



Starpharma Holdings Limited

ABN 20 078 532 180



All correspondence to:

Computershare Investor Services Pty Limited
GPO Box 2975 Melbourne
Victoria 3001 Australia
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(outside Australia) 61 3 9415 4000
Facsimile 61 3 9473 2500
web.queries@computershare.com.au
www.computershare.com

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



12 October 2009

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 Deacons, Level 15, RACV Tower, 485 Bourke Street Melbourne Victoria on Thursday, 12 November 2009 at 4.00pm.

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 on 1800 783 447 (within Australia) or +61 3 9473 2555 (outside Australia) so that it is received by 4.00pm on Wednesday, 11 November 2009. Alternatively, it should be returned by that time to the Company's registered office, Baker Building, 75 Commercial Road, Melbourne, Vic, 3004 or faxed to (03) 9510 5955.

Corporate shareholders will be required to complete a "Certificate of Appointment of Representative" to enable a person to attend on their behalf. A form of this certificate may be obtained from the Company's share registry at www.computershare.com.

The Starpharma Annual Report for the year ended 30 June 2009 is now available on our website at 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,

A handwritten signature in black ink, appearing to read "Peter T Bartels". The signature is fluid and cursive.

Peter T Bartels, AO
Chairman



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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

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 4:00pm (Melbourne time) Wednesday 11 November 2009

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.

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.computershare.com.

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

- Review your securityholding
- Update your securityholding

Your secure access information is:

SRN/HIN: I999999999



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

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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, as the proxy sees fit) at the Annual General Meeting of Starpharma Holdings Limited to be held at Deacons, Level 15, RACV Tower, 485 Bourke Street on Thursday, 12 November 2009 at 4:00pm (Melbourne time) and at any adjournment of that meeting.

Important for Item 5 : If the Chairman of the Meeting is your proxy and you have not directed him/her how to vote on Item 5 below, please mark the box in this section. If you do not mark this box and you have not directed your proxy how to vote, the Chairman of the Meeting will not cast your votes on Item 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 undirected proxies in favour of item 5 of business.

I/We acknowledge that the Chairman of the Meeting may exercise my proxy even if he/she has an interest in the outcome of that Item and that votes cast by him/her, 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.

	For	Against	Abstain
1 Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
2 Re-election of Dr John Raff as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
3 Re-election of Dr Peter Jenkins as a Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
4 Approval and Ratification of Issue of Securities	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
5 Approval of issues of securities under Starpharma Holdings Limited Share Appreciation Rights Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
6 Approval of grant of share appreciation rights to Dr Jacinth Fairley	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

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 ____/____/____



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 will be held at the offices of Deacons, Level 15, RACV Tower, 485 Bourke Street, Melbourne, Victoria on **Thursday, 12 November 2009 at 4.00pm (Melbourne time)**.

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 2009.

Resolutions

1. Adoption of Remuneration Report

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

"That the Company's Remuneration Report for the year ended 30 June 2009 be adopted."

Please note that the vote on this item is advisory only and does not bind the Directors or the Company.

2. Re-election of Dr John Raff as a Director

Dr Raff retires in accordance with the Company's Constitution and, being eligible, offers himself for re-election.

3. Re-election of Dr Peter Jenkins as a Director

Dr Jenkins retires in accordance with the Company's Constitution and, being eligible, offers himself for re-election.

4. Approval and Ratification of Issue of Securities

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

"That the issue of 11,853,844 new ordinary shares on 8 April 2009 and 8,000,000 new ordinary shares on 22 May 2009 be approved pursuant to Listing Rule 7.4 of the Listing Rules of ASX Limited."

5. Approval of issues of securities under Starpharma Holdings Limited Share Appreciation Rights Plan

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

“That, pursuant to exception 9 of ASX Listing Rule 7.2, the issue of securities under the Starpharma Holdings Limited Share Appreciation Rights Plan as an exception to Listing Rule 7.1, be approved.”

6. Approval of grant of share appreciation rights to Dr Jacinth Fairley

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

“That, for the purposes of ASX Listing Rule 10.14, approval is given for Dr Jacinth Fairley to be granted 1,900,000 share appreciation rights, being rights to receive an amount (either in cash or in shares) based on the increase in the Company’s share price over a specified period, in accordance with the terms and conditions of Starpharma Holdings Limited Share Appreciation Rights Plan as detailed in the explanatory memorandum accompanying the 2009 Notice of Annual General Meeting.”

By order of the Board



B P Rogers
Company Secretary
12 October 2009

Voting Entitlements

The Company has determined that all securities of the Company that are quoted securities as at 7.00pm (Sydney time) on 11 November 2009 will be taken, for the purpose of the Meeting, to be held by the person who held them at the time.

