NOVOGEN LIMITED

ABN 37-063-259-754
www.novogen.com

Level 1,1-7 Waterloo Road, NORTH RYDE, NSW 2113

Telephone: 02 9878 0088

APPENDIX 4D

incorporating

INTERIM FINANCIAL REPORT

FOR THE HALF-YEAR ENDED

31 DECEMBER 2012

Lodged with the ASX under Listing Rule 4.2A
This is a half-yearly report. It is to be read in conjunction with the most recent annual financial report

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RESULTS FOR ANNOUNCEMENT TO THE MARKET

Revenues from ordinary activities	down	21.2%	to	$610,001
Profit from ordinary activities after tax attributable to members of Novogen Limited	down	89.4%	to	$495,877
Net profit for the period attributable to members	down	29.8%	to	$3,201,266

The Directors paid a dividend on 27 November 2012 via an in-specie distribution of shares in MEI Pharma Inc. (2011: Nil)

Refer to Review of Operations shown in the attached Directors' Report for an explanation of the above disclosures.

Directors' report for the half-year 31 December 2012
Your directors submit their report for the half-year ended 31 December 2012.

Directors
The names of the Company's Directors during or since the end of the financial year are as follows:
Prof. G Kelly – Chairman (appointed 7 December 2012)
Dr A Heaton (appointed 7 December 2012)
Mr JT Austin
Mr R Birch (appointed 12 December 2012)
Mr SR Coffey (appointed 8 November 2012)
Mr JP O'Connor
Mr WD Rueckert (resigned 7 December 2012)
Mr PR White (resigned 7 December 2012)
Mr RC Youngman (resigned 8 November 2012)

Directors were in office for the entire period unless otherwise stated.

Review of operations

Cash Resources

At 31 December 2012, the Group had total cash of $1.0 million compared to $8.3 million at 30 June 2012. The decrease was primarily a result of the Group distributing its investment in MEI Pharma Inc (MEI) by way of an in specie distribution during the period. MEI accounted for $6,085,946 of the balance at 30 June 2012.

Revenue and Other income

The Company earned revenues from continuing operations for the six months ended 31 December 2012 of $0.6 million compared to $0.8 million for the same period last year. The decrease is primarily due to the decrease in interest earned in cash balances held in deposit accounts.

Other income for the six months ended 31 December 2012 was $0.6 million compared to $0.7 million for the corresponding period last year.

Net Profit

The operating profit attributable to Novogen shareholders for the six months ended 31 December 2012, decreased by $4.2 million to $0.5 million compared to a profit of $4.7 million in the previous corresponding period. Of this $4.9 million relates to the profit on disposal of MEI Pharma Inc.

Profit from discontinued operations was $0.7 million for the six months ended 31 December 2012, as compared to $4.3 million in the same period last year.

The net profit from continuing operations after income tax for the consolidated Group for the six months ended 31 December 2012 increased by $0.9 million to $0.019 million from a loss of $0.9 million for the same period last year.

General and administrative expenses from continuing operations decreased by $1.0 million from $2.2 million to $1.2 million for the six months ended 31 December 2012.

Research and Development Activities

For the year up until 5 December 2012, the Group conducted no R&D activity other than through its subsidiary MEI Pharma Inc. In that time, Novogen disposed of its interests in two subsidiaries, Glycotex Inc (by sale) and MEI Pharma Inc(via in-specie distribution) in which it held majority ownership and which conducted any R&D activities.

Glycotex held the intellectual property originally developed by Novogen in the field of glucan therapeutics in the treatment of trophic ulcers. This company was sold on 27 November 2012.

MEI Pharma held the intellectual property originally developed by Novogen in the field of isoflavonoid drugs. On 17 November 2012, shareholders approved the in specie distribution of Novogen's shareholding in MEI Pharma.

On 5 December 2012 Novogen acquired the biotechnology company, Triaxial Pharmaceuticals Pty Ltd ('Triaxial'). Triaxial had developed a novel technology platform allowing the design and construction of a novel family of compounds that Triaxial refers to as super-benzopyrans.

