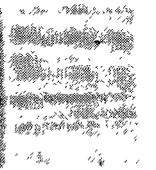
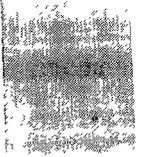


A



November 15, 2002  
Press Release

## ***Star Scientific, Inc. Reports Modest Profit for Third Quarter, Completion of Manufacturing Facility in Chase City Dedicated to Production of Very Low-TSNA Smokeless Tobacco Products***

Star Scientific, Inc. (NASDAQ:STSI) filed its third quarter form 10-Q results with the Securities and Exchange Commission yesterday, and reported a net profit of \$381,897, in contrast to a loss reported for the previous quarter. Net sales for the third quarter were \$46.1 million, which included \$30.2 million from the sale of tobacco products and \$15.9 million from StarCured(TM) tobacco leaf sales.

Star's CFO, Christopher G. Miller commented: "Following the second quarter we undertook cost-cutting measures which, combined with an increase in the price of our discount cigarettes, contributed to a modest profit for the third quarter in the face of a tightening discount cigarette marketplace. This is essentially a price-driven market segment that has grown more challenging as foreign manufacturers, who apparently do not make escrow payments required by the Tobacco Master Settlement Agreement (MSA), continue to enter the market and undercut prices." Star continues its negotiations with the National Association of Attorneys General (NAAG) in an effort to resolve outstanding issues relating to the MSA. While the Standstill Agreement Star entered into with NAAG expired on July 23, 2002, both sides have actively pursued, and continue to pursue, resolution of all outstanding issues relating to the MSA.

Jonnie R. Williams, Star's founder and CEO, said that in late January of this year Star began to expand Ariva(TM) distribution, and that it currently is available in more than 33,000 stores in 48 states. Distribution is directed to the tobacco departments of drug store chains that include CVS, Rite Aid, Osco and Savon, as well as a selection of Wal-Mart and 7-Eleven franchisee stores, other convenience store chains, Albertson's grocery stores and service station mini-marts. Mr. Williams added, "We are pleased to announce that the U.S. Navy Exchange Service Command Division (NEXCOM) also will begin offering Ariva (TM) in selected stores in the Tidewater, Virginia area during the next month. We intend to continue to build Ariva(TM) distribution among armed services purchase venues, because we believe that this product has distinctive value for adult males and females who serve in positions where igniting a cigarette creates an immediate and grave safety hazard, in addition to more long-term risks associated with inhaling toxic cigarette smoke."

David Dean, Star's VP of Sales and Marketing, described a recently completed Ariva(TM) follow-up survey. A random sampling of adult consumers was drawn from a database of almost 1000 callers who contacted the toll-free Go-Ariva(TM) call line during the past six months. "The survey revealed some important information about Ariva(TM) use among adult smokers and traditional smokeless tobacco product users. The random follow-up contacts with callers were distributed among 33 of the 48 states where Ariva(TM) is sold, and interest in the product continues almost equally among men and women (48% female contacts, and 52% male contacts). We were pleased to learn that 84% of those who contacted the Ariva(TM) line requesting product information went on to try the product. It also is important to note that, among those contacted who currently use Ariva(TM), 84%

indicated that they have decreased daily cigarette intake, and 31.6% have transitioned completely from cigarettes to Ariva(TM). These data support our belief that Ariva(TM) can effectively meet the needs of adult smokers who are looking for an acceptable alternative to cigarettes. We also understand, though, that as a break-through product in a completely new product category, market penetration takes time to achieve, and we have continued to incur significant costs as we have expanded Ariva(TM) distribution. While the expansion has been successful, building sales revenue has been more difficult than we originally anticipated. Our goal is to continue to build product awareness among adult smokers to meet the challenge of moving Ariva(TM) from product shelf to the hands of a solid base of consumers.