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 4:00pm on Wednesday 11 November 2009 at;

The share registry of the Company,

Computershare Investor Services Pty Limited, located at Yarra Falls, 452 Johnston Street Abbotsford, Vic, 3067
Facsimile: 1800 783 447 (within Australia) or: +61 3 9473 2555 (outside Australia)

Or at the Company's registered office,

Starpharma Holdings Limited, Level 6, Baker Building, 75 Commercial Road, Melbourne, Vic, 3004
Facsimile: +61 3 9510 5955.

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This explanatory memorandum has been prepared to assist shareholders with their consideration of the resolutions to be put to the Annual General Meeting on Thursday 12 November 2009. This explanatory memorandum should be read with, and forms part of, the accompanying Notice of Meeting.

FINANCIAL STATEMENTS AND REPORTS

The *Corporations Act* requires the financial statements and the reports of the directors and auditors of the Company to be put before the Annual General Meeting. There will be an opportunity for shareholders to ask questions and comment on these documents. 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 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 five 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 21 to 30 of the Annual Report.

Shareholders will have the opportunity at the Annual General Meeting to ask questions about, or make comments on, the Remuneration Report.

In addition the *Corporations Act* requires that shareholders of a publicly listed company vote at the Annual General Meeting on a non-binding resolution as to whether to adopt the Remuneration Report. The vote is of an advisory nature and is not legally binding on the Directors.

The Directors recommend that shareholders vote in favour of the resolution.

RESOLUTION 2 – RE-ELECTION OF DR JOHN WILLIAM RAFF

John W Raff, *Dip Ag Sc, BSc, PhD*, has been a director of Starpharma for ten years. He was the founding CEO of Starpharma, and held the position for nine years until his retirement on 1 July 2006. Prior to that, he was General Manager of the Biomolecular Research Institute. He is a co-founder, director and major shareholder of a technology based agricultural seed company, and is also founder and investor in a number of other start-up technology companies. Dr Raff is currently Chairman of the BioMelbourne Network.

Dr Raff is a non-executive director and is Deputy Chairman of the Board

The Board (with Dr Raff abstaining) recommends that shareholders vote in favour of this ordinary resolution.

RESOLUTION 3 – RE-ELECTION OF DR PETER JAMES JENKINS

Dr Peter Jenkins is a non-executive director who has served on the board of Starpharma since the Company was established in 1997.

He is a consultant physician and gastroenterologist who holds a number of 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 Ltd, an unlisted public biotechnology company.

Dr Jenkins is a member of the audit & risk committee.

The Board (with Dr Jenkins abstaining) recommends that shareholders vote in favour of this ordinary resolution.

RESOLUTION 4 – APPROVAL AND RATIFICATION OF ISSUE OF SECURITIES

On 7 April 2009 the Company announced a capital raising through a private placement to existing and new institutional and sophisticated investors. The placement was led by Acorn Capital, with a number of other institutions participating.

The proceeds of the placement will principally be used to provide sufficient operating capital for development activities to commercialise the VivaGel®-coated condom with Starpharma's partner, SSL International Plc, and to supplement grant funding to further advance the stand-alone VivaGel® development program. The funds will also support further partnering and commercialization of Starpharma's dendrimer applications, and strengthen the company's balance sheet by providing additional working capital.

The placement involved a first close on 8 April 2009 with the issue of 11,853,844 ordinary shares priced at A\$0.26 per share raising A\$3.1 million and a second tranche of 8,000,000 ordinary shares on 22 May 2009 also priced at A\$0.26 per share, to raise a further A\$2.1 million (**Placement**). The ordinary shares issued in the Placement rank pari passu with all existing ordinary shares of the Company.

The Company also conducted a share purchase plan (**SPP**) priced at A\$0.26 to provide the opportunity for eligible shareholders to participate in the financing without incurring brokerage or transaction costs. 7,649,116 ordinary shares were issued under the SPP to raise an additional \$2 million.

ASX Listing Rule 7.1 enables a company to issue new shares up to 15% of the number of shares on issue in any 12 month period without shareholder approval. ASX Listing Rule 7.4 provides that an issue of shares made without shareholder approval under Listing Rule 7.1 is treated as having been made with shareholder approval if the issue is subsequently approved by the company's shareholders, and the issue did not breach Listing Rule 7.1.

To restore the Company's 15% placement capacity it is proposed that shareholders pass an ordinary resolution to approve the Placement.

Voting Exclusion Statement

The Company will disregard any votes cast on Resolution 4 by a person who subscribed for shares as part of the Placement, or his, her or its associates. However, the Company need not disregard any such vote if:

- (a) it is cast by such a person as proxy for a person who is entitled to vote in accordance with the directions on the proxy form; or
- (b) 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.