The origins of this technology lie in the isoflavonoid drug development program originally conducted by Novogen from 1994-2011 and which subsequently was the subject of final in specie distribution MEI Pharma. Triaxial believed that while highly promising, the original Novogen technology that allowed the design and manufacture of such drugs, was limited in terms of the range of different molecular structures that could be built and in the ability of the drugs to access end target tissues such as cancer tissue.

Triaxial subsequently developed a method of greatly increasing the flexibility of the basic isoflavonoid molecular scaffold to allow the insertion of a much greater range of chemical moieties. The result of this was the ability to create compounds of far greater structural complexity than previously achieved. These complex structures have been termed super-benzopyrans by Triaxial.

The super-benzopyran, CS-6, had been identified in mid-2012 by Triaxial as its lead drug candidate for development as an anti-cancer drug. In addition to displaying considerably greater anti-cancer potency in vitro compared to the family of isoflavonoid drugs previously developed by Novogen, CS-6 also showed

CS-6 was broadly active in the laboratory against a wide range of human cancer cell types, but showed particular activity against human glioblastoma multiforme (GBM). GBM is the major form of primary brain cancer in humans and carries a very poor prognosis due to its relatively low sensitivity to radiation and chemotherapy, and to the problem facing all standard chemotherapies of having an inability to cross the blood-brain barrier.

The chemical structure of CS-6 suggested that it would meet the known criteria of ability to cross the blood-brain barrier.

Following the acquisition of Triaxial, Novogen undertook arrangements to conduct a development program for CS-6, starting with a pre-clinical program.

In addition, other work commenced on designing new compounds based on the CS-6 structure as part of an analog program intended at identifying other drugs with particular potency against specific types of cancer other than GBM.

Dividends Paid or Recommended

The Directors of Novogen Limited paid a dividend on 27 November 2012 via a distribution of shares in MEI Pharma Inc. Details of this distribution were set out in the Notice of the Annual General Meeting dated 11 October 2012.

Auditor's Independence Declaration

A copy of the Auditor's independence declaration as required under section 307C of the Corporations Act 2001 is included following the Directors' Report.

Signed in accordance with a resolution of the directors on behalf of the board.

Prof. Graham Kelly
Director (Chairman)
Sydney, 28 February, 2013

Grant Thornton Audit Pty Ltd
ACN 130 913 594

Level 17, 383 Kent Street
Sydney NSW 2000
Locked Bag Q800
QVB Post Office
Sydney NSW 1230

T +61 2 8297 2400
F +61 2 9299 4445
E info.nsw@au.gt.com
W www.grantthornton.com.au

Auditor's Independence Declaration
To The Directors of Novogen Limited

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the review of Novogen Limited and its controlled entities for the half-year ended 31 December 2012, I declare that, to the best of my knowledge and belief, there have been:

a no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the review; and

b no contraventions of any applicable code of professional conduct in relation to the review.

Grant Thornton

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

LWorsley.

L. Worsley
Partner - Audit & Assurance

Sydney, 28 February 2013

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Novogen Limited
Statement of Profit or Loss and Other Comprehensive Income
For the half-year ended 31 December 2012

	Notes	Consolidated 2012	2011
Continuing Operations			
Revenue	2	610,001	773,998
Other income	2	617,795	737,201
Research and development expenses		-	(297,591)
General and administrative expenses		(1,209,268)	(2,165,274)
Profit(Loss) before income tax	2	18,528	(951,666)
Income tax expense		-	-
Profit(Loss) after tax from continuing operations		18,528	(951,666)
Profit(Loss) after tax from discontinued operations	9	723,641	4,265,952
Profit/(loss) for the period		742,169	3,314,286
Other comprehensive profit/(loss)			
Net exchange difference on translation of financial statements of foreign controlled entities (Net of tax 2012: Nil, 2011: Nil)		3,967,912	(151,137)
Other comprehensive loss		3,967,912	(151,137)
Total comprehensive income/(loss)		4,710,081	3,163,149
Profit/(loss) attributable to:			
Non-controlling interest		246,292	(1,367,661)
Novogen Limited		495,877	4,681,947
		742,169	3,314,286
Total comprehensive income/(loss) attributable to:			
Non-controlling interest		1,508,814	(1,395,318)
Novogen Limited		3,201,266	4,558,467
		4,710,080	3,163,149
Basic and diluted earnings/(loss) per share (cents) from continuing operations	11	0.01	(0.93)
Basic and diluted earnings/(loss) per share (cents) from discontinued operations		0.46	4.18
Basic and diluted earnings/(loss) per share (cents)		0.47	4.58