Paul L. Perito, Star's Chairman, President and COO, stated that Star has recently completed the renovation of a second facility, adjacent to its present tobacco receiving station and Ariva(TM) manufacturing facility in Chase City, Virginia, that will be dedicated to the production of very low-TSNA smokeless tobacco products that do not require expectoration. The 100,000 square-foot facility can accommodate up to nine individual manufacturing lines, as well as a new state-of-the-art nitrosamine testing laboratory. "This renovation project has been financially supported by funding provided from the Mecklenburg County and Chase City Industrial Development Authorities (IDAs), and with the assistance and encouragement of a group of local officials under the leadership of Blain Lenhart and former Mayor Charles Duckworth." The completion of this renovation will allow the company to fulfill commitments set forth in the April 25, 2001 hard tobacco manufacturing agreement between Star and Brown & Williamson Tobacco Corporation, the third largest tobacco company in the United States and an affiliate of British American Tobacco, the second largest global tobacco company.

Mr. Perito added that Star is proud to have been the first tobacco company to support fair and comprehensive regulatory authority over all tobacco products by the FDA and that, "Star will urge the 108th Congress to move expeditiously next year toward this goal. However, until Congress enacts such legislation, the March 2000 Supreme Court ruling in FDA v. Brown & Williamson Tobacco Corporation makes it clear that the FDA does not have regulatory authority over customarily marketed tobacco products that make no health claims. Despite the absence of a regulatory structure, our company is committed to making smoke-free, reduced toxin tobacco products available to the 47 million American smokers whose long-term health is compromised by continued inhalation of tobacco smoke. "

This press release contains certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. The Company has tried, whenever possible, to identify these forward-looking statements using words such as "anticipates", "believes", "estimates", "expects", "plans", "intends" and similar expressions. These statements reflect the Company's current beliefs and are based upon information currently available to it. Accordingly, such forward-looking statements involve known and unknown risks, uncertainties and other factors which could cause the Company's actual results, performance or achievements to differ materially from those expressed in, or implied by, such statements. These risks, uncertainties and contingencies include, without limitation, the challenges inherent in new product development initiatives particularly in the smokeless tobacco area, the uncertainties inherent in the progress of scientific research, the Company's ability to raise the capital necessary to grow its business, potential disputes concerning the Company's intellectual property, risks associated with litigation regarding such intellectual property, potential delays in obtaining any necessary government approvals of the Company's low-TSNA tobacco products, market acceptance of the Company's proposed new smokeless tobacco products, competition from companies with greater resources than

the Company, the Company's decision not to join the Master Settlement Agreement ("MSA") and its decision to challenge the constitutionality of the MSA, the effect of state statutes adopted under the MSA and any subsequent modification of the MSA, the Company's dependence on key employees and on its strategic relationships with Brown & Williamson Tobacco Corporation. The impact of potential litigation, if initiated against or by individual states that have adopted the MSA, could be materially adverse to the Company.

See additional discussion under "Factors That May Affect Future Results" in the Company's Annual Report on Form 10-K for the year ended December 31, 2001, and other factors detailed from time to time in the Company's other filings with the Securities and Exchange Commission, available at [www.sec.gov](http://www.sec.gov). The Company undertakes no obligation to update or advise upon any such forward-looking statements to reflect events or circumstances after the date of this press release or to reflect the occurrence of unanticipated events.

#### About Star Scientific

Star Scientific is a technology-oriented tobacco company with a toxin reduction mission. It is engaged in the development of tobacco products that deliver fewer carcinogenic toxins (principally tobacco specific nitrosamines, or TSNAs), through the utilization of the innovative StarCured(TM) tobacco curing technology, and in sublicensing that technology to others. Star Scientific has a Corporate and Sales Office in Chester, VA, an Executive, Scientific & Regulatory Affairs office in Bethesda, MD, and manufacturing and processing facilities in Petersburg and Chase City, VA.

---

#### Contacts:

Christopher Miller,  
Chief Financial Officer  
(804)530-0535

Sara Troy Machir  
Communications Director  
(301) 654-8300  
email: [smachir@starscientific.com](mailto:smachir@starscientific.com)