



Starpharma and Elanco Sign Agreement

Melbourne 11 May 2009 – Starpharma Holdings Limited (ASX:SPL, OTCQX:SPHRY) today announced the signing of a collaborative research, license and commercialisation agreement with Elanco, the animal health division of US pharmaceutical company Eli Lilly and Company.

The parties will collaborate to develop new animal health products with enhanced properties using Starpharma's dendrimer technology. Under the agreement, Starpharma will receive revenue from research fees, and is eligible for milestone payments and royalties on sale of any product developed. Elanco will receive exclusivity within the animal health field. Terms were not disclosed.

"We are very pleased to have secured such a strong animal health partner as Elanco for our delivery technology," said Dr Jackie Fairley, CEO, Starpharma.

"Their expertise, resources and market presence will be enormously valuable assets as we work to bring these innovative products to market," Fairley said. "An exciting aspect of this application for our business is that product development in the animal health sector can be faster than is usually associated with the development of human drugs."

The collaboration with Elanco is further demonstration of Starpharma's strong and successful partnership model and the multiple potential applications of its dendrimer technology. Starpharma also has partnerships with SSL International (Durex®), Siemens (Dade Behring), EMD Merck, Stiefel, Unilever, Qiagen and Sigma Aldrich.

Starpharma retains all rights to exploit the technology outside of Elanco's specific field of interest, including for all uses in humans, and continues to work to add to its portfolio of partners for drug delivery and dendrimer technology more widely.

In 2008, the global animal health market was reported to be about US\$19 billion. Global sales are expected to reach US\$21.7B by 2010, at which time the top three markets are forecast to be USA, China and Brazil, with the USA accounting for 40 percent of growth¹.

About Starpharma

Starpharma Holdings Limited (ASX:SPL, OTCQX:SPHRY) is a world leader in the development of dendrimer nanotechnology for pharmaceutical, life-science and other applications. SPL has two operating companies, Starpharma Pty Ltd in Melbourne, Australia and DNT, Inc in the USA. Products based on SPL's dendrimer technology are already on the market in the form of diagnostic elements and laboratory reagents through licence arrangements with partners including Siemens and Merck KgaA.

The Company's lead pharmaceutical development product is VivaGel® (SPL7013 Gel), a vaginal microbicide designed to prevent the transmission of STIs, including HIV and genital herpes. In September 2008 Starpharma signed a full licence agreement with SSL International plc (LSE:SSL) to develop a VivaGel® coated condom. SSL manufactures and sells Durex® condoms, the market-leading condom brand worldwide. Starpharma's receipts under the agreement are estimated to exceed A\$100m comprising royalties on SSL sales, further milestone payments, and development support.

In the wider pharmaceutical field Starpharma has specific programs in the areas of Drug Delivery and Drug Optimisation technologies (using dendrimers to control where and when drugs go when introduced to the body) and Targeted Diagnostics (using dendrimers as a scaffold to which both location-signalling and targeting groups are added to allow location of specific cell type, such as cancer cells). More broadly the company is exploring dendrimer opportunities in materials science applications including water remediation.

¹ *Vetnossis for global animal health market estimate; all other information in "World Animal Health Markets" from Informa Healthcare, January 2008.*

Dendrimer: A type of precisely-defined, branched nanoparticle. Dendrimers have applications in the medical, electronics, chemicals and materials industries.

American Depository Receipts (ADRs): Starpharma's ADRs trade under the code **SPHRY** (CUSIP number 855563102). Each Starpharma ADR is equivalent to 10 ordinary shares of Starpharma as traded on the Australian Securities Exchange (ASX). The Bank of New York Mellon is the depositary bank. Starpharma's ADRs are listed on International OTCQX (www.otcqx.com), a premium market tier in the U.S. for international exchange-listed companies, operated by Pink OTC Markets, Inc.

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

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