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

Novogen Limited
Statement of Financial Position
31 December 2012

	Note	Consolidated December 2012	Consolidated June 2012
CURRENT ASSETS			
Cash and cash equivalents		993,106	8,347,908
Trade and other receivables		333,091	404,506
Other current assets		-	205,666
Total Current Assets		1,326,197	8,958,080
NON-CURRENT ASSETS			
Property, plant and equipment		2,366	26,904
Investments		58,627	-
Intangibles	6	2,850,517	-
Total Non-Current Assets		2,911,510	26,904
TOTAL ASSETS		4,237,707	8,984,984
CURRENT LIABILITIES			
Trade and other payables	7	399,022	3,674,583
Provisions		-	190,000
Total Current Liabilities		399,022	3,864,583
NON-CURRENT LIABILITIES			
Borrowings	8	926,137	-
Provisions		-	7,330
Total Non-Current Liabilities		926,137	7,330
TOTAL LIABILITIES		1,325,159	3,871,913
NET ASSETS		2,912,548	5,113,071
EQUITY			
Contributed equity	10	134,488,170	199,026,306
Other contributed equity		735,863	-
Reserves		-	(3,849,563)
Accumulated losses		(132,311,485)	(191,700,929)
Parent interest		2,912,548	3,475,814
Non-controlling interest		-	1,637,257
TOTAL EQUITY		2,912,548	5,113,071

The above statement of financial position should be read in conjunction with the accompanying notes.

Consolidated	Contributed equity	Other Contributed equity	Accumulated losses	Reserves & Other Contributed Equity	Total	Non-controlling interest	Total equity
At 1 July 2011	194,295,000	-	(186,644,000)	(3,422,000)	4,229,000	191,000	4,420,000
Profit/(loss) for the period	-	-	4,682,000	-	4,682,000	(1,368,000)	3,314,000
Exchange differences on translation of foreign operations	-	-	-	(124,000)	(124,000)	(27,000)	(151,000)
Total comprehensive income/(loss) for the half year	-	-	4,682,000	(124,000)	4,558,000	(1,395,000)	3,163,000
Issue of share capital by subsidiary	966,000	-	-	-	966,000	-	966,000
less non-controlling interest in relation to issued capital by subsidiary	(2,091,000)	-	-	-	(2,091,000)	2,091,000	-
Share-based payments	-	-	128,000	-	128,000	137,000	265,000
Opening equity transferred to non-controlling interest due to issuing of shares by subsidiary	(979,000)	-	935,000	62,000	18,000	(18,000)	-
Total transactions with owners in their capacity as owners	(2,104,000)	-	1,063,000	62,000	(979,000)	2,210,000	1,231,000
At 31 December 2011	**192,191,000**	**-**	**(180,899,000)**	**(3,484,000)**	**7,808,000**	**1,006,000**	**8,814,000**
At 1 July 2012	199,026,306	-	(191,700,929)	(3,849,563)	3,475,814	1,637,257	5,113,071
Profit/(loss) for the period	-	-	6,205,497	-	6,205,497	(5,463,328)	742,169
Exchange differences on translation of foreign operations	-	-	2,705,239	-	2,705,239	1,262,673	3,967,912
Total comprehensive income/(loss) for the half year	-	-	8,910,736	-	8,910,736	(4,200,655)	4,710,081
De-recognition of non-controlling interest						(1,637,257)	(1,637,257)
Dividend distribution on Subsidiary Disposal		-	(24,774,709)	-	(24,774,709)	-	(24,774,709)
Less Movement in disposal of Subsidiary	(65,807,136)	-	75,253,417	3,849,563	13,295,844	-	13,295,844
Less non-controlling interest	-	-	-	-	-	4,200,655	4,200,655
Issue of Shares on Subsidiary Acquisition	1,269,000	117,000	-	-	1,386,000	-	1,386,000
Recognition of Equity component of Compound Financial Instrument	-	618,863	-	-	618,863	-	618,863
Total transactions with owners in their capacity as owners	(64,538,136)	735,863	50,478,708	3,849,563	(9,474,002)	2,563,398	(6,910,604)
At 31 December 2012	**134,488,170**	**735,863**	**(132,311,485)**	**-**	**2,912,548**	**-**	**2,912,548**

The above statement of changes in equity should be read in conjunction with the accompanying notes.