RESOLUTION 5 – APPROVAL OF ISSUES OF SECURITIES UNDER STARPHARMA HOLDINGS LIMITED SHARE APPRECIATION RIGHTS PLAN

Background

Due to the recent proposed legislative changes to the *Income Taxation Assessment Act 1997* affecting employee incentive schemes and the need to maintain an equity incentive scheme which is structured to attract and retain employees, to motivate employees to contribute to the growth and profitability of Starpharma and to reward employees that make important contributions to the success of the Company, Starpharma has reviewed its existing employee option plan (**Option Plan**) and determined that it needs to adopt an alternative equity incentive scheme. Accordingly, Starpharma has decided to adopt the Starpharma Holdings Limited Share Appreciation Rights Plan (**Plan**) to allow the Board greater flexibility in achieving these objectives and to align the interests of employees receiving share appreciation rights (**Rights**) under the Plan with the interests of shareholders. The Plan is a reward system that is linked to the appreciation in Starpharma's share price.

ASX Corporate Governance Guidelines

Recommendation 9.4 of the ASX Corporate Governance Guidelines states that the “payment of equity-based executive remuneration be made in accordance with thresholds set out in plans approved by shareholders”. Consistent with this recommendation, the Board believes that the plan should be endorsed by shareholders.

Listing Rule Requirements

The Directors also wish to obtain the approval of shareholders to ensure that the grant of Rights made pursuant to the Plan and the shares (if any) issued upon the exercise of the Rights will not be counted towards the 15% limit on the issue of equity securities without shareholder approval set out in ASX Listing Rule 7.1.

If the approval of shareholders is obtained, the grant of Rights pursuant to the Plan on or before 11 November 2012, and the issue of shares (if any) upon exercise of those Rights, will not be counted towards the 15% limit on the issue of equity securities.

The Directors recommends that shareholders vote in favour of the resolution in order to maximise Starpharma’s ability to raise capital in the future, if required.

To the extent that Directors or their associates participate in the Plan, it is a requirement of the ASX Listing Rules that shareholders approve any allotment of securities pursuant to the Plan to Directors and, accordingly, your further approval of issues to Dr Jacinth Fairley under the Plan is sought in Resolution 6. The Board does not intend that any other Director of the Company will participate in the Plan.

Plan Summary

The terms and conditions of the Plan are as follows:

- (a) The Board may from time to time offer Rights to eligible employees. These are rights to receive an amount (either in shares or cash) equal to the difference between the base price specified by the Board in the offer letter and the closing share price on the last business day before the date on which the Right is exercised by the employee (**Exercise Amount**). If no base price is specified in the offer letter, then the base price will be 110% of the volume weighted average of the prices at which Starpharma shares were traded on ASX during the 15 business day period up to, but not including, the offer date.
- (b) A Right vests on the vesting date specified in the offer letter, subject to all vesting conditions (if any) being satisfied.
- (c) A Right expires on the expiry date specified in the offer letter or, if no date is specified in the offer letter, on the date being 3 years after the vesting date.
- (d) An employee may exercise a Right at any time after the vesting date but no later than the expiry date.
- (e) Upon the exercise of a Right by an employee, the Board must determine in its absolute discretion whether to satisfy the Exercise Amount by cash or by the issue of shares in Starpharma.
- (f) If the Board exercises its discretion to issue shares, the number of shares that will be issued will be equal to the Exercise Amount divided by the closing price of the shares as traded on the ASX on the last business day before the date on which the Right is exercised by the employee.

The Board intends to commence offering the Rights to employees (other than Dr Fairley) in 2010 and that the base price for those Rights will be set at a premium to the market price of Starpharma shares at the time at which those Rights are offered. Accordingly, the Rights will have an economic outcome for employees similar to that of options. The Plan may not be implemented if favourable private tax rulings are not obtained from the Australian Taxation Office. The Company is seeking rulings under this Plan to ensure certainty for employees.

Other ASX Listing Rule Requirements

To date, no securities have been issued under the Plan. The Company granted 4,132,000 options under the Option Plan since the Option Plan was last approved on 15 November 2007. Of these, 490,000 have lapsed without exercise.

Voting Exclusion Statement

In accordance with the ASX Listing Rules, the Company will disregard any votes cast on resolution 5 by:

- a director of the Company; and
- an associate of a director.

However, the Company will not disregard a vote if:

- it is cast by the person as a proxy for a person who is entitled to vote in accordance with the directions 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.

A copy of the Plan Rules is available on request from the Company Secretary by calling 03 8532 2702, by email to ben.rogers@starpharma.com or by faxing the request to 03 9510 5955.

RESOLUTION 6 – APPROVAL OF GRANT OF SHARE APPRECIATION RIGHTS TO DR JACINTH FAIRLEY UNDER STARPHARMA HOLDINGS LIMITED SHARE APPRECIATION RIGHTS PLAN

Listing Rule Requirements

ASX Listing Rule 10.14 requires that Starpharma must obtain shareholder approval before Starpharma can issue securities under an employee incentive scheme to a Director or an associate of a Director. The Rights are convertible securities and the Plan is an employee incentive scheme within the meaning of the ASX Listing Rules.

