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As filed with the Securities and Exchange Commission on September 25, 2003

Registration No. 333-

UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form S-1

REGISTRATION STATEMENT UNDER THE SECURITIES ACT OF 1933

Marshall Edwards, Inc.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation or organization)

2834

(Primary Standard Industrial Classification Code Number)

51-0407811

(I.R.S. employer Identification Number)

Marshall Edwards, Inc.

140 Wicks Road
North Ryde NSW 2113
Australia
(011) 61 2 8877 6196
(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

The Corporation Trust Company

The Corporation Trust Center
1209 Orange Street
Wilmington, Delaware 19801
(302) 658-7581
(Name, address, including zip code, and telephone number, including area code, of agent for service)

With copies to:

David R. Seaton
Secretary
Marshall Edwards, Inc.
140 Wicks Road
North Ryde NSW 2113
Australia
(011) 61 2 8877 6196

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Washington, D.C. 20005-2004
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Approximate date of commencement of proposed sale to the public: As soon as practicable after this Registration Statement is declared effective.

If any of the securities being registered on this Form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, check the following box: ☒

If this Form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. o

If this Form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. o

If this Form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. o

If delivery of the prospectus is expected to be made pursuant to Rule 434, please check the following box. o

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Amount to be Registered	Proposed Maximum Offering Price Per Unit	Proposed Maximum Aggregate Offering Price	Amount of Registration Fee
Common stock units consisting of common stock and warrants	2,300,000 units(1)	$6.50(2)(3)	$14,950,000	$1209.46
Common stock, par value $.00000002 per share, underlying units	2,300,000 shares(1)	$ —	$ —	$ —
Warrants underlying units	2,300,000 warrants(1)	$ —	$ —	$ —
Common stock, par value $.00000002 per share, underlying warrants	2,300,000 shares(1)(4)	$7.80(2)	$17,940,000	$1451.35
Totals			$32,890,000	$2660.81

(1) Includes the overallotment option granted to the underwriter of 300,000 common stock units consisting of 300,000 shares and 300,000 warrants.

(2) Estimated solely for the purpose of calculating the amount of the registration fee pursuant to Rule 457(a) under the Securities Act of 1933, as amended.

(3) The proposed price of $6.50 per common stock unit reflects the price of the common stock and warrants.

(4) Pursuant to Rule 416 of the Securities Act this registration statement also covers such additional number of shares of common stock that may become issuable under any stock split, stock dividend or similar transaction.

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act or until the Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

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The information contained in this prospectus is not complete and may be changed. We may not sell these securities until the registration statement filed with the Securities and Exchange Commission is effective. This prospectus is not an offer to sell these securities and we are not soliciting an offer to buy these securities in Australia or in any state or other jurisdiction where the offer or sale is not permitted.

SUBJECT TO COMPLETION, DATED SEPTEMBER 25, 2003

PROSPECTUS

Marshall Edwards, Inc.

2,000,000 Common Stock Units

This is our initial public offering in the United States. This prospectus covers the sale of up to an aggregate of 2,000,000 common stock units. Each common stock unit consists of:

- one share of our common stock; and
- one warrant to purchase a share of our common stock at an exercise price equal to 120% of the initial public offering price.

The estimated initial public offering price for the common stock units is between $4.50 and $6.50 per unit.

As part of this offering, we are offering up to an aggregate of 1,500,000 common stock units at the initial public offering price to U.S. holders of ordinary shares and American Depositary Receipts of Novogen Limited, our parent company, that owned their shares as of the close of business on , 2003, and to our U.S. stockholders, excluding Novogen, that owned their shares as of the close of business on , 2003. See the section entitled "Plan of Distribution — Directed Share Subscription Program."

Upon completion of this offering, Novogen will own approximately 91.6% of our outstanding common stock.

We have applied to list our common stock on The Nasdaq SmallCap Market under the symbol "**MSHL**." Our common stock is listed on the Alternative Investment Market of the London Stock Exchange plc under the symbol "MSH." We will apply to list the shares of common stock being offered hereby on the Alternative Investment Market. The last reported sale price on , 2003 was £ per share, or approximately $ per share based on the noon buying rate for sterling of £1.00 = $ on , 2003.

The shares of common stock and warrants comprising the units will separate immediately upon completion of this offering. The warrants will not be listed on any national securities exchange, automated quotation system or on the Alternative Investment Market.

Investment in the common stock units involves a high degree of risk. See "Risk Factors" beginning on page 6.

Underwritten Public Offering

	Public Offering Price	Underwriting Discounts and Commissions	Proceeds to Marshall Edwards, Inc.
Per Common Stock Unit	$	$	$
Total	$	$	$

Directed Share Subscription Program

	Public Offering Price	Management Fee	Proceeds to Marshall Edwards, Inc.
Per Common Stock Unit	$	$	$
Total	$	$	$
Aggregate Offering Proceeds			$

We have granted the underwriter an option to purchase up to an additional 300,000 common stock units at the public offering price, solely to cover over-allotments.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.

Janney Montgomery Scott LLC

The date of this prospectus is , 2003.

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No document in connection with this offering, including this prospectus, may be issued or passed on in the United Kingdom to, or is directed at, any person, other than: (i) to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their businesses and otherwise in circumstances which will not result in an offer to the public in the United Kingdom within the meaning of the Public Offers of Securities Regulations 1995 (as amended) and in circumstances where Section 21(1) of the Financial Services and Markets Act 2000 does not apply by virtue of such person being an investment professional as that term is defined in Article 19 of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2001; or (ii) to persons to whom the document may otherwise lawfully be issued. Nothing in this prospectus should be construed as investment advice to any person. If you are a recipient of this prospectus outside of the scope of the above criteria then you may not act upon the content of this prospectus.

We are not making this offering described in this prospectus in Australia or in any state or other jurisdiction in which it is unlawful to do so nor are we selling or accepting any offers to purchase any shares of our common stock from persons who are residents of such jurisdictions.

PROSPECTUS SUMMARY

This summary highlights selected information contained elsewhere in this prospectus. You should read the entire prospectus carefully, including the Risk Factors section beginning on page 6 and our consolidated financial statements and related notes beginning on page F-1 before making an investment decision.

References to "we," "us," or "our" refer to Marshall Edwards, Inc. and its consolidated subsidiary. References to "Novogen" refer to Novogen Limited and its consolidated subsidiaries, other than Marshall Edwards, Inc. and its subsidiary, Marshall Edwards Pty Limited. Unless specifically stated otherwise, the information in this prospectus assumes no exercise of the underwriter's over-allotment option. We have attached as Annex A a glossary of technical and scientific terms that we use in this prospectus.

Our Company

We are a developmental stage pharmaceutical company involved in the development and commercialization of drugs for the treatment of cancer. We are presently engaged in the clinical development of a drug candidate called phenoxodiol that we believe may have broad application against a wide range of cancers. Phenoxodiol appears to target a number of key components involved in cancer cell survival and proliferation based on the emerging field of signal transduction regulation, with little or no effect on normal cells.

Our strategy is to undertake further clinical development and testing of phenoxodiol leading ultimately to its commercialization and wide scale distribution. Pre-clinical testing has shown phenoxodiol to have broad anti-cancer action against an extensive library of human cancer cell lines, including prostate, ovarian and squamous cell carcinoma, or SCC. Phenoxodiol commenced Phase I clinical studies in Australia in 2000 and currently is undergoing Phase Ib/IIa and Phase II studie in intravenous dosage form in the United States and Australia. In January 2001, the U.S. Food and Drug Administration (the FDA) granted Investigational New Drug (IND) status for phenoxodiol in the intravenous dosage form, and in June 2003 the FDA granted IND status for phenoxodiol in the oral dosage form.

We were incorporated in December 2000 as a wholly-owned subsidiary of Novogen Limited, an Australian registered company, and commenced operations in May 2002. Novogen's ordinary shares trade on the Australian Stock Exchange under the symbol "NRT" and American Depositary Receipts (ADRs) trade in the United States under the symbol "NVGN" on the Nasdaq National Market. In May 2002, we sold 2,523,000 shares of our common stock and warrants to purchase an equal number of shares in a private placement raising $10.1 million in gross proceeds. These shares are admitted for trading on the Alternative Investment Market of the London Stock Exchange under the symbol "MSH." Novogen currently controls approximately 95% of our outstanding common stock.

A subsidiary of Novogen has granted to us, through our Australian subsidiary, Marshall Edwards Pty Limited, an exclusive non-transferable license under its patent rights and intellectual property rights in its relevant know-how to develop, market and distribute all forms of administering phenoxodiol for anti-cancer uses, except topical applications. Our exclusive rights under our amended and restated license agreement continue until the date of expiration or lapsing of Novogen's last to expire patent right covering phenoxodiol as an anti-cancer agent. In addition, we have the exclusive first right to accept and an exclusive last right to match any proposed dealing by Novogen in its intellectual property rights with third parties for the development of other anti-cancer drugs derived from its library of compounds, other than for topical applications.

Phenoxodiol has been identified as a potential putative metabolite of daidzein, a naturally occurring isoflavone. Phenoxodiol does not appear, however, to have been isolated or identified in mammals. Novogen scientists first synthesized phenoxodiol as part of a program of drug discovery based on an isoflavonoid ring chemical structure. Novogen is a leader in the discovery and development of new drugs based on signal transduction regulation, which it believes offers potential for effective, well-tolerated treatment of common degenerative diseases including cancer.

Market Opportunity

The primary focus in the development of phenoxodiol is currently in connection with ovarian cancer, SCC of the cervix, vagina, vulva and skin, and prostate cancer, although we believe that, subject to further successful clinical research and development, phenoxodiol may have potential uses in other forms of human cancers. The cancers for which phenoxodiol is intended to be used are relatively common and we believe, in general, poorly managed with current therapeutics. The American Cancer Society (the ACS) has estimated that in 2003 there will be 220,900 new cases of prostate cancer and 28,900 people will die as a result of this cancer in the United States. The ACS has also estimated that in 2003 there will be 25,400 new cases of ovarian cancer diagnosed and 14,300 will die as a result of this cancer in the United States. For SCC of the cervix, vagina and vulva, the ACS estimates that in the year 2003, there will be 18,600 new cases diagnosed and that there will be 5,700 deaths caused by these cancers in the United States. The ACS estimates that 2,200 deaths will occur in the United States as a result of cutaneous SCC.

Recent Developments

The oral form of phenoxodiol was granted IND status by the FDA in June 2003. This action will permit the commencement of a study in collaboration with Yale University School of Medicine in patients with cancer of the cervix, vulva and vagina where phenoxodiol will be used in patients on a monotherapy basis daily for periods of up to four weeks prior to surgery or radiotherapy.

A Phase II study at Yale University School of Medicine commenced in October 2002 of the intravenous dosage form of phenoxodiol in women with ovarian cancer. The clinical trial is based on laboratory studies at Yale University that showed phenoxodiol to be effective at killing ovarian cancer cells, including those resistant to all standard anti-cancer drugs. The study is fully enrolled using 40 patients with advanced, metastatic ovarian cancer that has become unresponsive to at least two standard chemotherapies.

Our Address and Telephone Number

Our principal executive office is located at 140 Wicks Road, North Ryde NSW 2113, Australia, and our telephone number is 011-61-2-8877-6196. Our Internet web site address is http://www.marshalledwardsinc.com. The information contained on our web site shall not be deemed to constitute a part of this prospectus.

This Offering	
Securities Offered	2,000,000 common stock units, each unit consisting of one share of common stock and one warrant to purchase a share of our common stock
Offering Price	$ per common stock unit
Warrant Terms	Each warrant is exercisable for the purchase of one share of our common stock at an exercise price of $ per share. The warrants are immediately exercisable and expire three years from their date of issuance.
Plan of Distribution:	
Directed Share Subscription Program	Up to 1,500,000 common stock units will be offered by subscription to U.S. holders of our common stock as of , 2003, except Novogen, and to U.S. holders of Novogen's ordinary shares and ADRs as of 2003. Janney Montgomery Scott LLC will act as our dealer manager in connection with our directed share subscription program.
Underwritten Offering	500,000 common stock units will be sold on a firm commitment basis by Janney Montgomery Scott LLC, as underwriter, along with any units not purchased in the directed share subscription program.
Shares Outstanding After this Offering	54,032,000 shares, not including the 2,000,000 shares of common stock underlying the warrants offered hereby and 2,514,000 shares issuable under previously issued warrants.
Use of Proceeds	Approximately $1.1 million will be used to commence Phase II clinical trials of phenoxodiol as a monotherapy in earlier stage cancers, and approximately $4.2 million will be used to commence Phase II clinical trials of phenoxodiol in combinational therapy with other anti-cancer drugs for late stage chemo-resistant tumors. Actual amounts spent on these planned clinical trials may change subject to satisfactory results of ongoing clinical trials. The balance will be used for other corporate purposes, including potential payments to Novogen under the terms of the license agreement, and further clinical trials pending success of the current clinical programs.
Proposed Nasdaq Symbol	MSHL
Listing on AIM	Our common stock is listed on the Alternative Investment Market of the London Stock Exchange (the AIM) under the symbol "MSH". We will apply to list the shares of common stock being offered hereby on the AIM. The AIM is the London Stock Exchange's global market for smaller growing companies.
Risk Factors	Investment in our securities involves a high degree of risk and could result in a loss of your entire investment. See "Risk Factors" beginning on page 6 to read about factors you should consider before buying our common stock units

Information Agent

Innisfree M&A Incorporated will act as our information agent to respond to any questions that our eligible stockholders and eligible holders of ordinary shares and ADRs of Novogen may have regarding the process for exercising subscription rights in connection with the directed share subscription component of this offering. Any questions or requests for assistance concerning the method of subscribing for common stock units or for additional copies of this prospectus can be directed to the information agent at (877) 456-3510.

The Information Agent for this Offering is:

Innisfree
M&A Incorporated

501 Madison Avenue, 20th Floor

New York, New York 10022
Banks and Brokers Call Collect: (212) 750-5833

All Others Call Toll-Free: (877) 456-3510

Summary Historical Consolidated Financial Data

We are a development stage company. The following table sets forth our summary historical consolidated financial data derived from our audited consolidated financial statements as of June 30, 2003 and 2002, included in this prospectus. These financial statements have been audited by Ernst & Young LLP, independent auditors. The summary financial information should be read in conjunction with "Management's Discussion and Analysis of Financial Condition and Results of Operations," "Risk Factors" and the consolidated financial statements and the notes thereto included elsewhere in this prospectus.

	Year Ended June 30,		Period from December 1, 2000 through June 30,
	2003	2002	2003
	(in thousands, except share and per share data)		
Statement of Operations Data:			
Interest and other income	$ 145	$ 7	$ 152
Net loss arising during development stage	$ (3,033)	$ (123)	$(3,156)
Net loss per common share.	$ (0.058)	$ (0.002)	
Weighted average shares used to calculate loss per share	52,023,247	49,769,581	
Common stock outstanding at year end	52,032,000	52,023,000	

	June 30,	
	2003	2002
	(in thousands)	
Balance Sheet Data:		
Cash and cash equivalents	$7,244	$9,164
Total assets	7,286	9,185
Shareholders' equity	5,933	8,899

RISK FACTORS

Investors should carefully consider the following risks, as well as the other information contained in this prospectus before investing in our common stock units. If any of the following risks actually materializes, our business could be harmed, the price of our shares of common stock could decline and investors might lose all or part of their investment.

Risks Related to Our Business

We have a limited operating history and we are likely to incur operating losses for the foreseeable future.

Investors should consider our prospects in light of the risks and difficulties frequently encountered by early stage and developmental companies. Although we were incorporated in December 2000, we have only been in operation since May 2002. We have incurred net losses since our inception, including net losses of $3,033,000 and $123,000 for the years ended June 30, 2003 and 2002, respectively. We anticipate that we will incur operating losses and negative cash flow for the foreseeable future. We have not yet commercialized any products and cannot be sure that we will ever be able to do so, or that we may ever become profitable. We expect to expand our clinical trials significantly, which will result in increasing losses, and may continue to incur substantial losses even if we begin to generate revenues from the distribution and sale of phenoxodiol.

If we are unable to successfully develop and commercialize phenoxodiol or license other viable drug candidates, our ability to sustain future operations will be significantly diminished.

We are currently developing only one drug, phenoxodiol. We cannot guarantee that phenoxodiol will be successful. Although we have rights to potentially develop other related compounds discovered and developed by Novogen under the terms of our license option deed with Novogen, our rights under the license agreement are limited to the commercialization of phenoxodiol as an anti-cancer agent and these rights specifically exclude phenoxodiol in a topical application. If we are unable to develop successfully and commercialize phenoxodiol or other viable drug candidates, we may be required to cease or reduce our operations.

If we do not receive regulatory approval for phenoxodiol or such approval is withdrawn, we will not be able to commercialize phenoxodiol.

We need regulatory approval in order to commercialize phenoxodiol. We may never receive regulatory approval or if we do receive regulatory approval, it may be limited to those disease states and conditions for which phenoxodiol has proven to be safe and effective. Phenoxodiol is currently in Phase II clinical trials in intravenous dosage form to treat late stage ovarian cancer. Phenoxodiol has received IND status in the United States for the oral dosage form. The oral dosage form is also in clinical trials in Australia to treat prostate cancer and SCC. Product approval, if granted, can be withdrawn for failure to comply with regulatory requirements or upon the occurrence of adverse events following commercial introduction. In addition, our ability to market phenoxodiol in overseas countries is contingent upon receiving the required regulatory approvals in those countries. If we cannot commercialize phenoxodiol, we may be required to cease or reduce our operations.

Our ability to achieve profitability is dependent on a number of factors, some of which are beyond our control.

Our ability to achieve profitability is dependent on a number of factors, including the ability to successfully complete clinical development efforts, to obtain regulatory approval for phenoxodiol and to successfully commercialize phenoxodiol. We will rely on Novogen to supply phenoxodiol and to provide services to us, including research and development activities, manufacturing and all of our personnel. The amended and restated license agreement, services agreement and manufacturing license and supply agreement with Novogen all provide that the supply of phenoxodiol and the provision of services will be on a “cost plus mark up” basis. We have no direct control over the costs of manufacturing phenoxodiol or of the

provision of these services and profitability could be affected if these costs change significantly. See “Certain Relationships and Related Transactions” for more information about our agreements with Novogen.

Final approval by regulatory authorities of phenoxodiol for commercial use may be delayed, limited or prevented, any of which would adversely affect our ability to generate operating revenues.

Any of the following factors may serve to delay, limit or prevent the final approval by regulatory authorities of phenoxodiol for commercial use:

- phenoxodiol is in the early stages of clinical development and we will need to conduct significant clinical testing to prove safety and efficacy before applications for marketing can be filed with the FDA, or with the regulatory authorities of other countries, to approve phenoxodiol for final use;
- data obtained from pre-clinical and clinical tests can be interpreted in different ways, which could delay, limit or prevent regulatory approval;
- it may take us many years to complete the testing of phenoxodiol or any other drug candidates, and failure can occur at any stage of this process;
- negative or inconclusive results or adverse medical events during a clinical trial could cause us to delay or terminate our development efforts;
- there is relatively limited scientific understanding of the means by which cells respond to chemical signals that reach them through the bloodstream, which we refer to as multiple signal transduction regulation or MSTR, the class of drug compounds to which phenoxodiol belongs; and
- the commercialization of phenoxodiol may be delayed if the FDA or another regulatory authority requires us to expand the size and/or scope of the clinical trials.

We may not be able to establish the strategic partnerships necessary to market and distribute phenoxodiol.

A key part of our business plan is to establish relationships with strategic partners. We must successfully contract with third parties to package, market and distribute phenoxodiol. There is no assurance that we will be able to negotiate commercially acceptable licensing or other agreements for the future exploitation of phenoxodiol, including the continued clinical development, manufacture or marketing of phenoxodiol. If we are unable to successfully contract for these services, or if arrangements for these services are terminated, we may have to delay our commercialization program for phenoxodiol, which will adversely affect our ability to generate operating revenues.

We may not be able to secure and maintain suitable research institutions to conduct our clinical trials.

We rely on hospitals and cancer clinics to conduct our clinical trials. If we are unable to retain suitable research institutions on acceptable terms, or if any resulting agreement is terminated and we are unable to quickly replace the applicable research institution with another qualified institution, the research could be delayed and we may be unable to complete development of, or commercialize, phenoxodiol, which will adversely affect our ability to generate operating revenues.

Any failure in our clinical trials could impair the commercial prospects for phenoxodiol.

Clinical trials have a high risk of failure. A number of companies in the pharmaceutical industry, including biotechnology companies, have suffered significant setbacks in advanced clinical trials, even after achieving promising results in earlier trials. If we experience delays in the testing or approval process or need to perform more or larger clinical trials than originally planned, our commercial prospects for phenoxodiol or any other drug candidates may be impaired and we may be required to cease or reduce our operations.

We may need to raise additional funds to cover our operating expenses due to a number of factors, some of which are beyond our control.

Based on our current plans, we believe that the net proceeds of this offering will provide sufficient funds to complete the current Phase Ib/IIa and Phase II clinical trials and to commence Phase II clinical trials of phenoxodiol as a monotherapy in earlier stage cancers and to commence Phase II clinical trials of phenoxodiol in combinational therapy with other anti-cancer drugs for late stage chemo-resistant tumors. We will require additional funds, however, to further the evaluation beyond these current objectives and to pursue the commercialization of phenoxodiol.

The actual amount of funds that we will need will be determined by many factors, some of which are beyond our control. As a result, we may need additional funds sooner than we currently anticipate. These factors include:

- the progress of research activities;
- the number and scope of research programs;
- the progress of pre-clinical and clinical development activities;
- the progress of the development efforts of Novogen or any other parties with whom we enter into research and development agreements;
- our ability to establish and maintain current and new research and development and licensing arrangements;
- our ability to achieve milestones under licensing arrangements;
- the costs involved in enforcing or defending patent claims and other intellectual property rights; and
- the costs and timing of regulatory approvals.

If our capital resources are insufficient to meet future capital requirements, we will have to raise additional funds. If we are unable to obtain additional funds on favorable terms we may be required to cease or reduce our operations. Also, if we raise more funds by selling additional shares of our common stock or securities convertible into or exercisable for shares of our common stock, your ownership interests may be diluted.

Our commercial opportunity will be reduced or eliminated if competitors develop and market products that are more effective, have fewer side effects or are less expensive than phenoxodiol.

The development of phenoxodiol or drug candidates is highly competitive. A number of other companies have products or drug candidates in various stages of pre-clinical or clinical development to treat prostate cancer, ovarian cancer, SCC and other cancers that are the current focus of phenoxodiol. Some of these potential competing drugs are further advanced in development than phenoxodiol and may be commercialized earlier. Even if we are successful in developing effective drugs, phenoxodiol may not compete successfully with products produced by our competitors.

Our competitors include pharmaceutical companies and biotechnology companies, as well as universities and public and private research institutions. In addition, companies active in different but related fields represent substantial competition for us. Many of our competitors have significantly greater capital resources, larger research and development staffs and facilities and greater experience in drug development, regulation, manufacturing and marketing than us. These organizations also compete with us to recruit qualified personnel, attract partners for joint ventures and license technologies that are competitive with ours. As a result, our competitors may be able to more easily develop technologies and products that would render our technologies or our drug candidates obsolete or non-competitive.

Our right to develop and exploit phenoxodiol is subject to the terms and conditions of certain agreements with Novogen and such rights may be terminated under circumstances pursuant to those agreements, some of which may be beyond our control.

We have licensed the intellectual property in the phenoxodiol technology from Novogen. All forms of administering phenoxodiol for the treatment of cancer are licensed to us, excluding topical applications. If we fail to meet our obligations under our license agreement, the manufacturing license and supply agreement or the services agreement with Novogen, any or all of these agreements may be terminated by Novogen and we could lose our rights to develop phenoxodiol. In addition, each of these agreements may be terminated immediately by Novogen in the event that we undergo a change of control without the consent of Novogen. A "change of control" means a change in control of more than half the voting rights attaching to the shares of our subsidiary, a change in control of more than half of the issued shares of our subsidiary (not counting any share which carries no right to participate beyond a specified amount in the distribution of either profit or capital) or a change in control of the composition of the board of directors of our subsidiary.

License rights comprise our most significant assets and a loss of these rights will likely cause us to cease operations.

The rights granted to us under our license agreement, the manufacturing license and supply agreement and the license option deed with Novogen are our only significant assets. Any loss of the rights under any of these agreements will significantly reduce our asset base and likely cause us to cease operations.

The success of phenoxodiol is largely dependent on Novogen's ability to obtain and maintain patent protection and preserve trade secrets, which cannot be guaranteed.

Patent protection and trade secret protection are important to our business and our future will depend, in part, on our ability and the ability of Novogen to maintain trade secret protection, obtain patents and operate without infringing the proprietary rights of others both in the United States and abroad. Litigation or other legal proceedings may be necessary to defend against claims of infringement, to enforce our patents, or to protect our trade secrets or the trade secrets of Novogen. Such litigation could result in substantial costs and diversion of our management's attention.

The patent positions of pharmaceutical and biotechnology companies can be highly uncertain and involve complex legal and factual questions. Novogen has applied for patents in a number of countries with respect to the use of phenoxodiol for the treatment, prevention or cure of cancer. We have licensed both issued patents and pending patent applications from Novogen. Novogen has issued patents in the United States, Australia and Singapore covering the use of phenoxodiol to prevent or treat skin cancer from ultraviolet damage. Novogen also has patents issued in Australia, Hong Kong, New Zealand and the United Kingdom related to phenoxodiol for the treatment of a variety of cancers and has recently received a notice of allowance in the U.S. that is also related to phenoxodiol for the treatment of a variety of cancers.

Novogen's applications may not proceed to grant or may be amended to reduce the scope of protection of any patent granted. The applications and patents may also be opposed or challenged by third parties. Our commercial success will depend, in part, on the ability of Novogen and us to obtain and maintain effective patent protection for the technologies underlying phenoxodiol and other compounds, and to successfully defend patent rights in those technologies against third-party challenges. As patent applications in the United States are maintained in secrecy until published or issued and as publication of discoveries in the scientific or patent literature often lag behind the actual discoveries, we cannot be certain that Novogen was the first to make the inventions covered by its pending patent applications or issued patents or that it was the first to file patent applications for such inventions. Additionally, the breadth of claims allowed in biotechnology and pharmaceutical patents or their enforceability cannot be predicted. We cannot be sure that any additional patents will issue from any of Novogen's patent

applications or, should any patents issue, that we will be provided with adequate protection against potentially competitive products. Furthermore, we cannot be sure that should patents issue, they will be of commercial value to us, or that private parties, including competitors, will not successfully challenge our patents or circumvent our patent position in the United States or abroad.

In the event that Novogen does not comply with its obligations under a grant from the Australian government under which phenoxodiol was developed in part, our rights to use the intellectual property relating to phenoxodiol and developed by Novogen may revert back to the Australian government.

Novogen developed phenoxodiol in part using funds from the Australian government under what is known as the START Program. Although Novogen believes that it has complied with its obligations under the START Program, if the Australian government disagrees, or if Novogen undergoes a change of control, the Australian government has a right to demand that intellectual property created during the course of the project funded by the grant be vested back in the Australian government. The Australian government may then license the intellectual property rights related to phenoxodiol to other parties and may demand other intellectual property rights from Novogen. Any such reclamation by the Australian government could preclude our use of Novogen's intellectual property in the development and commercialization of phenoxodiol and we may have to compete with other companies to whom the Australian government may license the intellectual property.

Claims by other companies that we infringe their proprietary technology may result in liability for damages or stop our development and commercialization efforts.

The pharmaceutical industry is highly competitive and patents have been applied for by, and issued to, other parties relating to products competitive with phenoxodiol. Therefore, phenoxodiol and any other drug candidates may give rise to claims that they infringe the patents or proprietary rights of other parties existing now and in the future. Furthermore, to the extent that we or Novogen or our respective consultants or research collaborators use intellectual property owned by others in work performed for us or Novogen, disputes may also arise as to the rights in such intellectual property or in resulting know-how and inventions. An adverse claim could subject us to significant liabilities to such other parties and/or require disputed rights to be licensed from such other parties.

We cannot be sure that any license required under any such patents or proprietary rights would be made available on terms acceptable to us, if at all. If we do not obtain such licenses, we may encounter delays in product market introductions, or may find that the development, manufacture or sale of products requiring such licenses may be precluded. We have not conducted any searches or made any independent investigations of the existence of any patents or proprietary rights of other parties.

We may be subject to substantial costs stemming from our defense against third-party intellectual property infringement claims.

Third parties may assert that we or Novogen are using their proprietary information without authorization. Third parties may also have or obtain patents and may claim that technologies licensed to or used by us infringe their patents. If we are required to defend patent infringement actions brought by third parties, or if we sue to protect our own patent rights, we may be required to pay substantial litigation costs and managerial attention may be diverted from business operations even if the outcome is not adverse to us. In addition, any legal action that seeks damages or an injunction to stop us from carrying on our commercial activities relating to the affected technologies could subject us to monetary liability and require us or Novogen or any third party licensors to obtain a license to continue to use the affected technologies. We cannot predict whether we or Novogen would prevail in any of these types of actions or that any required license would be made available on commercially acceptable terms or at all.

The enforcement of civil liabilities against our officers and directors may be difficult.

All of our officers and directors are residents of jurisdictions outside the United States. As a result, it may be difficult for you to effect service of process within the United States upon our officers and directors or to enforce judgments obtained against our officers and directors or us in United States courts.

Our revenue is affected by fluctuations in currency exchange rates.

Much of our expenditures and potential revenue will be spent or derived outside of the United States. As a result, fluctuations between the United States dollar and the currencies of the countries in which we operate may increase our costs or reduce our potential revenue. At present, we do not engage in hedging transactions to protect against uncertainty in future exchange rates between particular foreign currencies and the U.S. dollar.

We are authorized to issue a class of blank check preferred stock, which could adversely affect the holders of our common stock.

Our certificate of incorporation allows us to issue a class of blank check preferred stock with rights potentially senior to those of our common stock without any further vote or action by the holders of our common stock. The issuance of preferred stock could decrease the amount of earnings and assets available for distribution to the holders of our common stock or could adversely affect the rights and powers, including voting rights, of such holders. In certain circumstances, such issuance could have the effect of decreasing the market price of our shares, or making a change in control of us more difficult.

Risks Related to Our Relationship with Novogen

As our majority stockholder, Novogen will have the ability to determine the outcome of all matters submitted to our stockholders for approval and Novogen's interests may conflict with our's or our other stockholders' interests.

Upon completion of this offering, Novogen will beneficially own approximately 91% of our outstanding shares of common stock assuming no additional warrants are exercised. As a result, Novogen will have the ability to effectively determine the outcome of all matters submitted to our stockholders for approval, including the election and removal of directors and any merger, consolidation or sale of all or substantially all of our assets.

Novogen will have the ability to effectively control our management and affairs. Novogen's interests may not always be the same as that of our other stockholders. In addition, this concentration of ownership may harm the market price of our shares by:

- delaying, deferring or preventing a change in control;
- impeding a merger, consolidation, takeover or other business combination involving us;
- discouraging a potential acquirer from making a tender offer or otherwise attempting to obtain control of us; or
- selling us to a third party.

A majority of our directors are officers and/or directors of Novogen which may create a conflict of interest.

Four of our six existing board members, including our Chairman, currently serve as board members of Novogen. Our President and Chief Executive Officer, Christopher Naughton, is the Managing Director of Novogen. Our Chief Financial Officer and Secretary, David Ross Seaton, is the Chief Financial Officer of Novogen. Simultaneous service as a Novogen director or officer can create, or appear to create, a conflict of interest, when such directors or officers are presented with decisions that could have different implications for us and for Novogen.

Novogen can compete with us.

We have no contract, arrangement or understanding with Novogen to preclude it from developing a product which may be competitive with phenoxodiol or to use phenoxodiol for any uses other than anti-cancer applications. Novogen has reserved the intellectual property rights and know-how rights relating to topical applications of phenoxodiol even in the field of cancer. There can be no assurance that Novogen or its subsidiaries will not pursue alternative technologies or product candidates either on its own or in collaboration with others, as a means of developing treatments for the conditions targeted by phenoxodiol or any other product candidate which we seek to exploit.

We are dependent on Novogen for our personnel.

We have no employees. We rely on Novogen to provide or procure the provision of staff and other financial and administrative services under our services agreement with Novogen. To successfully develop phenoxodiol, we will require ongoing access to the personnel who have, to date, been responsible for the development of phenoxodiol. The services agreement does not specify a minimum amount of time that Novogen employees must devote to our operations. If we are unable to secure or if we lose the services of these personnel, the ability to develop phenoxodiol could be materially impaired. Moreover, if our business experiences substantial and rapid growth, we may not be able to secure the services and resources we require from Novogen or from other persons to support that growth.

We are largely dependent on Novogen for our supply of phenoxodiol and, should Novogen be unable to supply commercial quantities of phenoxodiol, it may be difficult to secure an alternative source.

It is currently intended that phenoxodiol will be supplied to us in its primary manufactured form by Novogen under the manufacturing license and supply agreement. As the manufacturing process for phenoxodiol has not been tested in the quantities needed for commercial sales, we may be unable to receive the necessary quantities in a timely manner. In addition, in order for Novogen to supply commercial quantities of phenoxodiol in due course, it will need to build a new manufacturing plant. Significant additional capital will be required to build the plant. Such capital may not be available to Novogen.

Risks Related to this Offering

An active trading market for shares of our common stock may not develop following their admission to The Nasdaq SmallCap Market.

Prior to this offering, there has not been a public trading market for our common stock in the United States. An active, liquid trading market for our common stock may not develop or be maintained following this offering. As a result, you may not be able to sell your shares quickly or at the market price. The initial public offering price of our common stock units was determined by negotiation between us and the underwriter based on a number of factors, including the historic trading prices of our common stock on the Alternative Investment Market of the London Stock Exchange, which may not be indicative of prices that will prevail in the U.S. trading market. The market price of our common stock on the Nasdaq SmallCap Market may decline below the initial offering price, and you may not be able to resell your shares of our common stock at or above the initial offering price.

There may not be a market for the warrants and you may have difficulty selling your warrants.

There is currently no public market for the warrants that are being offered by this prospectus. We do not intend to list the warrants on any national securities exchange, automated quotation system or on the Alternative Investment Market of the London Stock Exchange. No assurance can be given that an active trading market will develop or as to the liquidity or sustainability of any such market. Accordingly, you may not be able to sell your warrants.

The trading price of the shares of our common stock could be highly volatile, your investment could decline in value, and we may incur significant costs from class action litigation.

The trading price of our common stock could be highly volatile in response to various factors, many of which are beyond our control, including:

- developments concerning phenoxodiol;
- announcements of technological innovations by us or our competitors;
- new products introduced or announced by us or our competitors;
- changes in financial estimates by securities analysts;
- actual or anticipated variations in operating results;
- expiration or termination of licenses, research contracts or other collaboration agreements;
- conditions or trends in the regulatory climate and the biotechnology, pharmaceutical and genomics industries;
- changes in the market valuations of similar companies;
- the liquidity of any market for our securities;
- trading prices of our common stock on the Alternative Investment Market of the London Stock Exchange; and
- additional sales by us or Novogen of shares of our common stock.

In addition, equity markets in general, and the market for biotechnology and life sciences companies in particular, have experienced substantial price and volume fluctuations that have often been unrelated or disproportionate to the operating performance of companies traded in those markets. In addition, changes in economic conditions in the United States, Europe or globally, could impact upon our ability to grow profitably. Adverse economic changes are outside our control and may result in material adverse impacts on our business or our results of operations. These broad market and industry factors may materially affect the market price of our shares of common stock, regardless of our development and operating performance. In the past, following periods of volatility in the market price of a company's securities, securities class-action litigation has often been instituted against that company. Such litigation, if instituted against us could cause us to incur substantial costs and divert management's attention and resources.

You will experience immediate and substantial dilution as a result of this offering and may experience additional dilution in the future.

If you purchase common stock in this offering, you will pay more for your shares than the amounts paid by existing stockholders for their shares. As a result, you will incur immediate and substantial dilution of $ per share, representing the difference between our pro forma net tangible book value per share after giving effect to this offering and the initial public offering price. In addition, purchasers of shares of our common stock in this offering will have contributed approximately % of the aggregate price paid by all purchasers of our stock, but will own only approximately % of the shares of our common stock outstanding after this offering based on the number of shares of our common stock outstanding as of June 30, 2003. If the holders of the currently outstanding warrants exercise those warrants at prices below the initial public offering price, you will experience further dilution. We may also acquire other companies or technologies or finance strategic alliances by issuing equity, which may result in additional dilution to our stockholders.

You will not be able to exercise the warrants offered hereby if we do not maintain the effectiveness of the registration statement and a current prospectus.

If we do not maintain an effective registration statement and a current prospectus or comply with applicable state securities laws, you may not be able to exercise the warrants offered hereby. In order for you to be able to exercise the warrants, the shares underlying the warrants must be covered by an effective registration statement and a current prospectus and be qualified for sale or exempt from qualification under the applicable securities laws of the state in which you reside. Although we cannot assure you that we will actually be able to do so, we will use our best efforts to:

- maintain an effective registration statement and a current prospectus covering the shares of our common stock underlying the warrants at all times when the market price of the common stock exceeds the exercise price of the warrants until the expiration of the warrants, and

- maintain the registration of such shares under the securities laws of the states in which we initially qualify the common stock units for sales in this offering.

There can be no assurance that the trading price of our common stock will exceed the exercise price of the warrants being sold in this offering.

The warrants will entitle the holders to purchase one share of our common stock at an exercise price equal to 120% of the initial public offering price anytime after issuance until the warrants expire on the third anniversary of their issuance. There can be no assurance that the trading prices of our common stock will exceed the exercise price of the warrants. As a result, your warrants could expire and have no value.

SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus includes forward-looking statements. All statements other than statements of historical facts contained in this prospectus, including statements regarding our future financial position, business strategy and plans and objectives of management for future operations, are forward-looking statements. The words "believe," "may," "will," "estimate," "continue," "anticipate," "intend," "should," "plan," "expect" and similar expressions, as they relate to us, are intended to identify forward-looking statements. We have based these forward-looking statements largely on our current expectations and projections about future events and financial trends that we believe may affect our financial condition, results of operations, business strategy and financial needs. These forward-looking statements are subject to a number of risks, uncertainties and assumptions described in "Risk Factors" and elsewhere in this prospectus, including, among other things:

- receipt of regulatory approvals;
- successful completion of clinical trials;
- continued cooperation and support of Novogen, our parent;
- future expenses and financing requirements; and
- competition and competitive factors.

These risks are not exhaustive. Other sections of this prospectus may include additional factors which could adversely impact our business and financial performance. Moreover, we operate in a very competitive and rapidly changing environment. New risk factors emerge from time to time and it is not possible for us to predict all risk factors, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements.

You should not rely upon forward-looking statements as predictions of future events. We cannot assure you that the events and circumstances reflected in the forward-looking statements will be achieved or occur. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, levels of activity, performance or achievements.

USE OF PROCEEDS

We expect to receive approximately $ million in net proceeds from this offering ($ if the underwriter exercises its over-allotment option in full), assuming an initial public offering price of $ per common stock unit, the midpoint of the range set forth on the cover page of this prospectus, after deducting underwriting discounts and commissions and estimated offering expenses.

We intend to use the net proceeds from this offering as follows:

- approximately $1.1 million will be used to commence Phase II clinical trials studies of phenoxodiol as a monotherapy in early-stage prostate cancer, SCC of the cervix, vagina and vulva, and possibly other tumors such as breast cancer where diagnosis of early stage disease is available;

- approximately $4.2 million will be used to commence Phase II clinical trials of phenoxodiol in combinational therapy with standard anti-cancer drugs for late-stage, chemo-resistant ovarian cancer, and possibly other tumors such as renal cancer; and

- the remainder for general corporate purposes, including potential payments to Novogen under the terms of the license agreement.

DETERMINATION OF OFFERING PRICE

Prior to this offering, there has been no trading market for our common stock in the United States. Our common stock is listed on the Alternative Investment Market of the London Stock Exchange (the AIM). The initial public offering price will be determined by negotiation between us and the underwriter based on a number of factors, including the historic trading prices of our common stock on the AIM, that may not be indicative of prices that will prevail in the trading market for our common stock in the United States.

PRICE RANGE OF OUR COMMON STOCK

Our common stock has traded on the AIM since May 2002 under the symbol “MSH”. The following table sets forth, for the periods indicated, the high and low closing sale prices for our common stock as reported by the London Stock Exchange. The trading price for our shares of common stock on the AIM are quoted in sterling (£), the lawful currency of the United Kingdom.

Quarter Ended	High	Low
June 30, 2002.	£2.80	£2.30
September 30, 2002	£2.50	£2.30
December 31, 2002.	£2.48	£2.42
March 31, 2003.	£2.46	£2.25
June 30, 2003.	£3.55	£2.30

The following table sets forth, for the period indicated, the high, low, average and period-end noon buying rate for sterling, expressed in dollars per sterling in New York City as certified for customs purposes by the Federal Reserve Bank of New York.

Quarter Ended	High	Low	Average	Period-End
June 30, 2002	$1.5285	$1.4310	$1.4615	$1.5245
September 30, 2002	$1.5800	$1.5192	$1.5497	$1.5700
December 31, 2002	$1.6095	$1.5418	$1.5714	$1.6095
March 31, 2003	$1.6482	$1.5624	$1.6025	$1.5790
June 30, 2003	$1.6840	$1.5500	$1.6183	$1.6529

On , 2003, the closing sales price of our common stock as reported by the London Stock Exchange was £ per share, or approximately $ per share based on the noon buying rate for sterling of £1.00 = $ on , 2003.

DIVIDEND POLICY

We have never declared or paid any cash dividends on our capital stock. We currently intend to retain future earnings, if any, to finance the operation and expansion of our business. Therefore, we do not anticipate paying any cash dividends on our capital stock in the foreseeable future. In addition, if we were to borrow against any credit facility that we may enter into, we may be prohibited from paying cash dividends.

CAPITALIZATION

The following table sets forth our capitalization as of June 30, 2003:

- on an actual basis; and
- as adjusted to reflect the effect of the sale of a total of 2,000,000 common stock units in this offering at an assumed initial public offering price of $ per unit, the midpoint of the range set forth on the cover of the prospectus.

This table should be read in conjunction with "Management's Discussion and Analysis of Financial Condition and Results of Operations" and the consolidated financial statements and the notes thereto included elsewhere in this prospectus.

	As of June 30, 2003	
	Actual	As Adjusted
	(dollars in thousands)	
Cash and cash equivalents	$ 7,244	$17,100
Short-term debt		
Current portion of long-term debt	—	—
Long-term debt		
Bank borrowings	—	—
Stockholders' equity: preferred stock, $0.01 par value, 100,000 shares authorized; no shares issued and outstanding	—	—
Common stock, $0.00000002 par value, 113,00,000 shares authorized, 52,032,000 shares issued and outstanding actual and 54,032,000 shares issued and outstanding as adjusted		
Additional paid-in-capital	9,058	18,914
Deficit accumulated during development stage	(3,156)	(3,156)
Accumulated other comprehensive income	31	31
Total stockholders' equity	5,933	15,789
Total debt and stockholders' equity	$ 5,933	$15,789

This table excludes 2,514,000 shares of our common stock issuable upon exercise of our outstanding warrants. The outstanding warrants have an exercise price of $4.00 per share and expire on November 30, 2003.

This table also excludes 2,000,000 shares of our common stock that may be issued upon exercise of the warrants that are included in the units being offered by this prospectus.

DILUTION

If you invest in our common stock units, your interest will be diluted to the extent of the difference between the initial public offering price per share of our common stock units, attributing no value to the warrants that are included in the common stock units, and the pro forma as adjusted net tangible book value per share of our common stock immediately after this offering. Pro forma net tangible book value per share represents the amount of our total tangible assets less total liabilities, divided by the pro forma number of shares of our common stock outstanding. Investors participating in this offering will incur immediate, substantial dilution.

Our net tangible book value at June 30, 2003, before adjustment for this offering, was approximately $5,933,000, or approximately $0.11 per share. After giving effect to the sale of 2,000,000 common stock units in this offering, at an assumed initial public offering price of $5.50 per unit, the midpoint of the range set forth on the cover page of this prospectus, and after deducting the estimated offering expenses, our as adjusted net tangible book value at June 30, 2003 would have been $15,789,000 or $0.29 per share. This represents an increase in net tangible book value of $0.18 per share to our existing stockholders and an immediate dilution (i.e., the difference between the public offering price per unit, attributing no value to the warrants that are included in the common stock units, and the net tangible book value per share adjusted for this offering) at June 30, 2003 of $5.21 per share to purchasers of the common stock units offered hereby. The following table illustrates this per share dilution:

Assumed initial public offering price per unit		$5.50
Net tangible book value per share at June 30, 2003	$5,933	
Increase in net tangible book value per share attributable to the new investors	9,856	
As adjusted net tangible book value per share after this offering		0.29
Dilution per share to new investors		$5.21

The above table excludes the possible exercise of our 2,514,000 outstanding warrants which have an exercise price of $4.00 per share and expire on November 30, 2003.