	Consolidated 2012	Consolidated 2011
Cash flows from operating activities		
Profit/(loss) after tax	742,169	3,324,000
Income tax paid	-	(10,000)
Adjustments to reconcile profit/(loss) to net cash used in operating activities:		
Depreciation and amortisation	14,801	13,436
Net (gain)/loss on disposal of property, plant and equipment	-	9,818
Share-based payments	401,550	266,312
Gain on capital reduction - in specie distribution	(4,951,301)	-
Gain on sale of Glycotex	(612,354)	
Sale of business - net proceeds	-	(7,980,000)
Share issue costs		395,000
Bad and doubtful debt expense	(37,472)	(808,000)
Net (gain)/loss on exchange rate changes	62,558	(207,000)
Changes in operating assets and liabilities:		
(increase)/decrease in trade receivables	40,904	2,610,000
(increase)/decrease in other receivables	69,932	3,078,000
(increase)/decrease in inventories	-	654,000
(increase)/decrease in prepayments	205,665	6,000
increase/(decrease) in trade and other payables	(3,275,562)	(2,277,000)
increase/(decrease) in provisions	(197,330)	(223,000)
increase/(decrease) in derivative liability	-	(1,047,000)
Net cash flows used in operating activities	(7,536,440)	(2,195,434)
Cash flows from investing activities		
Proceeds from sale of assets	150,000	2,000
Proceeds from sale of business	-	9,500,000
Sale of business - Other costs	-	(1,520,000)
Proceeds from acquisition of Triaxial	31,667	-
Net cash flows (used in)/provided by investing activities	181,667	7,982,000
Financing Activities		
Proceeds from the issue of shares by subsidiary	-	966,000
Share issue costs	-	(395,000)
Net cash provided by/(used in) financing activities	-	571,000
Net (decrease)/increase in cash and cash equivalents	(7,354,773)	6,357,566
Cash and cash equivalents at beginning of period	8,097,908	5,766,000
Effect of exchange rates on cash holdings in foreign currencies	-	56,000
Cash and cash equivalents at end of period *	743,135	12,179,566

* Note: an additional $250,000 (2011: $250,000) is held as secured cash and is not included in cash equivalents in this cash flow statement.

The above statement of cash flows should be read in conjunction with the accompanying notes.

Note 1. Basis of preparation

This general purpose interim financial report, which incorporates the interim financial statements, for the half-year ended 31 December 2012 has been prepared in accordance with the requirements of the Corporations Act 2001 and the Australian Accounting Standard AASB 134: Interim Financial Reporting. The interim financial statements have also been prepared on a historical cost basis with all amounts presented in Australian dollars, unless otherwise stated.

It is recommended that this interim financial report be read in conjunction with the annual financial report for the year ended 30 June 2012 and any public announcements made by Novogen Limited and its controlled entities during the half-year in accordance with the continuous disclosure requirements arising under the Corporations Act 2001. The half-year interim financial report does not include full disclosures of the type normally included within the annual financial report.

These financial statements were authorised for issued by the board of directors on 28 February 2013.

Reporting Basis and Conventions

The accounting policies and methods of computation followed in this interim financial report are consistent with those applied in the annual report for the year ended 30 June 2012, with the addition of the following accounting policy.

New and revised accounting standards applicable for the first time to the current half-year reporting period

The Group has adopted all new and revised Australian Accounting standards and Interpretations that became effective for the first time and are relevant to the Group, including:

AASB 2011-9 Amendments to Australian Accounting Standards – Presentation of Items of Other Comprehensive Income which requires entities to group items presented in Other Comprehensive Income (OCI) on the basis of whether they are potentially reclassifiable to profit or loss subsequently, and changes the title of ‘statement of comprehensive income’ to ‘statement of profit or loss and other comprehensive income’.

