



## ASX ANNOUNCEMENT

### Quarterly Cashflow Report

**Melbourne, Australia; 30 July 2015:** Starpharma Holdings Ltd (ASX: SPL, OTCQX: SPHRY) today released its Appendix 4C – Quarterly Cashflow report for the period ended 30 June 2015.

The cash balance as at 30 June 2015 was \$30.8 million, with the operating and investing cash flows for the full year of \$14.3 million.

In addition to internal operating costs, external expenditures for the quarter include costs related to both the DEP™ docetaxel phase 1 trial and the phase 3 clinical trials for VivaGel® to prevent recurrent bacterial vaginosis (BV). Both clinical programs are progressing well, with activities now underway in preparation for a subsequent phase 2 DEP™ docetaxel clinical trial. In the current study, DEP™ docetaxel continues to exhibit a complete lack of neutropenia and hair loss at dose levels comparable to and above the most commonly used doses of Taxotere®.

A highlight in the quarter was the signing of an extension to the existing drug delivery collaboration agreement with AstraZeneca to develop a novel oncology drug using Starpharma's DEP™ technology. This agreement follows extensive testing of DEP™ versions of the oncology drug. Based on the successful results of this testing, AstraZeneca is now conducting further pre-clinical studies with a view to subsequent commencement of clinical trials, if results continue to be positive.

The quarter has also seen excellent progress of regulatory submissions for VivaGel® for symptomatic relief of BV lodged in the first calendar quarter. Recruitment also continues across the US, Canada, Europe, Asia and Mexico in the two phase 3 clinical trials for VivaGel® to prevent recurrent BV.

Starpharma also expects new retail channels to be added in the near future for the VivaGel® condom marketed in Australia under Ansell's LifeStyles® Dual Protect™ brand.

"This quarter - and indeed the year - has been another period of significant progress for Starpharma. The extension of our agreement with AstraZeneca is solid endorsement of our DEP™ drug delivery technology and we look forward to working closely with them through the next stage of the program," said Starpharma CEO, Dr Jackie Fairley.

"This high level of activity in our partnered drug programs, coupled with two exciting clinical programs, a product in market and regulatory reviews well advanced for others, and a robust cash position, allows us to confidently and intently advance our entire portfolio of VivaGel®, drug delivery and agrochemicals commercialisation projects."

## ABOUT STARPHARMA

Starpharma Holdings Limited (ASX:SPL, OTCQX:SPHRY), 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, DEP™ 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 is available for purchase in Australia under Ansell's Lifestyles® Dual Protect™ brand. Ansell manufactures and sells leading condom brands worldwide, including LifeStyles®, ZERO® and SKYN®. Okamoto is the market leader for condoms sold in Japan, which is the world's second largest condom market.

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.

Name of entity

**Starpharma Holdings Limited**

ABN

20 078 532 180

Quarter ended ("current quarter")

30 June 2015

**Consolidated statement of cash flows****Cash flows related to operating activities**

|  | Current<br>Quarter \$A'000 | Year to Date<br>\$A'000 |
|--|----------------------------|-------------------------|
| 1.1 Receipts from customers and grants (including R&D Tax Incentive) | 249                        | 4,703                   |
| 1.2 Payments for   |                            |                         |
| (a) staff costs  | (1,403)                    | (5,634)                 |
| (b) advertising and marketing  | -                          | -                       |
| (c) research and development   | (2,789)                    | (13,649)                |
| (d) other working capital  | -                          | -                       |
| 1.3 Dividends received   | -                          | -                       |
| 1.4 Interest and other items of a similar nature received            | 161                        | 970                     |
| 1.5 Interest and other costs of finance paid                         | (1)                        | (5)                     |
| 1.6 Income taxes paid  | -                          | -                       |
| 1.7 Other  | -                          | -                       |
| <b>Net operating cash flows</b>                                      | <b>(3,783)</b>             | <b>(13,615)</b>         |