Assuming the underwriter's over-allotment option is exercised in full, the net tangible book value at June 30, 2003 would have been $17,324,000, or $0.32 per share, the immediate increase in net tangible book value of shares owned by existing stockholders would have been $0.21 per share, and the immediate dilution to purchasers of the common stock units in this offering would have been $5.29 per share.

The following table summarizes at June 30, 2003, after giving effect to the sale of 2,000,000 common stock units at an assumed initial public offering price of $5.50 per unit, the midpoint of the range set forth on the cover page of this prospectus, the number of shares of common stock purchased from us, the total consideration paid to us for those shares, attributing no value to the warrants that are included in the common stock units, and the consideration given by the existing stockholders and by the new investors assuming approximately 54,032,000 shares of our common stock are outstanding:

	Shares Purchased		Total Consideration		Average Price Per Share
	Number	Percent	Amount	Percent	
	(in thousands)		(in thousands)		
Existing stockholders	52,032	96	$10,128	48	$0.19
New investors	2,000	4	11,000	52	$5.50
Total	54,032	100	$21,128	100	

SELECTED HISTORICAL CONSOLIDATED FINANCIAL DATA

The following table shows selected historical financial data for the years ended June 30, 2003 and 2002. This information has been derived from our audited consolidated financial statements included in this prospectus.

The information below should be read in conjunction with “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” “Risk Factors” and the consolidated financial statements and the notes thereto included elsewhere in this prospectus.

	Year Ended June 30,		Period from December 1, 2000 through June 30,
	2003	2002	2003
	(in thousands, except share and per share data)		
Statement of Operations Data:			
Interest and other income	$ 145	$ 7	$ 152
Net loss arising during development stage	$ (3,033)	$ (123)	$(3,156)
Net loss per common share	$ (0.058)	$ (0.002)	
Weighted average shares used to calculate loss per share	52,023,247	49,769,581	
Common stock outstanding at year end	52,032,000	52,023,000	

	June 30,	
	2003	2002
	(in thousands)	
Balance Sheet Data:		
Cash and cash equivalents	$7,244	$9,164
Total assets	7,286	9,185
Shareholders’ equity	5,933	8,899

MANAGEMENT'S DISCUSSION AND ANALYSIS OF

FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis should be read in conjunction with our consolidated financial statements and the notes thereto appearing elsewhere in this prospectus. Our fiscal year ends June 30. We commenced business operations in May 2002, and as a result our financial results for fiscal 2003 represent our first full year of operations.

Results of Operations

We are a development stage company that is principally engaged in the clinical development of the anti-cancer drug phenoxodiol, which Novogen has licensed to us. Our main focus during fiscal 2003 was to undertake human clinical testing of phenoxodiol. We do not employ any staff directly but obtain services from Novogen under a services agreement.

We recorded a consolidated loss of $3,033,000 and $123,000 for the fiscal years ended June 30, 2003 and 2002, respectively. We have not generated any revenues from operations since our inception. We have, however, received interest on our cash assets of $145,000.

Consolidated operating expenses for fiscal 2003 were $3,178,000 versus $129,000 for fiscal 2002. Our major operating expenses are the costs associated with conducting the clinical trials of phenoxodiol, which were $1,089,000, and the costs incurred under the license agreement and the services and manufacturing agreements with Novogen including the cost of the clinical trial drug supplies, which were $1,740,000. See "Certain Relationships and Related Transactions."

We intend to continue the clinical development of phenoxodiol and to assess the opportunity to license other cancer drugs developed by Novogen as the opportunities arise.

Liquidity and Capital Resources

At the end of fiscal 2003, we had cash resources of $7,244,000. Funds are invested in short-term money market accounts, pending use. The implementation of our business plan is dependent on our ability to maintain adequate cash resources to complete the clinical development program.

In May 2002, we raised $10,092,000 through a private placement of 2,523,000 shares of common stock in conjunction with the listing of our common stock on the Alternative Investment Market of the London Stock Exchange. Total proceeds of $9,022,000 were received, net of $1,070,000 of transaction costs. The 2,523,000 shares of our common stock, which represent 4.9% of our issued common stock, were issued at $4.00 per share. Each share has an attached warrant exercisable at any time prior to November 30, 2003 with an exercise price of $4.00 per share. These funds were sufficient to progress the clinical development program that Novogen had commenced prior to licensing phenoxodiol to us and to commence new clinical trials. At present, 9,000 warrants have been exercised.

Based on our current plans, we believe that with the net proceeds of this offering, we will have sufficient funds to complete the current Phase Ib/IIa and Phase II clinical trial program, commence Phase II clinical trials of phenoxodiol as a monotherapy in early stage cancer, and to commence Phase II clinical trials of phenoxodiol in combinational therapy with other anti-cancer drugs for late stage chemo-resistant tumors. We believe we will have sufficient cash resources to fund our operations at least through the end of the fiscal year. Our ongoing operations through the conduct of the clinical trial program will continue to consume cash resources without generating revenues.

If the Phase III clinical program is undertaken, we will require additional funds to complete the program. We are not able to reasonably estimate at this time either the amount required or when that amount will need to be raised. This will to a large extent be influenced by the number of patients enrolled in the trial, which can only be determined accurately upon completion of Phase II trials. If the Phase II

trials are successful, we will seek to raise the funds required to complete Phase III trials or enter into a collaborative arrangement with a major pharmaceutical company.

We must pay amounts to Novogen under our license agreement with Novogen when certain milestones are met, as follows:

- A lump sum license fee of $5,000,000 is payable to Novogen on the date when the cumulative total of all funds received from debt or equity issuances, revenue received from commercialization income, other than sales, and revenue from sales of phenoxodiol products exceeds $25,000,000.

- A lump sum license fee of $5,000,000 is payable to Novogen on the later of November 1, 2003 or on the date when the cumulative total of all funds received from debt or equity issuances, revenue received from commercialization income, other than sales, and revenue from sales of phenoxodiol products exceeds $50,000,000.

The cumulative total of funds received by us as of the date of this prospectus is $10,128,000.

In addition, we must pay annual license fees to Novogen under the license agreement for the calendar years ended December 31 as follows:

2003	$1,000,000
2004	$2,000,000
2005	$4,000,000
Each calendar year thereafter	$8,000,000

Any amounts payable to Novogen under the above annual payments will be reduced for amounts we pay under the first lump sum license fee referred to above. For the fiscal year ended June 30, 2003, $500,000 has been included as license fee expense in the consolidated statements of operations. See “Certain Relationships and Related Transactions” for more information about our license agreement with Novogen.

We do not intend to incur any significant capital expenditures in the foreseeable future.

Critical Accounting Estimates

The preparation of our consolidated financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts reported in the financial statements and the accompanying notes. Actual results could differ from those estimates.

Estimates have been used in determining our expense liability under certain clinical trial contracts where services have been performed but not yet invoiced. The actual costs of those services could differ in amount and timing from the estimates used in completing the financial results.

Recent Accounting Announcements

Accounting pronouncements issued by the Financial Accounting Standards Board or other authoritative accounting standards groups with future effective dates are either not applicable or not significant to our consolidated financial statements.

Market Risk and Risk Management Practices

We have established controls at the board level designed to safeguard our interests and ensure integrity in the reporting to stockholders. Our practices are in place to minimize risks that arise through our activities. These include practices that:

- ensure that any capital expenditure above a certain level is approved by the board;
- ensure that business risks are appropriately managed through an insurance and risk management program;
- ensure that safety, health, environmental standards and management's systems are monitored and reviewed to achieve high standards of compliance and performance; and
- ensure implementation of board approved operating plans and budgets and board monitoring of progress against these budgets, including the establishment and monitoring of key performance indicators.

Impact of Inflation

Although inflation has slowed in recent years it is still a factor that may affect our financial performance. We do not earn sales revenue and for the foreseeable future we will not be able to increase the price of goods sold to offset inflationary effects. Costs incurred in conducting clinical trails are affected by inflation as are other inputs. There is a risk that costs will increase over time due to inflation increasing the cost to us.

BUSINESS

We are a developmental stage pharmaceutical company involved in the development and commercialization of drugs for the treatment of cancer. We are presently engaged in the clinical development of a drug candidate called phenoxodiol, which we believe may have broad application against a wide range of cancers. Phenoxodiol appears to target a number of key components involved in cancer cell survival and proliferation based on the emerging field of signal transduction regulation, with little or no effect on normal cells. We have attached as Annex A, a glossary of technical and scientific terms that we use in this prospectus.

Scientific Overview

Phenoxodiol belongs to a class of drugs that we refer to as Multiple Signal Transduction Regulators (MSTRs).

Signal transduction refers to the means by which cells respond to chemical signals that come from within the cell itself, from neighboring cells, and from elsewhere in the body. These signals regulate such vital functions as the growth and survival of the cell. It is now thought that malfunctions in key components of the signal transduction process are fundamental to degenerative diseases such as cancer, where cells respond abnormally to normal levels of signals, typically by over-responding to them with increased cell growth and survival.

Identifying such malfunctions and then designing drugs to block or correct them has become an important strategy for the development of the next generation of anti-cancer drugs. These drugs have become known as signal transduction inhibitors. These drugs are the result of rational drug design, being designed to target a specific signaling pathway which typically is over-active in a tumor cell, and by blocking its progression, so to prevent or reduce the ability of the tumor cell to divide or to survive. Signal transduction inhibitors, while displaying anti-tumor activity against a small number of different types of cancer, generally have failed to provide more than modest prolongation of survival of cancer patients. This is thought to be because most human cancers involve errors of multiple signaling pathways, and inhibition of a single pathway by any one drug alone cannot reasonably be expected to provide more than a temporary halt to cancer progression.

We believe phenoxodiol increases the potency of signal transduction inhibitors by targeting multiple signaling pathways, and in particular, those pathways vital to the survival of most, if not all, human cancer cells. In the term MSTR, “multiple” refers to the fact that more than one signaling pathway is targeted by the drug, and “regulator” refers to the fact that while the drug predominantly inhibits errant signaling pathways, other signaling pathways (e.g., anti-survival pathways) can be activated.

Phenoxodiol targets a number of key components involved in cancer cell survival and proliferation signal transduction processes. Kinases (e.g., sphingosine kinase and growth factor receptor-associated protein tyrosine kinases) appear to be key targets of phenoxodiol, with inhibition of these targets resulting in cancer cell cytotoxicity (death) and cytostasis (blocking cell division).

This disrupting effect of phenoxodiol is restricted to tumor cells, with non-tumor cells remaining unaffected. A potential explanation for this selective anti-tumor effect was provided by a recent discovery of a research team at Purdue University. The research team discovered that phenoxodiol targets a particular member of the ECTO-NOX family of proteins. This family of proteins regulates fundamental biological processes at the cell surface that are vital to the survival and growth of all living matter. One of these proteins, known as constitutive NADH oxidase (CNOX) is a fundamental source of hydrogen ions for all living cells. The Purdue University studies have now shown that all forms of human cancer express a variant form of CNOX, known as tNOX. The presence of tNOX disrupts the normal pattern of behavior of the cell, contributing to the unregulated cell growth and survival that characterizes tumor cells. This makes tNOX the first pan-cancer expressed protein, identifying it as a potentially important new target for anti-cancer drug development. Phenoxodiol appears to specifically block the action of tNOX, with the resulting inhibition of H+ influx into the cell, leading to extensive disruption to signaling pathways and to

eventual apoptosis. Phenoxodiol has no effect on CNOX, providing an explanation of how phenoxodiol can be so selective in its action, with its cytotoxic effects being limited to cancer cells.

Laboratory studies at Yale University also have revealed that the killing effect of phenoxodiol of cancer cells occurs through the caspase enzyme pathway, and that key triggers of this proteolytic pathway are the up-regulation of production in the cancer cell of pro-apoptotic factors such as Bax and the increased degradation of anti-apoptotic factors such as c-FLIP and XIAP. The latter effect facilitates death of cancer cells via either the Fas or TRAIL death receptor mechanisms. Some aspects of this function were published recently in the Nature journal, *Oncogene*.

Recent laboratory studies conducted by Novogen and Yale University studies have revealed that phenoxodiol interacts well with a number of standard anti-cancer drugs such as cisplatin, gemcitabine and taxanes. In one aspect of this effect, phenoxodiol appears to restore sensitivity to these drugs in cells such as ovarian cells that have acquired resistance to such drugs. In another aspect, pretreatment of tumor cells with phenoxodiol considerably increases the sensitivity of virgin tumor cells to the cytotoxic effects of standard chemotoxic drugs. Both of these effects are achieved without increasing the toxicity of the standard chemotoxic drugs to non-tumor cells.

Market Opportunity

The American Cancer Society, or ACS, has reported that, in the year 2003, approximately 1,344,100 new cancer cases are expected to be diagnosed in the United States and that since 1990, approximately 17 million new cancer cases have been diagnosed. The ACS has also reported that 556,500 people in the United States are expected to die from cancer this year.

The primary focus in the development of phenoxodiol is currently in connection with ovarian cancer, squamous cell carcinoma, or SCC of the cervix, vagina, vulva and skin, and prostate cancer. Subject to further successful clinical research and development, we believe that phenoxodiol may have potential uses in other forms of human cancers as well as in combinational therapy with other anti-cancer drugs.

The cancers for which phenoxodiol is intended to be used are relatively common and we believe, in general, are poorly managed with current therapeutics.

The ACS has estimated that in 2003 there will be 220,900 new cases of prostate cancer and 28,900 people will die as result of this cancer in the United States. The treatment of prostate cancer depends on age, stage of the cancer, and other medical conditions of the patient. Current treatment options include surgery, radiation, hormonal therapy or chemotherapy (or a combination of these treatments) depending on the stage of the disease. Survival rates also depend on the stage of the disease. However, there is a low survival rate associated with advanced disease.

The ACS has also estimated that in 2003 there will be 25,400 new cases of ovarian cancer diagnosed and 14,300 will die as a result of this cancer in the United States. Treatment options for ovarian cancer include surgery, radiation therapy and chemotherapy. Treatment in advanced cases is associated with low survival rates.

SCC is a common type of cancer found in the skin and mucous membranes of the body. Cancers of the cervix, vagina and vulva are mostly of the SCC type and are recognized for their poor response to standard chemotherapy. Surgery remains the treatment of choice for these cancers and treatment in advanced cases is associated with low survival rates. For cancers of the cervix, vagina and vulva the ACS estimates that in the year 2003, there will be 18,600 new cases diagnosed and that there will be 5,700 deaths caused by these cancers in the United States. Cutaneous SCC is a relatively common form of skin cancer. It is most common in sun-exposed areas and if left untreated can invade locally, requiring extensive surgery. The ACS estimates that 2,200 deaths will occur in the United States as a result of these cancers.

Overall Clinical Development Strategy

We believe that based on its mode of action, phenoxodiol has the potential ultimately to become a treatment option for a wide range of human cancers, and to be employed at various stages of cancer development ranging from early stage cancer through to late-stage cancer.

The immediate priority, is to focus on those therapeutic indications that will expedite drug marketing approval of phenoxodiol by regulatory bodies. To this end, we will continue our work in late-stage chemo-resistant cancers including completing our current intravenous monotherapy ovarian cancer clinical trial currently underway at Yale University. Pending the outcome of this trial we intend to expend our intravenous program to include combinational therapy using phenoxodiol in combination with standard chemotherapy drugs in cancers which have become chemo-resistant. In chemo-resistant cancers we hope to show that phenoxodiol will provide in humans what it has demonstrated in the laboratory and in animal models, that is, the restoration of chemo-sensitivity to standard chemotoxic agents. In this way, phenoxodiol will be used to “condition” the tumor cells to the more destructive effects of drugs such as cisplatin, gemcitabine and taxanes, with the combined effects of all drugs providing a potent force able to attack well-established and extensive cancer disease. In the next stage of our clinical development program for phenoxodiol in the area of chemo-resistant cancers, it is possible that other forms of cancer (such as renal carcinoma, head and neck cancer), generally regarded as unresponsive to standard drugs, will be added to this program in due course in order to maximize the opportunity for treating chemo-resistant cancers.

A secondary priority is to develop phenoxodiol for use in earlier-stage cancers. This is the basis of the planned clinical program involving oral phenoxodiol in SCC of the cervix, vagina, vulva including our planned adjuvant trial at Yale University and skin, and prostate cancer. These are all forms of cancer for which early diagnosis is commonly available, and for which a non-invasive, non-surgical drug option might be an attractive therapeutic option. In this strategy, phenoxodiol is being studied in the first instance as an oral monotherapy in the expectation that phenoxodiol alone will provide an adequate anti-cancer effect.

Specific Objectives

Our current objectives are to:

- complete the Phase Ib/IIa and Phase II clinical programs for phenoxodiol as a monotherapy currently being undertaken;
- commence a Phase II study in patients with late-stage, chemoresistant ovarian cancer that will use phenoxodiol in combination with standard anti-cancer drugs.
- commence Phase II studies for phenoxodiol as a monotherapy, targeting early-stage cancer of the cervix, vagina and vulva, and prostate cancer;

We anticipate that with the proceeds of this offering we will have sufficient funds for these activities. The success and timing of the clinical trials could vary significantly from current estimates. A delay in any one phase of trials is likely to delay following phases. Our long-term objectives will be to:

- commence Phase III clinical trials for phenoxodiol as both a monotherapy for early-stage cancers and for use in combinational therapy for later-stage cancers;
- seek to develop relationships with strategic partners for the development, marketing and distribution of phenoxodiol as a treatment for those cancer indications for which regulatory approval is obtained;
- potentially expand the uses of phenoxodiol to treat other cancers; and
- pursue appropriate opportunities to develop and commercialize other anti-cancer compounds.

We will require additional funding in order to undertake our long-term objectives.

History of Phenoxodiol Development

In 1995, phenoxodiol was identified as a potential putative metabolite of daidzein, or naturally occurring isoflavore. To date, phenoxodiol has not appeared to have been isolated or identified in mammals.

Novogen scientists first synthesized phenoxodiol in 1997 as part of a program of synthesis of compounds based on an isoflavonoid ring chemical structure. When screened for anti-cancer action against human cancer cells *in vitro*, phenoxodiol was found to be cytostatic and cytotoxic against a wide range of human cancer cells, but without toxicity against non-tumor cells. *In vivo* studies in laboratory animals subsequently showed that phenoxodiol administered either orally or systemically was adequately bioavailable and significantly retarded tumor development, in particular in athymic mice bearing xenografts of human prostate cancer. Such anti-cancer effects in animals were achieved without evidence of toxicity, and thus phenoxodiol was selected for development as a human anti-cancer drug.

Subsequent pre-clinical studies identified a range of molecular targets of phenoxodiol within human cancer cells, prompting us to classify the drug as a Multiple Signal Transduction Regulator.

The broad anti-cancer action of phenoxodiol against an extensive library of different human cancer cell lines (prostate, breast, ovarian, lung and cervical cancer, mesothelioma, melanoma, glioma and rhabdomyosarcoma), suggested potential clinical application against a wide range of types of human cancer. Further pre-clinical studies showed that phenoxodiol has a number of indirect anti-cancer effects (a potent ability as an anti-androgen and an ability to induce apoptosis of hyperplastic prostate smooth muscle cells) that suggested prostate cancer as a particularly suitable clinical target, leading to this form of cancer being identified early as a prime potential clinical target for the drug. However, with a view to allowing further time to identify the most sensitive types of cancer to phenoxodiol, the strategy adopted was to conduct Phase I studies in patients with a wide selection of solid tumors in order to gain tentative evidence of efficacy across a range of different tumor types.

Phase Ia pharmacokinetic studies conducted in cancer patients in May 2000 showed that phenoxodiol behaved similarly to steroidal hormones and was prone to conjugation (glucuronide and sulfates) within the body. These conjugated forms are the means by which a water-insoluble drug such as phenoxodiol is transported within the body. Conversion of these drugs to the active form requires deconjugation by relevant enzymes within end tissues to yield the bioactive (unconjugated) drug form. Bioequivalence studies showed that phenoxodiol is considerably more prone to conjugation when administered orally (greater than 99%) compared to intravenously (approximately 85%). Therefore, in the absence of definitive data on the rates of expression of deconjugating enzymes by different tumor types, it was decided to commence clinical studies with an intravenous dosage form of phenoxodiol because of the certainty of obtaining levels of unconjugated phenoxodiol in the plasma that were known in the laboratory to be highly cytotoxic to cancer cells.

A Phase Ib toxicity study was commenced in Australia in November 2000 and finished in March 2002. Twenty-one patients with late-stage solid cancers (any type) were given phenoxodiol by weekly bolus injections for 12 weeks. This was a dose-escalating study, with inter-patient escalation from 1 to 30 mg/kg/dose. No dose-limiting toxicity was reached and no significant toxicities other than some hypersensitivities to the drug vehicle (cyclodextrin) were encountered.

A second Phase Ib toxicity study commenced in Australia in April 2001 and concluded in 2002. Twenty-one patients with late-stage solid cancers (any type) were given phenoxodiol by continuous intravenous infusion. This was a dose-escalating study, with inter-patient escalation from 1 to 40 mg/kg/day. No dose-limiting toxicity was reached and no significant toxicities were encountered.

The intravenous dosage form of phenoxodiol was granted IND status by the FDA in January 2001, allowing a third Phase Ib toxicity study to commence at The Cleveland Clinic, Ohio, in August 2001. This study concluded in 2002. Nineteen patients with late-stage solid cancers (any type) were given phenoxodiol by continuous intravenous infusion. This was a dose-escalating study, with inter-patient

escalation from 0.5 to 64 mg/kg/day. No dose-limiting toxicity was reached and no significant toxicities were encountered.

Concurrent with the Phase I clinical trial program outlined above, pre-clinical studies continued with a view to better understanding the molecular targets of phenoxodiol and the most appropriate tumor types for therapy. In terms of molecular targets, a number of important actions were identified:

- that phenoxodiol has broad inhibitory activity against kinase enzymes, resulting in disruption to a wide range of signaling pathways involved in cell survival and growth;
- that phenoxodiol-induced apoptosis occurred via the caspase cascade;
- that phenoxodiol-induced apoptosis was initiated as a result of activation of death receptor (Fas, TRAIL) mechanisms and down-regulation of death receptor blockers (c-FLIP, XIAP); and
- that a key molecular target is the receptor protein, tNOX, whose inhibition leads to extensive disruption of pro-survival mechanisms.

A further key pre-clinical finding was that phenoxodiol was particularly effective against ovarian cancer, melanoma and mesothelioma cell lines that were resistant to all standard chemotoxic anti-cancer drugs, pointing to the usefulness of phenoxodiol at least in patients with these cancers who had failed all other forms of chemotherapy.

The selection of specific tumor types in which to test phenoxodiol in Phase II clinical trials was based on a number of factors. First, the known relevance of certain actions of phenoxodiol (e.g., the targeting of death receptor activity) to the survival of certain cancer cell types; second, pre-clinical experience with the use of phenoxodiol in animals bearing human tumor xenografts; and third, observations of clinical responses in patients treated with phenoxodiol. The particular tumor types selected are ovarian cancer, prostate cancer, and SCC of skin and mucosal surfaces. Renal cancer, breast and pancreatic cancer also have been identified as potential clinical targets, and may be studied in due course. A feature of this entire group of cancers that underlies their selection from a strategic point of view is their aggressiveness and generally low sensitivity to standard chemotoxic drugs.

A team of scientists at Yale University School of Medicine commenced a Phase II study in October 2002 of the intravenous dosage form of phenoxodiol in 40 patients with ovarian cancer. We expect that we will receive interim results from this study by the end of this year.

Novogen decided to pursue the clinical applications in prostate cancer and SCC using the oral dosage form of the drug. This followed the trial use of the oral dosage form in a number of patients who had completed the Phase I trials of the intravenous dosage form of phenoxodiol. The oral dosage form was found capable of prolonging survival in patients with advanced disease despite the presence of phenoxodiol in the blood in an almost completely conjugated form. It appears that certain types of tumors may have the capacity to deconjugate phenoxodiol conjugates to the active drug form. Clinical trials on the oral dosage form of phenoxodiol began in Australia in January 2002. This dosage form currently is being evaluated in Australian hospitals in Phase II clinical trials for the treatment of prostate cancer and SCC.

The oral dosage form of phenoxodiol was granted IND status by the FDA in June 2003, which cleared the way to commence a study in collaboration with Yale University School of Medicine in patients with cancer of the cervix, vulva and vagina. Phenoxodiol will be used on a monotherapy basis in patients following a primary diagnosis of cancer. Phenoxodiol will be administered daily for periods of up to 4 weeks prior to surgery or radiotherapy.

A Phase Ib/IIa study began in early 2002 on the use of phenoxodiol in patients with hematological tumors, in an attempt to test the usefulness of phenoxodiol in non-solid tumors. However, the apparent sensitivity of certain solid tumors to phenoxodiol and the need to focus resources on those clinical opportunities mean that an application in hematological tumors is unlikely to be taken further.

Phenoxodiol and Ovarian Cancer

A team of scientists at Yale University School of Medicine is currently conducting a Phase II clinical study. The study is fully enrolled, using 40 patients with advanced, metastatic ovarian cancer that has become unresponsive to at least two standard chemotherapies (the average number of different drug regimes used previously in these patients is five per patient). Phenoxodiol is being administered as a monotherapy by bolus intravenous injection on two consecutive days per week in rising dosages (one, three, ten and twenty mg/kg/24-hr) to four groups, each of ten women, over treatment cycles of 12 weeks. Tumor response is being assessed on the basis of tumor mass, levels of the tumor marker (CA125) in the blood, survival over 12 months, and quality of life.

This clinical trial is based on laboratory studies at Yale University School of Medicine that showed phenoxodiol to be the most effective drug at killing ovarian cancer cells, including those that are resistant to all standard anti-cancer drugs.

Following analysis of the data from the current Phase II study, currently projected to be completed by December 2003, a decision will be made concerning the next stage.

A recent pre-clinical study also extended these findings by showing that phenoxodiol proved highly effective at restoring ovarian cancer cells' sensitivity to standard anti-cancer drugs such as cisplatin. Cisplatin is a standard drug used in the treatment of ovarian cancer, but patients' tumors commonly become resistant to this drug after some months. A combination of phenoxodiol and cisplatin proved highly effective in stopping human ovarian cancer growth in animals with doses of phenoxodiol and cisplatin that alone were ineffective. This raises the prospect of obtaining an enhanced clinical response of phenoxodiol by combining it with standard chemotherapies, and the opportunity to conduct a combinational drug trial in ovarian cancer patients is under review currently.

Phenoxodiol and Prostate Cancer

Two Australian hospitals are currently conducting a study testing the effect of oral phenoxodiol therapy in patients with late-stage prostate cancer that has become unresponsive to hormonal therapy. Phenoxodiol is being administered orally three times per day on a daily basis over treatment cycles of 12 weeks. There will be 24 patients in this trial, with patients being allocated to seven different dose levels (from 0.72 to 9.0 mg per 24-hr). The study currently has 18 patients enrolled.

Phenoxodiol and Cutaneous SCC

The potential for phenoxodiol in the treatment of cutaneous SCC arose from the observation that in patients being treated for other forms of cancer who coincidentally had aggressive, malignant SCC of the skin, the SCC tumors showed objective responses within several weeks. A Phase II trial is being conducted at an Australian hospital in 30 patients with malignant SCC of the skin. Phenoxodiol is being administered orally, three times daily for a period of three months. We anticipate this study being completed by the third quarter of 2004.

Competition

The clinical development and commercialization of new anti-cancer drugs is highly competitive. As a developmental stage pharmaceutical company, we compete with pharmaceutical and biotechnology companies, academic and scientific institutions, governmental agencies and public and private research organizations.

Many pharmaceutical and biotechnology companies have products or drug candidates in various stages of pre-clinical or clinical development to treat prostate cancer, ovarian cancer, SCC and other cancers. Some of these potentially competitive drugs are further advanced in development and may receive FDA or other regulatory approval and may be commercialized earlier than phenoxodiol. Some of these drugs may be directly competitive with phenoxodiol to the extent that they would obviate the need for phenoxodiol.

In other cases, however, these drugs or therapies may not be competitive to the extent that they are not mutually exclusive and could be used in conjunction with phenoxodiol.

Many pharmaceutical and biotechnology companies are developing drugs specifically in the area of signal transduction inhibition. Several such drugs have received marketing approval over the past five years. While much of the activity in this field is based on rational drug design, meaning that the nature of action of such drugs is overwhelmingly focused on individual signaling targets, it would be reasonable to expect that attention will be drawn increasingly to the development of drugs like phenoxodiol that have activity against multiple targets.

The most significant competition potentially might arise from the development of drugs with a related chemical heritage to phenoxodiol. Two chemicals with a related chemical heritage of an underlying flavonoid chemical structure that we are aware of undergoing clinical development as anti-cancer agents are genistein and flavopiridol™. Our understanding is that genistein is in Phase II clinical studies, while flavopiridol™ is in Phase III clinical studies.

Our competitors may develop and commercialize products that are safer, less costly and more efficacious in the treatment of cancers. In addition, we face and will continue to face competition from companies, institutions, agencies and organizations, including those in fields unrelated to drug development, to recruit qualified personnel, attract partners for joint ventures and license competitive technologies.

Many of our competitors have significantly greater capital resources, larger research and development staffs and facilities and greater experience in drug development, regulation, manufacturing and marketing than we do at present. In this respect, they may be able to more easily develop technologies and products that would render our technologies or our drug candidates obsolete or non-competitive.

Intellectual Property

Novogen has been granted patents and has additional patents pending in a number of countries which cover a family of chemically related compounds with potentially broad ranging and complementary anti-cancer effects. Novogen has granted to us an exclusive license with respect to its patent rights and intellectual property know-how to develop, market and distribute one of these compounds, phenoxodiol as an anti-cancer agent, except in topical form.

See “Certain Relationships and Related Transactions” for more information regarding our agreements with Novogen.

We have licensed from Novogen the rights to the Novogen patents and applications as they relate to phenoxodiol as an anti-cancer agent. Excluded from these rights is phenoxodiol in a topical formulation. The patent rights we have licensed from Novogen can be largely classified into two broad groups: patent rights relating to phenoxodiol used as an anti-cancer agent, which we refer to as “product patent rights”, and patent rights relating to the manufacture of phenoxodiol for anti-cancer purposes, which we refer to as “manufacturing patent rights”. The pending and issued Novogen patent rights can be further broken down into four families, three families belonging to the product patent rights and one family belonging to the manufacturing patent rights: The three families in the product patent rights comprise phenoxodiol for the treatment of cancer (17 pending; six issued); compositions and methods for protecting skin from ultraviolet induced immunosuppression and skin damage including phenoxodiol (10 pending; three issued); therapeutic methods and compositions involving isoflav-3-ene and isoflavan structure including phenoxodiol (PCT pending). The family relating to the manufacturing patent rights relate to the production of isoflavone derivatives including phenoxodiol (17 pending). Novogen has recently received a notice of allowance from the United States Patent and Trademark Office (USPTO) related to phenoxodiol to treat a variety of cancers.

As patent applications in the United States are maintained in secrecy until published or patents issue and as publication of discoveries in the scientific or patent literature often lag behind the actual discoveries, we cannot be certain that Novogen was the first to make the inventions covered by each Moreover, pursuant to the terms of the Uruguay Round Agreements Act, patents filed on or after June 8,

1995 have a term of twenty years from the date of such filing, irrespective of the period of time it may take for such patent to ultimately issue. This may shorten the period of patent protection afforded to phenoxodiol as patent applications in the biopharmaceutical sector often take considerable time to issue. Under the Drug Price Competition and Patent Term Restoration Act of 1984 (the "Patent Act"), a sponsor may obtain marketing exclusivity for a period of time following FDA approval of certain drug applications, regardless of patent status, if the drug is a new chemical entity or if new clinical studies were used to support the marketing application for the drug. Pursuant to the FDA Modernization Act of 1997, the period of exclusivity can be extended if the applicant performs certain studies in pediatric patients. This marketing exclusivity prevents a third party from obtaining FDA approval for an identical or nearly identical drug under an Abbreviated New Drug Application ("ANDA") or a "505(b)(2)" New Drug Application. The statute also allows a patent owner to obtain an extension of applicable patent terms for a period equal to one-half the period of time elapsed between the filing of an IND and the filing of the corresponding NDA plus the period of time between the filing of the NDA and FDA approval, with a five year maximum patent extension. We cannot be certain that Novogen will be able to take advantage of either the patent term extension or marketing exclusivity provisions of this law.

In order to protect the confidentiality of our technology, including trade secrets and know-how and other proprietary technical and business information, we require all of our consultants, advisors and collaborators to enter into confidentiality agreements that prohibit the use or disclosure of information that is deemed confidential. The agreements also oblige our consultants, advisors and collaborators to assign to us developments, discoveries and inventions made by such persons in connection with their work with us. We cannot be sure that confidentiality will be maintained or disclosure prevented by these agreements or that our proprietary information or intellectual property will be protected thereby or that others will not independently develop substantially equivalent proprietary information or intellectual property.

The pharmaceutical industry is highly competitive and patents have been applied for by, and issued to, other parties relating to products competitive with phenoxodiol. Therefore, phenoxodiol and any other drug candidates may give rise to claims that they infringe the patents or proprietary rights of other parties existing now and in the future. An adverse claim could subject us to significant liabilities to such other parties and/or require disputed rights to be licensed from such other parties. We cannot be sure that any license required under any such patents or proprietary rights would be made available on terms acceptable to us, if at all. If we do not obtain such licenses, we may encounter delays in product market introductions, or may find that the development, manufacture or sale of products requiring such licenses may be precluded. We have not conducted any searches or made any independent investigations of the existence of any patents or proprietary rights of other parties.

Relationship with Novogen

Novogen has been granted patents and has additional patent applications pending in a number of countries pertaining to phenoxodiol's family of compounds and to phenoxodiol itself and their use in anti-cancer therapeutics. Novogen has granted us an exclusive license under its patent rights and the intellectual property rights in its relevant know-how to develop, market and distribute all forms of administering phenoxodiol for anti-cancer applications, except topical applications.

Novogen is active in the discovery and development of new drugs based on the emerging field of signal transduction regulation. Signal transduction regulators offer the potential for effective, well-tolerated treatment of common degenerative diseases including cancer and heart disease. Novogen has developed a family of chemically related compounds with potentially broad ranging and complementary anti-cancer effects.

We have entered into certain key agreements with Novogen. These agreements are discussed briefly below. Investors should also read the detailed summary of these documents set out in "Certain Relationships and Related Transactions."

Under an amended and restated license agreement, Novogen granted us an exclusive world-wide, non-transferable license, under the Novogen patent rights, to conduct clinical trials and commercialize and

distribute all forms of administering phenoxodiol except topical applications. The agreement covers uses of phenoxodiol in the field of prevention, treatment or cure of cancer in humans.

Under an amended and restated manufacturing license and supply agreement, Novogen assumes responsibility for the supply of phenoxodiol in its primary manufactured form for both the research and development program and phenoxodiol's ultimate commercial use. Novogen has a pilot phenoxodiol manufacturing plant which we believe has sufficient capacity to meet the projected amount of phenoxodiol required to complete the proposed clinical program.

Under an amended and restated license option deed, Novogen granted us an exclusive first right to accept and an exclusive last right to match any proposed dealing by Novogen with its intellectual property rights in other synthetic compounds developed by Novogen that have known or potential anti-cancer applications in all forms other than topical applications.

Pursuant to an amended and restated services agreement, Novogen will provide services reasonably required by us relating to the development and commercialization of phenoxodiol. We do not currently intend to directly employ any staff and are reliant on Novogen for the provision of resources to conduct our business.

Commercialization

Commercialization of a drug requires approval from the regulatory body of each country in which the drug is to be marketed. Following the completion of Phase III studies, the data gathered from the clinical trial program must be collated for presentation to the appropriate regulatory authorities in each territory in a form acceptable to each authority, in order to obtain the relevant regulatory approvals to market the drug in that territory. Approval usually is granted for those specific cancer indications for which the clinical data supports efficacy.

We may choose to seek regulatory approval in our own right in any or all territories. Alternatively, we may seek to establish a strategic partnership with another pharmaceutical company to market phenoxodiol in certain territories, in which case that partner may take responsibility for application for regulatory approval.

Successful commercialization requires high quality marketing campaigns and distribution arrangements in order to gain market share as fast as possible. Global pharmaceutical companies have large and professional marketing and distribution functions that regularly introduce new drugs throughout the world. For that reason, we are likely to choose to seek a strategic partnership in any or all territories in which phenoxodiol is to be marketed.

Decisions on both the appropriate territories in which regulatory approval will be sought and the nature of commercialization in those territories will be made by the board of directors at the appropriate time and with due regard to maximizing the commercial benefit to us.

The most significant market for phenoxodiol is the United States market. Before a drug is granted regulatory approval to be marketed and commercialized in the United States, the drug must gain approval to be tested in humans. In the United States, this requires the FDA to grant the drug IND status. See "— Regulation-U.S. Regulatory Requirements." Phenoxodiol has achieved this status and has commenced clinical trials in the United States.

Research and Development

The objective of our research and development program is the generation of data sufficient to achieve regulatory approval of phenoxodiol in one or more dosage forms in major markets such as the United States, and/or to allow us to enter into a commercial relationship with another party. The data is generated by our clinical trial programs.

The key aspects of this program are to provide more complete characterization of the following:

- the relevant molecular targets of action of phenoxodiol;
- the relative therapeutic indications of different dosage forms of phenoxodiol;
- the relative therapeutic benefits and indications of phenoxodiol as a monotherapy or as part of combinational therapy with other chemotoxics; and
- the most appropriate cancer targets for phenoxodiol.

Regulation

U.S. Regulatory Requirements

The U.S. Food and Drug Administration, or FDA, and comparable regulatory agencies in foreign countries regulate and impose substantial requirements upon the research, development, preclinical and clinical testing, labeling, manufacture, quality control, storage, approval, advertising, promotion, marketing, distribution, and export of pharmaceutical products, including biologics, as well as significant reporting and record-keeping obligations. State governments may also impose obligations in these areas.

In the United States, pharmaceutical products are regulated by the FDA under the Federal Food, Drug, and Cosmetic Act, or FDCA, and other laws, including in the case of biologics, the Public Health Service Act. We believe, but cannot be certain, that our products will be regulated as biologics and drugs by the FDA. The process required by the FDA before biologics or drugs may be marketed in the United States generally involves the following:

- preclinical laboratory evaluations, including formulation and stability testing, and animal tests performed under the FDA's Good Laboratory Practices regulations to assess potential safety and effectiveness;
- submission and approval of an IND, including results of preclinical tests and protocols for clinical tests, which must become effective before clinical trials may begin in the United States;
- obtaining approval of Institutional Review Boards to administer the products to human subjects in clinical trials;
- adequate and well-controlled human clinical trials to establish the safety and efficacy of the product for the product's intended use;
- development of manufacturing processes which conform to FDA current Good Manufacturing Practices, or cGMPs, as confirmed by FDA inspection;
- submission of preclinical and clinical test results, and chemistry, manufacture and control information on the product to the FDA in a New Drug Approval Application, or NDA; and
- FDA review and approval of an NDA, prior to any commercial sale or shipment of a product.

The testing and approval process requires substantial time, effort, and financial resources, and we cannot be certain that any approval will be granted on a timely basis, if at all.

The results of the preclinical tests, together with initial specified manufacturing information, the proposed clinical trial protocol, and information about the participating investigators, are submitted to the FDA as part of an IND, which must be approved before we may begin human clinical trials. Additionally, an independent Institutional Review Board at each clinical trial site proposing to conduct the clinical trials must review and approve each study protocol and oversee conduct of the trial. An IND becomes effective 30 days after receipt by the FDA, unless the FDA, within the 30-day period, raises concerns or questions about the conduct of the trials as outlined in the IND and imposes a clinical hold. If the FDA imposes a clinical hold, the IND sponsor must resolve the FDA's concerns before clinical trials can begin. Pre-clinical tests and studies can take several years to complete, and there is no guarantee that an IND we submit based on such tests and studies will become effective within any specific time period, if at all.

Human clinical trials are typically conducted in three sequential phases that may overlap:

- *Phase I:* The drug is initially introduced into healthy human subjects or patients and tested for safety and dosage tolerance. Absorption, metabolism, distribution, and excretion testing is generally performed at this stage.

- *Phase II:* The drug is studied in controlled, exploratory therapeutic trials in a limited number of subjects with the disease or medical condition for which the new drug is intended to be used in order to identify possible adverse effects and safety risks, to determine the preliminary or potential efficacy of the product for specific targeted diseases or medical conditions, and to determine dosage tolerance and the optimal effective dose.

- *Phase III:* When Phase II studies demonstrate that a specific dosage range of the drug is likely to be effective and the drug has an acceptable safety profile, controlled, large-scale therapeutic Phase III trials are undertaken at multiple study sites to demonstrate clinical efficacy and to further test for safety in an expanded patient population.

We cannot be certain in that we will successfully complete Phase I, Phase II, or Phase III testing of our products within any specific time period, if at all. Furthermore, the FDA, the Institutional Review Board or we may suspend or terminate clinical trials at any time on various grounds, including a finding that the subjects or patients are being exposed to an unacceptable health risk.

Results of pre-clinical studies and trials, as well as detailed information about the manufacturing process, quality control methods, and product composition, among other things, are submitted to the FDA as part of an NDA seeking approval to market and commercially distribute the product on the basis of a determination that the product is safe and effective for its intended use. NDAs are used for products that are regulated as drugs, such as synthetic chemicals. Before approving an NDA, the FDA will inspect the facilities at which the product is manufactured and will not approve the product unless cGMP compliance is satisfactory. If applicable regulatory criteria are not satisfied, the FDA may deny the NDA or require additional testing or information. As a condition of approval, the FDA also may require post-marketing testing or surveillance to monitor the product's safety or efficacy. Even after an NDA is approved, the FDA may impose additional obligations or restrictions (such as labeling changes), or even suspend or withdraw a product approval on the basis of data that arise after the product reaches the market, or if compliance with regulatory standards is not maintained. We cannot be certain that any NDA we submit will be approved by the FDA on a timely basis, if at all. Also, any such approval may limit the indicated uses for which the product may be marketed. Any refusal to approve, delay in approval, suspension or withdrawal of approval, or restrictions on indicated uses could have a material adverse impact on our business prospects.

Each NDA must be accompanied by a user fee, pursuant to the requirements of the Prescription Drug User Fee Act, or PDUFA, and its amendments. According to the FDA's fee schedule, effective on October 1, 2003 for the fiscal year 2004, the user fee for an application requiring clinical data, such as an NDA, is $573,500. The FDA adjusts the PDUFA user fees on an annual basis. PDUFA also imposes an annual product fee for prescription drugs and biologics ($36,080 for the fiscal year 2004), and an annual establishment fee ($226,800) on facilities used to manufacture prescription drugs and biologics. We are not at the stage of development with our products where we are subject to these fees, but they are significant expenditures that will be incurred in the future and must be paid at the time of application submission to the FDA.

Satisfaction of FDA requirements typically takes several years. The actual time required varies substantially, based upon the type, complexity, and novelty of the pharmaceutical product, among other things. Government regulation imposes costly and time-consuming requirements and restrictions throughout the product life cycle and may delay product marketing for a considerable period of time, limit product marketing, or prevent marketing altogether. Success in pre-clinical or early stage clinical trials does not assure success in later stage clinical trials. Data obtained from preclinical and clinical activities is not always conclusive and may be susceptible to varying interpretations that could delay, limit, or prevent

marketing approval. Even if a product receives marketing approval, the approval is limited to specific clinical indications. Further, even after marketing approval is obtained, the discovery of previously unknown problems with a product may result in restrictions on the product or even complete withdrawal of the product from the market.

After product approval, there are continuing significant regulatory requirements imposed by the FDA, including record-keeping requirements, obligations to report adverse experiences, and restrictions on advertising and promotional activities. Quality control and manufacturing procedures must continue to conform to cGMPs, and the FDA periodically inspects facilities to assess cGMP compliance. Additionally, post-approval changes in product indications, manufacturing processes or facilities, product labeling, or other areas may require submission of an NDA Supplement to the FDA for review and approval. Failure to comply with FDA regulatory requirements may result in an enforcement action by the FDA, including Warning Letters, product recalls, suspension or revocation of product approval, seizure of product to prevent distribution, impositions of injunctions prohibiting product manufacture or distribution, and civil and criminal penalties. Maintaining compliance is costly and time-consuming. Nonetheless, we cannot be certain that we, or our present or future suppliers or third-party manufacturers, will be able to comply with all FDA regulatory requirements, and potential consequences of noncompliance could have a material adverse impact on our business prospects.

The FDA's policies may change, and additional governmental regulations may be enacted that could delay, limit, or prevent regulatory approval of our products or affect our ability to manufacture, market, or distribute our products after approval. Moreover, increased attention to the containment of healthcare costs in the United States and in foreign markets could result in new government regulations that could have a material adverse effect on our business. Our failure to obtain coverage, an adequate level of reimbursement, or acceptable prices for our future products could diminish any revenues we may be able to generate. Our ability to commercialize future products will depend in part on the extent to which coverage and reimbursement for the products will be available from government and health administration authorities, private health insurers, and other third-party payors. European Union and U.S. government and other third-party payors increasingly are attempting to contain healthcare costs by consideration of new laws and regulations limiting both coverage and the level of reimbursement for new drugs. We cannot predict the likelihood, nature or extent of adverse governmental regulation that might arise from future legislative or administrative action, either in the United States or abroad.