The adoption of the new and revised Australian Accounting Standards and Interpretations has had no significant impact on the Group’s accounting policies or the amounts reported during the current half-year period. The adoption of AASB 2011-9 has resulted in the title of ‘statement of comprehensive income’ being changed to ‘statement of profit or loss and other comprehensive income’.

Non-current assets held for sale and discontinued operations

Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell. Non-current assets and disposal groups are classified as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the sale is highly probable and the asset or disposal group is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

In the statement of comprehensive income, income and expenses from discontinued operations are reported separately from income and expenses from continuing operations. The resulting profit or loss (after taxes) is reported separately in the statement of comprehensive income.

Property, plant and equipment, once classified as held for sale, are not depreciated or amortised.

Business combination

The Group applies the acquisition method in accounting for business combinations. The consideration transferred by the Group to obtain control of a subsidiary is calculated as the sum of the acquisition-date fair value of assets transferred, liabilities incurred and the equity interests issued by the Group, which includes the fair value of any asset or liability arising from a contingent consideration arrangement. Acquisition costs are expensed as incurred. The Group recognises identifiable assets acquired and liabilities assumed in a business combination regardless of whether they have been previously recognised in the acquiree's financial statements prior to the acquisition. Assets acquired and liabilities assumed are generally measured at their acquisition-date fair values.

Going concern

The financial statements have been prepared on a going concern basis, which contemplates continuity of normal activities and realisation of assets and settlement of liabilities in the normal course of business. As is often the case with development companies, the ability of the Company to continue it’s development activities as a going concern including paying its debts when due, settling its liabilities and realising it’s assets in the normal course of business at amounts stated in the accounts, is dependent upon it deriving sufficient cash from investors and sales revenue.

There is a risk that the Company’s capital reserves, may not be adequate for future funding requirements and potential future capital raisings may be required.

The directors are of the opinion that the above requirements will be satisfied and accordingly have prepared the financial statements on a going concern basis. There is a material uncertainty whether the Group will continue as a going concern and therefore whether it will realise its assets and extinguish its liabilities in the normal course of business and at the amounts stated in the financial report.

Compound financial instruments

Compound financial instruments issued by the Group comprise convertible notes that can be converted to share capital at the option of the holder, and the number of shares does not vary with changes in fair value. The liability component of a financial instrument is recognised originally at the fair value of a similar liability that does not have an equity conversion option. The equity component is recognised initially at the difference between the fair value of the compound financial instrument as a whole and the fair value of the liability component. Any directly attributable transaction costs are allocated to the liability and equity components in proportion to their initial carrying amounts.

Subsequent to initial recognition, the liability component of a compound financial instrument is measured at amortised cost using the effective interest rate method. The equity component of a compound financial instrument is not remeasured subsequent to initial recognition.

Interest, losses and gains relating to the financial liability are recognised in the profit or loss. On conversion, the financial liability is reclassified to equity; no gain or loss is recognised on conversion.

Significant management judgement in applying accounting policies

In the process of applying the Group’s accounting policies management has made judgements.

Discontinued operations

Management has made a judgement that the disposal of its interest in Glycotex Inc is not subject to classification as a discontinued operation, due to the size and nature of the interest. AASB 5 was considered and it was not assessed as a major line of business, with significant cash generating units, nor a subsidiary acquired exclusively with a view to resale.

Acquired intangible assets

Acquired intangibles in a business combination qualify for separate recognition are recognised as intangible assets at their fair values. The asset will be amortised over its useful life of five years beginning in the month of acquisition.

Tax

Gains on disposal of subsidiaries during the period gave rise to capital gain tax events. However management has applied tax concessions, and with the existence of prior period losses has assessed there to be no income tax expense on the transactions for the period.