**Cash flows related to investing activities**

|  |                |                 |
|--|----------------|-----------------|
| 1.9 Payment for acquisition of:                      |                |                 |
| (a) businesses (item 5)                              | -              | -               |
| (b) equity investments                               | -              | -               |
| (c) intellectual property                            | -              | -               |
| (d) physical non-current assets                      | (13)           | (653)           |
| (e) other non-current assets                         | -              | -               |
| 1.10 Proceeds from disposal of:                      |                |                 |
| (a) businesses (item 5)                              | -              | -               |
| (b) equity investments                               | -              | -               |
| (c) intellectual property                            | -              | -               |
| (d) physical non-current assets                      | -              | -               |
| (e) other non-current assets                         | -              | -               |
| 1.11 Loans to other entities                         | -              | -               |
| 1.12 Loans repaid by other entities                  | -              | -               |
| 1.13 Other   | -              | -               |
| <b>Net investing cash flows</b>                      | <b>(13)</b>    | <b>(653)</b>    |
| 1.14 <b>Total operating and investing cash flows</b> | <b>(3,796)</b> | <b>(14,268)</b> |

**Cash flows related to financing activities**

|  |                |               |
|--|----------------|---------------|
| 1.15 Proceeds from issues of shares (net)      | -              | 20,503        |
| 1.16 Proceeds from sale of forfeited shares    | -              | -             |
| 1.17 Proceeds from borrowings                  | -              | -             |
| 1.18 Repayment of borrowings                   | -              | -             |
| 1.19 Dividends paid                            | -              | -             |
| 1.20 Other - lease repayments                  | (8)            | (32)          |
| <b>Net financing cash flows</b>                | <b>(8)</b>     | <b>20,471</b> |
| <b>Net increase (decrease) in cash held</b>    | <b>(3,804)</b> | <b>6,203</b>  |
| 1.21 Cash at beginning of quarter/year to date | 34,703         | 24,028        |
| 1.22 Exchange rate adjustments                 | (51)           | 617           |
| 1.23 <b>Cash at end of quarter</b>             | <b>30,848</b>  | <b>30,848</b> |

**Payments to directors of the entity and associates of the directors**  
**Payments to related entities of the entity and associates of the related entities**

|      |  | Current<br>quarter \$A'000 |
|------|--|----------------------------|
| 1.24 | Aggregate amount of payments to the parties included in item 1.2 | (218)                      |
| 1.25 | Aggregate amount of loans to the parties included in item 1.11   | -                          |
| 1.26 | Explanation necessary for an understanding of the transactions   |                            |

Item 1.24 consists of the following:

(a) Remuneration paid to the Chief Executive Officer.

(b) Director's fees paid to non-executive directors.

**Non-cash financing and investing activities**

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

2.2 Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest

Nil

**Financing facilities available**

Add notes as necessary for an understanding of the position. (See AASB 1026 paragraph 12.2).

|     |   | Amount<br>available \$A'000 | Amount used<br>\$A'000 |
|-----|---|-----------------------------|------------------------|
| 3.1 | Loan facilities - Finance facility for laboratory equipment | 200                         | 48                     |
| 3.2 | Credit standby arrangements - Credit card facility          | 150                         | 67                     |

Item 3.1 A \$200,000 master asset finance facility with National Australia Bank for laboratory equipment, guaranteed by term deposit.

**Reconciliation of cash**

| Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows. |                          | Current<br>quarter \$A'000 | Previous quarter<br>\$A'000 |
|---|--------------------------|----------------------------|-----------------------------|
| 4.1   | Cash on hand and at bank | 2,795                      | 1,985                       |
| 4.2   | Deposits at call         | 28,053                     | 32,718                      |
| 4.3   | Bank overdraft           | -                          | -                           |
| 4.4   | Other (provide details)  | -                          | -                           |
| <b>Total: cash at end of quarter (item 1.23)</b>  |                          | <b>30,848</b>              | <b>34,703</b>               |

## Acquisitions and disposals of business entities

- 5.1 Name of entity
- 5.2 Place of incorporation or registration
- 5.3 Consideration for acquisition or disposal
- 5.4 Total net assets
- 5.5 Nature of business

| Acquisitions<br>(Item 1.9(a)) | Disposals<br>(Item 1.10(a)) |
|-------------------------------|-----------------------------|
| -                             | -                           |
| -                             | -                           |
| -                             | -                           |
| -                             | -                           |
| -                             | -                           |

## Compliance statement

1. This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Law (except to the extent that information is not required because of note 2) or other standards acceptable to ASX.
2. This statement does give a true and fair view of the matters disclosed.



30 July 2015

N J Baade  
Company Secretary