Our activities also may be subject to state laws and regulations that affect our ability to develop and sell our products. We are also subject to numerous federal, state, and local laws relating to such matters as safe working conditions, clinical, laboratory, and manufacturing practices, environmental protection, fire hazard control, and disposal of hazardous or potentially hazardous substances. We may incur significant costs to comply with such laws and regulations now or in the future, and the failure to comply may have a material adverse impact on our business prospects.

Australian Regulatory Requirements

The *Therapeutic Goods Act 1989*, or 1989 Act, sets out the legal requirements for the import, export, manufacture and supply of pharmaceutical products in Australia. The 1989 Act requires that all pharmaceutical products to be imported into, supplied in, or exported from Australia be included in the Australian Register of Therapeutic Goods, or ARTG, unless specifically exempted under the Act.

In order to ensure that a product can be included in the ARTG, a sponsoring company must make an application to the Therapeutic Goods Administration, or TGA. The application usually consists of a form accompanied by data (based on the European Union requirements) to support the quality, safety and efficacy of the drug. In the case of drugs for important medical conditions the TGA will accept either European or American dossier format in an attempt to expedite the registration process.

The first phase of evaluation, known as the Application Entry Process, is usually a short period during which an application is assessed on an administrative level to ensure that it complies with the basic

guidelines. The TGA must decide within 40 working days whether it will accept the application for evaluation.

Once an application is accepted for evaluation, aspects of the data provided are allocated to evaluators, who prepare evaluation reports. Following this evaluation, the chemistry and quality control aspects of a product may be referred to a sub-committee of the Australian Drug and Evaluation Committee, or ADEC to review the evaluation reports. The evaluation reports are then sent to the sponsoring company who then has the opportunity to comment on the views expressed within the evaluation report and to submit supplementary data to address any issues raised in the evaluation reports.

Once the evaluations are complete, the TGA prepares a summary document on the key issues on which advice will be sought from the ADEC. This summary is sent to the sponsoring company which is able to submit a response to the ADEC dealing with issues raised in the summary and those not previously addressed in the evaluation report. The ADEC provides advice on the quality, risk-benefit, effectiveness and access of the drug and conduct medical and scientific evaluations of the application. The ADEC's resolutions are provided to the sponsoring company after 5 working days.

The TGA takes into account the advice of the ADEC in reaching a decision to approve or reject a product. Any approval for registration on the ARTG may have conditions associated with it.

From the time that the TGA accepts the initial application for evaluation, the TGA must complete the evaluation and make a decision on the registration of the product within 255 working days. The TGA also has a system of priority evaluation for products that meet certain criteria, including where the product is a new chemical entity that it is not otherwise available on the market as an approved product, and is for the treatment of a serious, life-threatening illness for which other therapies are either ineffective or not available.

European Union Regulatory Requirements

Outside the United States, our ability to market our products will also be contingent upon receiving marketing authorizations from the appropriate regulatory authorities and compliance with applicable post-approval regulatory requirements. Although the specific requirements and restrictions vary from country to country, as a general matter, foreign regulatory systems include risks similar to those associated with FDA regulation, described above. Under EU regulatory systems, marketing authorizations may be submitted either under a centralized or decentralized procedure. Under the centralized procedure, a single application to the European Medicines Evaluation Agency (EMEA) lead to an approval granted by the European Commission which permits the marketing of the product throughout the EU. We assume that the centralized procedure will apply to our products that are developed by means of a biotechnology process. The decentralized procedure provides for mutual recognition of nationally approved decisions and is used for products that do not qualify under the centralized procedure. Under the decentralized procedure, the holders of a national marketing authorization may submit further applications to the competent authorities of the remaining members states which will then be requested to recognize the original authorization based upon an assessment report prepared by the original authorizing competent authority. The recognition process should take no longer than 90 days, but if one member state makes an objection, which under the legislation can only be based on a possible risk to human health, we have the option to withdraw the application from that country or take the application to arbitration by the Committee for Proprietary Medicinal Products (CPMP) of the EMEA. If a referral for arbitration is made, the procedure is suspended, and in the intervening time, the only EU country in which the product can be marketed will be the country where the original authorization has been granted, even if all the other designated countries are ready to recognize the product. The opinion of the CPMP, which is binding, could support or reject the objection or alternatively could reach a compromise position acceptable to all EU countries concerned. Arbitration can be avoided if the application is withdrawn in the objecting country, but once the application has been referred to arbitration, it cannot be withdrawn. The arbitration procedure may take an additional year before a final decision is reached and may require the delivery of additional data.

As with FDA approval, we may not be able to secure regulatory approvals in Europe in a timely manner, if at all. Additionally, as in the United States, post-approval regulatory requirements, such as those regarding product manufacture, marketing, or distribution, would apply to any product that is approved in Europe, and failure to comply with such obligations could have a material adverse effect on our ability to successfully commercialize any product.

There has recently been introduced in Europe new legislation designed to harmonise the regulation of clinical trials across the EU and that legislation is currently being implemented on a country by country basis. In addition, new proposals are under advanced consideration which, if brought into law, will effect substantial and material changes to the regulation of medicinal products in Europe. Accordingly, there is a marked degree of change and uncertainty both in the regulation of clinical trials and in respect of marketing authorisations which face us in seeking for our products in Europe.

Government Funding

Novogen received financial support for the phenoxodiol drug program from the Australian government under what is known as the START Program. The START Program is a merit-based program designed to encourage and assist Australian companies to undertake research and development and commercialization through a range of grants and loans. The START Program is administered by the Industry Research and Development, or IR&D Board. The IR&D Board is made up of private sector and academic members with expertise and experience in research and development and commercialization. In 1998, the Australian government agreed to provide A$2.7 million (approximately U.S. $1.8 million) enabling Novogen to expedite phenoxodiol into clinical trials, provided that the grant money was matched by an equal expenditure by Novogen. The START grant was awarded after the government's review of the pertinent research results, the intellectual property driving the program, and the likelihood and potential for commercial success of the drug.

The terms of the grant require Novogen to obtain the consent of the Australian government to deal with the intellectual property rights which have arisen through the program conducted to date. Novogen has obtained the consent of the Australian government to the grant of the license to us and to the other arrangements between us and Novogen concerning the development and commercialization of phenoxodiol.

Novogen believes that it has fulfilled all of its obligations under the terms of the START Program and expects to continue to do so in the future. For additional information on the consequences to us in the event Novogen fails to comply with its obligations under the START Program, see the "Intellectual Property" and "Risk Factors" sections of this prospectus.

Employees

We do not have any employees. Novogen provides us with staff and other financial and administrative services under our service agreement with Novogen.

Facilities

We do not own or lease any facility. Novogen provides us with space for our corporate headquarters.

Legal proceedings

We are not currently a party to any material legal proceedings.

MANAGEMENT

Directors and Executive Officers

The following sets forth information for each of our directors and executive officers.

Dr. Graham Edmund Kelly, PhD, aged 57, Chairman, Director

Dr. Kelly was appointed as our Chairman in April 2001. Dr. Kelly founded Novogen in 1992 and has spent nearly 30 years in medical research involving drug development, immunology, surgery and cancer. Dr. Kelly was a senior research fellow in experimental surgery in the Faculty of Medicine at the University of Sydney from 1972 to 1994. He developed the b-1, 3-glucan and isoflavone intellectual property now owned by the Novogen Group. Dr. Kelly was Executive Chairman of Novogen between 1997 and 2000 and continues to act as project leader for phenoxodiol. Dr. Kelly's term as one of our directors expires in 2005.

Christopher Naughton, aged 50, President and CEO, Director

Mr. Naughton has been our President and CEO since our inception in December 2000. He also has been the Managing Director of Novogen since March 1997. Mr. Naughton has degrees in Economics from the Australian National University and in Law from the University of New South Wales. He has completed the Program for Management Development at the Harvard Business School and is admitted to practice as an attorney in New South Wales. After working in merchant banking, he has spent the last 18 years in the pharmaceutical industry including appointments as a Director of Wellcome Australia Limited and in world wide business development with the Wellcome Foundation Limited in the UK. Mr. Naughton's term as one of our directors expires in 2005.

Philip Andrew Johnston, aged 56, Director

Mr. Johnston has been one of our directors since April 2001. Mr. Johnston has had more than 25 years' experience in the pharmaceutical industry. He has been a Non-Executive Director of Novogen since January 1997, and Chairman of Novogen since January 2001. Mr. Johnston spent nine years as an Executive Director of Wellcome Australia Limited from June 1988 to September 1997. He was previously Director of two subsidiary companies of GlaxoWellcome. His responsibilities have encompassed production, distribution, quality assurance and consumer product development and he has been directly involved in the establishment of strategic alliances and joint ventures. Mr. Johnston has completed a number of executive development programs including programs at the University of NSW and the London Business School. Mr. Johnston's term as one of our directors expires in 2004.

Professor David Morritz de Kretser, aged 64, Director

Professor de Kretser has been one of our Directors since April 2001. Professor de Kretser has been active in medicine and research for over 30 years, taking on roles including Professor of the Department of Anatomy, Monash University, where he has served as a professor since 1978. Professor de Kretser has been the Executive Chair of the Monash Institutes of Health and Associate Dean For Biotechnology Development at Monash University since July 2001 and the Director of the Australian Centre for Excellence in Male Reproductive Health since July 2001. He was the Founding Director of the Monash Institute of Reproduction and Development and remains as the Director of the Centre for Molecular Reproduction and Endocrinology within the institute. He has served on numerous international and national committees dealing with research and has experience on a number of professional editorial boards. He has published over 400 research papers and has been invited to speak at numerous national and international conferences and symposiums on topics such as fertility, andrology and endocrinology. Professor de Kretser's research has led to a number of patents in Australia and overseas. He is an Officer of the Order of Australia, a Fellow of the Australian Academy of Science and a Fellow of the Australian

Academy of Technological Sciences and Engineering. Professor de Kretser's term as one of our directors expires in 2003.

Professor Paul John Nestel, aged 73, Director

Professor Nestel has been one of our directors since April 2001. Professor Nestel has been a non-executive Director of Novogen since September 2001. Since January 1995, he has been Senior Principal Research Fellow and Head of the Cardiovascular Nutrition laboratory at the Baker Medial Research Institute, Victoria. Professor Nestel has also been Consultant Physician at the Alfred Hospital, Melbourne since January 1995. He is president of the International Life Sciences Institute (Australasia) and a member of the board of directors of ILSI South East Asia. He was formerly Clinical Professor in Medicine, The Flinders University of South Australia. Professor Nestel is an Officer of the Order of Australia. Professor Nestel's term as one of our directors expires in 2004.

Stephen Breckenridge, aged 60, Director

Mr. Breckenridge has been one of our directors since August 2003. Mr. Breckenridge has had over 25 years experience in public practice as a Chartered Accountant in Australia and since 2001, has been Managing Director of Breckenridge Consulting Pty Ltd which provides independent tax and management advice to multi-nationals and SME's. Until 2001, Mr. Breckenridge was a tax partner for 24 years with KPMG in Sydney where he provided corporate tax advice to a wide cross section of business in Australia and overseas with particular emphasis in more latter years on international transfer pricing. Mr. Breckenridge has also been involved in the pharmaceutical and chemical industries over a long period including serving on several industry association committees and leading industry focus groups within KPMG. Mr. Breckenridge holds a Master of Tax degree from the University of Sydney and is a Fellow of the Institute of Chartered Accountants and the Taxation Institute of Australia. Mr. Breckenridge was appointed to our board of directors on August 1, 2003 and his term as one of our directors expires in 2003.

David Ross Seaton, aged 49, Chief Financial Officer

Mr. Seaton has been our Chief Financial Officer and Company Secretary since September 1999 and has been the Chief Financial Officer of Novogen since December 2000. He holds a degree in Business Studies as well as a Master of Commerce degree from the University of New South Wales. He has completed management development programs at Northwestern University in Chicago as well as Duke University and the London Business School. He has 18 years experience in the pharmaceutical industry. Prior to joining Novogen in 1999 was the Finance Director of GlaxoWellcome Australia Limited from 1995 to 1999.

Corporate Governance

Board of Directors

Our board of directors has responsibility for our overall corporate governance and meets regularly throughout the year.

Four of our six existing board members are also currently directors of Novogen. We are a "controlled corporation" within the meaning given to that term by Nasdaq because Novogen owns more than 50% of our voting power. As a controlled corporation, we are exempt from the requirement that our board be composed of a majority of independent directors.

The board has established an Audit Committee to oversee our financial matters and a Remuneration Committee to review the performance of executive directors and their remuneration.

Audit Committee

The Audit Committee is responsible for overseeing our financial and accounting activities, including external audits and accounting functions. The Audit Committee meets at least twice each year. The Audit

Committee's responsibilities include the annual appointment of our outside auditors and the review of the scope of audit and non-audit assignments and related fees, the accounting principles we use in financial reporting, internal auditing procedures and the adequacy of our internal control procedures. The members of the Audit Committee are Mr. Breckenridge (chairman), Mr. Johnston and Professor de Kretser, all of whom are independent as defined by applicable and proposed Nasdaq and SEC rules. Stephen Breckenridge is an audit committee financial expert as defined by SEC rules.

Remuneration Committee

The Remuneration Committee reviews the performance of executive directors and sets their remuneration. The Remuneration Committee also has the power to make recommendations to the full board concerning the allocation of share options to directors and employees. The remuneration and terms of appointment of non-executive directors will be set by our board of directors. The members of the Remuneration Committee are Mr. Johnston, Professor de Kretser and Mr. Breckenridge.

Director and Executive Compensation

Directors

Our directors, other than Dr. Kelly and Mr. Naughton, receive directors fees of $A30,000 (approximately US$19,000) per annum from us. Dr. Kelly and Mr. Naughton do not receive any remuneration for performing their duties as our directors.

Executive Officers

Our executive officers, Dr. Kelly, Mr. Naughton and Mr. Seaton, are also executive officers of Novogen and do not receive any remuneration directly from us in performing their duties as our executive officers. At the present time, their services are provided to us pursuant to the services agreement with Novogen.

Share Option Plan

We have adopted a share option plan. As of the date of this prospectus, no options were outstanding under the share option plan and we have no present intention of granting any options under the share option plan. We expect that the board would authorize our remuneration committee to oversee the plan, but no such action has been taken. The following is a summary of the plan.

The plan provides our directors, employees, employees of our affiliates and certain of our contractors and consultants with the opportunity to participate in our ownership.

The committee will address participation, the number of options offered and any conditions of exercise. In making these determinations the committee will generally consider the participant's position and record of service to us and our affiliates and potential contribution to the growth of us and our affiliates. Any other matters tending to indicate the participant's merit may also be considered.

Options will be exercisable between two years and five years after grant, unless otherwise determined by the committee appointed by the board. Options granted will be exercisable at a price determined by the committee at the time of issue (and will be subject to adjustment in accordance with the terms of the plan).

Other key terms of the plan include:

- options will lapse if the participants cease to be engaged by us or our affiliates. The committee will have the discretion to waive this provision;
- the terms of the plan also provide for adjustments to the rights of an option holder as a result of a reorganization of our capital or other corporate event. The holder of an option is not permitted to participate in any distributions by us or in any rights or other entitlements issued by us to

stockholders in respect of our shares unless the options are exercised prior to the relevant record date; and

- all options vest on the occurrence of certain events such as a change of control, as defined in the share option plan.

The plan also contains commonly found provisions dealing with matters such as administration of the plan, amendment of the plan and termination or suspension of the plan.

BENEFICIAL OWNERSHIP OF COMMON STOCK

None of our directors or executive officers own any shares of our capital stock. The following table sets forth information with respect to the beneficial ownership of our common stock by owners of more than 5% of our common stock as of September 24, 2003. The person named in this table has sole voting and investment power with respect to the shares of common stock shown.

Name and Address of Beneficial Owner	Number Beneficially Owned Before and After this Offering of Shares	Percentage of Shares Beneficially Owned Before this Offering	Percentage of Shares Beneficially Owned After this Offering
Novogen Limited 140 Wicks Road North Ryde 2113 Australia	49,500,000	95.1%	91.6%

CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

Our key assets include the agreements we have entered into with Novogen. These agreements are each summarized below. The following description is only a summary of what we believe are the material provisions of the agreements. Copies of the agreements have been filed with the Securities and Exchange Commission as exhibits to the registration statement of which this prospectus forms a part.

The Amended and Restated License Agreement

General

Novogen's subsidiary, Novogen Research Pty Limited, has granted our subsidiary, Marshall Edwards Pty Limited, a world-wide, non-transferable license under its patents and patent applications and in its licensed know-how to conduct clinical trials and commercialize and distribute phenoxodiol products. We and Novogen have each guaranteed the obligations of our respective subsidiaries under this license agreement. The license is exclusive until the expiration or lapsing of the last relevant Novogen patents or patent applications in the world, and thereafter is non-exclusive for the remainder of the term of the agreement. The license grants us the right to make, have made, market, distribute, sell, hire or otherwise dispose of phenoxodiol products in the field of prevention, treatment or cure of cancer in humans by pharmaceuticals delivered in all forms except topical applications.

We are obliged to continue current, and undertake further, clinical trials of phenoxodiol, and are responsible for paying for all materials necessary to conduct clinical trials, must conduct all such trials diligently and professionally, must use reasonable endeavors to design and conduct clinical trials to generate outcomes which are calculated to result in regulatory approval of phenoxodiol products, and must keep proper records of all clinical trials and allow Novogen to inspect those records.

All intellectual property rights in the medication, trial protocols, results of the clinical trials, case report forms and any other materials used in the conduct of the clinical trials are assigned by us to Novogen and we must not publish the results of clinical trials without the prior written consent of Novogen.

We may not sub-license, sub-contract, or engage agents without the prior written consent of Novogen. Any proposed sub-contractors and agents must first agree in writing to comply with certain confidentiality obligations and to assign to Novogen all intellectual property rights in the Field created or acquired by them in the course of their engagement.

Marketing and Commercialization

We may market and commercialize phenoxodiol products under the license in any manner we think fit, so long as we conduct any marketing and commercialization activities on a commercially reasonable basis in compliance with applicable laws and regulations, comply with reasonable directions given by Novogen, act in a manner which we consider to be most beneficial to the interests of us and Novogen, and otherwise act in good faith to Novogen. All advertising and promotional material must be submitted to Novogen for prior approval.

Fees, Charges and Costs

The following table summarizes our responsibility for fees, charges and costs under the license agreement.

Payee	Fee/Cost	Description
Novogen	License Fees	During the exclusivity period: • 2.5% of the net sales of phenoxodiol products (invoice price less trade discounts and returns taken); and

Payee	Fee/Cost	Description
		• 25% of all gross income received by or on behalf of us (or our affiliates other than Novogen) from the assignment, sublicensing or other dealing with our rights under the agreement, which we refer to as commercialization income. After the exclusivity period, 1.5% of all net sales of phenoxodiol products on the basis described above.
Novogen	First lump sum license fee	A lump sum license fee of $5 million is payable on the later of November 1, 2002 or the date on which the cumulative total of the funds (debt or equity) received by us or our affiliates other than Novogen and the income derived by us or our affiliates other than Novogen and from sales of phenoxodiol products or commercialization income exceeds $25 million.
Novogen	Second lump sum license Fee	A further lump sum license fee of $5 million is payable on the later of November 1, 2003 or the date on which the cumulative total of the funds (debt or equity) received by us or our affiliates other than Novogen and the income derived by us or our affiliates other than Novogen from sales of phenoxodiol products or commercialization income exceeds $50 million.
Novogen	Annual License Fees	For each calendar year set out below for the duration of the exclusivity period, the annual license fees are: • calendar year ending December 31, 2003: $1 million; • calendar year ending December 31, 2004: $2 million; • calendar year ending December 31, 2005: $4 million; and • each calendar year following the year ending December 31, 2005: $8 million, less any amount payable to Novogen during that calendar year pursuant to the first lump sum license fee referred to above.
Novogen	Patent Costs	We must reimburse Novogen one half of the costs of filing, prosecution and maintenance of the licensed patent rights.
Novogen	Goods and Service Tax	Any goods and services tax payable on any amounts paid under the agreement.
Various	Withholding Tax	We must pay the amount of any withholding taxes payable in any country and must gross-up any royalties withheld.

Interest accrues daily on the outstanding balance of all overdue amounts payable to Novogen under the license agreement.

Termination

We may terminate the license agreement at any time, by giving three months' notice to Novogen. We may also terminate the agreement if Novogen commits a breach of any of its material obligations under the agreement, becomes the subject of certain bankruptcy proceedings or is unable to lawfully perform its obligations. Novogen may terminate the agreement if we commit a breach of any of our material

obligations under the agreement, become the subject of certain bankruptcy proceedings or are unable to lawfully perform our obligations. Novogen may also terminate the agreement immediately if a change of control, as defined in the license agreement, occurs without the consent of Novogen.

The Amended and Restated Manufacturing License and Supply Agreement

Our subsidiary, Marshall Edwards Pty Limited has granted to Novogen's subsidiary, Novogen Laboratories Pty Limited, an exclusive, non-transferable sub-license to manufacture and supply phenoxodiol to us in its primary manufactured form. We and Novogen have each guaranteed the obligations of our respective subsidiaries under this manufacturing license and supply agreement. Novogen must not sublicense its rights or engage agents or subcontractors to exercise its rights or perform its obligations under the agreement without our prior written consent.

Supply of Phenoxodiol

We provide to Novogen rolling forecasts quarterly of our estimated supply requirements for phenoxodiol, and issue purchase orders for phenoxodiol to Novogen specifying the volume of phenoxodiol required. Novogen must confirm the quantity it is able to supply to fulfill the purchase order within 5 business days of receiving the purchase order. Novogen must then supply the volume of phenoxodiol it agreed to supply, and must otherwise use all reasonable endeavors to fulfill the purchase order. Novogen must manufacture and deliver phenoxodiol to us at a port nominated by us. Title to the phenoxodiol does not pass to us until we have paid the purchase price (as described below) and retention of title arrangements apply.

If Novogen materially and persistently fails to supply the amount of phenoxodiol ordered by us by the required date, we may manufacture (or engage a third party, without Novogen's consent, to manufacture) the amount of the shortfall of phenoxodiol until Novogen demonstrates that it is able to consistently supply phenoxodiol in accordance with our requirements. In this case, Novogen must take all reasonable steps to make available to us or the third party, on commercial terms, the know-how necessary to enable that manufacture to occur.

Fees and Charges

The purchase price for phenoxodiol supplied is the total costs to Novogen, plus a mark-up of 50%. The purchase price may be adjusted quarterly by Novogen by reference to the actual costs referred to above for the preceding quarter. If at any time we do not pay any amount due to Novogen, Novogen may suspend the supply of phenoxodiol to us until payment is received.

Manufacturing Developments and Improvements

Each party must disclose to the other any new developments, improvements and new know-how relating to the manufacture of phenoxodiol which are made or acquired by it during the term of the agreement. All intellectual property rights in developments, improvements and new know-how made or acquired by Novogen are to be assigned to us. We must provide to Novogen such technical information and assistance as Novogen laboratories reasonably requests in order to exercise its rights and perform its obligations.

Each party acknowledges that nothing in the agreement shall have the effect of transferring or assigning to Novogen any right, title or interest in any intellectual property rights in the phenoxodiol products licensed under the agreement.

Novogen agrees to notify us immediately on becoming aware of any infringement of the intellectual property rights in the licensed products or any claim by a third party that the activities of the parties under the agreement infringe such third party's intellectual property rights. If required, Novogen agrees to be a party to any proceedings brought by us in relation to any infringement of intellectual property rights in the

licensed products and also agrees, at our cost, to provide all reasonable assistance in relation to such proceedings and to execute such documents as we reasonably require.

Termination

Either party may terminate the agreement immediately at any time if the other party becomes the subject of certain bankruptcy proceedings, becomes unable to carry out the transactions contemplated by the agreement or breaches its obligations and does not cure such breach within 21 days notice. We may also terminate the agreement immediately if the license agreement expires or is terminated. Novogen may also terminate the agreement immediately if a change of control, as defined in the manufacturing license and supply agreement, occurs without the consent of Novogen.

Limitation of Liability

The liability of Novogen for breach of conditions or warranties imposed by statute is limited to the replacement of goods; supply of equivalent goods, repair or replacement value of goods or the resupply or payment for resupply of services.

The Amended and Restated License Option Deed

Novogen's subsidiary, Novogen Research Pty Limited, has granted our subsidiary, Marshall Edwards Pty Limited, an exclusive first right to accept and an exclusive last right to match any proposed dealing by Novogen with its intellectual property rights with a third party relating to certain synthetic pharmaceutical compounds (other than phenoxodiol) developed by Novogen or its affiliates. We and Novogen have each guaranteed the obligations of our respective subsidiaries under the license option deed.

Option Compounds

The rights relate to all synthetic pharmaceutical compounds, known as Option Compounds, delivered or taken in all forms except topical applications (other than phenoxodiol, which is the subject of the license agreement), developed before or during the term of the deed, by or on behalf of Novogen or its affiliates, which have known applications in the Field of prevention, treatment or cure of cancer in humans.

Dealings in Option Compounds and Exercise of Rights

Novogen must not, and must ensure that its affiliates other than us do not, deal, solicit entertain or discuss dealings with any intellectual property rights in the Field or in relation to any Option Compounds without giving us an exclusive first right to accept and an exclusive last right to match any such dealing. If we exercise our first right to accept or last right to match, Novogen must deal with the intellectual properly rights in favor of us on the terms and conditions proposed. We have 15 business days to exercise those rights and, if we fail to do so, Novogen may deal with those intellectual property rights in favor of a third party provided that the terms are no more favorable to that third party than those first offered to us or which we declined to match.

Protection of Intellectual Property

Novogen must act in good faith toward us in relation to its obligations under the deed and must ensure that all persons involved in any research or development work in the Field in relation to Option Compounds assign all intellectual property rights relating to the Option Compounds to Novogen. Novogen must also ensure that its affiliates, other than us, do the same. Novogen continues to be solely responsible for the maintenance of any patent rights in the Option Compounds, which it may maintain and enforce at its sole discretion and expense.

Development Reports

Novogen must provide to us from time to time and in no event less frequently than every six months development reports relating to the clinical trials and development of Option Compounds, and must notify us immediately of any regulatory approvals granted and assessments made by any government agency.

Term and Termination

The term of the deed is sixteen years from the commencement date, unless terminated earlier. We may terminate the deed at any time on three month's notice to Novogen. Either party may terminate the deed immediately at any time if the other party becomes the subject of certain bankruptcy proceedings, becomes unable to carry out the transactions contemplated by the agreement or breaches its obligations and does not cure such breach within 21 days notice.

Novogen may also terminate the deed immediately if a change of control, as defined in the license option deed, occurs without the consent of Novogen.

The Amended and Restated Services Agreement

Novogen has agreed to provide a range of services to us, or procure that its subsidiaries provide those services.

These services include providing general assistance and advice on research and development and commercializing phenoxodiol products and other compounds in which we may acquire intellectual property rights in the future, such as Option Compounds in relation to which we have exercised its rights under the license option deed.

Novogen's obligations also include providing, within the agreed budgets described below, our needs with respect to secretarial, marketing, finance, logistics, administrative and managerial support. Novogen also plans, conducts and supervises pre-clinical and clinical trials with phenoxodiol and with other compounds in which we have intellectual property rights. Novogen also provides scientific and technical advice on management of pre-clinical and clinical research programs undertaken by us and manages such research provisions.

Novogen may not sub-contract the provision of any part of the services without our prior written consent.

Fees for Services

We pay services fees to Novogen in accordance with an agreed annual budget. At the beginning of each financial year Novogen prepares a budget estimate for us with respect to the percentage of time spent by Novogen's employees and consultants in the provision of services to us in the previous financial year and any relevant considerations which are likely to influence the time spent for the following financial year. Each estimate must include the remuneration paid by Novogen to each person expected to provide the services and the percentage of time Novogen expects those persons will spend on our business, the allocated on-costs attributable to each person, a premises rental charge and a charge for asset usage and general overheads. The total estimate is to be the sum of these charges plus a mark-up of 10%. We also pay Novogen's reasonable out of pocket expenses incurred in providing the services to us. At the end of the fiscal year an adjustment is made to reflect actual costs incurred where they differ from budget.

Intellectual Property and Confidentiality

All intellectual property rights created by Novogen in the performance of the services for or at the request of us are licensed to us. Each party also has obligations to the other party to honor the other's confidential information confidential.

Termination

We may terminate our rights and obligations under the services agreement on three months' written notice to Novogen. Either we or Novogen may terminate the agreement immediately at any time if the other party becomes the subject of certain bankruptcy proceedings, becomes unable to carry out the transactions contemplated by the agreement, breaches its obligations and does not cure such breach within 21 days notice or if a change of control in the other party occurs. Novogen may also terminate the agreement immediately if a change of control, as defined in the services agreement, occurs without the consent of Novogen.

DESCRIPTION OF OUR SECURITIES

The shares of common stock and warrants offered hereby will be sold only in units. Each common stock unit consists of one share of common stock and one warrant to purchase one share of common stock. No common stock units have been issued prior to this offering.

Description of our Capital Stock

Our total authorized share capital is 113,100,000 shares consisting of 113,000,000 shares of common stock, $0.00000002 par value per share, and 100,000 shares of preferred stock, $0.01 par value per share. As of the date of this prospectus, 52,032,000 shares of our common stock and no shares of preferred stock are issued and outstanding.

Common Stock

The holders of common stock are entitled to one vote per share. In the event of a liquidation, dissolution or winding up of our affairs, holders of the common stock will be entitled to share ratably in all our assets that are remaining after payment of our liabilities and the liquidation preference of any outstanding shares of preferred stock. All outstanding shares of common stock are fully paid and non-assessable. The rights, preferences and privileges of holders of common stock are subject to any series of preferred stock that we have issued or that we may issue in the future. The holders of common stock have no preemptive rights and are not subject to future calls or assessments by us.

Preferred Stock

The board has the authority to issue up to 100,000 shares of preferred stock in one or more series and to fix the rights, preferences, privileges and restrictions in respect of that preferred stock, including dividend rights, dividend rates, conversion rights, voting rights, terms of redemption (including sinking fund provisions), redemption prices and liquidation preferences, and the number of shares constituting such series and the designation of any such series, without future vote or action by the shareholders. Therefore, the board without the approval of the shareholders could authorize the issue of preferred stock with voting, conversion and other rights that could affect the voting power, dividend and other rights of the holders of shares or that could have the effect of delaying, deferring or preventing a change of control. As of the date of this prospectus, we have no plans to issue any preferred stock.

Transfer Agent

Our transfer agent is Computershare Investor Services, LLC, Two North La Salle Street, Chicago, Illinois 60602.

Description of our Warrants

Warrants included in the common stock units

Each warrant included in the common stock units represents the right to purchase one share of our common stock at an exercise price equal to 120% of the initial public offering price set forth on the cover of this prospectus. The warrants are immediately exercisable and will expire three years after the date they are issued. The number of shares of our common stock to be received upon the exercise of each warrant may be adjusted from time to time upon the occurrence of certain events, including but not limited to the payment of a dividend or other distribution in respect common stock, subdivisions, reclassifications or combinations of our common stock. The securities receivable upon exercise of each warrant may be adjusted in the event of any reorganization, consolidation, merger, liquidation or similar event.

We have authorized and reserved for issuance all shares of common stock issuable upon exercise of each warrant.

Holders of the warrants may only exercise their warrants for the purchase of shares of common stock if a registration statement and current prospectus relating to these shares is then in effect and only if the shares are qualified for sale, or deemed to be exempt from qualification under applicable state securities laws. We are required to use our best efforts to maintain a current prospectus relating to these shares of common stock at all times when the market price of the common stock exceeds the exercise price of the warrants, until the expiration date of the warrants. We cannot assure you that an effective registration statement or current prospectus will be available at the time you desire to exercise your warrants.

Upon exercise of the warrants included in the units, we will, as soon as reasonably practicable, apply to the Alternative Investment Market of the London Stock Exchange for the admission of the shares of common stock underlying the warrants. Under the rules of the Alternative Investment Market, we must submit an application form in respect of such shares at least three business days before the expected date of admission.

For the term of the warrants, the holders thereof are given the opportunity to profit from an increase in the per share market price of our common stock, with a resulting dilution in the interest of all other shareholders. So long as the warrants are outstanding, the terms on which we could obtain additional capital may be adversely affected. The holders of the warrants might be expected to exercise them at a time when we would, in all likelihood, be able to obtain additional capital by a new offering of securities on terms more favorable than those provided by the warrants.

Outstanding Warrants

As of the date of this prospectus, warrants to purchase an aggregate of 2,514,000 shares of our common stock are outstanding. These warrants have the same terms and provisions as the warrants included in the units, except the existing warrants are currently exercisable, have an exercise price of $4.00 per share and expire on November 30, 2003.

Summary of our By-Laws and Certificate of Incorporation and certain Provisions of the Delaware General Corporation Law (DGCL)

The following summary of the terms and provisions of the our certificate of incorporation, by-laws, certain aspects of the DGCL does not purport to be complete. Reference should be made to our certificate of incorporation and our by-laws and to applicable law for the complete description.

Meetings of Stockholders and Voting

Our by-laws provide for an annual meeting of stockholders, the date of which is fixed by the board. Meetings of stockholders may be held at such place as may be designated by the board. Stockholders are entitled to inspect our books and records to the extent allowable by Delaware law. Our by-laws provide that a quorum for the transaction of business at any meeting of stockholders is stockholders holding at least one-third of the shares entitled to vote at such meeting. Decisions at stockholder meetings will normally be made by a majority of votes cast except in the case of any resolution that, as a matter of law, requires a special majority. Each stockholder entitled to vote at a meeting of stockholders or to express consent or dissent to each corporate action in writing without a meeting may authorize another person or persons to act for him or her by proxy.

Appointment and Removal of Directors

Our certificate of incorporation and by-laws provide that the number of directors will be set by the board, but shall be between two and nine. We currently have six directors.

Under our certificate of incorporation and by-laws, directors are to be appointed at the annual general meeting for a term of three years unless the director is removed, retires or the office is vacated earlier. Our

board is divided into three classes with respect to the term of office, with the terms of office of one class expiring each successive year.

A director may resign at any time. The resignation is effective on our receipt of notice. Any or all directors may be removed with or without cause by a resolution of stockholders entitled to vote to elect directors. Vacancies may be filled by resolution of a majority of directors then in office or by a sole remaining director, and any director so owed shall serve for the remainder of the full term of the class of directors in which the vacancy occurred.

Amendments of the By-Laws

Our by-laws provide that the power to amend the by-laws will vest in the directors, subject to the reserved power of the stockholders to amend or repeal any by-laws adopted by the board.

Amendments of the Certificate of Incorporation

Our certificate of incorporation can be amended, after the approval and recommendation of the amendment by the board of directors, by a majority vote of our stockholders, except for certain matters rotated to the board for which the certificate of incorporation requires a vote of not less than eighty percent (80%) of the outstanding shares eligible to be cast and certain other matters for which Delaware law requires a supermajority vote.

Indemnification of Directors and Officers

Our certificate of incorporation provides that we will indemnify our directors and officers to the fullest extent permitted by the DGCL. Section 145 of the DGCL provides that the extent to which a corporation may indemnify its directors and officers depends on the nature of the action giving rise to the indemnification right. In actions not on behalf of the corporation, directors and officers may be indemnified for acts taken in good faith and in a manner reasonably believed to be in or not opposed to the best interests of the corporation. In actions on behalf of the corporation, directors and officers may be indemnified for acts taken in good faith and in a manner reasonably believed to be in or not opposed to the best interests of the corporation, except for acts as to which the director or officer is adjudged liable to the corporation, unless the relevant court determines that indemnification is appropriate despite such liability. Section 145 also permits a corporation to (i) reimburse present or former directors or officers for their defense expenses to the extent they are successful on the merits or otherwise and (ii) advance defense expenses upon receipt of an undertaking to repay the corporation if it is determined that payment of such expenses is unwarranted.

To supplement the general indemnification right contained in our certificate of incorporation, the by-laws provide for the specific indemnification rights permitted by Section 145 (as described above). The by-laws also permit us to purchase directors and officers insurance, but no director or officer has a right to require this.

In addition to the indemnification rights described above, our certificate of incorporation eliminates any monetary liability of directors to us or our shareholders for breaches of fiduciary duty except for (i) breaches of the duty of loyalty, (ii) acts or omissions in bad faith, (iii) improper dividends or share redemptions and (iv) transactions from which the director derives an improper personal benefit.

Indemnification of Novogen

Our certificate of incorporation provides that we will indemnify Novogen to the fullest extent permitted by the DGCL in connection with certain actions brought against Novogen by us, any of our stockholders or any other person.

Transactions and Corporate Opportunities

Under our amended and restated certificate of incorporation, we are subject to certain provisions which serve to define and delineate the respective rights and duties of us, Novogen and some of our directors and officers in situations where:

- Novogen invests or engages in business activities that are the same as, or similar to, our business activities,
- directors, officers and/or employees of Novogen serve as our directors and/or officers, and
- Novogen has interest in a potential transaction or matter in which we have a similar interest in exploiting as a matter of corporate opportunity.

Pursuant to our amended and restated certificate of incorporation, Novogen has no duty to refrain from investing or engaging in activities or lines of business similar to ours and neither Novogen nor any of its officers, directors, stockholders, affiliates, subsidiaries or employees will be liable to us or our stockholders for breach of any fiduciary duty by reason of any of these activities. In addition, if Novogen acquires knowledge of a potential transaction or matter which may be a corporate opportunity for both our company and Novogen, then neither Novogen nor any of its officers, directors, stockholders, affiliates, subsidiaries or employees will have a duty to communicate or offer this corporate opportunity to us and will not be liable to us or our stockholders for breach of any fiduciary duty as a stockholder by reason of the fact that Novogen or any other such person pursues or acquires the corporate opportunity for itself, directs the corporate opportunity to another person or does not communicate information regarding the corporate opportunity to us.

We do not release from potential liability our own officers and directors in instances where a corporate opportunity is offered to the officer and/or director in his or her capacity as an officer and that person:

- serves as a director, officer or employee of Novogen while holding the position of a director but not officer of our company; or
- serves as an officer or employee of Novogen and serves as one of our officers.

Further, any of our officers who is also a Novogen director but not a Novogen officer or employee may be potentially liable for exploiting our corporate opportunities whether or not such opportunity was offered to that officer in his or her official capacity.

By becoming one of our stockholders, you will be deemed to have notice of and consented to these provisions of our amended and restated certificate of incorporation. Until Novogen ceases to beneficially own common stock representing at least 20% of the voting power of our outstanding capital stock, these provisions may not be amended or repealed except by the vote of the holders of 80% of the voting power of our outstanding shares of capital stock.

SHARES ELIGIBLE FOR FUTURE SALE

Upon completion of this offering, there will be 54,032,000 shares of our common stock outstanding. Of the shares which will be outstanding after the offering:

- all 2,000,000 shares included in the common stock units and sold in this offering will be freely tradeable;
- 2,532,000 shares will be “restricted securities” held by non-affiliates; and
- 49,500,000 shares will be held by Novogen.

The restricted securities described above, of which 2,523,000 were issued in May 2002, and of which 9,000 were issued upon exercise of outstanding warrants, will be eligible for sale in the public market 90 days after the date of this prospectus, subject to volume limitations, manner of sale provisions and other requirements of Rule 144, from time to time. We also have outstanding warrants to purchase an aggregate of 2,514,000 shares of our common stock. These warrants have an exercise price of $4.00 per share and expire on November 30, 2003. Any shares of our common stock issued upon exercise of these warrants will also be restricted securities.

In general, under Rule 144 as currently in effect, a person who has beneficially owned restricted securities for at least one year, including an affiliate, is entitled to sell, within any three-month period, a number of shares that does not exceed the greater of:

- one percent of the then outstanding shares of our common stock (approximately 540,320 shares immediately following this offering); or
- the average weekly trading volume during the four calendar weeks preceding filing of notice of such sale.

A person (or persons whose shares are aggregated) who is not deemed to have been an affiliate of ours at any time during the 90 days preceding a sale and who owns shares that were acquired from us or an affiliate of ours for at least two years prior to the proposed sale is entitled to sell such shares pursuant to Rule 144(k) without regard to the volume limitations, manner of sale provisions or other limitations of Rule 144.

Shares held by Novogen may be sold in the public market, subject to the volume, manner of sale and other limitations of Rule 144, but may not be sold in reliance upon Rule 144(k).

PLAN OF DISTRIBUTION

Of the common stock units offered by this prospectus, 500,000 units are being offered by means of an underwritten public offering and 1,500,000 units are being offered by means of a directed share subscription program to eligible holders of ordinary shares and American Depositary Receipts of Novogen and to our eligible shareholders, excluding Novogen.

Underwritten Public Offering

Subject to the terms and conditions of an underwriting agreement entered into between us and Janney Montgomery Scott LLC, as underwriter, the underwriter has agreed to purchase, and we have agreed to sell to the underwriter, 500,000 shares of our common stock units (excluding 300,000 units that the underwriter has the option to purchase to cover over-allotments, if any), as well as any common stock units that are not subscribed for as part of the directed share subscription program.

The underwriting agreement provides that the obligations of the underwriter are subject to various conditions, including approval of certain legal matters by its counsel. The nature of the underwriter's obligations is that the underwriter is committed to purchase and pay for on a firm commitment basis the common stock units referenced above.

The following tables shows the per common stock unit and total underwriting discounts and commissions we will pay to the underwriter. These amounts are shown assuming both no exercise and full exercise of the over-allotment option to purchase additional common stock units as part of the underwritten offering.

	Without Over-Allotment Exercise	With Over-Allotment Exercise
Per Common Stock Unit	$	$
Total	$	$

The underwriter proposes to offer the common stock units directly to the public at the public offering price listed on the cover page of this prospectus. After this offering, the underwriter may change the offering price to the public.

We have granted to the underwriter an option to purchase up to an aggregate of 300,000 additional common stock units at the public offering price, less underwriting discounts and commissions, listed on the cover page of this prospectus, solely to cover over-allotments, if any.

This offering of common stock units is made for delivery when, as and if accepted by the underwriter and subject to prior sale to withdrawal, cancellation or modification of the offering without notice. The underwriter or we reserve the right to reject any order for the purchase of units in whole or in part.

We have agreed to indemnify the underwriter against liabilities, including liabilities to which the underwriter may become subject under any applicable federal or state law or otherwise, and to continue to reimburse payments the underwriter may be required to make with respect to these liabilities.

Directed Share Subscription Program

Of the 2,000,000 common stock units being offered pursuant to this prospectus, we are offering up to an aggregate of 1,500,000 units at the public offering price to eligible holders of ordinary shares and American Despositary Shares of Novogen and to our eligible shareholders, excluding Novogen, who owned their shares as of the close of business on , 2003. Janney Montgomery Scott LLC will act as our dealer manager in connection with our directed share subscription program. Eligible shareholders may purchase one unit for every:

- ordinary shares of Novogen held;
- American Despositary Receipts of Novogen held; and

- shares of our common stock held;

up until the aggregate 1,500,000 units are purchased.

Each eligible holder who purchases his or her allotment as described above may also purchase additional units at the same purchase price per share. The number of additional units available for this over-subscription privilege will depend on how many holders purchase their full allotment of units. If there are not enough of our units available to fully satisfy all of the over-subscription privilege requests, the available units will be distributed among eligible holders who exercised their over-subscription privilege. In the event you choose to exercise the over-subscription privilege but receive less than you requested, you will receive a refund for the subscription price of any shares you do not receive promptly after the closing of this offering.

Janney Montgomery Scott LLC has agreed to purchase any units allocated to the directed share subscription program to the extent that such units are not purchased by the eligible shareholders under the directed share subscription program.

Sales under the directed share subscription program will close on the closing of the sale of the other units offered to the public. It is expected that sales under the directed share subscription program will be reflected in each purchaser's book-entry account at the Depository Trust Company, if any, shortly after the closing of these sales. After the closing of these sales, we will mail stock certificates and warrants to all purchasers who do not maintain book-entry accounts at the Depository Trust Company. Distribution of share certificates purchased through the directed share subscription program will be made to the purchasers as soon as practicable following closing of the sale of the shares to the public.

The purchase price for the units under the directed share subscription program will be the same price per unit as that offered to the public and set forth on the cover page of this prospectus. For purposes of this prospectus, when we present financial data that reflects this offering, it is assumed that all shares offered under the directed share subscription program are sold. The underwriter will receive a percentage management fee on all units offered through the directed share subscription program. The management fee represents compensation for the underwriter's role as it relates to due diligence, participation in the drafting of this prospectus and general coordination of the overall offering.

The following table shows the per common stock unit and total management fees to be paid by us to the dealer manager. These amounts are shown assuming that the direct share subscription program is fully subscribed.

	Directed Share Subscription Program
Per Common Stock Unit	$
Total	$

We estimate that the total expenses of this offering, including both the underwritten public offering and the directed share subscription program, but excluding the underwriting discount and management fees, will be approximately $, which includes a $ non-accountable expense allowance payable to the underwriter for costs and expenses (including price stabilization) associated with this offering.

