working capital and strengthen balance sheet to support commercial negotiations underway for various products.

ABOUT STARPHARMA

Starpharma Holdings Limited (ASX:SPL, OTCQX:SPHY), located in Melbourne Australia, is an ASX 300 company and is a world leader in the development of dendrimer products for pharmaceutical, life science and other applications.

Starpharma's underlying technology is built around dendrimers – a type of synthetic nanoscale polymer that is highly regular in size and structure and well suited to pharmaceutical and medical uses. Starpharma has three core development programs: VivaGel[®] portfolio, drug delivery, and agrochemicals with the Company developing a number of products internally and others via commercial partnerships.

Starpharma's lead products are based on VivaGel[®] (SPL7013, astodimer sodium), a proprietary dendrimer which is a potent microbicidal agent. VivaGel[®] formulated as a water based gel and delivered vaginally is under clinical development for the management and prevention of bacterial vaginosis (BV). Starpharma has also signed separate licence agreements with Ansell Limited (ASX:ANN) and Okamoto Industries, Inc., (TSE: JP3192800005) to market a value-added, VivaGel[®]-condom. The VivaGel[®] condom has received Conformity Assessment Certification from the TGA in Australia and marketing approval in Japan. Okamoto is the market leader for condoms sold in Japan, which is the world's second largest condom market. Ansell manufactures and sells leading condom brands worldwide, including Lifestyles[®], ZERO[®] and SKYN[®]. Ansell intends to market the VivaGel[®] condom under the LifeStyles[®] Dual Protect[™] brand name.

In the wider pharmaceutical and life science fields, Starpharma has both partnered and internal programs in Drug Delivery. Drug Delivery partners include GSK, Lilly and AstraZeneca. A number of dendrimer-enhanced, or DEP[™] versions of existing drugs are under development. The most advanced of these is DEP[™] docetaxel, a dendrimer-enhanced version of docetaxel (Taxotere[®]) which is in clinical development. In preclinical studies DEP[™] docetaxel has shown significant tumour-targeting and superior anti-cancer effects across a range of important cancer types including breast, prostate, lung and ovarian tumour, when compared to Taxotere[®] (docetaxel).

In agrochemicals Starpharma has a series of partnerships with leading industry players including global leader Adama (formerly Makhteshim Agan) as well as internal programs including an enhanced version of glyphosate (the active ingredient in Roundup[®]).

FOR FURTHER INFORMATION

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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 authorities' requirements regarding any one or more product candidates nor can there be any assurance that such product candidates will be approved by any 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 trial results, including additional analysis of existing data, and new 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.