A summary of the rules of the Plan are set out above in the section dealing with resolution 5.

Background

Dr Fairley was engaged as the Company's Chief Executive Officer (**CEO**) in July 2006 and charged with a brief to commercialise Starpharma's technology portfolio. As part of her remuneration package, it was agreed that Dr Fairley would be rewarded for her performance under a long term incentive plan, with an entitlement of equity of between \$1 million and \$2 million within three years provided certain goals were met. These long term and short term goals are typical of a biotechnology company in Starpharma's lifecycle which include:

- Advancing development of the Company's lead pharmaceutical product, VivaGel®;
- Signing commercial licensing and collaboration agreements;
- Expanding the product pipeline;
- Securing adequate working capital for the Company's ongoing operations; and
- Protecting and further enhancing the Company's intellectual property and other assets.

The incentive scheme is designed to align management performance with that of shareholders through superior shareholder returns over the Company's lifecycle. The Board has reached agreement with Dr Fairley on the structure and share price performance targets of an incentive plan for the 3 year period originally contemplated. As with the grant of Rights under the Plan to other employees, the grant of the Rights to Dr Fairley may be subject to favourable private tax rulings being obtained from ATO in relation to the Rights.

The Board is of the view that the Company has achieved superior performance under the stewardship of Dr Fairley and has achieved a number of significant milestones during this period. Accordingly, the Board is of the view that Dr Fairley's performance has been outstanding during the period.

Terms of Dr Fairley's Equity Incentive Plan

It is proposed that Dr Fairley be granted the following Rights to recognise her achievements and to provide the appropriate incentives for future performance. The base price for these Rights is zero meaning that, if the Rights vest, then each Right would be equivalent in value at the time of vesting to one ordinary share but payable, upon exercise, in cash or shares at the discretion of the Board. The vesting of the first 1,150,000 Rights will be dependent upon the share price performance to the end of November 2009 and a second tranche of 750,000 Rights will vest dependent upon share price performance to the end of November 2010.

The Board believes that the performance criteria attaching to the Rights will provide the right mix of incentives to retain Dr Fairley, to motivate Dr Fairley to contribute to the growth and profitability of Starpharma and to reward Dr Fairley for her important contributions to the success of Starpharma.

After vesting, all Rights will have an exercise period of 3 years. The Rights will expire if not exercised within this period.

No of Rights	Vesting Conditions	Vesting Date	Aggregate Value of Rights on Vesting Date at Share Price Target
1,150,000	The volume weighted average price of Starpharma's fully paid ordinary share in the 20 business days ending 30 November 2009 is equal to or greater than \$0.65.	18 January 2010	\$747,500 (1,150,000 Rights @ \$0.65)
750,000	The volume weighted average price of Starpharma's fully paid ordinary share for the 20 business day period ending 30 November 2010 is equal to or greater than \$1.00.	17 January 2011	\$750,000 (750,000 Rights @ \$1.00)

Please note that the aggregate value of the Rights set out in the final column in the table above is purely for illustrative purposes and the value of those Rights on the Vesting Date may be higher or lower depending on the actual share price on the Vesting Date.

The Board (with Dr Fairley abstaining) recommends that shareholders vote in favour of this resolution.

Other ASX Listing Rule Requirements

As required by ASX Listing Rule 10.15:

- (a) Dr Fairley is the chief executive officer and a director of the Company.
- (b) The maximum number of Rights to be issued to Dr Fairley (and the maximum number of shares that could be issued to Dr Fairley upon exercise of the Rights if the Board elected to exercise its discretion to satisfy the Rights in shares rather than cash) is 1,900,000.
- (c) No amount is to be paid for the Rights to be granted to Dr Fairley or any shares issued to Dr Fairley upon the exercise of the Rights.

- (d) No-one referred to under ASX Listing Rule 10.14 has been granted Rights under the Plan to date. Dr Fairley was granted 350,000 options under the Option Plan since the Option Plan was last approved on 15 November 2007. No amount was paid for the options granted to Dr Fairley. The options have an exercise price of 50.35 cents.
- (e) Dr Fairley will be entitled to participate in the Plan. No other Directors of the Company are eligible to participate in the Plan.
- (f) There will not be any loans associated with the grant of the Rights to Dr Fairley.
- (g) The date by which the Rights will be issued to Dr Fairley is no later than 30 November 2009.

Voting Exclusion Statement

In accordance with the ASX Listing Rules, the Company will disregard any votes cast on resolution 6 by:

- Dr Fairley; and
- an associate of Dr Fairley.

However, the Company will not disregard a vote if:

- it is cast by the person as a proxy for a person who is entitled to vote in accordance with the directions 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.