The expenses of the directed share subscription program, exclusive of the management fee to be paid to the underwriter, are estimated at $ and are payable by us.

LEGAL MATTERS

The validity of the securities offered hereby will be passed upon for us by Morgan, Lewis & Bockius LLP. Certain legal matters will be passed upon for the underwriter by Pepper Hamilton LLP.

EXPERTS

The consolidated financial statements of Marshall Edwards, Inc. (a development stage company) at June 30, 2003 and 2002, and for the years then ended and for the period from December 1, 2000 (inception) through June 30, 2003, appearing in this prospectus and registration statement have been audited by Ernst & Young LLP, independent auditors, and the information under the caption "Summary Historical Consolidated Financial Data" for each of the two years in the period ended June 30, 2003 and for the period from December 1, 2000 (inception) through June 30, 2003, appearing in this prospectus and registration statement have been derived from consolidated financial statements audited by Ernst & Young LLP, as set forth in their report thereon appearing elsewhere herein.

Such consolidated financial statements and summary historical consolidated financial data are included in reliance upon such reports given on the authority of such firm as experts in accounting and auditing.

AVAILABLE INFORMATION

We have filed with the SEC a registration statement on Form S-1 with respect to the common stock units offered hereby. This prospectus, which constitutes a part of the registration statement, does not contain all of the information set forth in the registration statement or the exhibits and schedules which are part of the registration statement. For further information with respect to us and our common stock and the attached rights, reference is made to the registration statement and the exhibits and schedules thereto. You may read and copy any document we or Novogen periodically file at the SEC's public reference room in Washington, D.C. Please call the SEC at 1-800-SEC-0330 for further information on the public reference room. These SEC filings are also available to the public from the SEC's website at http://www.sec.gov.

Upon completion of this offering, we will become subject to the information and periodic reporting requirements of the Securities Exchange Act and, in accordance therewith, will file periodic reports, proxy statements and other information with the SEC. Such periodic reports, proxy statements and other information will be available for inspection and copying at the SEC's public reference rooms and the website of the SEC referred to above.

We are required by the Alternative Investment Market of the London Stock Exchange to prepare half-yearly reports and annual audited accounts. You may request a copy of these reports, which we will provide to you at no cost, by writing or calling us at our mailing address and telephone number: 140 Wicks Road, North Ryde NSW 2113, Australia, telephone: (011) 61 2 8877 6196.

ANNEX A

GLOSSARY OF TERMS

"Androgens"	male sex hormones, e.g. testosterone
"Anti-androgen"	a process that reduces the biological impact of androgens, either by blocking the production of androgens or by interfering with their function
"Apoptosis"	the process of programmed cell death by which a cell dies naturally
"Bio-available"	absorbed into the body in a useable form
"Blood plasma"	the liquid component of blood
"Bolus injection"	an intravenous injection delivered quickly (usually over several minutes)
"Chemotherapy"	the treatment of cancer by drugs
"Cytostatic"	the process by which a cell is prevented from dividing
"Cytotoxic"	having a lethal effect on cells
"Death Receptor"	signaling molecule that when activated causes cell death
"Differentiation"	the process by which new cells develop the appearance and functions of a mature cell
"Di-phenols"	a chemical term referring to two joined isoflavonoid ring structures
"Estrogen"	female reproductive hormone
"FDA"	the United States Food and Drug Administration
"Flavonoids"	compounds based on an isoflavonoid ring structure
"in vitro"	in the laboratory
"in vivo"	in animals
"IND"	Investigational New Drug
"Isoflavonoid ring structure"	a chemical term referring to a simple phenolic ring structure
"Kinases"	an enzyme catalyzing the transfer of phosphate groups to form triphosphates.
"MSTR"	Multiple Signal Transduction Regulator
"NDA"	New Drug Approval
"Oncology"	branch of medicine concerned with the study of cancer
"Pharmacokinetic"	the behavior of a drug within the body, in particular the length of time it remains within the blood and the rate at which it is eliminated from the body
"Phase Ia"	the first trial of a new drug in humans usually undertaken to determine pharmcokinetics

“Phase Ib/IIa”	a clinical study the primary objective of which is to measure safety and efficacy
“Phase II”	usually an expanded Phase IIb study measuring safety and efficacy at different dosages
“Phase III”	usually a multi-center study measuring efficacy in large numbers of patients
“Prostate cancer”	cancer of the prostate gland
“Prostate smooth muscle cells”	the main type of stromal cells found in the prostate gland
“Prostate stromal cells”	the principal type of non-glandular cells found in the prostate gland
“Signal transduction mechanism”	a series of chemical signals transmitted within cells that lead to the expression of a particular function by the cell
“Sphingosine Kinase”	an enzyme believed to enable a cell’s response to a number of important signals, including those related to cell survival and cell growth
“STR”	Signal Transduction Regulator
“Structure function relationship”	the relationship between a compound’s particular chemical structure and its biological activity

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REPORT OF INDEPENDENT AUDITORS

The Board of Directors

Marshall Edwards, Inc.

We have audited the accompanying consolidated balance sheets of Marshall Edwards, Inc. (a development stage company) as of June 30, 2003 and 2002, and the related consolidated statements of operations, shareholders' equity, and cash flows for the years then ended and for the period from December 1, 2000 (inception) through June 30, 2003. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with auditing standards generally accepted in the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the consolidated financial position of Marshall Edwards, Inc. at June 30, 2003 and 2002, and the consolidated results of its operations and its cash flows for the years then ended and the period from December 1, 2000 (inception) through June 30, 2003, in conformity with accounting principles generally accepted in the United States.

Ernst & Young LLP

Stamford, CT

July 31, 2003

MARSHALL EDWARDS, INC

(A Development Stage Company)

CONSOLIDATED BALANCE SHEETS

	June 30,	
	2003	2002
	(In thousands)	
ASSETS		
Current assets:		
Cash and cash equivalents	$ 7,244	$9,164
Prepaid expenses and other current assets	42	21
Total current assets	7,286	9,185
Total assets	$ 7,286	$9,185
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 433	$ 198
Accrued expenses	278	—
Amounts due to parent company	642	88
Total current liabilities	1,353	286
Shareholders' equity:		
Preferred stock, $0.01 par value, authorized 100,000 shares, none outstanding	—	—
Common stock, $0.00000002 par value, 113,000,000 authorized shares; 52,032,000 and 52,023,000 issued and outstanding shares in 2003 in 2002, respectively	—	—
Additional paid-in capital	9,058	9,022
Deficit accumulated during development stage	(3,156)	(123)
Accumulated other comprehensive income	31	—
Total shareholders' equity	5,933	8,899
Total liabilities and shareholders' equity	$ 7,286	$9,185

See accompanying notes.

MARSHALL EDWARDS, INC

(A Development Stage Company)

CONSOLIDATED STATEMENTS OF OPERATIONS

	Year Ended June 30,		Period from December 1, 2000 (Inception) through June 30, 2003
	2003	2002	
	(In thousands, except share and per share data)		
Revenues:			
Interest and other income	$ 145	$ 7	$ 152
Total revenues	145	7	152
Operating expenses:			
Research and development	(2,024)	(69)	(2,093)
License fees	(500)	—	(500)
Selling, general and administrative	(654)	(60)	(714)
Total operating expenses	(3,178)	(129)	(3,307)
Loss from operations	(3,033)	(122)	(3,155)
Income tax expense	—	(1)	(1)
Net loss arising during development stage	$ (3,033)	$ (123)	$(3,156)
Net loss per common share:			
Basic and diluted	$ (0.058)	$ (0.002)	
Weighted average common shares outstanding	52,023,247	49,769,581	

See accompanying notes.

MARSHALL EDWARDS, INC.

(A Development Stage Company)

CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY

	Common Stock	Additional Paid-in Capital	Deficit Accumulated During Development Stage	Accumulated Other Comprehensive Income	Total
	(Shares)		(In thousands)		
Balance at June 30, 2001	49,500,000	$ —	$ —	$ —	$ —
Net loss arising during development stage			(123)		(123)
Common stock issued May 22, 2002 (including 2,523,000 warrants)	2,523,000	9,022			9,022
Balance at June 30, 2002	52,023,000	9,022	(123)	—	8,899
Net loss arising during development stage			(3,033)		(3,033)
Foreign currency translation adjustments				31	31
Comprehensive Loss					(3,002)
Common stock issued, June 26, 2003	9,000	36			36
Balance at June 30, 2003	52,032,000	$9,058	$(3,156)	$ 31	$ 5,933

See accompanying notes.

MARSHALL EDWARDS, INC.

(A Development Stage Company)

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Year Ended June 30,		Period from December 1, 2000 (Inception) through June 30, 2003
	2003	2002	
	(In thousands)		
Operating activities:			
Net loss arising during development stage	$(3,033)	$ (123)	$(3,156)
Adjustments to reconcile net loss to cash (used in) provided by operating activities:			
Changes in operating assets and liabilities:			
Prepaid expenses and other current assets	(21)	(21)	(42)
Accounts payable and amounts due to parent company	1,067	286	1,353
Net cash (used in) provided by operating activities	(1,987)	142	(1,845)
Financing activities:			
Net proceeds from issuance of Common Stock	36	9,022	9,058
Net cash provided by financing activities	36	9,022	9,058
Effect of exchange rate changes on cash and cash equivalents	31	—	31
Net (decrease) increase in cash and cash equivalents	(1,920)	9,164	7,244
Cash and cash equivalents at beginning of period	9,164	—	—
Cash and cash equivalents at end of period	$ 7,244	$9,164	$ 7,244
Income taxes paid	$ —	$ 1	$ 1

See accompanying notes.

MARSHALL EDWARDS, INC.

(A Development Stage Company)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2003

1. Organization and Basis of Preparation of Financial Statements

Marshall Edwards, Inc. (the "Company" or "MEI") is a development stage company incorporated in December 2000 that commenced operations in May 2002 coinciding with its listing on the London Stock Exchange's Alternative Investment Market (AIM). In connection with its listing, 2,523,000 shares of Common Stock and 2,523,000 warrants, exercisable prior to November 30, 2003 at an exercise price of $4.00 per share (9,000 exercised on June 26, 2003), were issued in May 2002 at $4.00 per share. Total proceeds of $9,022,000 were received net of $1,070,000 of transaction costs. Following the listing, Novogen Limited, an Australian pharmaceutical company listed on both the Australian Stock Exchange and NASDAQ, retained 95.1% of the Company's Common Stock. The costs of organizing MEI were paid by Novogen and were minimal.

The Company, including its Australian subsidiary, Marshall Edwards Pty. Limited ("MEPL") (together, the "MEI Group") is a pharmaceutical company with a primary focus on oncology drugs. The Company plans to develop phenoxodiol for use in a wide range of human cancers. The Company operates primarily in Australia and the United States.

Novogen Limited and its subsidiary companies, other than MEI Group ("Novogen"), has granted to the MEI Group an exclusive license under its patent applications and the intellectual property rights in the relevant know-how to develop, market and distribute all forms of administering phenoxodiol for anti-cancer uses except topical applications. In addition, the MEI Group has the option of an exclusive first right and an exclusive last right to match any proposal dealing with third parties by Novogen Research Pty Ltd for the intellectual property rights and development of other anti cancer drugs in the agreed dose forms derived from the Novogen library of compounds.

The MEI Group's initial business focus is to continue the clinical program currently underway for the development of phenoxodiol.

2. Accounting Policies

Revenue Recognition

Interest

The only revenue earned to date is interest on cash and cash equivalents.

Principles of Consolidation

The consolidated financial statements include the accounts of Marshall Edwards, Inc. and its subsidiary, Marshall Edwards Pty. Limited which is a wholly-owned Australian company. Significant intercompany accounts and transactions have been eliminated in consolidation.

Estimates

The preparation of the consolidated financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements and the accompanying notes. Actual results could differ from those estimates.

MARSHALL EDWARDS, INC.
(A Development Stage Company)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

Cash Equivalents

The Company considers all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents.

Income Taxes

Income taxes have been provided for using the liability method in accordance with FASB Statement No. 109, "Accounting for Income Taxes." Under this method, deferred tax assets and liabilities are recognized and measured using enacted tax rates in effect for the year in which the differences are expected to be recognized. Valuation allowances are established against the recorded deferred income tax assets to the extent that management believes that it is more likely than not that a portion of the deferred income tax assets are not realizable.

Fair Value of Financial Instruments

The carrying amounts of the Company's financial instruments, including cash and cash equivalents, and accounts payable approximate fair value.

Foreign Currency Translation

The financial statements of MEPL have been translated into U.S. dollars in accordance with FASB Statement No. 52, "Foreign Currency Translation." Assets and liabilities are translated into U.S. dollars using the exchange rates in effect at the balance sheet date. Income statement amounts have been translated using the average exchange rate for the year. Accumulated other comprehensive loss includes the cumulative translation adjustments. Realized gains and losses from foreign currency transactions are reflected in the consolidated statements of operations and were not significant for all periods presented.

Research and Development Expenses

Research and development expenses relate primarily to the cost of conducting human clinical trails of phenoxodiol. Research and development costs are charged to expense as incurred.

Stock-Based Compensation

The Company's stock option plan provides for the grant of options to employees of the Company and its affiliates. To date no options have been granted under the plan.

Basic and Diluted Loss Per Share

Basic and diluted earnings or loss per share is calculated in accordance with FASB Statement No. 128, "Earnings Per Share." In computing basic earnings or loss per share, the dilutive effect of stock options and warrants are excluded, whereas for diluted earnings per share they are included unless the effect is anti-dilutive.

Comprehensive Loss

Comprehensive loss is comprised of net loss and other comprehensive loss. Other comprehensive loss includes certain changes in shareholders' equity that are excluded from net loss is comprised of changes in foreign currency translation adjustments. Comprehensive loss for all periods presented has been reflected in the consolidated statement of shareholders' equity.

MARSHALL EDWARDS, INC.
(A Development Stage Company)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

Recent Accounting Announcements

Accounting pronouncements issued by the financial accounting standards board or other authoritative accounting standards groups with future effective dates are either not applicable or not significant to our consolidated financial statements.

3. Income Taxes

Loss from operations consists of the following:

	Year Ended June 30,	
	2003	2002
	(In thousands)	
Domestic	$ (186)	$ (19)
Foreign	(2,847)	(103)
	$(3,033)	$(122)

The reconciliation of income tax computed at the U.S. federal statutory tax rate to income tax expense attributable to loss arising during development stage is as follows:

	Year Ended June 30,			
	2003		2002	
	(In thousands)	%	(In thousands)	%
Tax at U.S. statutory rates	$(1,062)	35	$(43)	35
Australian tax	—	—	1	—
Valuation allowance	1,062	(35)	43	(35)
	$ —	—	$ 1	—

Deferred tax liabilities and assets are comprised of the following:

	June 30,	
	2003	2002
	(In thousands)	
Deferred tax liabilities		
Prepayments	$ —	$ 4
Total deferred tax liabilities	—	4
Deferred tax assets		
Consultant and other accruals	265	6
Total deferred tax assets	265	6
Valuation allowance for deferred tax assets	(265)	(2)
Net deferred tax assets and liabilities	$ —	$ —

Management evaluates the recoverability of the deferred tax asset and the amount of the required valuation allowance. Due to the uncertainty surrounding the realization of the tax deductions in future tax returns, the Company has recorded a valuation allowance against its net deferred tax asset at June 30, 2003 and 2002. At such time as it is determined that it is more likely than not that the deferred tax assets will be realized, the valuation allowance will be reduced.

MARSHALL EDWARDS, INC.
(A Development Stage Company)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

There was no benefit from income taxes recorded for the period from December 1, 2000 (inception) to June 30, 2003 due to the Company's inability to recognize the benefit of net operating losses. The Company had federal net operating loss carryforwards of approximately $205,000 and $14,000 at June 30, 2003 and 2002, respectively. The federal net operating losses will begin to expire in 2022.

Foreign income tax losses of approximately $2,039,000 and $103,000 at June 30, 2003 and 2002, respectively, may be carried forward indefinitely.

4. Loss Per Share

The following table sets forth the components for the computation of basic and diluted net loss per common share:

	Year Ended June 30,	
	2003	2002
	(In thousands)	
Numerator		
Net loss arising during development stage	$ (3,033)	$ (123)
Effect of dilutive securities	—	—
Numerator for diluted earnings per share	$ (3,033)	$ (123)
Denominator		
Denominator for basic earnings per share — weighted average common shares outstanding	52,023,247	49,769,581
Effect of dilutive securities	—	—
Dilutive potential common shares	52,023,247	49,769,581

5. Financial Instruments

The fair value of financial assets and liabilities approximates their carrying value in the Consolidated Balance Sheets because they are short term and at market rates of interest.

6. Commitments and Contingencies

At June 30, 2003, the Company has contracted to conduct research and development expenditures amounting to approximately $1,249,000. Such amounts are expected to be incurred within the next year.

The Company is not currently a party to any material legal proceedings.

The Company's certificate of incorporation provides that it will indemnify Novogen in connection with certain actions brought against Novogen by any of the Company's stockholders or any other person.

MARSHALL EDWARDS, INC.
(A Development Stage Company)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

7. Segment Information

The Company's focus is to continue the clinical program currently underway for the development of phenoxodiol.

	USA		Australia		Eliminations		Total	
	June 30, 2003	June 30, 2002	June 30, 2003	June 30, 2002	June 30, 2003	June 30, 2002	June 30, 2003	June 30, 2002
	(In thousands)							
Interest and other income	$ 110	$ 5	$ 35	$ 2	$ —	$ —	$ 145	$ 7
Total revenues	$ 110	$ 5	$ 35	$ 2	$ —	$ —	$ 145	$ 7
Loss from operations	$ (186)	$ (19)	$(2,847)	$ (103)	$ —	$ —	$(3,033)	$ (122)
Income tax expense							$ —	$ (1)
Net loss arising during development stage							$(3,033)	$ (123)
Segment assets	$8,896	$9,188	$ 374	$1,981	$(1,984)	$(1,984)	$ 7,286	$9,185
Segment liabilities	$ 43	$ 185	$ 1,310	$ 101	$ —	$ —	$ 1,353	$ 286

8. Related Party Transactions

License Agreement

The license agreement is an agreement under which Novogen grants to MEPL a worldwide non-transferable license to conduct clinical trials and commercialize and distribute all forms of phenoxodiol except topical applications. The agreement covers uses of phenoxodiol in the field of prevention, treatment or cure of cancer in humans. The license is exclusive until the expiration of the last relevant Novogen patent right in the world and thereafter is nonexclusive. The Company may terminate the agreement with three months notice. Novogen may terminate the agreement if a change of control, as defined in the license agreement, occurs without the consent of Novogen. Amounts payable to Novogen under terms of the license agreement is as follows:

(1) A lump sum license fee of $5,000,000 is payable to Novogen on the later of November 1, 2002 or on the date when the cumulative total of all funds received from debt or equity issuances and revenue received from commercialization (income other than sales) and sales of phenoxodiol products exceeds $25,000,000.

(2) A lump sum license fee of $5,000,000 is payable to Novogen on the later of November 1, 2003 or on the date when the cumulative total of all funds received from debt or equity issuances and revenue received from commercialization (income other than sales) and sales of phenoxodiol products exceeds $50,000,000.

In addition to the amounts above, the Company must pay Novogen 2.5% of all net sales and 25% of commercialization income. After the exclusivity period of the license, 1.5% of net sales must be paid to Novogen.

The cumulative total of funds received by the Company is $10,128,000.

MARSHALL EDWARDS, INC.
(A Development Stage Company)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS — (Continued)

Amounts payable for annual license fees under the license agreement for the calendar years ended December 31 are as follows:

2003	$1,000,000
2004	$2,000,000
2005	$4,000,000
Each calendar year thereafter	$8,000,000

Any amounts payable to Novogen under the above annual payments will be reduced for amounts paid under the first lump sum license fee referred to in (1) above. For the year ended June 30, 2003, $500,000 has been included as license fee expense in the consolidated statements of operations.

Novogen developed phenoxodiol in part using funds from the Australian government under what is known as the START Program. In the event Novogen fails to comply with its obligations under the agreement which governs this grant, or if Novogen undergoes a change of control, the Australian government has a right to demand that intellectual property created during the course of the project funded by the grant be vested back in the Australian government. The Australian government may then license the intellectual property rights related to phenoxodiol to other parties and may demand other intellectual property rights from Novogen. Any such reclamation by the Australian government could preclude the Company's use of Novogen's intellectual property in the development and commercialization of phenoxodiol and the Company may have to compete with other companies to whom the Australian government may license the intellectual property.

License Option Deed

The license option deed grants MEPL an exclusive right to accept and an exclusive right to match any proposed third-party dealing by Novogen of its intellectual property rights in other synthetic compounds that have known or potential anti-cancer applications in all forms other than topical applications.

Services Agreement

Neither the Company nor MEPL currently intends to directly employ any staff and Novogen will provide or procure services reasonably required by the MEI Group relating to the development and commercialization of phenoxodiol and for other administrative and managerial support. Novogen will provide these services at cost plus a 10% markup. Cost is based on estimates regarding the percentage of time spent by Novogen employees and consultants, a premises rental charge and a charge for asset usage and general overhead. The Company may terminate the agreement with three months notice. Novogen may terminate the agreement under certain circumstances.

Manufacturing, License and Supply Agreement

Under the terms of the Manufacturing License and Supply Agreement, Novogen will supply phenoxodiol in its primary manufactured form for the clinical trial development program and phenoxodiol's ultimate commercial use. Novogen will supply phenoxodiol at cost plus a 50% markup. The Company or Novogen may terminate the agreement under certain circumstances.

Transactions amounting to $1,363,032 and $87,603 were made under the license agreement, the Services Agreement and the Manufacturing, License and Supply Agreement with Novogen during the years ended June 30, 2003 and 2002, respectively.

2,000,000 Common Stock Units

Marshall Edwards, Inc.

Through and including (the 25th day after the date of the prospectus), all dealers that buy, sell, or trade our common stock units, whether or not participating in this offering, may be required to deliver a prospectus. This delivery requirement is in addition to the dealers' obligation to deliver a prospectus when acting as underwriters and with respect to their unsold allotments or subscriptions.

You should rely only on the information contained in this prospectus. We have not authorized anyone to provide you with information different from that contained in this prospectus. The information contained in this prospectus is accurate only as of the date of this prospectus, regardless of the time of delivery of this prospectus or of any distribution of the common stock units.

Janney Montgomery Scott LLC

, 2003

PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

Item 13. ***Other Expenses of Issuance and Distribution.***

An estimate of expenses follows:	
Securities and Exchange Commission registration fee	$ 2,660.81
NASD filing fee	3,789.00
Nasdaq Small Cap Market listing fee	30,000.00
Printing and engraving expenses	*
Transfer agent and registrar fees and expenses	*
Legal fees and expenses	*
Accountants' fees and expenses	*
Blue Sky fees and expenses (including legal fees)	*
Miscellaneous expenses	*
Total	$704,000.00

* To be filed by amendment.

Item 14. ***Indemnification of Directors and Officers.***

Our Certificate of Incorporation provides that we will indemnify our directors and officers to the full extent permitted by the DGCL. Section 145 of the DGCL provides that the extent to which a corporation may indemnify its directors and officers depends on the nature of the action giving rise to the indemnification right. In actions not on behalf of the corporation, directors and officers may be indemnified for acts taken in good faith and in a manner reasonably believed to be in or not opposed to the best interests of the corporation. In actions on behalf of the corporation, directors and officers may be indemnified for acts taken in good faith and in a manner reasonably believed to be in or not opposed to the best interests of the corporation, except for acts as to which the director or officer is adjudged liable to the corporation, unless the relevant court determines that indemnification is appropriate despite such liability. Section 145 also permits a corporation to (i) reimburse present or former directors or officers for their defense expenses to the extent they are successful on the merits or otherwise and (ii) advance defense expenses upon receipt of an undertaking to repay the corporation if it is determined that payment of such expenses is unwarranted.

To supplement the general indemnification right contained in our Certificate of Incorporation, the By-Laws provide for the specific indemnification rights permitted by Section 145 (as described above). The By-Laws also permit us to purchase Directors and Officers insurance, but no director or officer has a right to require this.

In addition to the indemnification rights described above, our Certificate of Incorporation eliminates any monetary liability of directors to us or our shareholders for breaches of fiduciary duty except for (i) breaches of the duty of loyalty, (ii) acts or omissions in bad faith, (iii) improper dividends or share redemptions and (iv) transactions from which the director derives an improper personal benefit.

Item 15. ***Recent Sales of Unregistered Securities.***

On May 22, 2002, we sold 2,523,000 shares of our common stock for an aggregate of $10.1 million. These shares of common stock were listed on the London Stock Exchange's Alternative Investment Market. These shares of common stock each had an attaching warrant entitling the holder to purchase one additional share of our common stock. These warrants are exercisable prior to November 30, 2003 and have an exercise price of $4.00 per share. These securities were offered and sold by us to a limited number

of predominantly U.S. investors in private placement transactions. These transactions were exempt from registration pursuant to Section 4(2) of the Securities Act of 1933.

Item 16. ***Exhibits and Financial Statement Schedules.***

(a) *Exhibits.*

Exhibit Number	Exhibit
3.1	Certificate of Incorporation.
3.2	Bylaws.
4.1*	Specimen Common Stock certificate.
4.2*	Warrant Agreement.
5*	Opinion of Morgan, Lewis & Bockius LLP.
10.1	Amended and Restated License Agreement between Novogen Research Pty Limited and Marshall Edwards Pty Limited.
10.2	Amended and Restated Manufacturing License and Supply Agreement between Novogen Laboratories Pty Limited and Marshall Edwards Pty Limited.
10.3	Amended and Restated License Option Deed between Novogen Research Pty Limited and Marshall Edwards Pty Limited.
10.4	Amended and Restated Services Agreement among Novogen Limited, Marshall Edwards, Inc. and Marshall Edwards Pty Limited.
10.5	Guarantee and Indemnity among Marshall Edwards, Inc., Novogen Laboratories Pty Limited, Novogen Research Pty Limited and Novogen Limited.
10.6	Marshall Edwards, Inc. Share Option Plan.
10.7	Form of outstanding Warrant issued to Non-US Persons May 2002.
10.8	Form of outstanding Warrant issued to US Persons May 2002.
21	Subsidiaries of Marshall Edwards, Inc.
23.1*	Consent of Morgan, Lewis & Bockius LLP (contained in Exhibit 5).
23.2	Consent of Ernst & Young LLP.
24	Power of Attorney (included on signature page).
99.1*	Form letter from Marshall Edwards, Inc. to eligible holders of its common stock, ordinary shares and American Depositary Shares of Novogen Limited describing the Directed Share Subscription Program.
99.2*	Form of letter from Janney Montgomery Scott LLC to eligible holders.
99.3*	Form of brokers letter.
99.4*	Form of subscription agreement.

* To be filed by amendment.

(b) *Financial Statement Schedules.*

All financial statement schedules have been omitted because either they are not required, are not applicable, or the information is otherwise set forth in the financial statements and notes thereto.

Item 17. ***Undertakings.***

(1) The undersigned registrant hereby undertakes:

(i) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:

(a) To include any prospectus required by Section 10(a)(3) of the Securities Act of 1933;

(b) To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than a 20 percent change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective registration statement;

(c) To include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement.

(ii) To provide to the underwriters at the closing specified in the Underwriting Agreement share and warrant certificates in such denominations and registered in such names as required by the underwriters to permit prompt delivery to each purchaser.

(2) Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the registrant pursuant to the provisions described under Item 14 above, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Act and will be governed by the final adjudication of such issue.

(3) For purposes of determining any liability under the Securities Act, the information omitted from the form of prospectus filed as part of this registration statement in reliance on Rule 430A and contained in a form of prospectus filed by the registrant pursuant to Rule 424(b)(1) or (4) or 497(h) under the Securities Act shall be deemed to be part of this registration statement as of the time it is first declared effective.

(4) For the purpose of determining any liability under the Securities Act of 1933, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized, in Sydney, Australia on September 25, 2003.

MARSHALL EDWARDS, INC.
(Registrant)

By: /s/ CHRISTOPHER NAUGHTON

Christopher Naughton
President and Chief Executive Officer

POWER OF ATTORNEY

Each person whose signature appears below hereby constitutes and appoints Christopher Naughton and David R. Seaton, and each of them, as his true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution for him and in his name, place and stead, in any and all capacities, to sign any or all amendments or supplements to this registration statement, whether pre-effective or post-effective, and to file the same with all exhibits thereto and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing necessary or appropriate to be done with respect to this registration statement or any amendments or supplements hereto in the premises, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming all that said attorneys-in-fact and agents, or any of them, or their or his substitute or substitutes, may lawfully do or cause to be done by virtue thereof.

Pursuant to the requirements of the Securities Act of 1933, this registration statement has been signed below by the following persons, in the capacities and on the dates indicated.

Signature	Title	Date
/s/ CHRISTOPHER NAUGHTON Christopher Naughton	President and Chief Executive Officer, Director (Principal Executive Officer)	September 25, 2003
/s/ DAVID R. SEATON David R. Seaton	Chief Financial Officer and Secretary (Principal Financial Officer and Principal Accounting Officer)	September 25, 2003
/s/ DR. GRAHAM E. KELLY Dr. Graham E. Kelly	Chairman	September 25, 2003
/s/ PHILIP A. JOHNSTON Philip A. Johnston	Director	September 25, 2003
/s/ DAVID MORRITZ DE KRETSER David Morritz de Kretser	Director	September 25, 2003

Signature	Title	Date
/s/ PAUL J. NESTEL	Director	September 25, 2003
Paul J. Nestel		
/s/ STEPHEN BRECKENRIDGE	Director	September 25, 2003
Stephen Breckenridge		

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INDEX TO EXHIBITS

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23.1*	Consent of Morgan, Lewis & Bockius LLP (contained in Exhibit 5).
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24	Power of Attorney (included on signature page).
99.1*	Form letter from Marshall Edwards, Inc. to eligible holders of its common stock, ordinary shares and American Depositary Shares of Novogen Limited describing the Directed Share Subscription Program.
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99.3*	Form of brokers letter.
99.4*	Form of subscription agreement.

* To be filed by amendment.

EXHIBIT 3.1

RESTATED CERTIFICATE OF INCORPORATION

OF

MARSHALL EDWARDS, INC.

I. The name of the corporation (hereinafter referred to as the "Corporation") is Marshall Edwards, Inc. The date of filing of the Corporation's original certificate of incorporation with the Secretary of State of the State of Delaware was December 1, 2000.

II. Pursuant to Sections 242 and 245 of the General Corporation Law of the State of Delaware (the "DGCL"), this Restated Certificate of Incorporation restates and integrates and further amends the Certificate of Incorporation of the Corporation, as heretofore amended or supplemented.

III. This Restated Certificate of Incorporation was duly adopted in accordance with the provisions of Section 245 of the DGCL, the Board of Directors of the Corporation having duly adopted resolutions setting forth and declaring advisable the Restated Certificate of Incorporation, including said amendments, and in lieu of a vote of stockholders, written consent to this Restated Certificate of Incorporation, including said amendments, having been given by the holder(s) of all of the outstanding stock of the Corporation in accordance with Section 228 of the DGCL.

IV. The Restated Certificate of Incorporation of the Corporation shall read as follows:

FIRST: The name of the Corporation is Marshall Edwards, Inc.

SECOND: The address of the Corporation's registered office in the State of Delaware is 1209 Orange Street, in the City of Wilmington, County of New Castle. The name of its registered agent at such address is The Corporation Trust Company.

THIRD: The total number of shares of all classes of stock which the Corporation shall have authority to issue is 113,100,000, consisting of (1) 100,000 shares of preferred stock, par value US$.01 per share (the "Preferred Stock") and (2) 113,000,000 shares of common stock, par value US$.00000002 per share (the "Common Stock").

The Board of Directors of the Corporation is expressly authorized, by resolution or resolutions, to provide, out of the unissued shares of the Preferred Stock, for series of the Preferred Stock. Before any shares of any such series are issued, the Board of Directors shall fix, and is expressly empowered to fix, by resolution or resolutions, the following provisions of the shares thereof:

(a) the designation of such series, the number of shares to constitute such series and the stated value thereof, if different from the par value thereof;

(b) whether the shares of such series shall have voting rights, in addition to any voting rights provided by law, and, if so, the terms of such voting rights (which may be special voting rights) and the preference or relation which such voting rights shall bear to the voting rights of any other class or any other series of this class;

(c) the annual dividend rate (or method of determining such rate), if any, payable on such series, the conditions and dates upon which such dividends shall be payable, the preference or relation which such dividends shall bear to the dividends payable on any other class or any other series of this class;

(d) whether dividends on the shares of such series shall be cumulative, and, in the case of shares of a series having cumulative dividend rights, the date or dates (or method of determining the date or dates) from which dividends on the shares of such series shall be cumulative;

(e) whether the shares of such series shall be subject to redemption by the Corporation and, if so, the times, prices and other conditions of such redemption;

(f) the amount or amounts payable upon shares of such series upon, and the rights of the holders of such series in, the voluntary or involuntary liquidation, dissolution or winding up of the Corporation;

(g) whether the shares of such series shall be subject to the operation of a retirement or sinking fund and, if so, the extent to and manner in which any such retirement or sinking fund shall be applied to the purchase or redemption of the shares of such series for retirement or other corporate purposes and the terms and provisions relative to the operation thereof;

(h) whether the shares of such series shall be convertible into, or exchangeable for, at the option of the holder or the Corporation or upon the happening of a specified event, shares of stock of any other class or of any other series of this class and, if so, the price or prices or the rate or rates of conversion or exchange and the method, if any, of adjusting the same;

(i) the limitations and restrictions, if any, to be effective while any shares of such series are outstanding upon the payment of dividends or the making of other distributions on, and upon the purchase, redemption or other acquisition by the Corporation of, the Common Stock, any other series of the Preferred Stock or any other class of capital stock;

(j) the conditions or restrictions, if any, upon the creation of indebtedness of the Corporation or upon the issue of any additional stock, including additional shares of such series or of any other series of the Preferred Stock or of any other class of capital stock; and

(k) any other powers, preferences or rights, or any qualifications, limitations or restrictions thereof.

Except as otherwise provided by such resolution or resolutions, all shares of the Preferred Stock shall be of equal rank. All shares of any one series of the Preferred Stock shall be identical in all respects with all other shares of such series, except that shares of any one series issued at different times may differ as to the dates from which dividends thereon shall be cumulative.

FOURTH: (a) Purpose. Subject to the provisions of Clause (d) of this Article FOURTH, the purpose of the Corporation is to engage in any lawful act or activity for which a corporation may be organized under the DGCL.

(b) Definitions. As used in this Article FOURTH, the following terms shall have the following meanings:

"Affiliate" shall mean, with respect to Parent, any Person that is controlled by Parent, controls Parent or is under common control with Parent, and shall mean, with respect to the Corporation, any Person that is controlled by the Corporation.

"Corporate Opportunity" shall mean an investment or business opportunity or prospective economic advantage in which the Corporation could, but for the provisions of this Article FOURTH, have an interest or expectancy.

"Person" shall mean an individual, corporation, partnership, limited liability company, joint venture, trust or unincorporated organization.

"Subsidiary" shall mean, with respect to Parent, any corporation, association or other business entity other than the Corporation of which Parent and/or any of its other Subsidiaries other than the Corporation directly or indirectly owns at the time more than fifty percent (50%) of the outstanding voting stock, voting power, partnership interests or similar voting interests of such Person other than directors' qualifying shares, and shall mean, with respect to the Corporation, any corporation, association or other business entity of which the Corporation and/or any of its other Subsidiaries directly or indirectly owns at the time more than fifty percent (50%) of the outstanding voting stock, voting power, partnership interests or similar voting interests of such Person other than directors' qualifying shares.

(c) Competing Activities. Except as otherwise expressly provided in an agreement between the Corporation and any stockholder or by and between the Corporation and two or more stockholders, (i) the stockholders of the Corporation, including, without limitation, Parent, and its officers, directors, agents, stockholders, members, partners, Affiliates and Subsidiaries, may engage or invest in, independently or with others, business activities of any type or description, including, without limitation, those that might be the same as or similar to the Corporation's business or the business of any Subsidiary of the Corporation; (ii) neither the Corporation, any Subsidiary of the Corporation nor any other stockholder of the Corporation shall have any right in or to such business activities; and (iii) to the extent required by applicable law in order to effectuate the purpose of this provision, the Corporation shall have no interest or expectancy, and specifically renounces any interest or expectancy, in any such business activities.

(d) Corporate Opportunities.

(i) If Parent (or, except as set forth below, any of its officers, directors, agents, stockholders, members, partners, Affiliates or Subsidiaries) acquires knowledge of a potential transaction or matter which may be a Corporate Opportunity or otherwise is then exploiting any Corporate Opportunity, the Corporation shall have no interest in such Corporate Opportunity and no expectancy that such Corporate Opportunity be offered to it, any such interest or expectancy being hereby renounced, so that such Person shall have no duty to present such Corporate Opportunity to the Corporation and shall have the right to hold any such Corporate Opportunity for its (and its officers', directors', agents', stockholders', members', partners', Affiliates' or Subsidiaries') own account or to direct, sell, assign or transfer such Corporate Opportunity to Persons other than the Corporation or any Subsidiary of the Corporation. Such Person shall not breach any fiduciary duty by reason of the fact that such Person does not present such Corporate Opportunity to the Corporation or pursues or acquires such Corporate Opportunity for itself or directs, sells, assigns or transfers such Corporate Opportunity to another Person.

(ii) Notwithstanding the provisions of Clause (d)(i) of this Article FOURTH, the Corporation does not renounce any interest or expectancy it may have in any Corporate Opportunity that is offered to any person (a) who is an officer of the Corporation and who is also a director but not an officer or employee of Parent; (b) who is a director but not an officer of the Corporation and who is also a director, officer or employee of Parent, if such opportunity is expressly offered to such person in his or her capacity as a director of the Corporation; or (c) who is an officer or employee of Parent and an officer of the Corporation if such opportunity is expressly offered to such person in his or her capacity as an officer or employee of the Corporation.

(iii) For purposes of Clauses (c) and (d) this Article FOURTH only, (a) a director of the Corporation who is Chairman of the Board of Directors of the Corporation or of a committee thereof shall not be deemed to be an officer of the Corporation by reason of holding such position (without regard to whether such position is deemed an office of the Corporation under the By-Laws of the Corporation), unless such person is a full-time employee of the Corporation; (b) the term "Corporation" shall mean the Corporation and all corporations, partnerships, joint ventures, associations and other entities in which the Corporation beneficially owns (directly or indirectly) 50% or more of the outstanding voting stock, voting power, partnership interests or similar voting interests; and (c) the term "Parent" shall mean Novogen Limited, a corporation organized under the laws of Australia, any person or entity which acquires beneficial ownership of all of the Common Stock beneficially owned by Parent, and all corporations, partnerships, joint ventures, associations and other entities (other than the Corporation, as defined in accordance with this paragraph) in which Parent beneficially owns (directly or indirectly) 50% or more of the outstanding voting stock, voting power, partnership interests or similar voting interests.

(iv) Anything in this Certificate of Incorporation to the contrary notwithstanding, (a) Clauses (c) and (d) of this Article FOURTH shall expire on the date that Parent ceases to beneficially own Common Stock representing at least 20% of the total voting power of all classes of outstanding capital stock of the Corporation entitled to vote in the election of directors and no person who is a director or officer of the Corporation is also a director or officer of Parent; and (b) in addition to any vote of the stockholders required by law, until the

time that Parent ceases to beneficially own Common Stock representing at least 20% of the total voting power of all classes of outstanding capital stock of the Corporation entitled to vote in the election of directors, the affirmative vote of the holders of more than 80% of the total voting power of all such classes of outstanding capital stock of the Corporation shall be required to alter, amend or repeal in a manner adverse to the interests of Parent, or adopt any provision adverse to the interests of Parent and inconsistent with, any provision of this Article FOURTH. Neither the alteration, amendment or repeal of this Article FOURTH nor the adoption of any provision of this Certificate of Incorporation inconsistent with this Article FOURTH shall eliminate or reduce the effect of this Article FOURTH in respect of any matter occurring, or any cause of action, suit or claim that, but for this Article FOURTH, would accrue or arise prior to such alteration, amendment, repeal or adoption.

(e) Indemnification.

(i) If, and to the extent that, the Corporation, any stockholder of the Corporation or any other Person brings any action against Parent (or any of its officers, directors, agents, stockholders, members, partners, Affiliates or Subsidiaries) seeking any damages or injunctive or other equitable relief based on, arising out of or relating to, any breach or alleged breach of any fiduciary or other duty based on any action or inaction which is permitted by the provisions of this Article FOURTH, the Corporation shall, to the fullest extent permitted by law, indemnify and hold such persons harmless from and against all damages arising out of or in connection with any such action. The right to indemnification conferred herein shall include the right to be paid by the Corporation the expenses (including attorneys' fees) incurred in defending any such action in advance of its final disposition (an "Advancement of Expenses"); provided, however, that if, but only if and then only to the extent, the DGCL requires, an Advancement of Expenses incurred by an indemnitee hereunder shall be made only upon delivery to the Corporation of an undertaking (an "Undertaking"), by or on behalf of such indemnitee, to repay all amounts so advanced if it shall ultimately be determined by final judicial decision from which there is no further right to appeal (a "Final Adjudication") that such indemnitee is not entitled to be indemnified for such expenses under this Article FOURTH or otherwise. The rights to indemnification and to the Advancement of Expenses conferred herein shall be contract rights and, as such, shall inure to the benefit of the indemnitee's successors, assigns, heirs, executors and administrators.

(ii) If a claim for indemnification under this Article FOURTH hereof is not paid in full by the Corporation within sixty (60) days after a written claim has been received by the Corporation, except in the case of a claim for an Advancement of Expenses, in which case the applicable period shall be twenty (20) days, the indemnitee may at any time thereafter bring suit against the Corporation to recover the unpaid amount of the claim. If successful in whole or in part in any such suit, or in a suit brought by the Corporation to recover an Advancement of Expenses pursuant to the terms of an Undertaking, the indemnitee shall be entitled to be paid also the expense of prosecuting or defending such suit. In (i) any suit brought by the indemnitee to enforce a right to indemnification hereunder (but not in a suit brought by the indemnitee to enforce a right to an Advancement of Expenses) it shall be a defense that, and (ii) any suit brought by the Corporation to recover an Advancement of Expenses pursuant to the terms of an Undertaking, the Corporation shall be entitled to recover such expenses only upon a Final Adjudication that, the indemnitee has not met the applicable standard for indemnification, if any,

set forth in the DGCL. Neither the failure of the Corporation (including its Board of Directors, independent legal counsel, or its stockholders) to have made a determination prior to the commencement of such suit that indemnification of the indemnitee is proper in the circumstances because the indemnitee has met the applicable standard of conduct set forth herein or in the DGCL, nor an actual determination by the Corporation (including its directors, or a committee thereof, independent legal counsel, or its stockholders) that the indemnitee has not met such applicable standard of conduct, shall create a presumption that the indemnitee has not met the applicable standard of conduct or, in the case of such a suit brought by the indemnitee, be a defense to such suit. In any suit brought by the indemnitee to enforce a right to indemnification or to an Advancement of Expenses hereunder, or brought by the Corporation to recover an Advancement of Expenses pursuant to the terms of an Undertaking, the burden of proving that the indemnitee is not entitled to be indemnified, or to such Advancement of Expenses, under this Article FOURTH or otherwise, shall be on the Corporation.

(iii) The rights to indemnification and to the Advancement of Expenses conferred in this Article FOURTH shall not be exclusive of any other right which any person may have or hereafter acquire by any statute, this Certificate of Incorporation, the Corporation's By-Laws, or any agreement, vote of stockholders or disinterested directors or otherwise.

(f) Notice to Holders. Any person purchasing or otherwise acquiring any interest in shares of the capital stock of the Corporation shall be deemed to have notice of and to have consented to the provisions of this Article FOURTH.

FIFTH: The Board of Directors is expressly authorized to adopt, amend or repeal the By-Laws of the Corporation, subject to the reserved power of the stockholders to amend and repeal any By-Laws of the Corporation adopted by the Board of Directors.

SIXTH: Each person who at any time is or was an officer or director of the Corporation, and is or was threatened to be made a party to any threatened, pending or complete action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he or she is or was an officer or director of the Corporation, or is or was serving at the request of the Corporation as an officer or director of another corporation, partnership, joint venture, trust or other enterprise, shall be indemnified against expenses (including attorneys' fees) judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with any such action, suit or proceeding to the full extent permitted by Section 145 of the DGCL. The foregoing right of indemnification shall in no way be deemed exclusive of any other rights of indemnification to which such officer or director may be entitled under any statute, this Certificate of Incorporation, the By-Laws of the Corporation or any agreement, vote of stockholders or disinterested directors or otherwise.

SEVENTH: No person who is or was a director of the Corporation shall be personally liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director unless, and only to the extent that such director is liable (i) for any breach of the director's duty of loyalty to the Corporation or its stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) under Section 174 of the DGCL or any amendment thereto or successor provision thereto, or (iv) for any transaction from which the director derived an improper personal benefit. This article shall

not eliminate or limit the liability or a director for any act or omission occurring prior to the date when this article becomes effective. No amendment to, repeal or adoption of any provision of this Certificate of Incorporation inconsistent with this article shall apply to or have any effect on the liability of any director of the Corporation for or with respect to any acts or omissions of such director occurring prior to such amendment, repeal, or adoption of an inconsistent provision.