Note 2. Revenue and expenses

	Consolidated	
	2012	**2011**
Revenue from continuing operations		
Bank Interest	32,101	192,998
Royalties	577,900	581,000
Total revenue	610,001	773,998
Other Income from continuing operations		
Gain on disposal of Glycotex	462,354	-
Gain on fair value of derivative liability	-	727,383
Glycotex Sale on Assets - Glucan Technology	150,000	9,818
Other	5,441	-
	617,795	737,201
Depreciation included in the statement of comprehensive income*		
Included in administrative expenses	14,801	13,436
Total depreciation and amortisation expenses	14,801	13,436
Expenses included in the statement of profit or loss and comprehensive income*		
Included in administrative expenses:		
Net foreign exchange differences	62,558	(208,170)
Net loss on disposal of plant and equipment	-	9,818
Onerous lease provision movement - operating leases	-	31,000
Provision for doubtful debts	37,472	808,000
Included in research and development expenses:		
Employee benefit expense*		
Termination costs	374,590	1,018,000
Share-based payment expense	401,550	265,312

**includes amounts from discontinued operations*

Note 3. Contingent assets and liabilities

Guarantees

(a) The Company is continuing to prosecute its IP rights and in June 2007 announced that the Vienna Commercial Court had upheld a provisional injunction against an Austrian company, APOtrend. The Company has provided a guarantee to the value of €250,000 with the court to confirm its commitment to the ongoing enforcement process.

(b) Although the Company assigned its liability for the property lease in June 2012, it remains as the original lessee and should the assignee default on the lease, a potential liability may exist. Offsetting this contingent liability the Company holds a letter of personal guarantee from the director of the assignee company, which guarantees the obligations of the assignee company contained or implied in the original lease.

There have been no other changes in contingent assets or contingent liabilities since the end of the previous annual reporting period, 30 June 2012.

Note 4. Operating segments

Identification of reportable segments
The Group has identified its operating segments based on the internal reports that are reviewed and used by the executive management team (the chief operating decision makers) in assessing performance and in determining the allocation of resources.

The operating segments indentified by management are based on the specific area of targeted therapeutic treatment or the individual market in which products are sold.

The Group has identified four unique segments as follows:
1 – Drug Development - includes the discovery of new compounds and the early stage screening for bioactivity of such compounds through both in vivo and in vitro testing.
2 – Oncology Drug Program (Disposed in November 2012 via an in specie distrubution)– involves the development of selected oncology drug candidates which have indicated potential bioactivity against cancer cells through clinical trial programs to assess safety and efficacy.
3 – Consumer Business (Sold August 2011) - a dietary supplement business based on red clover isoflavones which are marketed and soldworld-wide.
4 – Wound Healing (Disposed in November 2012) – a separate and unique technology based on Beta-1 Glucan to aid in the management of wounds.

The accounting policies used by the Group in reporting segments internally are consistent with those applied to the consolidated year-end, annual financial statements as contained in Note 1 there to.Corporate costs have been allocated between segments and are therefore included in the net profit/(loss) for each segment.

Segment report

	DRUG DEVELOPMENT		ONCOLOGY DRUG PROGRAM		CONSUMER BUSINESS		WOUND HEALING		TOTAL	
	2012	2011	2012	2011	2012	2011	2012	2011	2012	2011
Net sales	-	-	-	-	-	978,000	-	-	-	978,000
Other revenue	615,442	774,000	4,954,688	5,000	-	43,286	612,354	-	6,182,484	822,286
Total revenue	615,442	774,000	4,954,688	5,000	-	1,021,286	612,354	-	6,182,484	1,800,286
Net(loss)/profit	(3,253,315)	(514,000)	723,640	(3,043,000)	-	7,323,286	3,271,844	(452,000)	742,169	3,314,286

Total assets, as reviewed and used by the executive management team, are not allocated between segments where the segments are contained within the same legal entity. The oncology and wound healing segments were disposed as at 31 December 2012. The consumer business was disposed of in August 2011. As at 30 June 2012 the total segment assets were $3,872,000.

The total segment assets were $4,237,707 and $3,872,000 at 31 December 2012 and 30 June 2012, respectively

Note 5. Net tangible assets per share

	Consolidated 2012	Consolidated 2011
Net tangible asset backing per share	$0.05	$0.07

Note 6. Intangible Assets - Patents

	Acquired intangibles	Total
Gross carrying amount		
Balance at 1 July 2012	-	-
Patents acquireds through business combination (note 8)	2,850,517	-
Amortisation	-	-
Carrying Amount 31 December 2012	2,850,517	-

Note 7. Trade Payables

Trade and other payables consist of the following:

	31 December 2012	30 June 2012
Trade payables	18,225	830,598
Accrued payables	60,265	1,763,197
Deferred royalty income	320,532	1,081,158
Total trade and other payables	399,022	3,674,953

