



17 August 2010

ASX Company Announcements Office

Employee Performance Rights Plan and Offers

Starpharma Holdings Limited (ASX: SPL; OTCQX: SPHRY) ("Starpharma") wishes to advise that it has recently adopted an Employee Performance Rights Plan ("EPRP") to incentivise and retain key employees of Starpharma.

As advised at the 2009 Annual General Meeting, following legislative changes affecting employee incentive schemes it has been necessary to adopt alternative equity incentive schemes to attract and retain employees, to motivate employees to contribute to the growth of Starpharma and to reward employees that make important contributions to the success of the Company.

Under the EPRP, employees who accept the offer to participate in the Plan will be granted rights ("Employee Rights") which will lead to them being issued one Starpharma share for each Employee Right if certain vesting conditions, including performance hurdles, are satisfied.

As a separate equity incentive plan for the CEO was approved by shareholders in March 2010, Dr Jackie Fairley will not participate in this allocation of Employee Rights under the EPRP.

Starpharma will today make offers to employees to participate in the EPRP. Pursuant to Listing Rule 3.10.3, details of the proposed offers are as follows.

1. Class of securities

Employee Rights in respect of ordinary shares in Starpharma under the rules of the Starpharma EPRP.

2. Number of securities

This offer is in respect of up to 830,800 Employee Rights and the Employee Rights are expected to be issued on or around 31 August 2010.

3. Principal terms of the Employee Rights

Subject to satisfaction of certain vesting conditions, each Employee Right will convert into one fully paid ordinary share in Starpharma.

4. Issue price

Nil on issue of the Employee Rights.

5. Purpose of the Issue

To incentivise and retain key employees.

6. Securityholder Approval

As no directors of Starpharma will participate in the EPRP, securityholder approval is not required for the issue of the Employee Rights or the issue of the Starpharma shares following vesting of the Employee Rights.

A handwritten signature in black ink, appearing to read 'BR', with a long, sweeping horizontal stroke extending to the right.

Ben Rogers
Company Secretary