CEO REPORT ON THE AGM AND THE FUTURE

The AGM dealt with 3 key matters:

- the Company's proposed clinical program over the next 12 months
- the Company's funding situation
- some Board restructuring to meet the demands of the next 12 months.

My Chairman's Report touched formally on each of these matters, but later presentations to the meeting fleshed out the details, and that is my purpose here – to provide the detail that those of you not able to attend have missed out on.

I will do this in reverse order.

Restructuring

The dual role of Executive Chairman and CEO was something that I saw as being necessary in the Company's formative stages. But it wasn't a workload that I could reasonably maintain as the Company grew, apart from not being ideal corporate governance. The time had come to separate the roles and that was my recommendation to the Board.

A more slight change in Board duties was the appointment of Non-Executive Director, John O'Connor, to oversee fund-raising activities. This is a function that has occupied a large amount of my time this year, time that I can ill-afford as the Company moves this coming year into the clinic. John's extensive experience in stockbroking in the UK, US and Australia makes him well-suited to this task.

Funding

It costs approximately $3.5M to fund a drug through the IND (pre-clinical) process and into a Phase 1 study. We set ourselves a target budget of $8M for calendar year 2015 in order to see Cantrixil come into the clinic and follow-up pipeline drug candidates, Trilexium and an ATM product, made ready for entry into the clinic.

A minimum raising of $5M was set on that basis, with auxiliary funding opportunities including non-dilutive funding factored in.

We managed to raise just on $1.9M. Despite it being a tough market, there is no getting away from the fact that this was a disappointing outcome. Nevertheless, this money in combination with our Tax Incentive rebate gives us the breathing space to continue with our programs while we bed down alternative funding avenues. The Board currently is considering a number of funding offers and expects to be reporting on these in the next 2-3 weeks along with an R&D program commensurate with our cash position.

The science

Tough market conditions cannot disguise the fact that the Company is uniquely positioned in the field of chemotherapy with its two drug technology platforms. One platform kills cancer stem cells, to an extent in animal models that suggests the very real prospect in humans of blocking tumor recurrence across a wide range of cancer types. The other platform dramatically increases the effectiveness of one of the most widely prescribed family of chemotherapy drugs in oncology.

Cantrixil opens up a wide range of therapeutic opportunities. The original concept was a drug that could be injected directly into the peritoneal cavity of patients with ovarian cancer where it would seek out and kill the cancer stem cells that spread the cancer within the abdomen, and that would work in combination with standard chemotherapy drugs such as carboplatin to destroy the full complement of cancer cells. It was developed with both early- and late-stage ovarian cancer indications in mind.

Late-stage ovarian cancer will be the starting point for a first-in-man study. This study will be run in both Australia and the US. A number of centres will be involved in order to expedite patient recruitment and will involve about 25 patients. Yale Cancer Center (New Haven, CT) is a confirmed site and we are in the process of recruiting three other sites. The aim is to commence enrolment in 2H15.

Cantrixil has proved highly successful in blocking both primary disease and recurrent disease in an animal model of ovarian cancer. In recurrent disease it has worked in animals with heavy tumor load (carcinomatosis) and extensive ascites (abdominal fluid collection). This suggested that Cantrixil might also be an appropriate treatment for patients with very advanced cancer within the abdomen associated with large build-up of fluid. The condition is called malignant ascites and is a common condition affecting a large proportion of patients with cancer of the ovary, uterus, stomach, large bowel, pancreas and breast, as well as lymphoma. That is a clinical indication that we are keen to pursue as soon as we have the necessary funding.

The second drug opportunity is Trilexium. This, like Cantrixil, is a super-benzopyran drug with potent ability to kill cancer stem cells. But whereas Cantrixil has fairly uniform killing activity across a wide range of cancer cell types, Trilexium shows a particular preference for cancer cells of nervous tissue. In fact, not just neural cancer cells, but melanoma cells as well. The connection here goes back to embryonic development where primitive tissue known as the *neural plate* eventually goes on in the infant to produce brain cells, peripheral nerve cells and melanocytes. **Trilexium is the first drug candidate to show specific activity against cancers associated with the neural plate/neural crest**, highlighting the enormous potential of this drug candidate in the treatment of brain cancers of adults and children, neuroblastoma in children, and melanoma.

Dr Justine Stehn presented an update on the anti-tropomyosin (ATM) program. She explained that 8 months after the Company started its drug development program, it is within 2 weeks of identifying the lead ATM drug candidate. The process has been narrowed down to 5 compounds, all highly active, with the final selection process in its closing stages. The key required feature of the lead candidate being an ability to synergize the anti-cancer potency of the standard chemotherapy drug families - taxanes (paclitaxel, docetaxel) and vinca alkaloids (vincristine, vinblastine). The rationale

is straightforward: joining the forces of an ATM drug and a taxane or vinca alkaloid, results in catastrophic destruction of the cancer cell's cytoskeleton to a level many tens of times more potent that either drug alone. The key clinical indications that the lead candidate will be applied to are melanoma, prostate cancer and neuroblastoma.

With two important new families of cytotoxic chemotherapies, one of which is providing potent killing of cancer stem cells, Novogen believes it is uniquely is well-placed to make a difference to the survival prospects of many patients with cancer.

With prudent management and shareholder support, we plan on being in the clinic within the next 12 months and hopefully providing evidence of clinical response to justify our confidence in our science.

About Novogen Limited

Novogen is a public, Australian drug-development company whose shares trade on both the Australian Securities Exchange ('NRT') and NASDAQ ('NVGN'). The Novogen Group includes a New Haven CT – based joint venture company, CanTx Inc, with Yale University.

Novogen has two main drug technology platforms: super-benzopyrans (SBPs) and anti-tropomyosins (ATMs). SBP compounds have been created to kill the full range of cells within a tumor, but particularly the cancer stem cells. The ATM compounds target the microfilament component of the cancer cell and when used in conjunction with standard anti-microtubular drugs, result in comprehensive and fatal destruction of the cancer cell's cytoskeleton. Ovarian cancer, colorectal cancer, malignant ascites, prostate cancer, neural cancers (glioblastoma, neuroblastoma) and melanoma are the key clinical indications being pursued, with the ultimate objective of employing both technologies as a unified approach to first-line therapy.

Further information is available on the Company's website, www.novogen.com

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