EIGHTH: Any and all right, title, interest and claim in or to any dividends declared by the Corporation, whether in cash, stock or otherwise, which are unclaimed by the stockholder entitled thereto for a period of six (6) years after the close of business on the payment date, shall be and be deemed to be extinguished and abandoned, and such unclaimed dividends in the possession of the Corporation, its transfer agents or other agents or depositaries, shall at such time become the absolute property of the Corporation, free and clear of any and all claims of any persons whatsoever.

NINTH: Whenever a compromise or arrangement is proposed between the Corporation and its creditors or any class of them and/or between the Corporation and its stockholders or any class of them, any court of equitable jurisdiction within the State of Delaware may, on application in a summary way of the Corporation or of any creditor or stockholder thereof, or on the application of any receiver or receivers appointed for the Corporation under Section 291 of Title 8 of the Delaware Code or on the application of trustees in dissolution or of any receiver or receivers appointed for the Corporation under Section 279 of Title 8 of the Delaware Code, order a meeting of the creditors or class of creditors, and/or of the stockholders or class of stockholders of the Corporation, as the case may be, to be summoned in such manner as the said court directs. If a majority in number representing three-fourths in value of the creditors or class of creditors, and/or of the stockholders or class of stockholders of the Corporation, as the case may be, agree to any compromise or arrangement and to any reorganization of the Corporation as a consequence of such compromise or arrangement, the said compromise or arrangement and the said reorganization shall, if sanctioned by the court to which the said application has been made, be binding on all the creditors or class of creditors, and/or on all the stockholders or class of stockholders, of the Corporation, as the case may be, and also on the Corporation.

TENTH: Board of Directors.

(a) Number of Directors. The total number of directors which shall constitute the whole Board of Directors shall be determined in accordance with the By-laws of the Corporation, but shall not be less than two (2) nor more than nine (9).

(b) Classification of Board. (i) Subject to the rights of any holders of any series of Preferred Stock that may be issued by the Corporation pursuant to a resolution or resolutions of the Board of Directors providing for such issuance, the directors of the Corporation shall be divided into three classes with respect to the term of office, each class to contain, as near as may be possible, one-third of the whole number of the Board, with the terms of office of one class expiring each successive year. At each annual meeting of stockholders, the successors to the class of directors whose term expires at that time shall be elected by the stockholders to serve until the annual meeting of stockholders held three years next following and until their successors shall be elected and qualified.

(ii) In the event of any intervening changes in the authorized number of directors, the Board of Directors shall designate the class or classes to which the increases or decreases in directorships shall be apportioned and may designate one or more directorships as directorships of another class in order more nearly to achieve equality of number of directors among the classes; provided, however, that no such apportionment or redesignation shall shorten the term of any incumbent director.

(c) Vacancies. Subject to the limitations prescribed by law and this Restated Certificate of Incorporation, all vacancies in the office of director, including vacancies created by newly created directorships resulting from an increase in the authorized number of directors, may be filled only by a vote of a majority of the directors then holding office, although less than a quorum, or by a sole remaining director; and any director so elected shall serve for the remainder of the full term of the class of directors in which the new directorship was created or the vacancy occurred and until such director's successor is duly elected and shall qualify or until such director's earlier resignation or removal.

(d) Amendment to this Paragraph. In addition to any requirements of law or of any other provisions of this Restated Certificate of Incorporation, the affirmative vote of the holders of not less than eighty percent (80%) of the total number of votes eligible to be cast by the holders of all outstanding shares of capital stock entitled to vote thereon shall be required to amend, alter, rescind or repeal any provision of this Article TENTH.

(e) Written Ballot. Unless and to the extent that the By-Laws so provide, elections of directors need not be by written ballot.

[SIGNATURE PAGE FOLLOWS.]

IN WITNESS WHEREOF, Marshall Edwards, Inc. has caused this Restated Certificate of Incorporation to be signed by its President this 29 day of April, 2002.

MARSHALL EDWARDS, INC.

By: /s/ Graham Kelly

Graham Kelly
Title: President

CERTIFICATE OF CORRECTION FILED TO CORRECT
A CERTAIN ERROR IN THE RESTATED CERTIFICATE OF INCORPORATION OF
MARSHALL EDWARDS, INC.
FILED IN THE OFFICE OF THE SECRETARY OF STATE OF DELAWARE ON
APRIL 29, 2002

Marshall Edwards, Inc., a corporation organized and existing under and by virtue of the General Corporation Law of the State of Delaware (the "Corporation"), DOES HEREBY CERTIFY:

1. The name of the corporation is: Marshall Edwards, Inc.

2. That a Restated Certificate of Incorporation (the "Certificate") was filed with the Secretary of State of Delaware on April 29, 2002 and that said Certificate requires correction as permitted by Section 103(f) of the Delaware General Corporation Law. In accordance with Section 103(f) of the Delaware General Corporation Law, the Certificate as corrected hereby shall be effective as of April 29, 2002.

3. That said Certificate was executed by Graham Kelly as the President of the Corporation. On the date of execution and filing of the Certificate Graham Kelly was the Chairman of the Board of the Corporation and not the President of the Corporation.

4. The IN WITNESS WHEREOF paragraph and the signature block of the Certificate are corrected to read as follows:

IN WITNESS WHEREOF, Marshall Edwards, Inc. has caused this Restated Certificate of Incorporation to be signed by its Chairman of the Board this 28th day of April, 2002.

MARSHALL EDWARDS, INC.

BY: /s/ Graham Kelly

Name: Graham Kelly
Title: Chairman of the Board

IN WITNESS WHEREOF, the undersigned officer has executed this Certificate of Correction on behalf of the Corporation and does verify and affirm that such is the act and deed of the Corporation and that the facts stated herein are true as of this 5th day of May, 2002.

MARSHALL EDWARDS, INC.

By: /s/ David Seaton

Name: David Seaton
Title: Secretary

EXHIBIT 3.2

AMENDED AND RESTATED
BY-LAWS OF MARSHALL EDWARDS, INC.

ADOPTED AS OF APRIL 16, 2002

ARTICLE I

Offices

SECTION 1. Registered Office. The registered office of the Corporation shall be located in Wilmington, Delaware.

SECTION 2. Other Offices. The Corporation may also have offices at such other places as the Board of Directors may from time to time determine or the business of the Corporation may require.

ARTICLE II

Meetings of Stockholders

SECTION 1. Annual Meetings. The annual meeting of stockholders for the election of directors and for the transaction of such other business as may properly come before the meeting shall be held at such date and time, within or without the State of Delaware, as the Board of Directors shall determine.

SECTION 2. Special Meeting. Special meetings of stockholders for the transaction of such business as may properly come before the meeting may be called by order of the Board of Directors, the Executive Committee or by stockholders holding together at least a majority of all the shares of the Corporation entitled to vote at the meeting, and shall be held at such date and time, within or without the State of Delaware, as may be specified by such order.

SECTION 3. Notice. Written notice of all meetings of stockholders shall be given to each stockholder of record who is entitled to vote at such meetings, stating the place, date, and time of the meeting, and, in the case of a special meeting, the purpose or purposes for which the meeting is called. Each notice of meeting must also include a proxy form and specify a place and fax number or electronic address for the receipt of proxy appointments. Except as otherwise provided by law, a copy of the notice of any meeting shall be given, personally or by mail, or if the stockholder resides outside of the United States, by airmail, fax or other electronic means, not less than ten days nor more than sixty days before the date of the meeting, and directed to each stockholder of record at his record address. Notice by mail shall be deemed to be given when deposited, with postage thereon prepaid, in the United States mails. Notice given by facsimile telecommunication shall be deemed given when directed to a number at which the stockholder has consented to receive notice. Notice by electronic mail shall be deemed given when directed to an electronic mail address at which the stockholder has consented to receive notice. Notice given by a posting on an electronic network together with separate notice to the stockholders of such specific posting will be deemed given upon the later of (i) such posting and (ii) the giving of such separate notice. Notice given by any other form of electronic transmission

will be deemed given when directed to a stockholder. If a meeting is adjourned to another time, not more than thirty days thereafter, and/or to another place, and if an announcement of the adjourned time and/or place is made at the meeting, it shall not be necessary to give notice of the adjourned meeting unless, after adjournment, a new record date is fixed for the adjourned meeting.

SECTION 4. Stockholder List. The officer who has charge of the stock ledger of the Corporation shall prepare and make, at least ten days before every meeting of stockholders, a complete list of the stockholders, arranged in alphabetical order, and showing the address of each Stockholder and the number of shares registered in the name of each stockholder. Such list shall be open to the examination of any stockholder, for any purpose germane to the meeting, during ordinary business hours, for a period of at least ten days prior to the meeting, either at a place within the city or other municipality or community where the meeting is to be held, which place shall be specified in the notice of the meeting, or if not so specified, at the place where the meeting is to be held. The list shall also be produced and kept at the time and place where the meeting is to be held and during the whole time of the meeting, and may be inspected by any stockholder who is present.

SECTION 5. Proxy Representation. Every stockholder may authorize another person or persons to act for him by proxy in all matters in which a stockholder is entitled to participate, whether by waiving notice of any meeting, voting or participating at a meeting, or expressing consent or dissent without a meeting. An appointment of a proxy is valid if it is signed by the stockholder granting such proxy or by his attorney-in-fact and contains the stockholder's name and address, the name of the Corporation, the proxy's name or the name of the office held by the proxy and the meetings at which the proxy may be used, or is in any other form that is satisfactory to the Board of Directors. No proxy shall be voted or acted upon after three years from its date unless such proxy provides for a longer period. A duly executed proxy shall be irrevocable if it states that it is irrevocable and, if, and only as long as, it is coupled with an interest sufficient in Law to support an irrevocable power.

SECTION 6. Quorum; Adjournments. Except as otherwise provided by law, a quorum for the transaction of business at any meeting of stockholders shall consist of the stockholders holding at least one-third of the shares of the capital stock of the Corporation, issued and outstanding, entitled to vote at the meeting. In the absence of a quorum at any meeting or any adjournment thereof, the holders of record of a majority of the shares present in person or by proxy and entitled to vote at such meeting may adjourn such meeting from time to time. At any such adjourned meeting at which a quorum is present any business may be transacted which might have been transacted at the meeting as originally called.

SECTION 7. Conduct of Meeting. Meetings of stockholders shall be presided over by the Chairman of the Board, the President, a Vice President, or, if none of the foregoing is present, by a chairman to be chosen by the stockholders entitled to vote who are present in person or by proxy at the meeting. The Secretary of the Corporation shall act as secretary of every meeting, but if the Secretary is not present, the presiding officer of the meeting shall appoint any person present to act as secretary of the meeting.

SECTION 8. Voting. At each meeting of stockholders, each stockholder entitled to vote any shares on any matter to be voted upon at such meeting shall be entitled to one vote on such matter for each such share. In the election of directors, a plurality of the votes cast shall elect. Any other action shall be authorized by a majority of the votes cast, except as otherwise provided by law. Voting by ballot shall not be required for the election of directors or any other corporate action, except as otherwise provided by law.

SECTION 9. Written Consent of Shareholders Without a Meeting. Unless otherwise provided in the Certificate of Incorporation, any action required to be taken at any annual or special meeting of stockholders of the Corporation, or any action which may be taken at any annual or special meeting of such stockholders, may be taken without a meeting, without prior notice and without a vote, if a consent in writing, setting forth the action so taken, shall be signed by the holders of outstanding stock having no less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted. Prompt notice of the taking of the corporate action without a meeting by less than unanimous written consent shall be given to those stockholders who have not consented in writing.

ARTICLE III

Directors

SECTION 1. Functions and Definition. The business and affairs of the Corporation shall be managed by, or under the direction of, the Board of Directors. The use of the Phrase "whole Board" herein refers to the total number of directors which the Corporation would have if there were no vacancies.

SECTION 2. Qualifications and Number. A director need not be a stockholder, a citizen of the United States, or a resident of the State of Delaware. The number of directors constituting the whole Board may be fixed from time to time by action of the Board of Directors, and until so fixed, shall be five.

SECTION 3. Election. Except as otherwise provided in the Certificate of Incorporation, the Directors shall, except as hereinafter otherwise provided for filling vacancies, be elected at the annual meeting of stockholders, and shall hold office until their respective successors are elected and qualified or until their earlier resignation or removal.

SECTION 4. Annual Meeting. Following each annual election of directors, the newly elected Board shall meet for the purpose of the election of officers and the transaction of such other business as may properly come before the meeting.

SECTION 5. Regular Meetings. Regular meetings of the Board of Directors shall be held at such time and place as the Board of Directors shall from time to time by resolution determine.

SECTION 6. Special Meetings. Special meetings of the Board of Directors shall be held whenever called by the direction of the President or by a majority of the directors then in office.

SECTION 7. Place. Meetings of the Board of Directors may be held at any place within or without the State of Delaware.

SECTION 8. Notice. A notice of the place, date and time and the purpose or purposes of each meeting of the Board of Directors shall be given to each director by mailing the same at least two days before the meeting, or by telegraphing, telexing or telephoning the same or by delivering the same personally not later than the day before the meeting, at the residence address of each director or at his usual place of business.

SECTION 9. Quorum. Except as otherwise provided by law, a majority of the whole Board shall constitute a quorum. A majority of the directors present, whether or not a quorum is present, may adjourn a meeting from time to time to another time and place without notice. The vote of the majority of the directors present at a meeting at which a quorum is present shall be the act of the Board of Directors.

SECTION 10. Organization. At all meetings of the Board of Directors, the Chairman of the Board, or in his absence the President or a chairman chosen by the directors shall preside. The Secretary of the Corporation shall act as secretary at all meetings of the Board of Directors when present, and, in his absence, the presiding officer may appoint any person to act as secretary.

SECTION 11. Resignation and Removal of Directors. Any director may resign at any time, and such resignation shall take effect upon receipt thereof by the President or Secretary, unless otherwise specified in the resignation. Any or all of the directors may be removed, with or without cause, by the holders of a majority of the shares of stock outstanding and entitled to vote for the election of directors.

SECTION 12. Vacancies. Unless otherwise provided in the Certificate of Incorporation or in these By-Laws, vacancies among the directors, whether caused by resignation, death, disqualification, removal, an increase in the authorized number of directors or otherwise, may be filled by a majority of the directors then in office, although less than a quorum, or by a sole remaining director.

SECTION 13. Action Without a Meeting. Any action required or permitted to be taken by the Board of Directors or a committee thereof may be taken without a meeting if all members of the Board or the committee consent in writing to the adoption of a resolution authorizing the action. The resolution and the written consents thereto by the members of the Board or committee shall be filed with the minutes of the proceedings of the Board or committee.

SECTION 14. Telephone, etc. Meetings. Members of the Board of Directors, or any committee designated by the Board of Directors, may participate in a meeting of the Board

of Directors, or committee, by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other, and such participation shall constitute presence in person at such meeting.

ARTICLE IV

Committees

SECTION 1. Executive Committee. The Board of Directors, by a resolution passed by a vote of a majority of the whole Board, may appoint an Executive Committee of two or more directors which, except as otherwise provided by the Board of Directors, shall have and exercise all the powers of the Board of Directors in the management of the property, business and affairs of the Corporation, and may authorize the seal of the Corporation to be affixed to all papers which may require it; provided, however, that the Executive Committee shall not have any power or authority to declare dividends, issue stock, recommend to the stockholders any action requiring their approval, change the membership of any committee at any time, fill vacancies on the Board or on any committee thereof, discharge any committee either with or without cause at any time, elect officers or amend or repeal the By-Laws of the Corporation. The Board of Directors shall appoint the Chairman of the Executive Committee and may designate one or more directors as alternate members of the Executive Committee, who may replace any absent or disqualified member at any meeting of the Executive Committee. Vacancies on the Executive Committee shall be filled by the Board of Directors in the same manner as original appointments to such Committee.

SECTION 2. Other Committees. From time to time the Board of Directors by a resolution adopted by a majority of the whole Board may appoint any other committee or committees for any purpose or purposes, to the extent lawful, which shall have such powers as shall be determined and specified by the Board of Directors in the resolution of appointment.

SECTION 3. Procedures Applicable to All Committees. Each committee shall fix its own rules of procedure, and shall meet where and as provided by such rules or by resolution of the Board of Directors. The presence of a majority of the then appointed members of a committee shall constitute a quorum for the transaction of business by that committee, and in every case where a quorum is present the affirmative vote of a majority of the members of the committee present shall be the act of the committee. Each committee shall keep minutes of its proceedings, and any action taken by a committee shall be reported to the Board of Directors at its meeting next succeeding such action.

SECTION 4. Termination of Committee Membership. In the event any person shall cease to be a director of the Corporation, such person shall simultaneously therewith cease to be a member of any committee appointed by the Board of Directors.

ARTICLE V

Officers

SECTION 1. Executive Officers. The executive officers of the Corporation shall be a Chairman of the Board, a President, one or more Vice Presidents, a Treasurer, and a Secretary, all of whom shall be elected annually by the Board of Directors. Unless otherwise provided in the resolution of election, each officer shall hold office until the next annual election of directors or until his earlier resignation or removal. Any two of such offices may be held by the same person.

SECTION 2. Other Officers. The Board of Directors may appoint such other officers and agents as it may deem necessary or advisable, for such term as the Board of Directors shall fix in such appointment, who shall have such authority and perform such duties as may from time to time be prescribed by the Board.

SECTION 3. Resignation and Removal. Any officer may resign his office at any time and such resignation shall take effect upon receipt thereof by the President or Secretary, unless otherwise specified in the resignation. All officers, agents and employees of the Corporation shall be subject to removal, with or without cause, at any time by the affirmative vote of a majority of the whole Board. The power to remove agents and employees, other than officers or agents elected or appointed by the Board of Directors, may be delegated as the Board of Directors shall determine.

SECTION 4. Chairman of the Board. The Chairman of the Board shall have the responsibility of guiding the Board of Directors in effectively discharging its responsibilities, including, but not limited to, providing for the execution of the Corporation's objectives; safeguarding and furthering shareholders' interests; and appraising the adequacy of overall results as reported by the President. He shall see that all orders and resolutions of the Board of Directors are carried into effect and shall from time to time report to the Board of Directors on matters within his knowledge which the interests of the Corporation may require to be brought to the attention of the Board of Directors.

SECTION 5. President. The President shall be the chief executive officer of the Corporation and shall have the general powers and duties of supervision and management of the Corporation, subject, however, to the control of the Board of Directors. The President shall also perform all duties incident to the office of President and such other duties as may from time to time be assigned to him by the Board of Directors.

SECTION 6. Vice Presidents. A Vice President shall perform such duties and shall have such authority as from time to time may be assigned to him by the Board of Directors or the President.

SECTION 7. The Treasurer. Subject to the direction of the Board of Directors, the Treasurer shall have the general care and custody of all the funds and securities of the Corporation which may come into his hands and shall deposit the same to the credit of the Corporation in such bank or banks or depositaries as from time to time may be designated by the Board of Directors, and shall pay out and dispose of the same under the direction of the Board of Directors. The Treasurer shall in general perform all duties incident to the position of Treasurer and such other duties as may be assigned to him by the Board of Directors or the President.

SECTION 8. The Secretary. The Secretary shall keep the minutes of all proceedings of the Board of Directors and the minutes of all meetings of the stockholders and also, unless otherwise directed by such committee, the minutes of each committee, in books provided for that purpose, of which he shall be the custodian; he shall attend to the giving and serving of all notices for the Corporation; he shall have charge of the seal of the Corporation, of the stock certificate books and such other books and papers as the Board of Directors may direct; and he shall in general perform all the duties incident to the office of Secretary and such other duties as may be assigned to him by the Board of Directors or the President.

SECTION 9. Salaries. The salaries of the officers shall be fixed from time to time by the Board of Directors, and none of such officers shall be prevented from receiving a salary by reason of the fact that he is also a director of the Corporation.

ARTICLE VI

Stock

SECTION 1. Stock Certificates. The shares of stock of the Corporation shall be represented by certificates unless the Board of Directors provides, by resolution, that some or all shares of any or all classes or series of stock shall be uncertificated shares. Certificates for shares of stock of the Corporation shall be in such form, not inconsistent with the Certificate of Incorporation, as shall be approved by the Board of Directors. All certificates shall be signed by the Chairman of the Board, the President or a Vice President and by the Secretary or an Assistant Secretary or the Treasurer or an Assistant Treasurer, and shall not be valid unless so signed. Any such signature may be a facsimile.

In case any officer or officers who shall have signed any such certificate or certificates shall cease to be such officer or officers of the Corporation, whether because of death, resignation, removal or otherwise, before such certificate or certificates shall have been delivered by the Corporation, such certificate or certificates may nevertheless be issued and delivered as though the person or persons who signed such certificate or certificates had not ceased to be such officer or officers of the Corporation.

All certificates for shares of stock shall be consecutively numbered as the same are issued. The name of the person owning the shares represented thereby with the number of such shares and the date of issue thereof shall be entered on the books of the Corporation.

Except as hereinafter provided, all certificates surrendered to the Corporation for transfer shall be canceled, and no new certificates shall be issued until former certificates for the same number of shares have been surrendered and canceled.

SECTION 2. Lost, Stolen or Destroyed Certificates. Whenever a person owning a certificate for shares of stock of the Corporation alleges that it has been lost, stolen or destroyed, he or she shall file in the office of the Corporation an affidavit setting forth, to the best of his or her knowledge and belief, the time, place and circumstances of the loss, theft or destruction, and, if required by the Corporation, a bond of indemnity or other indemnification

sufficient, in the opinion of the Corporation, to indemnify the Corporation and its agents against any claim that may be made against it or them on account of the alleged loss, theft or destruction of any such certificate or the issuance of a new certificate in replacement therefor. Thereupon the Corporation may cause to be issued to such person a new certificate in replacement for the certificate alleged to have been lost, stolen or destroyed. Upon the stub of every new certificate so issued shall be noted the fact of such issue and the number, date and the name of the registered owner of the lost, stolen or destroyed certificate in lieu of which the new certificate is issued.

SECTION 3. Transfer of Shares.

(a) Shares of stock of the Corporation shall be transferred on the books of the Corporation by the holder thereof, in person or by his attorney duly authorized in writing, upon surrender and cancellation of certificates for the number of shares of stock to be transferred, except as provided in Sections 2 and 3(b) of this Article VI.

(b) The Board of Directors must not register a transfer of shares which have not been registered under the Securities Act except in accordance with the provisions of Regulation S under the Securities Act, pursuant to an effective registration statement under the Securities Act or pursuant to an exemption from the registration requirements of the Securities Act.

SECTION 4. Regulations. The Board of Directors shall have power and authority to make such rules and regulations as it may deem expedient concerning the issue, transfer and registration of certificates for shares of stock of the Corporation.

SECTION 5. Dividends. Subject to the provisions of the Certificate of Incorporation, the Board of Directors shall have power to declare and pay dividends upon shares of stock of the Corporation, but only out of funds available for the payment of dividends as provided by law.

SECTION 6. Record Date. In order that the Corporation may determine the stockholders entitled to notice of or to vote at any meeting of stockholders or any adjournment thereof, or to express consent to corporate action in writing without a meeting or to receive payment of any dividend or other distribution or allotment of any rights, or to exercise any rights in respect of any change, conversion or exchange of stock or for the purpose of any other lawful action, as the case may be, the Board of Directors may fix, in advance, a record date, which shall not be (i) more than sixty (60) nor less than ten (10) days before the date of such meeting, or (ii) in the case of corporate action to be taken by consent in writing without a meeting, not more than ten (10) days after the date upon which the resolution fixing the record date is adopted by the Board of Directors, or (iii) more than sixty (60) days prior to any other action.

If no record date is fixed, the record date for determining stockholders entitled to notice of or to vote at a meeting of stockholders shall be at the close of business on the day next preceding the day on which notice is given or, if notice is waived, at the close of business on the day next preceding the day on which the meeting is held; and the record date for determining

stockholders for any other purpose (except corporate action to be taken by consent in writing) shall be at the close of business on the day on which the Board of Directors adopts the resolution relating thereto. A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting; provided, however, that the Board of Directors may fix a new record date for the adjourned meeting.

If a holder of record of any class of stock of the Corporation, or a series thereof, the holders of which may act by a consent in writing, wishes to have those stockholders authorize or take corporate action by written consent, such stockholder shall, by written notice to the Secretary of the Corporation, request the Board of Directors to fix a record date. The Board of Directors shall promptly, but in all events within ten (10) days after the date on which such a request is received, adopt a resolution fixing the record date. If no record date is fixed by the Board within such ten (10) day period, the record date for determining stockholders entitled to consent to corporate action, when no prior action by the Board of Directors is required by applicable law, shall be the first date on which a signed consent setting forth the action taken or proposed to be taken is delivered to the Corporation at its registered office in the State of Delaware or to its principal place of business to the attention of the Secretary of the Corporation. Delivery made to the registered office of the Corporation for this purpose shall be by hand or by certified or registered mail with return receipt requested. If no record date is so fixed by the Board of Directors and prior action by the Board of Directors is required by applicable law, the record date for determining stockholders entitled to consent to corporate action in writing without a meeting shall be at the close of business on the date on which the Board of Directors adopts the resolution taking such prior action.

ARTICLE VII

Waiver of Notice

Any person may waive any notice required to be given by law, in the Certificate of Incorporation or under these By-Laws (i) by attendance in person, or by proxy if a stockholder, at any meeting, except when such person attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened, or (ii) by a writing signed by the person or persons entitled to said notice, whether before or after the time stated in said notice, which waiver shall be deemed equivalent to such notice. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the stockholders, directors, or members of a committee of directors need be specified in any written waiver of notice.

ARTICLE VIII

Contracts

The Board of Directors may authorize any officer or officers, agent or agents, in the name and on behalf of the Corporation, to enter into or execute and deliver any and all deeds, bonds, mortgages, contracts and other obligations or instruments, and such authority may be general or confined to specific instances.

ARTICLE IX

Corporate Seal

The seal of the Corporation shall be circular in form and contain the name of the Corporation and the words and numerals "Corporate Seal 2000 Delaware," which seal shall be in charge of the Secretary to be used as directed by the Board of Directors.

ARTICLE X

Fiscal Year

The fiscal year of the Corporation shall be fixed, and shall be subject to change, by the Board of Directors. Unless otherwise fixed by the Board of Directors, the fiscal year of the Corporation shall be the calendar year.

ARTICLE XI

Indemnification

SECTION 1. Who May Be Indemnified

(a) Actions, Suits and Proceedings Other Than by or in the Right of the Corporation. The Corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Corporation) by reason of the fact that he is or was a director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Corporation, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the Corporation, and, with respect to any criminal action or proceedings, had reasonable cause to believe that his conduct was unlawful.

(b) Actions or Suits By or in the Right of the Corporation. The Corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the Corporation to procure a judgment in its favor by reason of the fact that he is or was a director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against expenses (including attorneys' fees) actually and reasonably incurred by him in

connection with the defense or settlement of such action or suit if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Corporation and except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable to the Corporation unless and only to the extent that the Court of Chancery or the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which the Court of Chancery or such other court shall deem proper.

(c) Indemnification for Expenses. To the extent that a director, officer, employee or agent of the Corporation has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in paragraph (a) or (b), or in defense of any claim, issue or matter therein, he shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by him in connection therewith.

(d) Determination of Entitlement to Indemnification. Any indemnification under paragraph (a) or (b) (unless ordered by a court) shall be made by the Corporation only as authorized in the specific case upon a determination that indemnification of the director, officer, employee or agent is proper in the circumstances because he has met the applicable standard of conduct set forth in paragraph (a) or (b). Such determination shall be made (1) by the Board of Directors by a majority vote of a quorum consisting of directors who were not parties to such action, suit or proceeding, or (2) if such quorum is not obtainable, or, even if obtainable, a majority vote of a quorum of disinterested directors so directs, by independent legal counsel in a written opinion, or (3) by the stockholders.

(e) Advance of Expenses. Expenses incurred by an officer or director in defending a civil or criminal action, suit or proceeding shall be paid by the Corporation in advance of the final disposition of such action, suit or proceeding upon receipt of an undertaking by or on behalf of such director or officer to repay such amount if it shall ultimately be determined that he is not entitled to be indemnified by the Corporation as authorized in this Article. Such expenses incurred by other employees and agents may be so paid upon such terms and conditions, if any, as the Board of Directors deems appropriate.

SECTION 2. Indemnification Not Exclusive Right. The indemnification and advancement of expenses provided by this Article shall not be deemed exclusive of any other rights to which those seeking indemnification and advancement of expenses may be entitled under any by-law, agreement, vote of stockholders or disinterested directors or otherwise, both as to action in his official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a director, officer, employee or agent and shall inure to the benefit of the heirs, executors and administrators of such person.

SECTION 3. Insurance. The Corporation shall have power to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him and incurred by him in any such capacity, or arising out

of his status as such, whether or not the Corporation would have the power to indemnify him against such liability under the provisions of this Article.

SECTION 4. "Corporation" Defined for Indemnification Purposes. For purposes of this Article, references to "the Corporation" shall include (in addition to the Corporation and any resulting corporation) any constituent corporation (including any constituent of a constituent) absorbed in a consolidation or merger which if its separate existence had continued, would have had power and authority to indemnify its directors, officers, and employees or agents, so that any person who is or was a director, officer, employee or agent of such constituent corporation, or is or was serving at the request of such constituent corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, shall stand in the same position under the provisions of this Article with respect to the resulting or surviving corporation as he would have with respect to such constituent corporation if its separate existence had continued.

ARTICLE XII

Amendments

The Board of Directors shall have power to adopt, amend or repeal By-Laws. By-Laws adopted by the Board of Directors may be amended or repealed by the stockholders.

EXHIBIT 10.1

BLAKE DAWSON WALDRON

L A W Y E R S

AMENDED AND RESTATED

LICENCE AGREEMENT

NOVOGEN RESEARCH PTY LIMITED
ABN 87 060 202 931

MARSHALL EDWARDS PTY LIMITED
ABN 36 099 665 675

Level 41
225 George Street
Sydney NSW 2000
Telephone: +61 2 9258 6000
Fax: +61 2 9258 6999

24 SEPTEMBER 2003
REF: SJD.BLM.02-1308-9508

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AMENDED AND RESTATED
LICENCE AGREEMENT

DATE 24 September 2003

PARTIES

NOVOGEN RESEARCH PTY LIMITED ABN 87 060 202 931 ("NOVOGEN RESEARCH")

MARSHALL EDWARDS PTY LIMITED ABN 36 099 665 675 ("MEPL")

RECITALS

A. Novogen Research is the proprietor of certain patents, the applicant for certain patent applications and the owner of certain know how relating to:

(a) a method of preparation of the compound known as "phenoxodiol"; and

(b) agents comprising phenoxodiol and compositions containing it and its use as a human therapeutic treatment.

B. MEPL wishes to conduct clinical trials relating to the use of phenoxodiol and to exploit phenoxodiol throughout the world for certain human therapeutic uses.

C. In May 2002 Novogen Research agreed to grant to MEPL a licence to conduct clinical trials and to exploit phenoxodiol on terms and conditions set out in a licence agreement between the parties (the "ORIGINAL LICENCE AGREEMENT").

D. The parties have agreed to amend and restate the terms of the Original Licence Agreement as set out in this document with effect from the date of this document.

OPERATIVE PROVISIONS

1. INTERPRETATION

1.1 DEFINITIONS

The following definitions apply in this document.

"AFFILIATE" means:

(a) in relation to a body corporate, each of:

(i) that body's related bodies corporate;

(ii) that body's directors; and

(iii) the persons who have a substantial holding (as that term is defined in the Corporations Act) in that body; and

(b) in relation to a natural person, any:

(i) spouse;

(ii) relative by blood or adoption of that person or that person's spouse; and

(iii) body corporate in which that person and Affiliates of that person hold in aggregate more than 20% of the voting shares.

"AUTHORISATION" means:

(a) an authorisation, consent, declaration, exemption, notarisation or waiver, however it is described; and

(b) in relation to anything that could be prohibited or restricted by law if a Government Agency acts in any way within a specified period, the expiry of that period without that action being taken,

including any renewal or amendment.

"BUSINESS DAY" means a day that is not a Saturday, Sunday or public holiday in Sydney, Australia.

"CHANGE OF CONTROL" of MEPL means a change in:

(a) Control of the composition of the board of directors of the corporation;

(b) Control of more than half the voting rights attaching to shares in the corporation; or

(c) Control of more than half the issued shares of the corporation (not counting any share which carries no right to participate beyond a specified amount in the distribution of either profit or capital),

which, for the avoidance of doubt, does not include a change in:

(d) Control of the composition of the board of directors of Novogen Limited;

(e) Control of more than half the voting rights attaching to shares in Novogen Limited; or

(f) Control of more than half the issued shares of Novogen Limited (not counting any share which carries no right to participate beyond a specified amount in the distribution of either profit or capital).

"CLINICAL TRIAL" means a clinical evaluation of the stability, tolerability, synergy or efficacy of a Product for use in the Field.

"CLINICAL TRIAL MATERIALS" means all medication, Trial Protocols, results of Clinical Trials, case report forms, study aids, and any other materials used in, or arising out of, the conduct of Clinical Trials.

"CLINICAL TRIAL SUBJECT" means a person who is enrolled in a Clinical Trial, whether or not that person meets all eligibility criteria for enrolment into the Clinical Trial set out in any Trial Protocol or otherwise.

"COMMENCEMENT DATE" means the date the Original Licence Agreement was executed by the last of the parties to execute it.

"COMMERCIALISATION INCOME" means all gross income received by or on behalf of MEPL or its related bodies corporate (other than Novogen Research and Novogen Laboratories) as a result of or in connection with any assignment, sublicensing, or other dealing with MEPL's rights under this document, other than income received solely in consideration of the sale, hiring or other disposal of Product.

"COMMONWEALTH" means the Commonwealth of Australia.

"CONFIDENTIAL INFORMATION" means:

(a) in relation to Novogen Research, the Clinical Trial Materials, the Licensed Know How, all Novogen Developments and MEPL Developments, all documents, records and reports relating to the Licensed Intellectual Property or Products, which are provided by MEPL under this document and all other written or oral information disclosed by Novogen Research to MEPL under this document, other than information which MEPL can establish:

(i) was in the public domain when it was given to MEPL;

(ii) becomes, after being given to MEPL, part of the public domain, except through disclosure contrary to this document; or

(iii) was lawfully received by MEPL from another person having the unrestricted legal right to disclose that information without requiring the maintenance of confidentiality; and

(b) in relation to MEPL, all written or oral information disclosed by MEPL to Novogen Research under this document, other than information referred to in paragraph (a) and information which Novogen Research can establish:

(i) was in the public domain when it was given to it;

(ii) becomes, after being given to it, part of the public domain, except through disclosure contrary to this document; or

(iii) was lawfully received by it from another person having the unrestricted legal right to disclose that information without requiring the maintenance of confidentiality.

"CONTROL" means a power or control that is direct or indirect or that is, or can be, exercised as a result of, by means of or by the revocation or breach of a trust, an agreement, a practice, or any combination of them, whether or not they are enforceable. It does not matter whether the power or control is express or implied, formal or informal, exercisable alone or jointly with someone else.

"CORPORATIONS ACT" means the Corporations Act 2001 (Cth).

"DEED OF ACKNOWLEDGMENT AND UNDERTAKING" means the document so entitled to be entered into between Novogen Limited and the Industry Research and Development Board for and on behalf of the Commonwealth.

"DEFAULT RATE" means, in relation to an amount which has not been paid to a party, a rate equal to the sum of that party's cost of funding the amount (if that party were to borrow that amount and as determined conclusively by that party) and 2% per annum.

"DISCLOSING PARTY" in relation to any information means the party who disclosed to another party that information.

"DISPUTE" has the meaning given to that term in clause 20.1.

"DISPUTE NOTICE" has the meaning given to that term in clause 20.2.

"ENCUMBRANCE" means a mortgage, charge, pledge, lien, hypothecation or title retention arrangement, a right of set-off or right to withhold payment of a deposit or other money, a notice under section 255 of the Income Tax Assessment Act 1936 (Cth), section 260-5 in schedule 1 to the Taxation Administration Act 1953 (Cth) or any similar legislation, or an easement, restrictive covenant, caveat or similar restriction over property, or an agreement to create any of them or to allow any of them to exist.

"EXCLUSIVITY PERIOD" means the period commencing on the Commencement Date and ending the later of:

(a) the date of expiration or lapsing of the last Patent Right in the patents and patent applications set out in schedule 1 and 2; or

(b) the date of expiration or lapsing of the last Licensed Patent Right which MEPL would, but for the licence granted in clause 2.1, infringe in any country in the Territory by doing in that country any of the things set out in clause 2.1.

"FDA APPROVAL" means the approval by the Food and Drug Administration of the United States of an investigational new drug (IND) application for a Product to commence phase 1 Clinical Trials in the United States.

"FIELD" means the prevention, treatment or cure of cancer in humans by pharmaceuticals delivered or administered by injection or by any other means but excluding topical applications. For the avoidance of doubt, "non-topical applications" shall be any means of administration other than to the skin.

"FIXED AND FLOATING CHARGE" means the document entitled "Deed of Fixed and Floating Charge" between Novogen Research and St George Bank Limited dated 30 June 1997.

"FORCE MAJEURE EVENT" means any occurrence or omission as a direct or indirect result of which the party relying on it is prevented from or delayed in performing any of its obligations (other than a payment obligation) under this document and that is beyond the reasonable control of that party, including forces of nature, industrial action and action or inaction by a Government Agency.

"GOVERNMENT AGENCY" means:

(a) a government or government department or other body;

(b) a governmental, semi-governmental or judicial person; or

(c) a person (whether autonomous or not) who is charged with the administration of a law.

"GST" means:

(a) the same as in the GST Law; and

(b) any other goods and services tax, or any tax applying to this transaction in a similar way; and

(c) any additional tax, penalty tax, fine, interest or other charge under a law for such a tax.

"GST LAW" means the same as "GST law" means in A New Tax System (Goods and Services Tax) Act 1999 (Cth).

"INSOLVENCY EVENT" means, for a person, being in liquidation or provisional liquidation or under administration, having a controller (as defined in the Corporations Act) or analogous person appointed to it or any of its property, being taken under section 459F(1) of the Corporations Act to have failed to comply with a statutory demand, being unable to pay its debts or otherwise insolvent, dying, ceasing to be of full legal capacity or otherwise becoming incapable of managing its own affairs for any reason, taking any step that could result in the person becoming an insolvent under administration (as defined in section 9 of the Corporations Act), entering into a compromise or arrangement with, or assignment for the benefit of, any of its members or creditors, or any analogous event, otherwise than in the course of a reorganisation, reconstruction, amalgamation or merger.

"INTELLECTUAL PROPERTY RIGHTS" means any and all existing and future intellectual and industrial property rights throughout the world, whether conferred by statute, common law or equity, including rights in relation to copyright, trade marks, designs, circuit layouts, plant varieties, business and domain names, trade secrets and Know How (including the right to apply for registration of any such rights), Patent Rights and other results of intellectual activity in the industrial, commercial, scientific, literary or artistic fields.

"KNOW HOW" means technical and other information which is not in the public domain including inventions, discoveries, concepts, data, formulae, ideas, specifications, procedures for experiments and tests, results of experimentation and testing, results of research and development and information in laboratory records, data collected during the course of Clinical Trials, case reports, data analyses and summaries and submissions to and information from ethical committees and regulatory authorities.

"LICENSED INTELLECTUAL PROPERTY" means the Licensed Patent Rights and the Intellectual Property Rights in the Licensed Know How.

"LICENSED KNOW HOW" means the Manufacturing Know How, all existing Know How of Novogen Research in relation to Products and its uses in the Field and all Know How in Clinical Trial Materials, Novogen Developments and MEPL Developments.

"LICENSED PATENT RIGHTS" means the Product Patent Rights, the Manufacturing Patent Rights and all Patent Rights in any Novogen Developments and MEPL Developments.

"MANUFACTURING KNOW HOW" means all existing Know How of Novogen Research in relation to the synthesis and manufacture of Products.

"MANUFACTURING LICENCE AND SUPPLY AGREEMENT" means the agreement of that title between MEPL and Novogen Laboratories dated on or about the date of this document.

"MANUFACTURING PATENT RIGHTS" means all Patent Rights in the patents and patent applications set out in schedule 2.

"MEPL DEVELOPMENTS" means all developments, improvements, enhancements, adaptations and new Know How, whether patentable or otherwise, in relation to the Product or the Licensed Intellectual Property, which during the Term are made or acquired by MEPL, its employees, agents or contractors.

"MILESTONE LICENCE FEE" means:

(a) for the calender year ending 31 December 2003: US$1,000,000;

(b) for the calender year ending 31 December 2004: US$2,000,000;

(c) for the calender year ending 31 December 2005: US$4,000,000; and

(d) for each calender year during the Exclusivity Period following the year ending 31 December 2005: US$8,000,000,

less any amount payable to Novogen Research during that calendar year under clause 7.1.

"NET SALES" in relation to any Product means the gross invoice or contract price of that Product sold, hired or otherwise disposed of by MEPL, its Affiliates (other than Novogen Laboratories) or sub-licensees (which for avoidance of doubt does not include mere distributors) to the first person who is not an Affiliate or sub-licensee of MEPL, after deducting (to the extent not already deducted):

(a) trade and quantity discounts; and

(b) returns, rebates and allowances actually taken.

"NOVOGEN DEVELOPMENTS" means all developments, improvements, enhancements, adaptations and new Know How, whether patentable or otherwise, in the Field in relation to the Product or the Licensed Intellectual Property which during the Term are made or acquired by Novogen Research, its employees or agents, which Novogen Research is free to license or disclose.

"NOVOGEN LIMITED" means Novogen Limited ABN 37 063 259 754.

"PATENT RIGHTS" means existing and future patents (including any divisions, continuations, continuations in part, renewals, reissues, extensions, supplementary protection certificates, utility models and foreign equivalents thereof) and rights with respect to existing and future patent applications and patentable inventions, including the right to apply for registration of any such rights.

"PRODUCT" means any product or formulation containing the compound known as "phenoxodiol" (or NV-06) for delivery or administration by injection or by any other means but excluding topical applications, whether in primary manufactured form, final packaged form or otherwise, and whether in combination with any other compound or component, active or otherwise. For the avoidance of doubt, "non-topical applications" shall be any means of administration of the Product other than to the skin.

"PRODUCT PATENT RIGHTS" means all Patent Rights in the patents and patent applications set out in schedule 1.

"QUARTER" means, in respect of any calender year in the Term, the four quarters of that year, the first of which commences on the first day of that year.

"START GRANT AGREEMENT" means the agreement entitled "R & D Start Grant Agreement No: STG/00220" between Novogen Limited and the Industry Research and Development Board for and on behalf of the Commonwealth, dated 24 December 1998.

"TAX" means a tax, levy, duty, charge, deduction or withholding, however it is described, that is imposed by a Government Agency, together with any related interest, penalty, fine or other charge.

"TERM" means the term of this document as determined under clause 19.

"TERRITORY" means the world.

"TRIAL PROTOCOL" means a protocol for the conduct of a Clinical Trial as may be developed by MEPL from time to time.

1.2 RULES FOR INTERPRETING THIS DOCUMENT

Headings are for convenience only, and do not affect interpretation. The following rules also apply in interpreting this document, except where the context makes it clear that a rule is not intended to apply.

(a) A reference to:

(i) legislation (including subordinate legislation) is to that legislation as amended, re-enacted or replaced, and includes any subordinate legislation issued under it;

(ii) a document or agreement, or a provision of a document or agreement, is to that document, agreement or provision as amended, supplemented, replaced or novated;

(iii) a party to this document or to any other document or agreement includes a permitted substitute or a permitted assign of that party;

(iv) a person includes any type of entity or body of persons, whether or not it is incorporated or has a separate legal identity, and any executor, administrator or successor in law of the person; and

(v) anything (including a right, obligation or concept) includes each part of it.

(b) A singular word includes the plural, and vice versa.

(c) A word which suggests one gender includes the other genders.

(d) If a word is defined, another part of speech has a corresponding meaning.

(e) If an example is given of anything (including a right, obligation or concept), such as by saying it includes something else, the example does not limit the scope of that thing.

(f) The word "AGREEMENT" includes an undertaking or other binding arrangement or understanding, whether or not in writing.

(g) The words "SUBSIDIARY", "HOLDING COMPANY" and "RELATED BODY CORPORATE" have the same meanings as in the Corporations Act.

(h) A reference to "US$" is to the currency of the United States of America.

1.3 BUSINESS DAYS

If the day on or by which a person must do something under this document is not a Business Day:

(a) if the act involves a payment that is due on demand, the person must do it on or by the next Business Day; and

(b) in any other case, the person must do it on or by the previous Business Day.

1.4 APPLICATION OF THIS DOCUMENT

(a) This document varies and amends the Original Licence Agreement with effect from the date of execution of this document.

(b) The terms and conditions of this document replace the terms and conditions of the Original Licence Agreement.