Note 8. Borrowings

Financial liabilities designated at fair value	**31 December 2012**	**30 June 2012**
Borrowings at face value	1,500,000	-
Less equity component of compound financial instrument	(573,863)	-
Total Carrying Amounts	926,137	-

Note 9. Acquisition of Triaxial Pharmaceuticals

On 5 December 2012 Novogen acquired the biotechnology company, Triaxial Pharmaceuticals Pty Ltd (‘Triaxial’). Triaxial had developed a novel technology platform allowing the design and construction of a novel family of compounds that Triaxial refers to as super-benzopyrans.

The details of the business combination are as follows:

Fair value of consideration transferred

	$
Shares issued at fair value (13,600,000 at $0.09)	1,224,000
Shares to be issued, subject to shareholder approval (1,800,000 at $0.09)	162,000
Borrowings at face value	1,500,000
Total consideration paid	2,886,000

Recognised amounts of identifiable net assets	Fair Value
Cash	31,667
Debtors	1,949
Plant & Equipment	1,867
Intangible assets	2,850,517
Total Assets	$2,886,000

Note 9. Discontinued operations

Novogen disposed of the operations of MEI Pharma Inc ('MEI Pharma) in which it held majority ownership, via an in-specie distribution.

MEI Pharma held the intellectual property originally developed by Novogen in the field of isoflavonoid drugs. On 17 November 2012, shareholders approved the in specie distribution of Novogen's shareholding in MEI Pharma. Refer note a) below.

At the Company's AGM in October 2010 it was announced that the Company was looking at strategic alternatives for its Consumer Business. On 1 August 2011, the consumer products business was sold to Pharm-a-Care Laboratories Pty Limited. Refer note b) below.

Financial information for each discontinued operation is set out below:

	1 July 2012 to 27 November 2012	Half-year ended 31 December 2011
a) MEI		
Revenue	3,387	28,573
Expenses	(4,231,047)	(3,084,796)
	(4,227,660)	(3,056,223)
Other revenue		
Gain/Loss on disposal on shares	6,386,034	-
Movement in provision on investment	11,078,860	-
Foreign Currency Translation	(12,513,593)	-
	4,951,301	-
Profit(Loss) before tax from discontinued operations	723,641	(3,056,223)
Tax expense	-	(825)
Profit after tax from discontinued operations	723,641	(3,057,048)
Net cash inflow from operating activities	(4,179,060)	1,338,000
Net cash inflow from investment activities	(2,360)	-
Net cash inflow from financing activities	-	-
Net cash increase(decrease) generated by discontinued operations	(4,181,420)	1,338,000

b) Consumer Business (Sold August 2011)

	1 July 2012 to 31 December 2012	1 July to 1 August 2011
Revenue	-	1,021,000
Expenses	-	(1,669,000)
		(648,000)
Proceeds from sale of consumer business	-	9,500,000
Movement in provision on investment	-	(1,018,000)
Foreign Currency translation	-	(502,000)
	-	7,980,000
Profit(Loss) before tax from discontinued operations	-	7,332,000
Tax expense	-	(9,000)
Profit after tax from discontinued operations	-	7,323,000
Net cash Inflow from operating activities	-	10,587,000
Net cash increase generated by discontinued operations	-	10,587,000

Information relating to the financial position of the discontinued businesses are set out below. For the consumer business no amount is included for receivables or payables which were not included in the assets transferred in the sale of the business.

Assets and Liabilities

	Disposal date 27 November 2012	From annual financial statements 30 June 2012
a) MEI		
	2,837,454	6,461,000
Total assets	2,837,454	6,461,000

	1 July 2012 to 31 December 2012	1 July to 1 August 2011
b) Consumer business		
Inventories	-	654,000

Note 10. Equity

	$ Total
Balance at 30 June 2012	199,026,306
Disposal of Subsidiaries	(65,807,136)
Issue of Shares on Subsidiary Acquisition (Market Value)	1,269,000
Total Equity at 31 December 2012	134,488,170