2. LICENCE TO EXPLOIT THE PRODUCT

2.1 GRANT OF LICENCE

Novogen Research by this document grants to MEPL for the Term a non-transferable licence under the Licensed Patent Rights and the Intellectual Property Rights in the Licensed Know How to:

(a) make, have made, sell, hire or otherwise dispose of Products in the Territory for use in the Field;

(b) offer to make, sell, hire or otherwise dispose of Products in the Territory for use in the Field;

(c) use and import Products into any country in the Territory for the purpose of exercising its rights under paragraphs (a) and (b);

(d) use, reproduce, apply, develop, modify and enhance the Licensed Know How in the Field;

(e) keep Products and the Licensed Know How for the purpose of doing any of the things in paragraphs (a) to (d); and

(f) use any method or process claimed or disclosed in the Manufacturing Patent Rights or forming part of the Manufacturing Know How for the purpose of exercising its rights under paragraphs (a) to (e).

2.2 EXCLUSIVITY

The licence granted in clause 2.1 is:

(a) exclusive in the Field and in the Territory during the Exclusivity Period; and

(b) non-exclusive in the Field and in the Territory from the date of expiration of the Exclusivity Period until the end of the Term.

2.3 EXPIRATION OF LICENSED PATENT RIGHTS

If during the Term all Licensed Patent Rights in any country in the Territory lapse or are held invalid, then subject to clause 19.1, the licence granted in clause 2.1 shall continue in full force and effect in that country on the same terms as a licence under the Intellectual Property Rights in the Licensed Know How only.

2.4 SUB-LICENCES

(a) Subject to paragraphs (b) and (c), MEPL may not grant sub-licences under any of the rights granted to it under this document without the prior written consent of Novogen Research.

(b) MEPL may grant a sub-licence to Novogen Laboratories on the terms and conditions of the Manufacturing Licence and Supply Agreement.

(c) Novogen Research must grant its consent to any sub-licence proposed to be granted by MEPL in the circumstances set out in clause 3.9 of the Manufacturing Licence and Supply Agreement provided that sub-licence is in terms substantially consistent with those in the Manufacturing Licence and Supply Agreement.

2.5 SUB-CONTRACTORS

MEPL may not engage agents or sub-contractors to perform its obligations under this document:

(a) without the prior written consent of Novogen Research; and

(b) unless such agents or sub-contractors first agree in writing:

(i) to comply with confidentiality obligations substantially identical to those of MEPL under this document; and

(ii) to assign to Novogen Research all Intellectual Property Rights in the Field created or acquired by them in the course of their engagement.

3. CLINICAL TRIALS

3.1 CLINICAL TRIALS TO DATE

Novogen Research represents and warrants to MEPL that:

(a) Novogen Limited has sponsored and funded phase 1 Clinical Trials in Australia;

(b) Novogen Limited has obtained the FDA Approval; and

(c) the FDA Approval has not been revoked or amended.

3.2 OBLIGATION TO CONDUCT CLINICAL TRIALS

MEPL shall continue current Clinical Trials and undertake further Clinical Trials on the terms and conditions of this document.

3.3 CONDUCT OF CLINICAL TRIALS

MEPL must and must ensure that its agents, contractors and sub-licensees:

(a) fund or arrange adequate third party funding of Clinical Trials;

(b) use all reasonable endeavours to design and conduct Clinical Trials to generate outcomes which are calculated to result in regulatory approval of a Product for use in the Field;

(c) conduct Clinical Trials diligently, in good scientific manner, in compliance with any applicable laws, rules and regulations of any Government Agency in the Territory (including any laws governing the protection and privacy of personal information), in accordance with any Trial Protocol and any other reasonable directions given by Novogen Research from time to time, and consistently with the requirements of any applicable good laboratory practices;

(d) ensure that all Clinical Trial Materials are handled appropriately and stored securely by MEPL, its employees, contractors and agents for the duration of the Clinical Trials;

(e) ensure that MEPL's employees, contractors, sub-licensees and agents who are involved in carrying out Clinical Trials fully understand and adhere to any Trial Protocol; and

(f) take all reasonable measures, in consultation with Novogen Research, to protect Clinical Trial Subjects at risk following a serious adverse drug experience.

3.4 CLINICAL TRIAL MATERIALS

MEPL shall be solely responsible for providing all Clinical Trial Materials necessary for the conduct of Clinical Trials.

3.5 FACILITIES AND PERSONNEL

In order to comply with its obligations under this clause 3, MEPL must, and must ensure that its employees, agents, contractors and sub-licensees use appropriate skill, experience, equipment and facilities.

3.6 RECORDS OF CLINICAL TRIALS

MEPL must maintain complete and accurate records in good scientific manner, which fully record:

(a) all work done and results achieved in the course of Clinical Trials;

(b) details of MEPL's employees, agents, contractors and sub-licensees engaged to conduct Clinical Trials, all Clinical Trial Subjects and all other persons involved in Clinical Trials; and

(c) the Clinical Trial Materials.

3.7 INSPECTION OF RECORDS

Novogen Research or its nominee may, during normal business hours and upon reasonable notice to MEPL, inspect and copy the records maintained by MEPL under clause 3.6, and may take and retain such copies as Novogen Research thinks fit.

3.8 REPORTS ON CLINICAL TRIALS

(a) Within 5 Business Days of a written request by Novogen Research from time to time during the Term, MEPL shall submit a written report to Novogen Research on the status of all Clinical Trials.

(b) MEPL shall immediately report to Novogen Research any serious adverse drug experience which occurs during the course of Clinical Trials, and if requested by Novogen Research, MEPL shall cooperate in reporting that experience to any relevant third party or Government Agency.

3.9 PUBLICATION OF RESULTS OF CLINICAL TRIALS

MEPL must not, and must ensure that its employees, agents, contractors and sub-licensees do not, publish, present in public or make available to any third party the results of any Clinical Trials without the prior written consent of Novogen Research.

3.10 INTELLECTUAL PROPERTY RIGHTS IN CLINICAL TRIAL MATERIALS

By this document, MEPL assigns to Novogen Research absolutely and as beneficial owner, the entire right, title and interest in all Intellectual Property Rights in all Clinical Trial Materials.

4. DEVELOPMENTS

4.1 MEPL DEVELOPMENTS

MEPL shall disclose to Novogen Research all MEPL Developments as soon as is reasonably practicable after becoming aware of them, and by this document MEPL assigns to Novogen Research absolutely and as beneficial owner the entire right, title and interest in all Intellectual Property Rights in all MEPL Developments.

4.2 NOVOGEN DEVELOPMENTS

Novogen Research shall disclose to MEPL all Novogen Developments as soon as is reasonably practicable after becoming aware of them.

5. MARKETING AND COMMERCIALISATION

5.1 MARKETING AND COMMERCIALISATION

Subject to clauses 5.2 to 5.9, MEPL may, at its sole cost and expense, exploit Products in the Field in the Territory in such manner as it thinks fit.

5.2 COMMERCIALISATION

MEPL must, and must procure that each of its agents, contractors and sub-licensees:

(a) conduct any marketing and commercialisation activities on a commercially reasonable basis, in compliance with any applicable laws, rules and regulations of any Government Agency;

(b) observe all reasonable directions and instructions given to it by Novogen Research about marketing and commercialisation of any Product, including directions about the preparation of or amendment of any advertising, publicity, sales literature or other document relating to the Product; and

(c) otherwise act as it reasonably considers to be most beneficial to the interests of MEPL and Novogen Research.

5.3 RECORDS AND CUSTOMER RELATIONS

MEPL must, and must procure that each of its agents, contractors and sub-licensees:

(a) keep accurate and separate records and accounts of the supply of Products sufficient to enable the recall of Products by batch number, and must submit copies of those records to Novogen Research immediately upon request by Novogen Research;

(b) note details of any customer complaints about Products and details of any return of any Product and must provide those details to Novogen Research in writing as soon as is practicable after becoming aware of them;

(c) provide all reasonable assistance to Novogen Research if Novogen Research wishes to investigate any customer complaint or return of any Product; and

(d) consult with Novogen Research regarding any action to be taken about any customer complaint or return of any Product.

5.4 MARKETING AND PROMOTION

MEPL must, and must procure that its agents, contractors and sub-licensees:

(a) act in good faith towards Novogen Research and actively promote sales of Products and develop markets for Products throughout the Territory;

(b) not during the Term do anything which might injure or destroy the market in the Territory for Products;

(c) subject to applicable laws and regulations in the Territory, advertise Products to keep customers and potential customers informed of them;

(d) subject to applicable laws and regulations in the Territory, disseminate samples of Products and technical and promotional literature about Products; and

(e) subject to applicable laws and regulations in the Territory, establish advertising or promotional programs for Products.

5.5 APPROVAL OF PROMOTIONAL AND ADVERTISING MATERIAL

MEPL must, and must procure that its agents, contractors and sub-licensees:

(a) submit to Novogen Research for prior approval by Novogen Research representative samples of any promotional piece, advertising or technical narrative in relation to Products;

(b) use promotional pieces, advertising and technical narratives only in accordance with the prior written consent of Novogen Research and any conditions attaching to that consent; and

(c) make no representation or warranty about Products except with the prior written consent of Novogen Research.

5.6 COMPLIANCE WITH LAWS

No consent granted by Novogen Research under clause 5.5 shall relieve MEPL of its obligations under this clause 5 and MEPL remains solely responsible for the compliance of any promotional activity with applicable laws despite any consent by Novogen Research under clause 5.5.

5.7 STORAGE AND HANDLING

MEPL must, and must procure that its agents, contractors and sub-licensees:

(a) store Products safely and securely and in accordance with the reasonable written directions of Novogen Research from time to time; and

(b) permit Novogen Research to inspect Products in the possession, custody or control of MEPL, its agents, contractors and sub-licensees.

5.8 COMPLIANCE WITH LAWS

MEPL must, and must procure that its agents, contractors and sub-licensees, ensure that all Products comply with the requirements of all applicable laws in jurisdictions within the Territory in which MEPL exploits those Products, and MEPL must inform Novogen Research immediately in writing upon becoming aware of any failure to comply with those requirements.

5.9 PACKING AND TRANSPORT OF PRODUCTS

MEPL must, and must procure that its agents, contractors and sub-licensees, ensure that all Products are stored and packed in a secure and appropriate manner so that the Products are reasonably likely to reach their destination in good condition under normal conditions of transport.

6. START GRANT AGREEMENT

6.1 ACKNOWLEDGMENT

MEPL acknowledges to Novogen Research that:

(a) Novogen Limited has obligations to the Commonwealth under the START Grant Agreement with respect to the conduct of Clinical Trials and the commercialisation of Products; and

(b) Novogen Limited has undertaken (or proposes to undertake) to the Commonwealth under the Deed of Acknowledgment and Undertaking to procure that certain of its obligations under the START Grant Agreement are fulfilled by its subsidiaries, including MEPL.

6.2 COMPLIANCE WITH THE START GRANT AGREEMENT

MEPL must not, and must procure that its agents, contractors and sub-licensees do not:

(a) exercise MEPL's rights or perform MEPL's obligations in a manner which is inconsistent with the obligations of Novogen Limited under the START Grant Agreement; or

(b) otherwise do anything which may cause Novogen Limited to be in default of its obligations under the START Grant Agreement or the Deed of Acknowledgment and Undertaking.

6.3 COMPLIANCE WITH REASONABLE DIRECTIONS

If at any time during the Term Novogen Limited is in default of its obligations to the Commonwealth under the START Grant Agreement or the Deed of Acknowledgment and Undertaking, MEPL must comply with all reasonable directions of Novogen Research to rectify that default.

7. LICENCE FEES

7.1 FIRST LUMP SUM LICENCE FEE

In consideration of the licence granted in clause 1.4, MEPL must pay to Novogen Research a first lump sum licence fee of US$5,000,000 on the later of:

(a) 1 November 2002; or

(b) the date on which the cumulative total of any:

(i) funding (whether debt or equity);

(ii) Commercialisation Income; and

(iii) income as a result of or in connection with the sale, hiring or other disposal of Products,

received by MEPL and its related bodies corporate (other than Novogen Research and Novogen Laboratories), exceeds US$25,000,000.

7.2 SECOND LUMP SUM LICENCE FEE

In further consideration of the licence granted in clause 1.4, MEPL must pay to Novogen Research a second lump sum licence fee of US$5,000,000 on the later of:

(a) 1 November 2003; or

(b) the date on which the cumulative total of any:

(i) funding (whether debt or equity);

(ii) Commercialisation Income; and

(iii) income as a result of or in connection with the sale, hiring or other disposal of Products,

received by MEPL and its related bodies corporate (other than Novogen Research and Novogen Laboratories), exceeds US$50,000,000.

7.3 ROYALTIES DURING THE EXCLUSIVITY PERIOD

In further consideration of the licence granted in clause 1.4, MEPL must, during the Exclusivity Period, pay to Novogen Research:

(a) 2.5% of all Net Sales of Products in the Territory, Quarterly in arrears, within 30 days of the end of each Quarter; and

(b) 25% of all Commercialisation Income, Quarterly in arrears within 30 days of the end of each Quarter.

7.4 ROYALTIES AFTER THE EXCLUSIVITY PERIOD

In further consideration of the licence granted in clause 1.4, MEPL must, from the expiration of the Exclusivity Period until the end of the Term, pay to Novogen Research 1.5% of all Net Sales of Products in the Territory, Quarterly in arrears, within 30 days of the end of each Quarter.

7.5 MILESTONE LICENCE FEES

In further consideration of the licence granted in clause 1.4, MEPL must pay to Novogen Research the Milestone Licence Fee for each calendar year during the Exclusivity Period. MEPL must pay the Milestone Licence Fee within 30 days following the end of the relevant calendar year.

8. PAYMENT TERMS

8.1 PAYMENTS

All amounts due and payable under clause 7 must be calculated and paid in United States dollars and must be paid by bank cheque or electronic transfer to an account notified by Novogen Research in writing.

8.2 INTEREST ON OVERDUE ACCOUNTS

Interest shall accrue at the Default Rate on the outstanding balance of all overdue amounts payable under clause 7, calculated daily.

9. REPORTS AND ACCOUNTING

9.1 BOOKS AND RECORDS

In addition to those records which MEPL must make and keep under clauses 3.6 and 5.3, MEPL must, and must ensure that its agents, contractors and sublicensees, make, keep and maintain for the Term and a period of six years after the end of the Term, separate and complete records and books of account relating to:

(a) all marketing, sale, distribution, exploitation and commercialisation of Products; and

(b) any assignment, sublicensing, or other dealing with MEPL's rights under this document,

which must contain clear particulars sufficient to enable the calculation of all amounts payable under clause 7.

9.2 AUDITOR'S CERTIFICATES

Within 60 days of a written request by Novogen Research at any time during the Term or within six years after the end of the Term, MEPL must produce a certificate by the auditors or accountants of MEPL as to the accuracy and completeness of the records and books of account referred to in clause 13.1.

9.3 QUARTERLY STATEMENTS

MEPL must, and must procure that its agents, contractors and sub-licensees, prepare statements for each Quarter showing:

(a) the progress of marketing and commercialisation of Products;

(b) details of any Commercialisation Income received by or on behalf of MEPL and its subsidiaries in the period to which the statement relates;

(c) details of any funding received by or on behalf of MEPL and its subsidiaries, by way of debt, equity or otherwise;

(d) details of all income received by or on behalf of MEPL and its subsidiaries as a result of or in connection with the sale, hiring or other disposal of Product; and

(e) the calculation of any payments due under clause 7;

and must submit those statements to Novogen Research within 30 days of the end of the Quarter to which they relate, together with payment of the amount due to Novogen Research under clause 7. All figures in the statements must be in United States dollars.

9.4 CERTIFICATION

Novogen Research may give notice to MEPL at any time that it disputes any statement submitted by MEPL under clause 9.3 and that it wishes to have the statement certified by an independent accountant at its own cost. In order to do so, Novogen Research and its nominee may inspect MEPL's records and books of account, and those of MEPL's contractors and sub-licensees under clause 9.7.

9.5 ADJUSTMENTS

(a) A certification of a statement under clause 9.4 is final and binding on the parties.

(b) Within 14 days of notice in writing by Novogen Research of the certification under clause 9.4, the parties must make any adjustments required as a result of the certification, including:

(i) any refund by Novogen Research to MEPL of the amount of any overpayment; and

(ii) any payment by MEPL to Novogen Research of the amount of any underpayment.

(c) If the certification reveals the amount paid to Novogen Research was underestimated by 5% or more, then within 14 days of notice of the certification, MEPL must also reimburse Novogen Research the cost of certification.

9.6 INTEREST ON ADJUSTMENTS

Interest at the Default Rate (calculated daily) on the amounts payable under clause 9.5 accrues from and including the 14th day after the date of notice of the certification by Novogen Research to MEPL.

9.7 INSPECTION

Novogen Research may, during normal business hours and upon reasonable notice, by its authorised representatives (including accountants and auditors) inspect the records and books of account referred to in clause 9.1. Such authorised representatives may take such copies and extracts of the records and books of account as they think fit and MEPL must, and must ensure that its contractors and sublicensees give such authorised representatives such assistance as is necessary, including by providing access to facilities, hardware, software and documents, to enable the Commercialisation Income and all amounts payable by MEPL to Novogen Research under this document to be ascertained or verified.

10. OTHER COSTS

10.1 MAINTENANCE OF LICENSED PATENT RIGHTS

Subject to clause 10.2, Novogen Research is responsible at its sole cost and expense for filing, prosecution and maintenance in the Territory of the Licensed Patent Rights.

10.2 REIMBURSEMENT BY MEPL

MEPL must reimburse Novogen Research one half of the costs incurred by Novogen Research during the Exclusivity Period in filing, prosecuting and maintaining the Licensed Patent Rights, within 30 days of presentation by Novogen Research of invoices for those amounts, together with copies of all invoices, receipts and other documents evidencing those costs.

10.3 REGISTRATION OF PRODUCTS

MEPL must, at its own cost and expense:

(a) register and maintain the registration of Products for use in the Field in accordance with any applicable laws, rules and regulations of any Government Agency; and

(b) do everything necessary to apply for and obtain each Authorisation from a Government Agency required by any applicable law in the Territory for the importation, promotion, distribution, storage, sale and use of Products in the Field.

11. GOODS AND SERVICES TAX

11.1 GST LAW DEFINITIONS

Words defined in the GST Law have the same meaning in this clause 11, unless the context makes it clear that a different meaning is intended.

11.2 GST PAYABLE IN ADDITION TO OTHER AMOUNTS

In addition to paying all amounts payable by MEPL under this document, MEPL must:

(a) pay to Novogen Research an amount equal to any GST payable on any supply by Novogen Research under or in connection with this document without deduction or set-off of any other amount;

(b) make that payment:

(i) if Novogen Research must pay GST on or after receiving the consideration or any part of it - as and when MEPL must pay or provide the consideration or that part of it;

(ii) if Novogen Research must pay GST on issuing an invoice under this document - on the earlier of the due date for payment of that invoice, or 10 Business Days following the end of the month in which Novogen Research issued that invoice; and

(iii) if Novogen Research must pay GST upon the occurrence of some other event - within 5 Business Days of a written request by Novogen Research for payment for the GST, which may be in the form of a tax invoice (or an adjustment note); and

(c) indemnify Novogen Research against, and pay Novogen Research on demand the amount of:

(i) all GST on the transactions contemplated by this document; and

(ii) any loss, liability or expense directly or indirectly incurred in connection with or arising from or caused by any failure by MEPL to pay any amount as and when required by this clause 11, for example, any additional tax, penalty tax, fine, interest or other charge under a GST Law.

11.3 TAX INVOICE

Within 28 days of a written request from MEPL, Novogen Research must issue a tax invoice (or an adjustment note) to MEPL for any supply for which Novogen Research may recover GST from MEPL under this document, and must include in the tax invoice (or adjustment note) the particulars required by the GST Law for MEPL to obtain an input tax credit for that GST.

11.4 ADJUSTMENTS

Novogen Research must refund to MEPL any overpayment by MEPL for GST, but Novogen Research need not refund to MEPL any amount for GST paid to the Commissioner of Taxation unless Novogen Research has received a refund or credit of that amount.

11.5 GST WHERE MEPL SUPPLIES NOVOGEN RESEARCH

If MEPL must pay GST for anything provided or supplied by MEPL under this document, Novogen Research must pay to MEPL an amount equal to that GST in exactly the same way as MEPL must so do for any GST Novogen Research must pay, and this clause 11 applies to that GST as if MEPL was Novogen Research, and Novogen Research was MEPL.

12. OTHER DEDUCTIONS AND WITHHOLDINGS

If at any time an applicable law obliges MEPL to make a deduction or withholding in respect of any Tax from any payment by MEPL to Novogen Research under this document, MEPL must:

(a) notify Novogen Research of the obligation promptly after MEPL becomes aware of it;

(b) ensure that the deduction or withholding does not exceed the minimum amount required by law;

(c) pay to the relevant Government Agency on time the full amount of the deduction or withholding and promptly deliver to Novogen Research a copy of any receipt, certificate or other proof of payment; and

(d) indemnify Novogen Research against the deduction or withholding, by paying to Novogen Research, at the time that the payment is due, an additional amount that ensures that, after the deduction or withholding is made, Novogen Research receives a net sum equal to the sum that it would have received if the deduction or withholding had not been made.

13. INTELLECTUAL PROPERTY RIGHTS

13.1 ACKNOWLEDGMENT

Each party acknowledges that nothing in this document effects an assignment or transfer to MEPL of any right, title or interest in the Licensed Intellectual Property, and MEPL must not represent that it has any right, title or interest in the Licensed Intellectual Property other than the rights expressly granted to it under this document.

13.2 MAINTENANCE OF LICENSED INTELLECTUAL PROPERTY

MEPL must do all things necessary in storing, manufacturing, packing, supplying, commercialising and otherwise dealing with the Products to maintain the Licensed Intellectual Property and must not cause or permit to be done anything which may damage or endanger the Licensed Intellectual Property.

13.3 NOTIFICATION

MEPL must notify Novogen Research immediately upon becoming aware of:

(a) any actual or apparent infringement by any person of the Licensed Intellectual Property; or

(b) any assertion or claim by any person that the activities of a party under this document infringe the Intellectual Property Rights of any person.

13.4 PROCEEDINGS BY MEPL

Subject to clauses 13.5 and 13.7, MEPL may in its discretion and for its own benefit enforce and defend in the Territory the Licensed Intellectual Property during the Exclusivity Period, and in the event it does so, MEPL shall have the conduct and control of any proceedings, including the right to settle them.

13.5 DIRECTIONS BY NOVOGEN RESEARCH

During the Exclusivity Period, MEPL shall take such proceedings in respect of any actual or suspected infringement in the Territory of the Licensed Intellectual Property, and shall defend any claim of infringement against the parties, as directed by notice in writing by Novogen Research from time to time.

13.6 JOINDER OF NOVOGEN RESEARCH

If it is necessary that Novogen Research be a party to any proceedings commenced by MEPL, Novogen Research shall join such proceedings as a plaintiff and shall at MEPL's cost provide all reasonable assistance, and execute any documents MEPL reasonably requests, in relation to the proceedings.

13.7 PROCEEDINGS BY NOVOGEN RESEARCH

If MEPL fails to take or defend any proceedings within 28 days of receipt of a notice under clause 13.5, then without prejudice to any other right Novogen Research may have, Novogen Research may commence or defend those proceedings itself, and in the event it does so Novogen Research shall have the conduct and control of the proceedings including the right to settle them.

13.8 JOINDER OF MEPL

If it is necessary that MEPL be a party to any proceedings taken under clause 13.7, MEPL shall join such proceedings as a plaintiff and shall provide all reasonable assistance, and execute any documents Novogen Research reasonably requests, in relation to the proceedings.

13.9 DAMAGES AND SETTLEMENT AMOUNTS

If in any proceedings commenced by Novogen Research under clause 13.7, damages or an account of profits are awarded to any party to this document, or an amount is received by any party by way of settlement of those proceedings, all such damages, profits and settlement amounts must be paid to Novogen Research within 5 Business Days of receipt.

13.10 ASSIGNMENT OF INTELLECTUAL PROPERTY RIGHTS

For the avoidance of doubt, if in any proceedings commenced or defended under this clause 13, a court makes an order in favour of a party to this document other than Novogen Research in relation to the ownership of any Intellectual Property Rights

forming part of the Licensed Intellectual Property, the parties agree that those Intellectual Property Rights are by this document assigned absolutely to Novogen Research.

14. CONFIDENTIAL INFORMATION

14.1 CONFIDENTIALITY

Each party must:

(a) keep and maintain all Confidential Information of the other party strictly confidential;

(b) use Confidential Information of the other parties only for the purposes for which it is disclosed; and

(c) not disclose any Confidential Information of another party other than to its employees, authorised sub-contractors, legal advisers, auditors or other consultants requiring the information for the purposes of this document and then only upon those persons undertaking in writing to keep that information strictly confidential.

14.2 SECURITY

For the purposes of clause 14.1, each party must establish and maintain effective security measures to safeguard the Confidential Information of the other party from unauthorised use or access and must notify the Disclosing Party immediately upon becoming aware of any suspected or actual unauthorised use or disclosure of its Confidential Information.

14.3 EXCEPTIONS TO OBLIGATIONS OF CONFIDENTIALITY

The obligations in clauses 14.1 and 14.2 do not apply to the extent that a party is required by law to disclose any Confidential Information, provided the party promptly gives notice to the Disclosing Party of that requirement and discloses only that portion of its Confidential Information which it is legally required to disclose.

14.4 PUBLIC DOMAIN

No Confidential Information shall be deemed to be in the public domain merely because it contains information which is in the public domain or is embraced by a general disclosure which is in the public domain.

15. REPRESENTATIONS AND WARRANTIES

15.1 WARRANTIES OF EACH PARTY

Each party represents and warrants that:

(a) (STATUS) it is a company limited by shares under the Corporations Act;

(b) (POWER) it has full legal capacity and power to:

(i) own its property and to carry on its business; and

(ii) enter into this document and to carry out the transactions that this document contemplates;

(c) (CORPORATE AUTHORITY) it has taken all corporate action that is necessary or desirable to authorise its entry into this document and its carrying out the transactions that this document contemplates;

(d) (AUTHORISATIONS) it holds each Authorisation that is necessary or desirable to:

(i) enable it to properly execute this document and to carry out the transactions that this document contemplates;

(ii) ensure that this document is legal, valid, binding and admissible in evidence; or

(iii) enable it to properly carry on its business,

and it is complying with any conditions to which any of these Authorisations is subject;

(e) (DOCUMENTS EFFECTIVE) this document constitutes its legal, valid and binding obligations, enforceable against it in accordance with its terms (except to the extent limited by equitable principles and laws affecting creditors' rights generally), subject to any necessary stamping or registration;

(f) (NO CONTRAVENTION) neither its execution of this document nor the carrying out by it of the transactions that this document contemplates, does or will:

(i) contravene any law to which it or any of its property is subject or any order of any Government Agency that is binding on it or any of its property;

(ii) contravene any Authorisation;

(iii) contravene any undertaking or instrument binding on it or any of its property;

(iv) contravene its constitution; or

(v) require it to make any payment or delivery in respect of any financial indebtedness before it would otherwise be obliged to do so.

15.2 REPRESENTATIONS AND WARRANTIES BY NOVOGEN RESEARCH

Novogen Research represents and warrants that:

(a) (OWNERSHIP) to the best of its knowledge Novogen Research is the legal and beneficial owner of the Licensed Intellectual Property and to the best of its knowledge no other person has or shall have any claim of ownership with respect to the Licensed Intellectual Property;

(b) (NO DEALINGS) subject to the START Grant Agreement, it has not assigned or granted to any person any right, title or interest in or in relation to the Licensed Intellectual Property;

(c) (NO ENCUMBRANCE) subject to the Fixed and Floating Charge, the Licensed Intellectual Property is free from any Encumbrance;

(d) (FILING, PROSECUTION AND MAINTENANCE) Novogen Research has diligently filed, prosecuted and maintained the patents and patent applications listed in schedule 1 and as at the Commencement Date all filing, prosecution and maintenance fees have been paid;

(e) (CONFIDENTIALITY) to its knowledge Novogen Research has kept the Licensed Know How confidential and to its knowledge there has been no breach of that confidentiality;

(f) (NO INFRINGEMENT) to its knowledge the exercise by MEPL, in any country in which a patent application in schedule 1 has been filed, of the rights granted to MEPL under this document with respect to the Licensed Intellectual Property does not infringe the Intellectual Property Rights of any person; and

(g) (NO FURTHER PATENT RIGHTS) other than the Licensed Patent Rights, Novogen Research has no Patent Rights which are necessary in order for MEPL to exercise its rights and perform its obligations under this document.

15.3 VALIDITY OF LICENSED PATENT RIGHTS

MEPL acknowledges that Novogen Research makes and has made no representation, warranty, statement or promise to the effect that:

(a) any letters patent will be granted in respect of the Licensed Intellectual Property in any country in the Territory; or

(b) if any letters patent are granted in respect of the Licensed Intellectual Property in any country in the Territory, such letters patent will be valid.

15.4 RELIANCE ON REPRESENTATIONS AND WARRANTIES

Each party acknowledges that the other party has executed this document and agreed to take part in the transactions that this document contemplates in reliance on the representations and warranties that are made in this document.

16. LIMITATION OF LIABILITY

16.1 LIMITATION OF LIABILITY OF NOVOGEN RESEARCH

Subject to clause 16.2 and to the extent permitted by law, the liability of Novogen Research to MEPL under this document and any other liability of Novogen Research to MEPL, whether in contract, tort (including negligence and breach of statutory duty) or otherwise is limited to US$200,000.

16.2 LIABILITY FOR INFRINGEMENT OF INTELLECTUAL PROPERTY RIGHTS

Clause 16.1 does not apply to any liability which Novogen Research may have to MEPL with respect to any breach by Novogen Research of the representations and warranties in clauses 15.2(a), (b), (c) and (f).

16.3 EXCLUSION OF CONDITIONS AND WARRANTIES

Except for the warranties expressly made in this document, all conditions, warranties, undertakings or representations express or implied arising by statute, general law or otherwise are expressly excluded to the extent permitted by law.

16.4 INDIRECT AND CONSEQUENTIAL LOSS

Notwithstanding any other provision of this document, and to the extent permitted by law, in no circumstances is Novogen Research liable in contract, tort (including negligence or breach of statutory duty) or otherwise, and whatever the cause, to compensate MEPL for:

(a) any increased costs or expenses;

(b) any economic loss, loss of profit, revenue, business, contracts or anticipated savings; or

(c) any other special, indirect or consequential loss or damage of any nature.

17. INDEMNITIES AND INSURANCE

17.1 CLINICAL TRIAL INDEMNITY

MEPL must indemnify and keep indemnified Novogen Research, its directors, employees and agents against all damages, costs or expenses (including legal costs and expenses on an indemnity basis) in respect of any claims, demands, actions, proceedings or prosecution which may be brought or commenced as a result of or in relation to:

(a) the conduct of Clinical Trials generally; or

(b) any personal injury to or death of a Clinical Trial Subject arising out of or relating to the administration of the Products or any clinical intervention or procedure provided for or required for the purposes of the Clinical Trials to which the Clinical Trial Subjects would not have been exposed but for their participation in the Clinical Trials,

except to the extent that the claim, demand, action, proceeding or prosecution arose from an action or omission of MEPL in accordance with a direction given by Novogen Research under this document or from any negligence (including breach of statutory duty) of Novogen Research or any breach by Novogen Research of its obligations under this document.

17.2 COMMERCIALISATION INDEMNITY

MEPL must indemnify and keep indemnified Novogen Research, its directors, employees and agents against all damages, costs or expenses (including legal costs and expenses on an indemnity basis) in respect of any claims, demands, actions, proceedings or prosecution which may be brought or commenced as a result of or in relation to:

(a) the licensing or sub-licensing of the Licensed Intellectual Property;

(b) the sale, distribution or other commercialisation or exploitation of Products; or

(c) any packaging, marketing, advertisement or promotion of Products,

by MEPL, its employees, agents, contractors and sub-licensees, including any warranty claims, product liability claims, product recalls and claims for personal injury or property damage, except to the extent that the claim, demand, action, proceeding or prosecution arose from an action or omission of MEPL in accordance with a direction given by Novogen Research under this document, from the negligence (including breach of statutory duty) of Novogen Research or the breach by Novogen Research of its obligations under this document.

17.3 MEPL'S INSURANCE POLICIES

MEPL must take out and maintain in force in the Territory comprehensive general liability insurance including advertising and product liability insurance for personal injury and property damage and product recall insurance, in relation to all Products on terms satisfactory to Novogen Research.

17.4 NAME OF NOVOGEN RESEARCH

If requested by Novogen Research, MEPL must ensure that that Novogen Research is included on the policies referred to in clause 17.3 as a joint insured or loss payee.

17.5 CERTIFICATES OF CURRENCY

At the request of Novogen Research from time to time, MEPL must provide to Novogen Research a certificate of currency evidencing its compliance with its obligations under this clause 17.

17.6 DEFAULT

If within 15 Business Days of a request by Novogen Research under clause 17.5, MEPL does not comply with its obligations under that clause, Novogen Research may (but is not obliged to) take out and maintain the insurance and may recover any premiums paid as a debt due by MEPL.

17.7 EXPIRY

MEPL shall maintain each insurance policy referred to in clause 17.3 until the expiry date of the last Product sold, hired or otherwise disposed of by or on behalf of MEPL or its sub-licensees.

17.8 NOVOGEN RESEARCH'S INSURANCE

Novogen Research must take out and maintain in force in the Territory comprehensive general liability insurance policies in relation to its obligations under this document on terms reasonably satisfactory to MEPL.

18. FORCE MAJEURE

18.1 NOTICE AND SUSPENSION OF OBLIGATIONS

If a party to this document is affected, or likely to be affected, by a Force Majeure Event:

(a) that party must immediately give the other prompt notice of that fact including:

(i) full particulars of the Force Majeure Event;

(ii) an estimate of its likely duration;

(iii) the obligations affected by it and the extent of its effect on those obligations; and

(iv) the steps taken to rectify it; and

(b) the obligations under this document of the party giving the notice are suspended to the extent to which they are affected by the relevant Force Majeure Event as long as the Force Majeure Event continues.

18.2 EFFORT TO OVERCOME

A party claiming a Force Majeure Event must use its best endeavours to remove, overcome or minimise the effects of that Force Majeure Event as quickly as possible. However, this does not require a party to settle any industrial dispute in any way it does not want to.

18.3 TERMINATION

If a Force Majeure Event continues for more than 3 months, any party may terminate this document by giving at least 10 Business Days notice to the other parties.

19. TERM AND TERMINATION

19.1 TERM

(a) Subject to paragraph (b), the rights and obligations of the parties under this document begin on the Commencement Date and continue until this document is terminated in accordance with this clause 19.

(b) The variations made by this document to the Original Licence Agreement are effective from the date of this document.

19.2 TERMINATION BY NOVOGEN RESEARCH

Novogen Research may terminate this document at any time:

(a) immediately if MEPL defaults in the performance of any of its obligations under this document which in Novogen Research's reasonable opinion is capable of remedy and fails to remedy that default within 21 days of receiving written notice from Novogen Research specifying the default and requiring the default to be remedied;

(b) on 21 days written notice if MEPL defaults in the performance of any of its material obligations under this document which in Novogen Research's reasonable opinion is not capable of remedy; and

(c) immediately by notice in writing if:

(i) there is a Change of Control of MEPL without Novogen Research's written consent (which shall not be unreasonably withheld or delayed or conditioned);

(ii) MEPL is involved in an Insolvency Event; or

(iii) MEPL ceases for any reason to be able lawfully to carry out all the transactions which this document contemplates may be carried out by MEPL.

19.3 TERMINATION BY MEPL

MEPL may terminate this document at any time:

(a) on three month's written notice to Novogen Research;

(b) immediately if Novogen Research defaults in the performance of any of its obligations under this document which in MEPL's reasonable opinion is capable of remedy and fails to remedy that default within 21 days of receiving written notice from MEPL specifying the default and requiring the default to be remedied;

(c) on 21 days written notice if Novogen Research defaults in the performance of any of its material obligations under this document which in MEPL's reasonable opinion is not capable of remedy; and

(d) immediately by notice in writing if:

(i) Novogen Research is involved in an Insolvency Event; or

(ii) Novogen Research ceases for any reason to be able lawfully to carry out all the transactions which this document contemplates may be carried out by Novogen Research.

19.4 CONSEQUENCES TO MEPL OF TERMINATION

Upon termination of this document MEPL must:

(a) immediately cease using and exploiting the Products;

(b) within 14 Business Days return to Novogen Research or destroy at Novogen Research's election, all Products, Clinical Trial Materials, all copies (including electronic copies) of any labelling and packaging materials relating to Products and any other Confidential Information of Novogen Research in MEPL's possession, custody or power; and

(c) cooperate with Novogen Research and do everything necessary to bring about the orderly and medically and ethically permissible termination of all Clinical Trials,

provided that MEPL may complete in accordance with its obligations under this document any contracts for sale or supply of Products to which MEPL is bound prior to the date of termination.

19.5 CONSEQUENCES TO NOVOGEN RESEARCH OF TERMINATION

Upon termination of this document Novogen Research must return to MEPL or destroy at MEPL's election within 10 Business Days, all Confidential Information of MEPL in the possession, custody or power of Novogen Research.

19.6 SURVIVAL AND ACCRUED RIGHTS

Upon termination under this clause 19, this document is at an end as to its future operation except for:

(a) the enforcement of any right or claim which arises on or has arisen before termination; and

(b) the obligations of the parties under clauses 1, 3.6, 3.7, 3.9, 5.3, 9, 13.1, 13.9, 14, 16, 17, 20, 21 and 23 (except clause 23.4) and this clause 19 which survive termination.

20. DISPUTE RESOLUTION

20.1 DISPUTES

If a dispute arises out of or in relation to this document (including any dispute as to breach or termination of the document or as to any claim in tort, in equity or pursuant to any statute) (a "DISPUTE"), a party to this document may not commence any court or arbitration proceedings relating to the Dispute unless it has complied with this clause 20 except where the party seeks urgent interlocutory relief.

20.2 NOTICE OF DISPUTE

A party to this document claiming that a Dispute has arisen under or in relation to this document must give written notice to the other party specifying the nature of the Dispute (a "DISPUTE NOTICE").

20.3 NEGOTIATION

Upon receipt by a party of a Dispute Notice, Novogen Research and MEPL must procure that their respective Managing Directors meet to endeavour to resolve the Dispute expeditiously by negotiation.

20.4 RESOLUTION OF DISPUTE

If the parties have not resolved the Dispute under clause 20.3 within 14 days of receipt of a Dispute Notice, the parties must endeavour to resolve the Dispute expeditiously using informal dispute resolution techniques such as mediation, expert evaluation or determination or similar techniques agreed by the parties.

20.5 MEDIATION

If the parties do not agree within 28 days of receipt of a Dispute Notice (or such further period as the parties agree in writing) as to:

(a) the dispute resolution technique and procedures to be adopted;

(b) the timetable for all steps in those procedures; and

(c) the selection and compensation of the independent person required for such technique,

the parties must mediate the Dispute in accordance with the Mediation Rules of the Law Society of New South Wales.

21. NOTICES

(a) A notice, consent or other communication under this document is only effective if it is in writing, signed and either left at the addressee's address or sent to the addressee by mail or fax. If it is sent by mail, it is taken to have been received 3 working days after it is posted. If it is sent by fax, it is taken to have been received when the addressee actually receives it in full and in legible form.

(b) The parties' addresses and fax numbers are those set out below, or as a party notifies the other:

NOVOGEN RESEARCH
Address: 140 Wicks Road, North Ryde NSW 2113 AUSTRALIA
Fax number: Int + 612 9878 0055
Attention: Managing Director

MEPL
Address: 140 Wicks Road, North Ryde NSW 2113 AUSTRALIA
Fax number: Int + 612 9878 0055
Attention: Managing Director

22. AMENDMENT AND ASSIGNMENT

22.1 AMENDMENT

This document can only be amended, supplemented, replaced or novated by another document signed by the parties.

22.2 ASSIGNMENT

(a) MEPL may only dispose of, declare a trust over or otherwise create an interest in its rights under this document with the prior written consent of Novogen Research.

(b) Novogen Research may dispose of, declare a trust over or otherwise create an interest in its rights under this document without the consent of MEPL, and may disclose to any potential holder of the right or interest any information relating to this document or any party to it.

23. GENERAL

23.1 GOVERNING LAW

(a) This document is governed by the law in force in New South Wales.

(b) Each party submits to the non-exclusive jurisdiction of the courts exercising jurisdiction in New South Wales, and any court that may hear appeals from any of those courts, for any proceedings in connection with this document, and waives any right it might have to claim that those courts are an inconvenient forum.

23.2 LIABILITY FOR EXPENSES

Each party must pay its own expenses incurred in negotiating, executing, stamping and registering this document.

23.3 RELATIONSHIP OF THE PARTIES

Nothing in this document creates a relationship of employment, partnership or joint venture between the parties under the laws of any applicable jurisdiction and no party may act or has the authority to act as agent of or in any way bind or commit another party to any obligation.

23.4 GIVING EFFECT TO THIS DOCUMENT

Each party must do anything (including execute any document), and must ensure that its employees and agents do anything (including execute any document), that the other party may reasonably require to give full effect to this document.

23.5 WAIVER OF RIGHTS

A right may only be waived in writing, signed by the party giving the waiver, and:

(a) no other conduct of a party (including a failure to exercise, or delay in exercising, the right) operates as a waiver of the right or otherwise prevents the exercise of the right;

(b) a waiver of a right on one or more occasions does not operate as a waiver of that right if it arises again; and

(c) the exercise of a right does not prevent any further exercise of that right or of any other right.

23.6 OPERATION OF THIS DOCUMENT

(a) This document contains the entire document between the parties about its subject matter. Any previous understanding, document, representation or warranty relating to that subject matter is replaced by this document and has no further effect.

(b) Any right that a person may have under this document is in addition to, and does not replace or limit, any other right that the person may have.

(c) Any provision of this document which is unenforceable or partly unenforceable is, where possible, to be severed to the extent necessary to make this document enforceable, unless this would materially change the intended effect of this document.

23.7 OPERATION OF INDEMNITIES

(a) Each indemnity in this document survives the expiry or termination of this document.

(b) A party may recover a payment under an indemnity in this document before it makes the payment.

23.8 CONSENTS

Where this document contemplates that a party may agree or consent to something (however it is described), that party may:

(a) agree or consent, or not agree or consent, in its absolute discretion; and

(b) agree or consent subject to conditions,

unless this document expressly contemplates otherwise.

23.9 EXCLUSION OF CONTRARY LEGISLATION

Any legislation that adversely affects an obligation of a party, or the exercise by a party of a right or remedy, under or relating to this document is excluded to the full extent permitted by law.

23.10 COUNTERPARTS

This document may be executed in counterparts.

EXECUTED as an agreement.

EXECUTED by NOVOGEN RESEARCH PTY LIMITED

/s/ Christopher Naughton	/s/ Ronald Lea Erratt
Signature of director	Signature of director/secretary
Christopher Naughton	Ronald Lea Erratt
Name of director	Name of director/secretary

EXECUTED by MARSHALL EDWARDS PTY LIMITED

/s/ Christopher Naughton	/s/ David Seaton
Signature of director	Signature of director/secretary
Christopher Naughton	David Seaton
Name of director	Name of director/secretary

SCHEDULE 1

PRODUCT PATENT RIGHTS

Application/patent	No.	Status
Australia	731951	Granted
Australia	19723/01	Under examination
Australia	750031	Granted
Australia	PP1124	Completed provisional patent application
Australia	PO2039	Completed provisional patent application
Australia	PS1594	Completed provisional patent application
Australia	2002950294	Completed provisional patent application
Australia	2002951607	Completed provisional patent application
Australia	2002953453	Completed provisional patent application
Brazil	9713180-6	Under examination
Brazil	9814343-3	Under examination
Canada	2,265,049	Under examination
Canada	2316349	Pending
Czech Republic	PV 699-99	Under examination
Europe	97937345.3	Pending
Europe	98960911.0	Pending
Hong Kong	1019553	Granted
Hungary	P9903971	Under examination
Israel	128765	Under examination

Israel	136784	Pending
Japan	10-511105	Under examination
Mexico	992092	Pending
Mexico	006311	Pending
New Zealand	334025	Granted
New Zealand	506063	Under examination
New Zealand	505377	Accepted
Norway	19990965	Pending
Norway	20003201	Pending
People's Republic of China	97198690.8	Under examination
Portugal	98/08503	Pending
Singapore	64139	Granted
Singapore	74235	Granted
Sweden	2286-3	Under examination
Turkey	TR19990885B	Granted
Turkey	2000/2064	Pending
United Kingdom	2331015	Granted
United States of America	09/254026	Under examination
United States of America	Serial number not allocated Continuation of 09/254026	Filed 6 August 2003
United States of America	10/212847	Under examination
United States of America	10/176762	Under examination
United States of America	6455032	Granted
Zimbabwe	12/99	Accepted
International	PCT/AU03/00427	Pending
International	PCT/AU97/00563	National phase entry completed
International	PCT/AU98/01054	National phase entry completed

SCHEDULE 2

MANUFACTURING PATENT RIGHTS

APPLICATION	NO.	STATUS
Australia	26510/00	Under examination
Australia	PP8685	Completed provisional patent application
Brazil	0008222-8	Pending
Canada	2362819	Pending
China	00803816.3	Under examination
Czech Republic	PV 2001-2920	Pending
Europe	00904727.5	Under examination
Hong Kong	02103732.5	Pending
Hungary	PO105218	Pending
Israel	144008	Pending
Japan	2000-599749	Pending
Mexico	008233	Pending
New Zealand	512696	Lapsed
New Zealand	527700 (divisional)	Pending
Norway	20013945	Pending
Singapore	200103867-8	Pending
South Africa	20016502	Pending
Turkey	01/2367	Under examination
United States of America	09/889701	Under examination
International	PCT/AU00/00103	National phase entry completed

EXHIBIT 10.2

BLAKE DAWSON WALDRON

L A W Y E R S

AMENDED AND RESTATED MANUFACTURING LICENCE AND SUPPLY AGREEMENT

MARSHALL EDWARDS PTY LIMITED
ACN 099 665 675

NOVOGEN LABORATORIES PTY LIMITED
ABN 42 002 489 947

Level 41
225 George Street
Sydney NSW 2000
Telephone: +61 2 9258 6000
Fax: +61 2 9258 6999

24 SEPTEMBER 2003
REF: SJD.BLM.02-1308-9508

CONTENTS

AMENDED AND RESTATED
MANUFACTURING LICENCE AND SUPPLY AGREEMENT

DATE 24 September 2003

PARTIES

MARSHALL EDWARDS PTY LIMITED ACN 099 665 675 whose registered office is situated at 140 Wicks Road, North Ryde, NSW 2113 Australia ("MEPL")

NOVOGEN LABORATORIES PTY LIMITED ABN 42 002 489 947 whose registered office is situated at 140 Wicks Road, North Ryde, NSW 2113 Australia ("NOVOGEN LABORATORIES")

RECITALS

A. Novogen Research has granted to MEPL a worldwide exclusive licence to exploit the compound known as "phenoxodiol" (or NV-06) for certain human therapeutic uses on the terms and conditions of the Licence Agreement.

B. Novogen Laboratories has expertise and experience in the manufacture of synthetic isoflavone compounds.

C. MEPL granted to Novogen Laboratories a sub-licence to manufacture phenoxodiol and to supply phenoxodiol to MEPL and Novogen Laboratories agreed to accept that sub-licence and to supply phenoxodiol to MEPL on the terms and conditions of the Original Manufacturing Licence and Supply Agreement.

D. The parties have agreed to amend and restate the terms and conditions of the Original Manufacturing Licence and Supply Agreement as set out in this document with effect from the date of this document.

OPERATIVE PROVISIONS

1. INTERPRETATION

1.1 DEFINITIONS

The following definitions apply in this document.

"AUTHORISATION" means:

(a) an authorisation, consent, declaration, exemption, notarisation or waiver, however it is described; and

(b) in relation to anything that could be prohibited or restricted by law if a Government Agency acts in any way within a specified period, the expiry of that period without that action being taken,

including any renewal or amendment.

"BUSINESS DAY" means a day that is not a Saturday, Sunday or public holiday in Sydney, Australia.

"CHANGE OF CONTROL" of MEPL means, a change in:

(a) Control of the composition of the board of directors of the corporation;

(b) Control of more than half the voting rights attaching to shares in the corporation; or

(c) Control of more than half the issued shares of the corporation (not counting any share which carries no right to participate beyond a specified amount in the distribution of either profit or capital),

which, for the avoidance of doubt, does not include a change in:

(d) Control of the composition of the board of directors of Novogen;

(e) Control of more than half the voting rights attaching to shares in Novogen; or

(f) Control of more than half the issued shares of Novogen (excluding any part which carries no right to participate beyond a specified amount in the distribution of either profit or capital).

"CLINICAL TRIAL" means a clinical evaluation of the stability, tolerability, synergy or efficacy of a Product for use in the Field.

"COMMENCEMENT DATE" means the date the Original Manufacturing Licence and Supply Agreement was executed by the last of the parties to execute it.

"COMPOUND" means the compound known as "phenoxodiol" (or NV-06) in its primary manufactured form.

"CONFIDENTIAL INFORMATION" means all Manufacturing Know How and all written or oral information disclosed by MEPL to Novogen Laboratories under this document, other than information which Novogen Laboratories can establish:

(a) was in the public domain when it was given to Novogen Laboratories;

(b) becomes, after being given to Novogen Laboratories, part of the public domain, except through disclosure contrary to this document; or

(c) was lawfully received by Novogen Laboratories from another person having the unrestricted legal right to disclose that information without requiring the maintenance of confidentiality.

"CONTROL" means a power or control that is direct or indirect or that is, or can be, exercised as a result of, by means of or by the revocation or breach of a trust, an agreement, a practice, or any combination of them, whether or not they are enforceable. It does not matter whether the power or control is express or implied, formal or informal, exercisable alone or jointly with someone else.

"CORPORATIONS ACT" means the Corporations Act 2001 (Cth).

"DEFAULT RATE" means, in relation to an amount which has not been paid to a party, a rate equal to the sum of that party's cost of funding the amount (if that party were to borrow that amount and as determined conclusively by that party) and 2% per annum.

"DISPUTE" has the meaning given to that term in clause 16.1.

"DISPUTE NOTICE" has the meaning given to that term in clause 16.2.

"ENCUMBRANCE" means a mortgage, charge, pledge, lien, hypothecation or title retention arrangement, a right of set-off or right to withhold payment of a deposit or other money, a notice under section 255 of the Income Tax Assessment Act 1936 (Cth), section 260-5 in schedule 1 to the Taxation Administration Act 1953 (Cth) or any similar legislation, or an easement, restrictive covenant, caveat or similar restriction over property, or an agreement to create any of them or to allow any of them to exist.

"FDA APPROVAL" means the approval by the Food and Drug Administration of the United States of an investigational new drug (IND) application for a Product to commence phase 1 Clinical Trials in the United States.

"FIELD" means the prevention, treatment or cure of cancer in humans by pharmaceuticals delivered or administered by injection or by any other means but excluding topical applications. For the avoidance of doubt, "non-topical" applications shall be any means of administration other than to the skin.

"FORCE MAJEURE EVENT" means any occurrence or omission as a direct or indirect result of which the party relying on it is prevented from or delayed in performing any of its obligations (other than a payment obligation) under this document and that is beyond the reasonable control of that party, including forces of nature, industrial action and action or inaction by a Government Agency.

"GOVERNMENT AGENCY" means:

(a) a government or government department or other body;

(b) a governmental, semi-governmental or judicial person; or

(c) a person (whether autonomous or not) who is charged with the administration of a law.

"GST" means:

(a) the same as in the GST Law; and

(b) any other goods and services tax, or any tax applying to this transaction in a similar way; and

(c) any additional tax, penalty tax, fine, interest or other charge under a law for such a tax.

"GST LAW" means the same as "GST law" means in A New Tax System (Goods and Services Tax) Act 1999 (Cth).

"INCOTERMS" means the international rules for the interpretation of trade terms in foreign trade known as "Incoterms" published by the International Chamber of Commerce.

"INSOLVENCY EVENT" means, for a person, being in liquidation or provisional liquidation or under administration, having a controller (as defined in the Corporations Act) or analogous person appointed to it or any of its property, being taken under section 459F(1) of the Corporations Act to have failed to comply with a statutory demand, being unable to pay its debts or otherwise insolvent, dying, ceasing to be of full legal capacity or otherwise becoming incapable of managing its own affairs for any reason, taking any step that could result in the person becoming an insolvent under administration (as defined in section 9 of the Corporations Act), entering into a compromise or arrangement with, or assignment for the benefit of, any of its members or creditors, or any analogous event, otherwise than in the course of a reorganisation, reconstruction, amalgamation or merger.

"INTELLECTUAL PROPERTY RIGHTS" means any and all existing and future intellectual and industrial property rights throughout the world, whether conferred by statute, common law or equity, including rights in relation to copyright, trade marks, designs, circuit layouts, plant varieties, business and domain names, trade secrets and Know How (including the right to apply for registration of any such rights), Patent Rights and other results of intellectual activity in the industrial, commercial, scientific, literary or artistic fields.

"KNOW HOW" means technical and other information which is not in the public domain including inventions, discoveries, concepts, data, formulae, ideas, specifications, procedures for experiments and tests, results of experimentation and testing, results of research and development and information in laboratory records, data collected during the course of Clinical Trials, case reports, data analyses and summaries and submissions to and information from ethical committees and regulatory authorities.

"LAUNCH DATE" means in respect of a Product, the date on which that Product is first offered for sale commercially in a country in the Territory.

"LICENCE AGREEMENT" means the agreement of that title between Novogen Research and MEPL dated on or about the date of this document.

"LICENSED INTELLECTUAL PROPERTY" means the rights granted to MEPL under the Licence Agreement, which include rights under the Manufacturing Patent Rights, the Manufacturing Know How and the Product Patent Rights.

"MANUFACTURING DEVELOPMENTS" means all developments, improvements, enhancements, adaptations and new Know How, whether patentable or otherwise, in relation to the synthesis and manufacture of the Compound which during the Term are made or acquired by MEPL, its employees or agents, which MEPL is free to license or disclose.

"MANUFACTURING IMPROVEMENTS" means all improvements, developments, enhancements, adaptations and new Know How, whether patentable or otherwise, in relation to the synthesis and manufacture of the Compound, which during the Term are made or acquired by Novogen Laboratories, its employees, agents or contractors.

"MANUFACTURING KNOW HOW" means all existing Know How of Novogen Research in relation to the synthesis and manufacture of the Compound and all Manufacturing Developments and Manufacturing Improvements.

"MANUFACTURING PATENT RIGHTS" means all Patent Rights in the patent applications set out in schedule 1, and all Patent Rights in relation to the Manufacturing Know How.

"NOVOGEN" means Novogen Limited ABN 37 063 259 754.

"NOVOGEN RESEARCH" means Novogen Research Pty Limited.

"ORIGINAL MANUFACTURING LICENCE AND SUPPLY AGREEMENT" means the manufacturing licence and supply agreement entered into between MEPL and Novogen Laboratories in May 2002.

"PATENT RIGHTS" means existing and future patents (including any divisions, continuations, continuations in part, renewals, reissues, extensions, supplementary protection certificates, utility models and foreign equivalents thereof) and rights with respect to existing and future patent applications and patentable inventions, including the right to apply for registration of any such rights.

"PRODUCT" means any product or formulation containing the compound known as "phenoxodiol" (or NV-06) for delivery or administration by injection or by any other means but excluding topical applications, whether in primary manufactured form, final packaged form or otherwise, and whether in combination with any other compound or component, active or otherwise. For the avoidance of doubt "non-topical applications" shall be any means of administration of the Product other than to the skin.

"PRODUCT PATENT RIGHTS" means all Patent Rights in the patents and patent applications set out in schedule 2.

"PURCHASE ORDER" has the meaning given to that term in clause 3.4.

"PURCHASE PRICE" in respect of a quantity of Compound means the total of:

(a) the cost to Novogen Laboratories of the raw materials used or incorporated into the Compound;

(b) labour and on costs of Novogen Laboratories in the manufacture and delivery of the Compound;

(c) manufacturing and general overheads of Novogen Laboratories in the manufacture and delivery of the Compound;

(d) equipment and facilities costs (including any financing costs) of Novogen Laboratories in the manufacture and delivery of the Compound; and

(e) any other costs incidental to the costs in paragraphs (a) to (d) or otherwise incidental to the manufacture, supply or delivery of the Compound under this document,

plus a markup amount of 50% of that total.

"SUPPLY DATE" means a date for supply of Compound specified in a Purchase Order.

"TERM" means the term of this document as determined under clause 15.

"TERRITORY" means the world.

1.2 RULES FOR INTERPRETING THIS DOCUMENT

Headings are for convenience only, and do not affect interpretation. The following rules also apply in interpreting this document, except where the context makes it clear that a rule is not intended to apply.

(a) A reference to:

(i) legislation (including subordinate legislation) is to that legislation as amended, re-enacted or replaced, and includes any subordinate legislation issued under it;

(ii) a document or agreement, or a provision of a document or agreement, is to that document, agreement or provision as amended, supplemented, replaced or novated;

(iii) a party to this document or to any other document or agreement includes a permitted substitute or a permitted assign of that party;

(iv) a person includes any type of entity or body of persons, whether or not it is incorporated or has a separate legal identity, and any executor, administrator or successor in law of the person; and

(v) anything (including a right, obligation or concept) includes each part of it.

(b) A singular word includes the plural, and vice versa.

(c) A word which suggests one gender includes the other genders.

(d) If a word is defined, another part of speech has a corresponding meaning.

(e) If an example is given of anything (including a right, obligation or concept), such as by saying it includes something else, the example does not limit the scope of that thing.

(f) The word "AGREEMENT" includes an undertaking or other binding arrangement or understanding, whether or not in writing.

(g) The words "SUBSIDIARY", "HOLDING COMPANY" and "RELATED BODY CORPORATE" have the same meanings as in the Corporations Act.

1.3 BUSINESS DAYS

If the day on or by which a person must do something under this document is not a Business Day:

(a) if the act involves a payment that is due on demand, the person must do it on or by the next Business Day; and

(b) in any other case, the person must do it on or by the previous Business Day.

1.4 APPLICATION OF THIS DOCUMENT

(a) This document varies and amends the Original Manufacturing Licence and Supply Agreement with effect from the date of execution of this document.

(b) The terms and conditions of this document replace the terms and conditions of the Original Manufacturing Licence and Supply Agreement.

2. MANUFACTURING LICENCE

2.1 GRANT OF LICENCE

MEPL by this document grants to Novogen Laboratories for the Term a non-transferable, exclusive sub-licence under the Licensed Intellectual Property, to:

(a) make and keep the Compound in the Territory;

(b) supply the Compound to MEPL anywhere in the Territory;

(c) use any method or process claimed or disclosed in the Manufacturing Patent Rights or forming part of the Manufacturing Know How for the purposes of exercising its rights under paragraphs (a) and (b); and

(d) keep, use, reproduce, apply, develop, modify and enhance the Manufacturing Know How in the Territory for the purposes of exercising its rights under paragraphs (a), (b) and (c).

2.2 SUB-LICENCES

Novogen Laboratories must not grant any sub-licence of any of the rights granted to it under clause 2.1 without the prior written consent of MEPL.

2.3 EXPIRATION OF PATENT RIGHTS

If during the Term all Patent Rights in the Licensed Intellectual Property in any country in the Territory lapse or are held invalid, then subject to clause 15.1, the licence granted in clause 2.1 shall continue in full force and effect in that country on the same terms as a licence under the Intellectual Property Rights in the Manufacturing Know How only.

2.4 SUB-CONTRACTORS

Novogen Laboratories must not engage agents or sub-contractors to exercise its rights or to perform its obligations under this document without the prior written consent of MEPL.

3. SUPPLY OF COMPOUND

3.1 SUPPLY OF COMPOUND

Novogen Laboratories agrees to supply Compound to MEPL on the terms and conditions of this document.

3.2 FORECASTS OF SUPPLY REQUIREMENTS

Within 20 Business Days following the Commencement Date, and thereafter at least 30 days prior to the end of each Quarter, MEPL shall provide to Novogen Laboratories a rolling forecast which specifies MEPL's estimated requirements for supply of Compound for the following four Quarters, which includes:

(a) the volume of Compound estimated to be required for the purposes of Clinical Trials;

(b) the volume of Compound estimated to be required for the purposes of commercialisation; and

(c) the anticipated Supply Dates.

3.3 NOTICE REQUIREMENTS FOR A LAUNCH DATE

MEPL acknowledges that in order for Novogen Laboratories to manufacture and accumulate sufficient stock of Compound prior to any launch of a Product, Novogen Laboratories must have adequate notice of the Launch Date. Accordingly, MEPL must provide to Novogen Laboratories at least 1 year's advance written notice of any Launch Date.

3.4 PURCHASE ORDERS

Subject to clause 3.3, at least 8 weeks prior to any proposed Supply Date, MEPL must provide to Novogen Laboratories a written order for Compound, having regard to the forecasts provided by MEPL under clause 3.2 (a "PURCHASE ORDER"). All Purchase Orders must include:

(a) the volume of Compound required;

(b) the indicative Supply Date; and

(c) the place at which delivery is to be made under clause 3.7.

3.5 CONFIRMATION OF PURCHASE ORDERS

Within 5 Business Days of receiving a Purchase Order, Novogen Laboratories shall notify MEPL in writing:

(a) that it has received that Purchase Order; and

(b) the volume of Compound in the Purchase Order which Novogen Laboratories is able to supply by the Supply Date.

3.6 FULFILMENT OF PURCHASE ORDERS

Upon confirmation of a Purchase Order under clause 3.5, Novogen Laboratories shall:

(a) ensure that it manufactures and has available for delivery by the Supply Date the volume of Compound notified under clause 3.5(b);

(b) deliver to MEPL by the Supply Date the volume of Compound notified under clause 3.5(b); and

(c) otherwise use all reasonable endeavours to manufacture and have available for delivery sufficient quantities of Compound to supply to MEPL by the Supply Date the quantity of Compound specified in the Purchase Order.

3.7 PLACE OF DELIVERY

Novogen Laboratories shall deliver all Compound C.I.F. (Incoterms, 2000) to MEPL at a port within the Territory nominated by MEPL. Unless the parties agree otherwise in writing, MEPL may nominate only one port for delivery in fulfilment of each Purchase Order.

3.8 PACKING AND TRANSPORT OF COMPOUND

Novogen Laboratories must ensure that all Compound to be supplied to MEPL under this clause 3 is packed in a secure and appropriate manner so that it is reasonably likely to reach MEPL in good condition under normal conditions of transport.

3.9 FAILURE TO SUPPLY

If Novogen Laboratories materially and persistently fails to supply to MEPL by the Supply Dates the volume of Compound requested in the Purchase Orders provided by MEPL under clause 3.4 (other than as a result of a suspension under clause 5.6 or clause 14.1):

(a) MEPL may itself manufacture, or may enter into an agreement with a third party, pursuant to which that third party is licensed to manufacture and supply to MEPL, the quantity of Compound required by MEPL which exceeds the quantity which Novogen Laboratories is able to supply to MEPL under this document; and

(b) Novogen Laboratories must take all reasonable steps to make available to MEPL or the third party (as the case may be) on reasonable commercial terms such Know How of Novogen Laboratories as is necessary to enable MEPL or the third party

(as the case may be) to manufacture the additional quantity of Compound referred to in paragraph (a),

until such time as Novogen Laboratories demonstrates that it is consistently able to supply the quantity of Compound which meets MEPL's requirements.

4. TITLE AND RISK

4.1 PASSING OF TITLE TO COMPOUND

Novogen Laboratories retains property in and ownership of all Compound supplied to MEPL until the whole amount payable to Novogen Laboratories for that Compound has been paid to Novogen Laboratories, at which time property and ownership passes to MEPL.

4.2 RIGHTS BEFORE PASSING OF TITLE

Until property and ownership of Compound passes to MEPL under clause 4.1:

(a) Novogen Laboratories may (but need not) call for and recover possession of that Compound (for which purpose Novogen Laboratories may enter MEPL's premises without any liability to MEPL);

(b) MEPL must deliver the Compound to Novogen Laboratories if so directed by Novogen Laboratories;

(c) subject to clause 4.3, MEPL holds the Compound in the capacity of a fiduciary for Novogen Laboratories and must keep the Compound in its possession and take good care of it; and

(d) subject to clause 4.3, MEPL must store the Compound in a manner that clearly shows Novogen Laboratories' ownership.

4.3 SALES TO THIRD PARTIES

Notwithstanding the provisions of clauses 4.1 and 4.2, if Novogen Laboratories has not been paid the amount payable in respect of any Compound, MEPL may, as principal, in the course of its business sell and deliver the Compound to any third party (and for that purpose Novogen Laboratories gives to MEPL the right to pass ownership of the Compound to the third party), provided:

(a) if MEPL is paid for the Compound by the third party, MEPL must out of the proceeds of sale of the Compound hold the amount payable to Novogen Laboratories on trust for Novogen Laboratories and must pay that amount into a separate bank account being and denoted as a trust account for Novogen Laboratories; and

(b) if MEPL has not been paid for the Compound by the third party, MEPL holds the debt owing to it by the third party in respect of the sale of the Compound upon trust for Novogen Laboratories and must assign that debt to Novogen Laboratories upon Novogen Laboratories giving MEPL notice in writing to that effect and for

the purposes of the assignment of that debt, MEPL irrevocably appoints Novogen Laboratories as its attorney.

4.4 RISK

Notwithstanding anything in this clause 4, all Compound is at MEPL's risk from the first to occur of:

(a) the passing of property to MEPL under clause 4.1;

(b) the physical delivery of the Compound to MEPL; or

(c) the physical delivery of the Compound to a carrier for delivery to MEPL (even if the carrier has not been nominated or retained by MEPL).

5. FEES FOR THE SUPPLY OF COMPOUND

5.1 PURCHASE PRICE

In consideration of the supply of Compound to MEPL under clause 3, MEPL must pay to Novogen Laboratories the Purchase Price on the terms and conditions of this document.

5.2 INVOICES FOR PURCHASE PRICE

Within 5 Business Days of delivery of Compound to MEPL under clause 3.7, Novogen Laboratories must render to MEPL a written invoice setting out the volume of Compound manufactured, packed and supplied to MEPL pursuant to the Purchase Order, and the Purchase Price.

5.3 TIME FOR PAYMENT

MEPL must pay to Novogen Laboratories the amount stated on each invoice correctly rendered under clause 5.2 within 14 Business Days of the date of the invoice.

5.4 REVIEWS OF THE PURCHASE PRICE

Novogen Laboratories may review and adjust the Purchase Price once each Quarter in accordance with clause 5.5.

5.5 ADJUSTMENT OF PURCHASE PRICE

In any Quarterly review under clause 5.4, the Purchase Price will be adjusted by reference to the actual component costs of the Purchase Price for the preceding Quarter, and any adjustment will be effective for all Purchase Orders made after written notice by Novogen Laboratories to MEPL of that adjustment.

5.6 SUSPENSION OF SUPPLY

If MEPL does not pay any amount due in accordance with this clause 5, Novogen Laboratories may suspend the supply of any further Compound to MEPL until payment is made.

5.7 INSPECTION

MEPL may during normal business hours and upon reasonable notice by its authorised representatives (including accountants and auditors) inspect the records and books of account of Novogen Laboratories to determine whether the Purchase Price has been calculated in accordance with this document. Such authorised representatives may take such copies and extracts of the records and books of account as they think fit and Novogen Laboratories must, and must ensure that its agents and contractors, give such authorised representatives such assistance as is necessary, including by providing access to facilities, hardware, software and documents, to enable the Purchase Price to be ascertained or verified.

6. PAYMENT TERMS

6.1 PAYMENTS

All amounts due and payable under clause 5 must be calculated and paid in United States dollars and must be paid by bank cheque or electronic transfer to an account notified by the payee in writing.

6.2 INTEREST ON OVERDUE ACCOUNTS

Interest shall accrue at the Default Rate on the outstanding balance of all overdue amounts payable under clause 5, calculated daily.

6.3 TERMINATION

At the end of the Term the price for all Compound delivered to MEPL becomes immediately due and payable to Novogen Laboratories, despite any other payment terms in this document.

7. GOODS AND SERVICES TAX

7.1 GST LAW DEFINITIONS

Words defined in the GST Law have the same meaning in this clause 7, unless the context makes it clear that a different meaning is intended.

7.2 GST PAYABLE IN ADDITION TO OTHER AMOUNTS

In addition to paying all amounts payable by MEPL under this document, MEPL must:

(a) pay to Novogen Laboratories an amount equal to any GST payable on any supply by Novogen Laboratories under or in connection with this document without deduction or set-off of any other amount;

(b) make that payment:

(i) if Novogen Laboratories must pay GST on or after receiving the consideration or any part of it - as and when MEPL must pay or provide the consideration or that part of it;

(ii) if Novogen Laboratories must pay GST on issuing an invoice under this document - on the earlier of the due date for payment of that invoice, or 10 Business Days following the end of the month in which Novogen Laboratories issued that invoice; and

(iii) if Novogen Laboratories must pay GST upon the occurrence of some other event - within 5 Business Days of a written request by Novogen Laboratories for payment for the GST, which may be in the form of a tax invoice (or an adjustment note); and

(c) indemnify Novogen Laboratories against, and pay Novogen Laboratories on demand the amount of:

(i) all GST on the transactions contemplated by this document; and

(ii) any loss, liability or expense directly or indirectly incurred in connection with or arising from or caused by any failure by MEPL to pay any amount as and when required by this clause 7, for example, any additional tax, penalty tax, fine, interest or other charge under a GST Law.

7.3 TAX INVOICE

Within 28 days of a written request from MEPL, Novogen Laboratories must issue a tax invoice (or an adjustment note) to MEPL for any supply for which Novogen Laboratories may recover GST from MEPL under this document, and must include in the tax invoice (or adjustment note) the particulars required by the GST Law for MEPL to obtain an input tax credit for that GST.

7.4 ADJUSTMENTS

Novogen Laboratories must refund to MEPL any overpayment by MEPL for GST, but Novogen Laboratories need not refund to MEPL any amount for GST paid to the Commissioner of Taxation unless Novogen Laboratories has received a refund or credit of that amount.

7.5 GST WHERE MEPL SUPPLIES NOVOGEN LABORATORIES

If MEPL must pay GST for anything provided or supplied by MEPL under this document, Novogen Laboratories must pay to MEPL an amount equal to that GST in exactly the same way as MEPL must so do for any GST Novogen Laboratories must pay, and this clause 7 applies to that GST as if MEPL was Novogen Laboratories, and Novogen Laboratories was MEPL.

8. MANUFACTURING DEVELOPMENTS AND IMPROVEMENTS

8.1 MANUFACTURING DEVELOPMENTS

MEPL shall disclose to Novogen Laboratories all Manufacturing Developments as soon as is reasonably practicable after becoming aware of them.

8.2 MANUFACTURING IMPROVEMENTS

Novogen Laboratories shall disclose to MEPL all Manufacturing Improvements immediately upon becoming aware of them, and by this document Novogen Laboratories assigns to MEPL absolutely and as beneficial owner its entire right, title to and interest in all Intellectual Property Rights in Manufacturing Improvements.

8.3 TECHNICAL ASSISTANCE

MEPL shall promptly supply to Novogen Laboratories such technical information and assistance as Novogen Laboratories may reasonably request during the Term in order to exercise its rights and perform its obligations under this document.

9. INTELLECTUAL PROPERTY RIGHTS

9.1 ACKNOWLEDGMENT

Each party acknowledges that nothing in this document effects an assignment or transfer to Novogen Laboratories of any right, title or interest in the Licensed Intellectual Property and Novogen Laboratories must not represent that it has any right, title or interest in the Licensed Intellectual Property other than the rights expressly granted to it under this document.

9.2 NOTIFICATION

Novogen Laboratories shall notify MEPL immediately upon becoming aware of:

(a) any actual or apparent infringement by any person of any Intellectual Property Rights in the Licensed Intellectual Property; or

(b) any assertion or claim by any person that the activities of a party under this document infringe the Intellectual Property Rights of any person.

9.3 JOINDER OF NOVOGEN LABORATORIES

If it is necessary that Novogen Laboratories be a party to any proceedings commenced by MEPL for infringement of the Licensed Intellectual Property, Novogen Laboratories shall join such proceedings as a plaintiff and shall at MEPL's cost provide all reasonable assistance, and execute any documents MEPL reasonably requests, in relation to the proceedings.

10. CONFIDENTIAL INFORMATION

10.1 CONFIDENTIALITY

Novogen Laboratories shall:

(a) keep and maintain all Confidential Information strictly confidential;

(b) use Confidential Information only for the purposes for which it is disclosed; and

(c) not disclose Confidential Information other than to its employees, authorised sub-contractors, legal advisers, auditors or other consultants requiring the information for the purposes of this document and then only upon those persons undertaking in writing to keep that information strictly confidential.

10.2 SECURITY

For the purposes of clause 10.1, Novogen Laboratories shall establish and maintain effective security measures to safeguard the Confidential Information from unauthorised use or access and shall notify MEPL immediately upon becoming aware of any suspected or actual unauthorised use or disclosure of the Confidential Information.

10.3 EXCEPTIONS TO OBLIGATIONS OF CONFIDENTIALITY

The obligations in clauses 10.1 and 10.2 do not apply to the extent that Novogen Laboratories is required by law to disclose the Confidential Information, provided that it promptly gives notice to MEPL of that requirement and discloses only that portion of the Confidential Information which it is legally required to disclose.

10.4 PUBLIC DOMAIN

No Confidential Information shall be deemed to be in the public domain merely because it contains information which is in the public domain or is embraced by a general disclosure which is in the public domain.

11. REPRESENTATIONS AND WARRANTIES

11.1 WARRANTIES OF EACH PARTY

Each party represents and warrants that:

(a) (STATUS) it is a company limited by shares under the Corporations Act;

(b) (POWER) it has full legal capacity and power to:

(i) own its property and to carry on its business; and

(ii) enter into this document and to carry out the transactions that this document contemplates;

(c) (CORPORATE AUTHORITY) it has taken all corporate action that is necessary or desirable to authorise its entry into this document and its carrying out the transactions that this document contemplates;

(d) (AUTHORISATIONS) it holds each Authorisation that is necessary or desirable to:

(i) enable it to properly execute this document and to carry out the transactions that this document contemplates;

(ii) ensure that this document is legal, valid, binding and admissible in evidence; or

(iii) enable it to properly carry on its business,

and it is complying with any conditions to which any of these Authorisations is subject;

(e) (DOCUMENTS EFFECTIVE) this document constitutes its legal, valid and binding obligations, enforceable against it in accordance with its terms (except to the extent limited by equitable principles and laws affecting creditors' rights generally), subject to any necessary stamping or registration;

(f) (NO CONTRAVENTION) neither its execution of this document nor the carrying out by it of the transactions that this document contemplates, does or will:

(i) contravene any law to which it or any of its property is subject or any order of any Government Agency that is binding on it or any of its property;

(ii) contravene any Authorisation;

(iii) contravene any undertaking or instrument binding on it or any of its property;

(iv) contravene its constitution; or

(v) require it to make any payment or delivery in respect of any financial indebtedness before it would otherwise be obliged to do so.

11.2 REPRESENTATIONS AND WARRANTIES BY NOVOGEN LABORATORIES

Novogen Laboratories represents and warrants to MEPL at the time title to any Compound passes from Novogen Laboratories to MEPL under clause 4, that:

(a) (OWNERSHIP) subject to any rights arising under clause 4, Novogen Laboratories is the legal and beneficial owner of the Compound and no other person has or shall have any right, title or interest in or in relation to the Compound;

(b) (NO ENCUMBRANCE) the Compound is free from any Encumbrance;

(c) (QUALITY) the Compound is of merchantable quality and is fit for the purpose for which it is intended to be used under this document;

(d) (PURITY) the Compound is within the specifications accepted for the purposes of the FDA Approval.

11.3 REPRESENTATIONS AND WARRANTIES BY MEPL

MEPL represents and warrants that:

(a) (OWNERSHIP) to the best of its knowledge it is the legal and beneficial owner of the Licensed Intellectual Property and to the best of its knowledge no other person has or shall have any claim of ownership with respect to the Licensed Intellectual Property;

(b) (NO ENCUMBRANCE) the Licensed Intellectual Property is free from any Encumbrance; and

(c) (NO INFRINGEMENT) to its knowledge the exercise by Novogen Laboratories of the rights granted to Novogen Laboratories under this document does not infringe the Intellectual Property Rights of any person.

11.4 RELIANCE ON REPRESENTATIONS AND WARRANTIES

Each party acknowledges that the other party has executed this document and agreed to take part in the transactions that this document contemplates in reliance on the representations and warranties that are made in this clause 11.

11.5 EXCLUSION OF CONDITIONS AND WARRANTIES

Except for the warranties expressly made in this document, all conditions, warranties, undertakings or representations express or implied arising by statute, general law or otherwise are expressly excluded to the extent permitted by law.

12. LIMITATION OF LIABILITY

12.1 INDIRECT AND CONSEQUENTIAL LOSS

Notwithstanding any other provision of this document, and to the extent permitted by law, in no circumstances is Novogen Laboratories liable in contract, tort (including negligence or breach of statutory duty) or otherwise, and whatever the cause, to compensate MEPL for:

(a) any increased costs or expenses;

(b) any economic loss, loss of profit, revenue, business, contracts or anticipated savings; or

(c) any other special, indirect or consequential loss or damage of any nature.

12.2 STATUTORY WARRANTIES

If legislation implies in this document any condition or warranty and that legislation avoids or prohibits provisions in a contract excluding or modifying the application of or exercise of or liability under such condition or warranty, the condition or warranty shall be deemed to be included in this document. However the liability of Novogen Laboratories for any breach of such condition or warranty shall be limited at the option of Novogen Laboratories to one or more of the following:

(a) if the breach relates to goods:

(i) the replacement of the goods or the supply of equivalent goods;

(ii) the repair of the goods;

(iii) the payment of the cost of replacing the goods or of acquiring equivalent goods; or

(iv) the payment of the cost of having the goods repaired; and

(b) if the breach relates to services:

(i) the supplying of the services again; or

(ii) the payment of the cost of having the services supplied again.

12.3 BARRING OF CLAIMS FOR QUANTITY SHORTFALLS OR DAMAGE

To the extent permitted by law, MEPL may not bring any claim of any kind for shortfalls or physical damage to any Compound in a delivery unless MEPL has given notice in writing to Novogen Laboratories setting out details of that damage within 10 Business Days after the receipt of the delivery.

12.4 BARRING OF CLAIMS FOR DEFECTS IN QUALITY

To the extent permitted by law, MEPL may not bring any claim of any kind in respect of any breach of the warranties in clauses 11.2(c) and 11.2(d) unless MEPL has given notice in writing to Novogen Laboratories setting out details of that breach within 5 Business Days after MEPL becomes aware of the breach.

13. INDEMNITIES AND INSURANCE

13.1 CLINICAL TRIAL INDEMNITY

MEPL must indemnify and keep indemnified Novogen Laboratories, its directors, employees and agents against all damages, costs or expenses (including legal costs and expenses on an indemnity basis) in respect of any claims, demands, actions, proceedings or prosecution which may be brought or commenced as a result of or in relation to:

(a) the conduct of Clinical Trials generally; or

(b) any personal injury to or death of any person enrolled in a Clinical Trial arising out of or relating to the administration of the Products or any clinical intervention or procedure provided for or required for the purposes of the Clinical Trials to which such person would not have been exposed but for their participation in the Clinical Trials,

except to the extent that the claim, demand, action, proceeding or prosecution arose from any negligence (including breach of statutory duty) of Novogen Laboratories or any breach by Novogen Laboratories of its obligations under this document.

13.2 COMMERCIALISATION INDEMNITY

MEPL must indemnify and keep indemnified Novogen Laboratories, its directors, employees and agents against all damages, costs or expenses (including legal costs and expenses on an indemnity basis) in respect of any claims, demands, actions, proceedings or prosecution which may be brought or commenced as a result of or in relation to:

(a) the sale, distribution or other commercialisation or exploitation of Products; or

(b) any packaging, marketing, advertisement or promotion of Products,

by MEPL, its employees, agents, contractors and sub-licensees, including any warranty claims, product liability claims, product recalls and claims for personal injury or property damage, except to the extent that the claim, demand, action, proceeding or prosecution arose from the negligence (including breach of statutory duty) of Novogen Laboratories or the breach by Novogen Laboratories of its obligations under this document.

13.3 MEPL'S INSURANCE POLICIES

MEPL must take out and maintain in force in the Territory comprehensive general liability insurance including advertising and product liability insurance for personal injury and property damage and product recall insurance, in relation to all Products on terms satisfactory to Novogen Laboratories.

13.4 NAME OF NOVOGEN LABORATORIES

If requested by Novogen Laboratories, MEPL must ensure that that Novogen Laboratories is included on the policies referred to in clause 13.3 as a joint insured or loss payee.

13.5 CERTIFICATES OF CURRENCY

At the request of Novogen Laboratories from time to time, MEPL must provide to Novogen Laboratories a certificate of currency evidencing its compliance with its obligations under this clause 13.

13.6 DEFAULT

If within 15 Business Days of a request by Novogen Laboratories under clause 13.5, MEPL does not comply with its obligations under that clause, Novogen Laboratories may (but is not obliged to) take out and maintain the insurance and may recover any premiums paid as a debt due by MEPL.

13.7 EXPIRY

MEPL shall maintain each insurance policy referred to in clause 13.3 until the expiry date of the last Product sold, hired or otherwise disposed of by or on behalf of MEPL or its sub-licensees.

13.8 NOVOGEN LABORATORIES' INSURANCE

Novogen Laboratories must take out and maintain in force in the Territory comprehensive general liability insurance policies in relation to its obligations under this document on terms reasonably satisfactory to MEPL.

14. FORCE MAJEURE

14.1 NOTICE AND SUSPENSION OF OBLIGATIONS

If a party to this document is affected, or likely to be affected, by a Force Majeure Event:

(a) that party must immediately give the other prompt notice of that fact including:

(i) full particulars of the Force Majeure Event;

(ii) an estimate of its likely duration;

(iii) the obligations affected by it and the extent of its effect on those obligations; and

(iv) the steps taken to rectify it; and

(b) the obligations under this document of the party giving the notice are suspended to the extent to which they are affected by the relevant Force Majeure Event as long as the Force Majeure Event continues.

14.2 EFFORT TO OVERCOME

A party claiming a Force Majeure Event must use its best endeavours to remove, overcome or minimise the effects of that Force Majeure Event as quickly as possible. However, this does not require a party to settle any industrial dispute in any way it does not want to.

14.3 TERMINATION

If a Force Majeure Event continues for more than 3 months, any party may terminate this document by giving at least 10 Business Days notice to the other party.

15. TERM AND TERMINATION

15.1 TERM

The rights and obligations of the parties under this document begin on the Commencement Date and continue until this document is terminated in accordance with this clause 15.

15.2 TERMINATION BY MEPL

MEPL may terminate this document at any time:

(a) immediately by notice in writing at any time if the Licence Agreement expires or is terminated for any reason;

(b) immediately if Novogen Laboratories defaults in the performance of any of its obligations under this document which in MEPL's reasonable opinion is capable of remedy and fails to remedy that default within 21 days of receiving written notice from MEPL specifying the default and requiring the default to be remedied;

(c) on 21 days written notice if Novogen Laboratories defaults in the performance of any of its material obligations under this document which in MEPL's reasonable opinion is not capable of remedy; and

(d) immediately by notice in writing if:

(i) Novogen Laboratories is involved in an Insolvency Event; or

(ii) Novogen Laboratories ceases for any reason to be able lawfully to carry out all the transactions which this document contemplates may be carried out by Novogen Laboratories.

15.3 TERMINATION BY NOVOGEN LABORATORIES

Novogen Laboratories may terminate this document at any time:

(a) immediately if MEPL defaults in the performance of any of its obligations under this document which in Novogen Laboratories' reasonable opinion is capable of remedy and fails to remedy that default within 21 days of receiving written notice from Novogen Laboratories specifying the default and requiring the default to be remedied;

(b) on 21 days written notice if MEPL defaults in the performance of any of its material obligations under this document which in Novogen Laboratories' reasonable opinion is not capable of remedy; and

(c) immediately by notice in writing if:

(i) there is a Change of Control of MEPL without Novogen Laboratories' written consent (which shall not be unreasonably withheld or delayed or conditioned);

(ii) MEPL is involved in an Insolvency Event; or

(iii) MEPL ceases for any reason to be able lawfully to carry out all the transactions which this document contemplates may be carried out by MEPL.

15.4 CONSEQUENCES OF TERMINATION

Upon expiration or termination of this document for any reason Novogen Laboratories must deliver to MEPL or destroy at MEPL's election, all Compound and Confidential Information in Novogen Laboratories' possession, custody or power and the provisions of clauses 5, 6 and 7 shall apply with respect to that Compound.

15.5 SURVIVAL AND ACCRUED RIGHTS

Upon termination under this clause 15, this document is at an end as to its future operation except for:

(a) the enforcement of any right or claim which arises on or has arisen before termination; and

(b) the obligations of the parties under clauses 1, 6.3, 7, 10, 11.5, 12, 13, 16, 17, 18, 19 (except clause 19.3) and this clause 15, which survive termination.

16. DISPUTE RESOLUTION

16.1 DISPUTES

If a dispute arises out of or in relation to this document (including any dispute as to breach or termination of the document or as to any claim in tort, in equity or pursuant to any statute) (a "DISPUTE"), a party to this document may not commence any court or arbitration proceedings relating to the Dispute unless it has complied with this clause 16 except where the party seeks urgent interlocutory relief.

16.2 NOTICE OF DISPUTE

A party to this document claiming that a Dispute has arisen under or in relation to this document must give written notice to the other party specifying the nature of the Dispute (a "DISPUTE NOTICE").

16.3 NEGOTIATION

Upon receipt by a party of a Dispute Notice, Novogen Laboratories and MEPL must procure that their respective Managing Directors meet to endeavour to resolve the Dispute expeditiously by negotiation.

16.4 RESOLUTION OF DISPUTE

If the parties have not resolved the Dispute under clause 16.3 within 14 days of receipt of a Dispute Notice, the parties must endeavour to resolve the Dispute expeditiously using informal dispute resolution techniques such as mediation, expert evaluation or determination or similar techniques agreed by the parties.

16.5 MEDIATION

If the parties do not agree within 28 days of receipt of a Dispute Notice (or such further period as the parties agree in writing) as to:

(a) the dispute resolution technique and procedures to be adopted;

(b) the timetable for all steps in those procedures; and

(c) the selection and compensation of the independent person required for such technique,

the parties must mediate the Dispute in accordance with the Mediation Rules of the Law Society of New South Wales.

17. NOTICES

(a) A notice, consent or other communication under this document is only effective if it is in writing, signed and either left at the addressee's address or sent to the addressee by mail or fax. If it is sent by mail, it is taken to have been received 3 working days after it is posted. If it is sent by fax, it is taken to have been received when the addressee actually receives it in full and in legible form.

(b) The parties' addresses and fax numbers are those set out below, or as a party notifies the other:

MEPL
Address: 140 Wicks Road North Ryde, NSW 2113 AUSTRALIA
Fax number: Int + 612 9878 0055
Attention: Managing Director

NOVOGEN LABORATORIES:
Address: 140 Wicks Road North Ryde, NSW 2113 AUSTRALIA
Fax number: Int + 612 9878 0055
Attention: Managing Director

18. AMENDMENT AND ASSIGNMENT

18.1 AMENDMENT

This document can only be amended, supplemented, replaced or novated by another document signed by the parties.

18.2 ASSIGNMENT

A party may only dispose of, declare a trust over or otherwise create an interest in its rights under this document with the other party's consent.

19. GENERAL

19.1 GOVERNING LAW

This document is governed by the law in force in New South Wales.

19.2 RELATIONSHIP OF THE PARTIES

Nothing in this document creates a relationship of employment, partnership or joint venture between the parties under the laws of any applicable jurisdiction and no party may act or has the authority to act as agent of or in any way bind or commit another party to any obligation.

19.3 GIVING EFFECT TO THIS DOCUMENT

Each party must do anything (including execute any document), and must ensure that its employees and agents do anything (including execute any document), that the other party may reasonably require to give full effect to this document.

19.4 WAIVER OF RIGHTS

A right may only be waived in writing, signed by the party giving the waiver, and:

(a) no other conduct of a party (including a failure to exercise, or delay in exercising, the right) operates as a waiver of the right or otherwise prevents the exercise of the right;

(b) a waiver of a right on one or more occasions does not operate as a waiver of that right if it arises again; and

(c) the exercise of a right does not prevent any further exercise of that right or of any other right.

19.5 OPERATION OF THIS DOCUMENT

(a) This document contains the entire document between the parties about its subject matter. Any previous understanding, document, representation or warranty relating to that subject matter is replaced by this document and has no further effect.

(b) Any right that a person may have under this document is in addition to, and does not replace or limit, any other right that the person may have.

(c) Any provision of this document which is unenforceable or partly unenforceable is, where possible, to be severed to the extent necessary to make this document enforceable, unless this would materially change the intended effect of this document.

19.6 EXCLUSION OF CONTRARY LEGISLATION

Any legislation that adversely affects an obligation of a party, or the exercise by a party of a right or remedy, under or relating to this document is excluded to the full extent permitted by law.

19.7 COUNTERPARTS

This document may be executed in counterparts.

EXECUTED as an agreement.