Note 11. Earnings per share

Both the basic and diluted earnings per share have been calculated using the profit attributable to shareholders of the parent company. The reconciliation of the weighted average number of shares for the purposes of diluted earnings per share to the weighted average number of ordinary shares used in the calculation of basic earnings per share is as follows:

	Consolidated 2012	2011
Net loss attributable to owners of the parent from continuing operations	8,801	(951,666)
Net profit attributable to owners of the parent from discontinuing operations	487,076	4,265,952
Net loss attributable to owners of the parent	495,877	3,314,286

	2012	2011
Weighted average number of ordinary shares used in calculating basic and diluted earnings per share	105,814,372	102,126,000

Note 12. Events after the end of the reporting period

On 5 February 2013 Novogen announced the filing of a provisional patent application covering the novel technology assiciates with the manufacture and use of its new class of molecules referred to as 'Super-Benzopyrans'

On 18 February 2013 Novogen announced results of an important study concerning its lead experimental drug CS-6. Initial studies showed highly effective results regarding ovarian cancer stem cells. However it is important to note studies are still at an early stage, with some way to go before there is clinical evidence

Note 13. Related Party disclosures

Transactions with related parties

Steven Coffey was appointed director. Mr Coffey is a partner of the firm Watkins Coffey Martin Chartered Accountants. No fees were paid to this firm during the reporting period.

The sale of Glycotex Inc. as mentioned earlier in the directors report was made to a company which is associated with former chairman and director William Rueckert. Details of this sale are shown in Note 2.

The company acquired the outstanding shares of Triaxial Pharmaceuticals Pty Ltd which included its shareholders Professor Graham Kelly, Dr Andrew Heaton and Robert Birch, who became directors of Novogen as a result of this transaction. The market value of this transaction was $2,850,517. Details of this acquisition are shown in Note 9.

Directors' declaration

In the opinion of the Directors, the financial statements and notes as set out on pages 10 to 19 are in accordance with the *Corporations Act 2001*; and

(a) comply with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*; and

(b) give a true and fair view of the consolidated entity's financial position as at 31 December 2012 and of its performance for the half-year ended on that date.

In the Directors' opinion there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of Directors.

On behalf of the board

Prof. Graham Kelly
Director (Chairman)
Sydney, 28 February, 2013

Grant Thornton Audit Pty Ltd
ACN 130 913 594

Level 17, 383 Kent Street
Sydney NSW 2000
Locked Bag Q800
QVB Post Office
Sydney NSW 1230

T +61 2 8297 2400
F +61 2 9299 4445
E info.nsw@au.gt.com
W www.grantthornton.com.au

Independent Auditor's Review Report
To the Members of Novogen Limited

We have reviewed the accompanying half-year financial report of Novogen Limited ("Company"), which comprises the consolidated financial statements being the statement of financial position as at 31 December 2012, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, notes comprising a statement or description of accounting policies, other explanatory information and the directors' declaration of the consolidated entity, comprising both the Company and the entities it controlled at the half-year's end or from time to time during the half-year.

Directors' responsibility for the half-year financial report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the consolidated half-year financial report based on our review. We conducted our review in accordance with the Auditing Standard on Review Engagements ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the Corporations Act 2001 including: giving a true and fair view of the Company's consolidated entity's financial position as at 31 December 2012 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001. As the auditor of the Company, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we complied with the independence requirements of the Corporations Act 2001.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Novogen Limited is not in accordance with the Corporations Act 2001, including:

a giving a true and fair view of the consolidated entity' financial position as at 31 December 2012 and of its performance for the half-year ended on that date; and

b complying with Accounting Standard AASB 134 Interim Financial Reporting and Corporations Regulations 2001.

Material uncertainty regarding continuation as a going concern

Without qualifying our opinion, we draw attention to the net operating cash outflows of $7,536,440 for the period and note 1 to the half-year financial report which indicates uncertainties regarding the going concern assumption. The conditions outlined in note 1 indicate the need for future capital raising to continue the Company's development activities, these conditions indicate the existence of a material uncertainty which may cast significant doubt about the Company's ability to continue as a going concern and therefore, the company may be unable to realise its assets and discharge its liabilities in the normal course of business, and at the amounts stated in the financial report.

Grant Thornton

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

LWorsley.

L. Worsley
Partner - Audit & Assurance

Sydney, 28 February 2013