EXECUTED by MARSHALL EDWARDS PTY LIMITED:

/s/ Christopher Naughton	/s/ David Seaton
Signature of director	Signature of director/secretary
Christopher Naughton	David Seaton
Name	Name

EXECUTED by NOVOGEN LABORATORIES PTY LIMITED:

/s/ Christopher Naughton	/s/ Ronald Lea Erratt
Signature of director	Signature of director/secretary
Christopher Naughton	Ronald Lea Erratt
Name	Name

SCHEDULE 1

MANUFACTURING PATENT RIGHTS

APPLICATION	NO.	STATUS
Australia	26510/00	Under examination
Australia	PP8685	Lapsed
Brazil	0008222-8	Pending
Canada	2362819	Pending
China	00803816.3	Under examination
Czech Republic	PV 2001-2920	Pending
Europe	00904727.5	Under examination
Hong Kong	02103732.5	Pending
Hungary	PO105218	Pending
Israel	144008	Pending
Japan	2000-599749	Pending
Mexico	008233	Pending
New Zealand	512696	Lapsed
New Zealand	527700 (divisional)	Pending
Norway	20013945	Pending
Singapore	200103867-8	Pending
South Africa	20016502	Pending
Turkey	01/2367	Under examination
United States of America	09/889701	Under examination

SCHEDULE 2

PRODUCT PATENT RIGHTS

APPLICATION/PATENT	NO.	STATUS
Australia	731951	Granted
Australia	19723/01	Under examination
Australia	750031	Granted
Australia	PP1124	Completed provisional patent application
Australia	PO2039	Completed provisional patent application
Australia	PS1594	Completed provisional patent application
Australia	2002950294	Completed provisional patent application
Australia	2002951607	Completed provisional patent application
Australia	2002953453	Completed provisional patent application
Brazil	9713180-6	Under examination
Brazil	9814343-3	Under examination
Canada	2,265,049	Under examination
Canada	2316349	Pending
Czech Republic	PV 699-99	Under examination
Europe	97937345.3	Pending
Europe	98960911.0	Pending
Hong Kong	1019553	Granted
Hungary	P9903971	Under examination
Israel	128765	Under examination
Israel	136784	Pending
Japan	10-511105	Under examination
Mexico	992092	Pending
Mexico	006311	Pending
New Zealand	334025	Granted
New Zealand	506063	Under examination
New Zealand	505377	Accepted

Norway	19990965	Pending
Norway	20003201	Pending
People's Republic of China	97198690.8	Under examination
Portugal	98/08503	Pending
Singapore	64139	Granted
Singapore	74235	Granted
Sweden	2286-3	Under examination
Turkey	TR19990885B	Granted
Turkey	2000/2064	Pending
United Kingdom	2331015	Granted
United States of America	09/254026	Under examination
United States of America	Serial number not allocated Continuation of 09/254026	Filed 6 August 2003
United States of America	10/212847	Under examination
United States of America	10/176762	Under examination
United States of America	6455032	Granted
Zimbabwe	12/99	Accepted
International	PCT/AU03/00427	Pending
International	PCT/AU97/00563	National phase entry completed
International	PCT/AU98/01054	National phase entry completed

EXHIBIT 10.3

BLAKE DAWSON WALDRON

L A W Y E R S

AMENDED AND RESTATED LICENCE OPTION DEED

NOVOGEN RESEARCH PTY LIMITED

ABN 87 060 202 931

MARSHALL EDWARDS PTY LIMITED

ACN 099 665 675

Level 41
225 George Street
SYDNEY NSW 2000
Telephone: +61 2 9258 6000
Fax: +61 2 9258 6999

24 SEPTEMBER 2003
REF: SJD.BLM.02-1308-9508

CONTENTS

AMENDED AND RESTATED
LICENCE OPTION DEED

DATE 24 September 2003

PARTIES

NOVOGEN RESEARCH PTY LIMITED ABN 87 060 202 931 whose registered office is situated at 140 Wicks Road, North Ryde, NSW 2113 Australia ("NOVOGEN RESEARCH")

MARSHALL EDWARDS PTY LIMITED ACN 099 665 675 whose registered office is situated at 140 Wicks Road, North Ryde, NSW 2113 Australia ("MEPL")

RECITALS

A. Novogen Research has expertise in and conducts research and development into synthetic pharmaceutical compounds with human anti-cancer applications and Novogen Research has granted a licence to MEPL to exploit phenoxodiol on the terms of the Licence Agreement.

B. MEPL has acquired a first and last right to obtain a licence to exploit other compounds developed by Novogen Research in the Field on the terms and conditions of the Original Licence Option Deed.

C. The parties have agreed to amend and restate the terms and conditions of the Original Licence Option Deed as set out in this document with effect from the date of this document.

OPERATIVE PROVISIONS

1. INTERPRETATION

1.1 DEFINITIONS

The following definitions apply in this document.

"BUSINESS DAY" means a day that is not a Saturday, Sunday or public holiday in Sydney, Australia.

"CHANGE OF CONTROL" of MEPL means, a change in:

(a) Control of the composition of the board of directors of the corporation;

(b) Control of more than half the voting rights attaching to shares in the corporation; or

(c) Control of more than half the issued shares of the corporation (excluding any part which carries no right to participate beyond a specified amount in the distribution of either profit or capital),

which, for the avoidance of doubt, does not include a change in:

(d) Control of the composition of the board of directors of Novogen;

(e) Control of more than half the voting rights attaching to shares in Novogen; or

(f) Control of more than half the issued shares of Novogen (excluding any part which carries no right to participate beyond a specified amount in the distribution of either profit or capital).

"CLINICAL TRIAL" means a clinical evaluation of the stability, tolerability, synergy or efficacy of an Option Compound or a formulation containing an Option Compound for use in the Field.

"COMMENCEMENT DATE" means the date the Original Licence Option Deed was executed by the last of the parties to execute it.

"CONFIDENTIAL INFORMATION" means all Development Reports, all written or oral information relating to Option Compounds and Clinical Trials and all other written or oral information disclosed by Novogen Research to MEPL other than information which MEPL can establish:

(a) was in the public domain when it was given to MEPL;

(b) becomes, after being given to MEPL, part of the public domain, except through disclosure contrary to this document; or

(c) was lawfully received by MEPL from another person having the unrestricted legal right to disclose that information without requiring the maintenance of confidentiality.

"CONTROL" means a power or control that is direct or indirect or that is, or can be, exercised as a result of, by means of or by the revocation or breach of a trust, an agreement, a practice, or any combination of them, whether or not they are enforceable. It does not matter whether the power or control is express or implied, formal or informal, exercisable alone or jointly with someone else.

"CORPORATIONS ACT" means the Corporations Act 2001 (Cth).

"DEAL" in respect of any Intellectual Property Rights, means:

(a) assign, transfer or grant any interest, licence or Encumbrance (other than an Encumbrance existing solely by virtue of the conditions attached to a research grant by a Government Agency) in or in relation to those Intellectual Property Rights;

(b) develop or create those Intellectual Property Rights for or for the benefit of any person other than Novogen Research; or

(c) otherwise deal with those Intellectual Property Rights.

"DEVELOPMENT REPORT" has the meaning given to that term in clause 2.1.

"DISPUTE" has the meaning given to that term in clause 9.1.

"DISPUTE NOTICE" has the meaning given to that term in clause 9.2.

"ENCUMBRANCE" means a mortgage, charge, pledge, lien, hypothecation or title retention arrangement, a right of set-off or right to withhold payment of a deposit or other money, a notice under section 255 of the Income Tax Assessment Act 1936 (Cth), section 260-5 in schedule 1 to the Taxation Administration Act 1953 (Cth) or any similar legislation, or an easement, restrictive covenant, caveat or similar restriction over property, or an agreement to create any of them or to allow any of them to exist.

"FIELD" means the prevention, treatment or cure of cancer in humans by pharmaceuticals delivered or administered by injection or by any other means but excluding topical applications. For the avoidance of doubt, "non-topical applications" shall be any means of administration other than to the skin.

"FORCE MAJEURE EVENT" means any occurrence or omission as a result of which the party relying on it is prevented from or delayed in performing any of its obligations (other than a payment obligation) under this document and that is beyond the reasonable control of that party, including forces of nature, industrial action and action or inaction by a Government Agency.

"GOVERNMENT AGENCY" means:

(a) a government or government department or other body;

(b) a governmental, semi-governmental or judicial person; or

(c) a person (whether autonomous or not) who is charged with the administration of a law.

"INSOLVENCY EVENT" means, for a person, being in liquidation or provisional liquidation or under administration, having a controller (as defined in the Corporations Act) or analogous person appointed to it or any of its property, being taken under section 459F(1) of the Corporations Act to have failed to comply with a statutory demand, being unable to pay its debts or otherwise insolvent, dying, ceasing to be of full legal capacity or otherwise becoming incapable of managing its own affairs for any reason, taking any step that could result in the person becoming an insolvent under administration (as defined in section 9 of the Corporations Act), entering into a compromise or arrangement with, or assignment for the benefit of, any of its members or creditors, or any analogous event, otherwise than in the course of a reorganisation, reconstruction, amalgamation or merger.

"INTELLECTUAL PROPERTY RIGHTS" means all existing and future industrial and intellectual property rights throughout the world, whether conferred by statute, common law or equity, including rights in relation to copyright, trade marks, designs, circuit layouts, plant varieties, business and domain names, trade secrets and Know How (including the right to apply for registration of any such rights), Patent Rights and other results of intellectual activity in the industrial, commercial, scientific, literary or artistic fields.

"KNOW HOW" means technical and other information which is not in the public domain including inventions, discoveries, concepts, data, formulae, ideas, specifications,

procedures for experiments and tests, results of experimentation and testing, results of research and development and information in laboratory records, data collected during the course of clinical trials, case reports, data analyses and summaries and submissions to and information from ethical committees and regulatory authorities.

"LICENCE AGREEMENT" means the document of that title between Novogen Research and MEPL, dated on or about the date of this document.

"NOVOGEN" means Novogen Limited ABN 37 063 259 754.

"OPTION COMPOUND" means any synthetic pharmaceutical compound (other than the compound known as "phenoxodiol" or NV-06) developed by or on behalf of Novogen Research or its related bodies corporate before the Commencement Date or at any time during the Term, which has known applications in the Field.

"ORIGINAL LICENCE OPTION DEED" means the licence option deed entered into between Novogen Research and MEPL in May 2002.

"PATENT RIGHTS" means existing and future patents (including any divisions, continuations, continuations in part, renewals, reissues, extensions, supplementary protection certificates, utility models and foreign equivalents thereof) and rights with respect to existing and future patent applications and patentable inventions, including the right to apply for registration of any such rights.

"TERM" means the term of this document as determined under clause 10.

1.2 RULES FOR INTERPRETING THIS DOCUMENT

Headings are for convenience only, and do not affect interpretation. The following rules also apply in interpreting this document, except where the context makes it clear that a rule is not intended to apply.

(a) A reference to:

(i) legislation (including subordinate legislation) is to that legislation as amended, re-enacted or replaced, and includes any subordinate legislation issued under it;

(ii) a document or agreement, or a provision of a document or agreement, is to that document, agreement or provision as amended, supplemented, replaced or novated;

(iii) a party to this document or to any other document or agreement includes a permitted substitute or a permitted assign of that party;

(iv) a person includes any type of entity or body of persons, whether or not it is incorporated or has a separate legal identity, and any executor, administrator or successor in law of the person; and

(v) anything (including a right, obligation or concept) includes each part of it.

(b) A singular word includes the plural, and vice versa.

(c) A word which suggests one gender includes the other genders.

(d) If a word is defined, another part of speech has a corresponding meaning.

(e) If an example is given of anything (including a right, obligation or concept), such as by saying it includes something else, the example does not limit the scope of that thing.

(f) The word "AGREEMENT" includes an undertaking or other binding arrangement or understanding, whether or not in writing.

(g) The words "SUBSIDIARY", "HOLDING COMPANY" and "RELATED BODY CORPORATE" have the same meanings as in the Corporations Act.

1.3 BUSINESS DAYS

If the day on or by which a person must do something under this document is not a Business Day:

(a) if the act involves a payment that is due on demand, the person must do it on or by the next Business Day; and

(b) in any other case, the person must do it on or by the previous Business Day.

1.4 APPLICATION OF THIS DOCUMENT

(a) This document varies and amends the Original Licence Option Deed with effect from the date of execution of this document.

(b) The terms and conditions of this document replace the terms and conditions of the Original Licence Option Deed.

2. DISCLOSURE OF DEVELOPMENTS

2.1 DEVELOPMENT REPORTS

From time to time during the Term, and in any event no less frequently than on each six month anniversary of the Commencement Date, Novogen Research must provide to MEPL a written report which complies with clause 2.2 (each a "DEVELOPMENT REPORT").

2.2 CONTENTS OF DEVELOPMENT REPORTS

Each Development Report must contain:

(a) a list of all Option Compounds the subject of Clinical Trials;

(b) a summary of the research and development activities being undertaken by or on behalf of Novogen Research or its related bodies corporate (other than MEPL) in the Field with respect to the Option Compounds referred to in paragraph (a);

(c) the progress of research and development by or on behalf of Novogen Research or its related bodies corporate (other than MEPL) in the Field with respect to the Option Compounds referred to in paragraph (a), by reference to any important milestones;

(d) the status and progress of the Clinical Trials referred to in paragraph (a); and

(e) any other matters relating to the research and development of Option Compounds in the Field reasonably requested by MEPL.

2.3 NOTIFICATION OF REGULATORY APPROVALS

In addition to its obligations under clause 2.1, Novogen Research must inform MEPL immediately in writing of all regulatory approvals granted and assessments made during the Term by any Government Agency with respect to Option Compounds for use or Clinical Trials in the Field.

3. FIRST AND LAST RIGHT OF MEPL

3.1 OBLIGATIONS ON NOVOGEN RESEARCH

Novogen Research must not, and must ensure its related bodies corporate (other than MEPL) do not:

(a) Deal with;

(b) solicit or entertain possible Dealings with; or

(c) engage in discussions about possible Dealings with,

any Intellectual Property Rights in the Field in or in relation to any Option Compounds, without first complying with this clause 3.

3.2 GRANT OF RIGHTS TO MEPL

Novogen Research grants to MEPL the exclusive first right to accept and the exclusive last right to match any proposed Dealing by Novogen Research with any Intellectual Property Rights in the Field in or in relation to any Option Compounds.

3.3 EXCLUSIVE FIRST RIGHT TO ACCEPT

(a) Novogen Research must notify MEPL in writing of any proposed Dealing in respect of which MEPL has a first right to accept under clause 3.2. The notice must include full particulars and the terms and conditions of the proposed Dealing.

(b) If MEPL exercises a first right to accept under clause 3.2 within 15 Business Days following receipt of a notice under paragraph (a), then Novogen Research must Deal with those Intellectual Property Rights in favour of MEPL on the terms and conditions in the notice.

3.4 IF MEPL DOES NOT EXERCISE FIRST RIGHT TO ACCEPT

If MEPL does not exercise its first right to accept within the time allowed in clause 3.3(b), then Novogen Research may negotiate with third parties the terms of the proposed Dealing, provided:

(a) such terms are no more favourable than those notified to MEPL under its first right to accept under clause 3.3(a); and

(b) such right of negotiation does not prejudice MEPL's last right to match under clause 3.5.

3.5 EXCLUSIVE LAST RIGHT TO MATCH

(a) Novogen Research must notify MEPL in writing of any proposed Dealing in respect of which MEPL has a last right to match under clause 3.2. The notice must include full particulars and the terms and conditions of the proposed Dealing.

(b) If MEPL exercises its last right to match under clause 3.2 within 15 Business Days following receipt of a notice under paragraph (a), Novogen Research must Deal with the Intellectual Property Rights in favour of MEPL on the terms and conditions in the notice.

3.6 IF MEPL DOES NOT EXERCISE LAST RIGHT TO MATCH

If MEPL does not exercise its last right to match within the time allowed in clause 3.5(b), then Novogen Research may Deal with those Intellectual Property Rights in favour of a third party on terms no more favourable than those which MEPL declined to match.

4. NOVOGEN RESEARCH'S OBLIGATIONS

During the Term, Novogen Research must, and must ensure that its related bodies corporate (other than MEPL):

(a) act in good faith towards MEPL in relation to the obligations of Novogen Research under this document; and

(b) ensure that its employees, agents, consultants and contractors conducting any research or development in the Field (including any Clinical Trials) assign absolutely to Novogen Research all Intellectual Property Rights in all Option Compounds.

5. FILING, PROSECUTION & MAINTENANCE

Novogen Research shall be solely responsible for filing, prosecution and maintenance of any Patent Rights in relation to Option Compounds, and may file, prosecute and maintain those Patent Rights in its sole discretion and at its sole cost and expense.

6. CONFIDENTIAL INFORMATION

6.1 CONFIDENTIALITY

MEPL must:

(a) keep and maintain all Confidential Information strictly confidential;

(b) use Confidential Information only for the purposes for which it is disclosed to MEPL; and

(c) not disclose any Confidential Information other than to its employees, authorised agents, legal advisers, auditors or other consultants if it is necessary for the purposes of this document and upon those persons undertaking to MEPL to keep that information strictly confidential.

6.2 SECURITY

For the purposes of clause 6.1, MEPL must establish and maintain effective security measures to safeguard Confidential Information from unauthorised use or access and must notify Novogen Research immediately upon becoming aware of any suspected or actual unauthorised use or disclosure of Confidential Information.

6.3 EXCEPTIONS

The obligations in clauses 6.1 and 6.2 do not apply to the extent that MEPL is required by any applicable law or requirement of any Government Agency to disclose any Confidential Information, provided MEPL promptly gives notice to Novogen Research of that requirement and discloses only that portion of Confidential Information which it is legally required to disclose.

6.4 PUBLIC DOMAIN

No Confidential Information shall be deemed to be in the public domain merely because it contains information in the public domain or is embraced by a general disclosure which is in the public domain.

7. RETENTION OF RECORDS

Novogen Research shall maintain during the Term complete and accurate records in relation to all research and development in the Field relating to all Option Compounds (including Clinical Trials), in sufficient detail and in good scientific manner, which shall fully and properly reflect all work done and results achieved.

8. REPRESENTATIONS AND WARRANTIES

8.1 REPRESENTATIONS AND WARRANTIES

Each party represents and warrants that:

(a) (STATUS) it is a company limited by shares under the Corporations Act;

(b) (POWER) it has full legal capacity and power to:

(i) own its property and to carry on its business; and

(ii) enter into this document and to carry out the transactions that this document contemplates;

(c) (CORPORATE AUTHORITY) it has taken all corporate action that is necessary or desirable to authorise its entry into this document and its carrying out the transactions that this document contemplates;

(d) (DOCUMENTS EFFECTIVE) this document constitutes its legal, valid and binding obligations, enforceable against it in accordance with its terms (except to the extent limited by equitable principles and laws affecting creditors' rights generally), subject to any necessary stamping or registration;

(e) (NO CONTRAVENTION) neither its execution of this document nor the carrying out by it of the transactions that this document contemplates, does or will:

(i) contravene any law to which it or any of its property is subject or any order of any Government Agency that is binding on it or any of its property;

(ii) contravene any Authorisation;

(iii) contravene any undertaking or instrument binding on it or any of its property;

(iv) contravene its constitution; or

(v) require it to make any payment or delivery in respect of any financial indebtedness before it would otherwise be obliged to do so.

8.2 RELIANCE ON REPRESENTATIONS AND WARRANTIES

Each party acknowledges that the other party has executed this document and agreed to take part in the transactions that this document contemplates in reliance on the representations and warranties that are made in clause 8.1.

9. DISPUTE RESOLUTION

9.1 DISPUTE RESOLUTION

If a dispute arises out of or in relation to this document (including any dispute as to breach or termination of this document or as to any claim in tort, in equity or pursuant to any statute) (a "DISPUTE"), a party to this document may not commence any court or arbitration proceedings relating to the Dispute unless it has complied with this clause 9 except where the party seeks urgent interlocutory relief.

9.2 DISPUTE NOTICE

A party claiming that a Dispute has arisen under or in relation to this document must give written notice to the other party specifying the nature of the Dispute (a "DISPUTE NOTICE").

9.3 NEGOTIATION

Upon receipt by a party of a Dispute Notice, Novogen Research and MEPL must procure that their respective Managing Directors meet to endeavour to resolve the Dispute expeditiously by negotiation.

9.4 RESOLUTION OF DISPUTE

If the parties have not resolved the Dispute under clause 9.3 within 14 days of receipt of a Dispute Notice, the parties must endeavour to resolve the Dispute expeditiously using informal dispute resolution techniques such as mediation, expert evaluation or determination or similar techniques agreed by the parties.

9.5 MEDIATION

If the parties do not agree within 28 days of receipt of a Dispute Notice (or such further period as the parties agree in writing) as to:

(a) the dispute resolution technique and procedures to be adopted;

(b) the timetable for all steps in those procedures; and

(c) the selection and compensation of the independent person required for such technique,

the parties must mediate the Dispute in accordance with the Mediation Rules of the Law Society of New South Wales, and the President of the Law Society of New South Wales (or the President's nominee) will select the mediator and determine the mediator's remuneration.

10. TERM AND TERMINATION

10.1 TERM

The rights and obligations of the parties under this document begin on the Commencement Date and end on the earlier of:

(a) the date of termination in accordance with this clause 10; and

(b) the sixteenth anniversary of the Commencement Date,

or such later date as the parties agree in writing.

10.2 TERMINATION BY MEPL

MEPL may terminate this document at any time:

(a) on three month's written notice to Novogen Research;

(b) immediately if Novogen Research defaults in the performance of any of its obligations under this document which in MEPL's reasonable opinion is capable of remedy and fails to remedy that default within 21 days of receiving written notice from MEPL specifying the default and requiring the default to be remedied;

(c) on 21 days written notice if Novogen Research defaults in the performance of any of its material obligations under this document which in MEPL's reasonable opinion is not capable of remedy; and

(d) immediately by notice in writing if:

(i) Novogen Research is involved in an Insolvency Event; or

(ii) Novogen Research ceases for any reason to be able lawfully to carry out all the transactions which this document contemplates may be carried out by Novogen Research.

10.3 TERMINATION BY NOVOGEN RESEARCH

Novogen Research may terminate this document at any time:

(a) immediately if MEPL defaults in the performance of any of its obligations under this document which in Novogen Research's reasonable opinion is capable of remedy and fails to remedy that default within 21 days of receiving written notice from Novogen Research specifying the default and requiring the default to be remedied;

(b) on 21 days written notice if MEPL defaults in the performance of any of its material obligations under this document which in Novogen Research's reasonable opinion is not capable of remedy; and

(c) immediately by notice in writing if:

(i) there is a Change of Control of MEPL without Novogen Research's written consent (which shall not be unreasonably withheld or delayed or conditioned);

(ii) MEPL is involved in an Insolvency Event; or

(iii) MEPL ceases for any reason to be able lawfully to carry out all the transactions which this document contemplates may be carried out by MEPL.

10.4 CONSEQUENCES OF TERMINATION

Upon expiry or termination of this document for any reason MEPL must immediately return to Novogen Research or destroy at Novogen Research's direction:

(a) all Confidential Information; and

(b) all materials, documents and other records containing, referring or relating to any Confidential Information,

in its possession, custody or power.

10.5 SURVIVAL AND ACCRUED RIGHTS

Upon termination under this clause 10 this document is at an end as to its future operation, except for:

(a) the enforcement of any right or claim which arises on or has arisen before termination; and

(b) the obligations of the parties under clauses 1, 6, 12, 14 (except 14.2) and this clause 10, which survive termination.

11. FORCE MAJEURE

11.1 NOTICE AND SUSPENSION OF OBLIGATIONS

If a party to this document is affected, or likely to be affected, by a Force Majeure Event:

(a) that party must immediately give the other prompt notice of that fact including:

(i) full particulars of the Force Majeure Event;

(ii) an estimate of its likely duration;

(iii) the obligations affected by it and the extent of its effect on those obligations; and

(iv) the steps taken to rectify it; and

(b) the obligations under this document of the party giving the notice are suspended to the extent to which they are affected by the Force Majeure Event as long as the Force Majeure Event continues.

11.2 EFFORT TO OVERCOME

A party claiming a Force Majeure Event must use its best endeavours to remove, overcome or minimise the effects of that Force Majeure Event as quickly as possible. However, this does not require a party to settle any industrial dispute in any way it does not want to.

11.3 TERMINATION

If a Force Majeure Event occurs for more than 30 days, either party may terminate this document by giving at least 21 days notice to the other party.

12. NOTICES

(a) A notice, consent or other communication under this document is only effective if it is in writing, signed and either left at the addressee's address or sent to the addressee by mail or fax. If it is sent by mail, it is taken to have been received 3 working days after it is posted. If it is sent by fax, it is taken to have been received when the addressee actually receives it in full and in legible form.

(b) A person's address and fax number are those set out below, or as the person notifies the sender:

NOVOGEN RESEARCH
Address: 140 Wicks Road North Ryde, NSW 2113 AUSTRALIA
Fax number: Int + 612 9878 0055
Attention: Managing Director

MEPL
Address: 140 Wicks Road, North Ryde, NSW 2113 AUSTRALIA
Fax number: Int + 612 9878 0055
Attention: Managing Director

13. AMENDMENT AND ASSIGNMENT

13.1 AMENDMENT

This document can only be amended, supplemented, replaced or novated by another document signed by the parties.

13.2 ASSIGNMENT

(a) MEPL may only dispose of, declare a trust over or otherwise create an interest in its rights under this document with the written consent of Novogen Research.

(b) Subject to paragraph (a), a party may dispose of, declare a trust over or otherwise create an interest in its rights under this document without the consent of any other party, and may disclose to any potential holder of the right or interest any information relating to this document or any party to it.

14. GENERAL

14.1 GOVERNING LAW

(a) This document is governed by the law in force in New South Wales.

(b) Each party submits to the non-exclusive jurisdiction of the courts exercising jurisdiction in New South Wales, and any court that may hear appeals from any of those courts, for any proceedings in connection with this document, and waives any right it might have to claim that those courts are an inconvenient forum.

14.2 GIVING EFFECT TO THIS DOCUMENT

Each party must do anything (including execute any document), and must ensure that its employees and agents do anything (including execute any document), that the other party may reasonably require to give full effect to this document.

14.3 WAIVER OF RIGHTS

A right may only be waived in writing, signed by the party giving the waiver, and:

(a) no other conduct of a party (including a failure to exercise, or delay in exercising, the right) operates as a waiver of the right or otherwise prevents the exercise of the right;

(b) a waiver of a right on one or more occasions does not operate as a waiver of that right if it arises again; and

(c) the exercise of a right does not prevent any further exercise of that right or of any other right.

14.4 OPERATION OF THIS DOCUMENT

(a) This document contains the entire agreement between the parties about its subject matter. Any previous understanding, agreement, representation or warranty relating to that subject matter is replaced by this document and has no further effect.

(b) Any right that a person may have under this document is in addition to, and does not replace or limit, any other right that the person may have.

(c) Any provision of this document which is unenforceable or partly unenforceable is, where possible, to be severed to the extent necessary to make this document enforceable, unless this would materially change the intended effect of this document.

14.5 CONSENTS

Where this document contemplates that either party may agree or consent to something (however it is described), that party may:

(a) agree or consent, or not agree or consent, in its absolute discretion; and

(b) agree or consent subject to conditions,

unless this document expressly contemplates otherwise.

14.6 EXCLUSION OF CONTRARY LEGISLATION

Any legislation that adversely affects an obligation of a party, or the exercise by a party of a right or remedy, under or relating to this document is excluded to the full extent permitted by law.

14.7 COUNTERPARTS

This document may be executed in counterparts.

EXECUTED as a deed.

EXECUTED by NOVOGEN RESEARCH PTY LIMITED:

/s/ Christopher Naughton	/s/ Ronald Lea Erratt
Signature of director	Signature of director/secretary
Christopher Naughton	Ronald Lea Erratt
Name	Name

EXECUTED by MARSHALL EDWARDS PTY LIMITED:

/s/ Christopher Naughton	/s/ David Seaton
Signature of director	Signature of director/secretary
Christopher Naughton	David Seaton
Name	Name

EXHIBIT 10.4

BLAKE DAWSON WALDRON

L A W Y E R S

AMENDED AND RESTATED
SERVICES AGREEMENT

NOVOGEN LIMITED
ABN 37 063 259 754

MARSHALL EDWARDS, INC.

MARSHALL EDWARDS PTY LIMITED
ACN 099 665 675

Level 41
225 George Street
SYDNEY NSW 2000
Telephone: +61 2 9258 6000
Fax: +61 2 9258 6999

24 SEPTEMBER 2003
REF: SJD.BLM.02-1308-9508

CONTENTS

AMENDED AND RESTATED
SERVICES AGREEMENT

DATE 24 September 2003

PARTIES

NOVOGEN LIMITED ABN 37 063 259 754, a company incorporated under the laws of the Commonwealth of Australia, whose registered office is situated at 140 Wicks Road, North Ryde, NSW 2113, Australia ("NOVOGEN")

MARSHALL EDWARDS, INC., a company incorporated under the laws of Delaware, United States of America, c/- The Corporation Trust Company, Corporation Trust Center, 1209 Orange Street, Wilmington, Delaware, USA ("MEI")

MARSHALL EDWARDS PTY LIMITED ACN 099 665 675, a company incorporated under the laws of the Commonwealth of Australia, whose registered office is situated at 140 Wicks Road, North Ryde, NSW 2113, Australia ("MEPL")

RECITALS

A. Novogen has certain skills and expertise in relation to the discovery, research and development of human therapeutics and their commercialisation.

B. MEI and MEPL have engaged Novogen to perform the Services on the terms and conditions of the Original Services Agreement.

C. The parties have agreed to amend and restate the terms and conditions of the Original Services Agreement as set out in this document with effect from the date of this document.

OPERATIVE PROVISIONS

1. INTERPRETATION

1.1 DEFINITIONS

The following definitions apply in this document.

"AUTHORISATION" means:

(a) an authorisation, consent, declaration, exemption, notarisation or waiver, however it is described; and

(b) in relation to anything that could be prohibited or restricted by law if a Government Agency acts in any way within a specified period, the expiry of that period without that action being taken,

including any renewal or amendment.

"BUSINESS DAY" means a day that is not a Saturday, Sunday or public holiday in Sydney, Australia.

"CHANGE OF CONTROL" means, in relation to a corporation, a change in:

(a) Control of the composition of the board of directors of the corporation;

(b) Control of more than half the voting rights attaching to shares in the corporation; or

(c) Control of more than half the issued shares of the corporation (excluding any part which carries no right to participate beyond a specified amount in the distribution of either profit or capital),

which for the avoidance of doubt where the corporation is either MEPL or MEI does not include a change in:

(d) Control of the composition of the board of directors of Novogen;

(e) Control of more than half the voting rights attaching to shares in Novogen; or

(f) Control of more than half the issued shares of Novogen (excluding any part which carries no right to participate beyond a specified amount in the distribution of either profit or capital).

"COMMENCEMENT DATE" means the date the Original Services Agreement was executed by the last of the parties to execute it.

"COMMONWEALTH" means the Commonwealth of Australia.

"CONFIDENTIAL INFORMATION" in relation to a party means all information and materials disclosed, provided or otherwise made accessible to, or developed by that party whether before or after execution of this document, including all Know-How, financial reports, sales information, policies, plans, business affairs, transactions, organisations, business connections and clients of that party, and any other information which that party reasonably considers confidential, but excludes information which the other party can establish:

(a) was in the public domain at the date of this document;

(b) subsequent to the date of this document, became part of the public domain otherwise than as a result of disclosure directly or indirectly in breach of this document; or

(c) was in its possession at the time of disclosure and was not otherwise acquired from the other party directly or indirectly.

"CONTROL" means a power or control that is direct or indirect or that is, or can be, exercised as a result of, by means of or by the revocation or breach of a trust, an agreement, a practice, or any combination of them, whether or not they are enforceable. It does not matter whether the power or control is express or implied, formal or informal, exercisable alone or jointly with someone else.

"CORPORATIONS ACT" means the Corporations Act 2001 (Cth).

"DISPUTE" has the meaning given to that term in clause 10.1.

"DISPUTE NOTICE" has the meaning given to that term in clause 10.2.

"ENCUMBRANCE" means a mortgage, charge, pledge, lien, hypothecation or title retention arrangement, a right of set-off or right to withhold payment of a deposit or other money, a notice under section 255 of the Income Tax Assessment Act 1936 (Cth), section 260-5 in schedule 1 to the Taxation Administration Act 1953 (Cth) or any similar legislation, or an easement, restrictive covenant, caveat or similar restriction over property, or an agreement to create any of them or to allow any of them to exist.

"FORCE MAJEURE EVENT" means any occurrence or omission as a direct or indirect result of which the party relying on it is prevented from or delayed in performing any of its obligations (other than a payment obligation) under this document and that is beyond the reasonable control of that party, including forces of nature, industrial action and action or inaction by a Government Agency.

"GOVERNMENT AGENCY" means:

(a) a government or government department or other body;

(b) a governmental, semi-governmental or judicial person; or

(c) a person (whether autonomous or not) who is charged with the administration of a law.

"GST" means:

(a) the same as in the GST Law; and

(b) any other goods and services tax, or any tax applying to this transaction in a similar way; and

(c) any additional tax, penalty tax, fine, interest or other charge under a law for such a tax.

"GST LAW" means the same as "GST law" means in A New Tax System (Goods and Services Tax) Act 1999 (Cth).

"INSOLVENCY EVENT" means, for a person, being in liquidation or provisional liquidation or under administration, having a controller (as defined in the Corporations Act) or analogous person appointed to it or any of its property, being taken under section 459F(1) of the Corporations Act to have failed to comply with a statutory demand, being unable to pay its debts or otherwise insolvent, dying, ceasing to be of full legal capacity or otherwise becoming incapable of managing its own affairs for any reason, taking any step that could result in the person becoming an insolvent under administration (as defined in section 9 of the Corporations Act), entering into a compromise or arrangement with, or assignment for the benefit of, any of its members or creditors, or any analogous event, otherwise than in the course of a reorganisation, reconstruction, amalgamation or merger.

"INTELLECTUAL PROPERTY RIGHTS" means any and all existing and future intellectual and industrial property rights throughout the world, whether conferred by statute, common law or equity, including rights in relation to copyright, trade marks, designs, circuit layouts, plant varieties, business and domain names, trade secrets and Know How (including the right to apply for registration of any such rights), Patent Rights and other results of intellectual activity in the industrial, commercial, scientific, literary or artistic fields.

"KNOW HOW" means technical and other information which is not in the public domain including inventions, discoveries, concepts, data, formulae, ideas, specifications, procedures for experiments and tests, results of experimentation and testing, results of research and development and information in laboratory records, data collected during the course of clinical trials, case reports, data analyses and summaries and submissions to and information from ethical committees and regulatory authorities.

"LICENCE AGREEMENT" means the document of that title between Novogen Research and MEPL, dated on or about the date of this document.

"LICENCE OPTION DEED" means the document of that title between Novogen Research and MEPL, dated on or about the date of this document.

"MEI AGREED BUDGET" means the budget agreed in accordance with schedule 1 and attached as Annexure A.

"MEPL AGREED BUDGET" means the budget agreed in accordance with schedule 1 and attached as Annexure B.

"ME PRODUCT" means any human therapeutic or pharmaceutical compound, and any product or formulation containing any such compound, in relation to which MEI or MEPL has Intellectual Property Rights, including:

(a) the Products; and

(b) any Option Compound in relation to which MEPL has exercised its rights under clause 3 of the Licence Option Deed.

"NOVOGEN RESEARCH" means Novogen Research Pty Limited.

"OPTION COMPOUND" has the meaning given to it in the Licence Option Deed.

"ORIGINAL SERVICES AGREEMENT" means the services agreement entered into between Novogen, MEI and MEPL in May 2002.

"PATENT RIGHTS" means existing and future patents (including any divisions, continuations, continuations in part, renewals, reissues, extensions, supplementary protection certificates, utility models and foreign equivalents thereof) and rights with respect to existing and future patent applications and patentable inventions, including the right to apply for registration of any such rights.

"PRODUCT" has the meaning given to it in the Licence Agreement.

"QUARTER" means, in respect of any calender year in the Term, the four quarters of that year, the first of which commences on the first day of that year.

"SERVICES" means the services set out in clause 3.1 and any other services Novogen agrees to perform for MEI or MEPL during the Term.

"START GRANT AGREEMENT" means the agreement entitled "R&D START Grant Agreement No: STG/00220" between Novogen and the Industry Research and Development Board for and on behalf of the Commonwealth, dated 24 December 1998.

"TERM" means the term of this document, as determined under clause 11.

1.2 RULES FOR INTERPRETING THIS DOCUMENT

Headings are for convenience only, and do not affect interpretation. The following rules also apply in interpreting this document, except where the context makes it clear that a rule is not intended to apply.

(a) A reference to:

(i) legislation (including subordinate legislation) is to that legislation as amended, re-enacted or replaced, and includes any subordinate legislation issued under it;

(ii) a document or agreement, or a provision of a document or agreement, is to that document, agreement or provision as amended, supplemented, replaced or novated;

(iii) a party to this document or to any other document or agreement includes a permitted substitute or a permitted assign of that party;

(iv) a person includes any type of entity or body of persons, whether or not it is incorporated or has a separate legal identity, and any executor, administrator or successor in law of the person; and

(v) anything (including a right, obligation or concept) includes each part of it.

(b) A singular word includes the plural, and vice versa.

(c) A word which suggests one gender includes the other genders.

(d) If a word is defined, another part of speech has a corresponding meaning.

(e) If an example is given of anything (including a right, obligation or concept), such as by saying it includes something else, the example does not limit the scope of that thing.

(f) The word "AGREEMENT" includes an undertaking or other binding arrangement or understanding, whether or not in writing.

(g) The words "SUBSIDIARY", "HOLDING COMPANY" and "RELATED BODY CORPORATE" have the same meanings as in the Corporations Act.

1.3 BUSINESS DAYS

If the day on or by which a person must do something under this document is not a Business Day:

(a) if the act involves a payment that is due on demand, the person must do it on or by the next Business Day; and

(b) in any other case, the person must do it on or by the previous Business Day.

1.4 APPLICATION OF THIS DOCUMENT

(a) This document varies and amends the Original Services Agreement with effect from the date of execution of this document.

(b) The terms and conditions of this document replace the terms and conditions of the Original Services Agreement.

2. APPOINTMENT

2.1 APPOINTMENT

MEI and MEPL each agree to engage Novogen to provide the Services and Novogen agrees to provide the Services to MEI and MEPL, on the terms and conditions of this document.

2.2 NATURE OF APPOINTMENT

Novogen's engagement to provide the Services is as an independent contractor and nothing in this document is to be treated as creating a partnership or joint venture between the parties under the laws of any applicable jurisdiction, and except as specifically provided in this document, no party may act or has any authority to act as agent of or in any way bind or commit the other party to any obligation.

3. NOVOGEN'S OBLIGATIONS

3.1 SERVICES TO MEI

Novogen shall perform the following services in accordance with this document as MEI reasonably requests from time to time during the Term, having regard to the MEI Agreed Budget:

(a) Novogen shall assist and advise MEI generally on all aspects of research, development and commercialisation of ME Products;

(b) Novogen shall provide company secretarial, marketing, finance, logistics, administrative and managerial support to MEI;

(c) Novogen shall plan, conduct, direct, monitor and supervise pre-clinical and clinical trials of ME Products;

(d) Novogen shall provide scientific and technical advice on management of pre-clinical and clinical research programs undertaken by MEI in relation to ME Products and shall manage such research programs; and

(e) Novogen shall provide to MEI access to records relating to, and persons involved in the research and development of Products and any clinical trials conducted or commenced before the Commencement Date.

3.2 SERVICES TO MEPL

Novogen shall perform the following services in accordance with this document as MEPL reasonably requests from time to time during the Term, having regard to the MEPL Agreed Budget:

(a) Novogen shall assist and advise MEPL generally on all aspects of research, development and commercialisation of ME Products;

(b) Novogen shall provide company secretarial, marketing, finance, logistics, administrative and managerial support to MEPL;

(c) Novogen shall plan, conduct, direct, monitor and supervise pre-clinical and clinical trials of ME Products;

(d) Novogen shall provide scientific and technical advice on management of pre-clinical and clinical research programs undertaken by MEPL in relation to ME Products and shall manage such research programs; and

(e) Novogen shall provide to MEPL access to records relating to, and persons involved in the research and development of Products and any clinical trials conducted or commenced before the Commencement Date.

3.3 SUB-CONTRACTING AND CONSULTANTS

(a) Novogen shall not without the prior written consent of MEI or MEPL (as the case may be) sub-contract the provision of any part of the Services to any person other than its subsidiaries (excluding MEI and MEPL).

(b) If at any time during the Term any person is under any obligation to Novogen or its subsidiaries (other than MEI or MEPL) to provide services or perform obligations to persons including MEI and MEPL, which services or obligations include research, development or commercialisation of ME Products, Novogen shall procure that that person provides those services to MEI and MEPL.

3.4 APPROPRIATE PERSONNEL

Novogen shall ensure that its employees, agents and consultants and the employees, agents and consultants of its subsidiaries who provide the Services have appropriate

qualifications and experience to provide the Services, having regard to the nature of the Services.

3.5 PERFORMANCE OF THE SERVICES

Novogen shall perform the Services:

(a) diligently, competently and with reasonable care and skill;

(b) in compliance with all applicable laws and regulations; and

(c) in accordance with the reasonable directions of MEI and MEPL from time to time during the Term.

3.6 JUDGMENT AND SKILL

Nothing in this clause 3 prevents Novogen from exercising its judgment and utilising its skills as it considers most appropriate to perform the Services.

4. FEES FOR SERVICES TO MEI

4.1 CONSIDERATION FOR SERVICES TO MEI

In consideration of the performance by Novogen of Services for or at the request of MEI, MEI shall pay:

(a) services fees monthly in arrears in accordance with the MEI Agreed Budget; and

(b) all reasonable out of pocket expenses (including travel and accommodation expenses) incurred by Novogen each month in the course of providing Services for or at the request of MEI,

and shall pay those amounts in accordance with clause 4.4.

4.2 INVOICES

Within 7 days of the end of each month, Novogen shall render to MEI a written invoice for payment for all Services provided by Novogen for or at the request of MEI in that month, which shall contain the amount payable by MEI for the Services in that month in accordance with schedule 1.

4.3 PAYMENT OF INVOICES

MEI shall pay to Novogen the amount of any invoice correctly rendered to MEI under clause 4.2 within 7 days of the date of the invoice.

4.4 PAYMENTS

All amounts due and payable under clause 4.3 shall be calculated and paid in United States dollars and shall be paid by bank cheque or electronic transfer to an account notified by Novogen in writing.

4.5 AMENDMENT OF THE AGREED BUDGET

MEI shall inform Novogen promptly upon becoming aware of any circumstance by virtue of which the estimates and assumptions on which the MEI Agreed Budget was based are no longer accurate or applicable and the parties may amend the MEI Agreed Budget by agreement from time to time during the Term having regard to any such circumstance.

4.6 INSPECTION OF RECORDS

MEI may during normal business hours and upon reasonable notice by its authorised representatives (including accountants and auditors) inspect the records and books of account of Novogen to determine whether the amounts paid or payable under this clause 4 have been calculated and paid in accordance with this clause 4, schedule 1 and the MEI Agreed Budget. For the purposes of that inspection and determination, MEI's authorised representatives may take such copies and extracts of those records and books of account as they think fit and Novogen must, and must ensure that its agents and contractors, give MEI's authorised representatives such assistance as is necessary, including by providing access to facilities, hardware, software and documents, to enable that inspection and determination.

5. FEES FOR SERVICES TO MEPL

5.1 CONSIDERATION FOR SERVICES TO MEPL

In consideration of the performance by Novogen of the Services for or at the request of MEPL, MEPL shall, subject to clause 5.2 pay:

(a) services fees monthly in arrears in accordance with the MEPL Agreed Budget; and

(b) all reasonable out of pocket expenses (including travel and accommodation expenses) incurred by Novogen each month in the course of providing Services for or at the request of MEPL,

and shall pay those amounts in accordance with clause 5.4.

5.2 DEDUCTION FOR START GRANT AMOUNTS

The amounts payable by MEPL under clause 5.1 shall be reduced by the amount of all grant funds received by Novogen during each month under the START Grant Agreement, in accordance with clauses 5.3 and 5.4.

5.3 INVOICES

Within 7 days of the end of each month, Novogen shall render to MEPL a written invoice for payment for all Services provided by Novogen for or at the request of MEPL in that month, which shall contain:

(a) the amount payable by MEPL for the Services in that month in accordance with schedule 1;

(b) the amount of all grant funds received by Novogen in that month under the START Grant Agreement; and

(c) a figure representing the amount referred to in paragraph (b), subtracted from the amount referred to in paragraph (a).

5.4 PAYMENT OF INVOICES

(a) If in any invoice correctly rendered by Novogen to MEPL under clause 5.3, the figure referred to in clause 5.3(c) is a positive number, MEPL shall pay that amount to Novogen within 7 days of the date of the invoice.

(b) If in any invoice correctly rendered by Novogen to MEPL under clause 5.3, the figure referred to in clause 5.3(c) is a negative number, Novogen shall credit MEPL with that amount against future invoices.

5.5 PAYMENTS

All amounts due and payable under clause 5.4 shall be calculated and paid in Australian dollars and shall be paid by bank cheque or electronic transfer to an account notified by Novogen in writing.

5.6 AMENDMENT OF THE AGREED BUDGET

MEPL shall inform Novogen promptly upon becoming aware of any circumstance by virtue of which the estimates and assumptions on which the MEPL Agreed Budget was based are no longer accurate or applicable and the parties may amend the MEPL Agreed Budget by agreement from time to time during the Term having regard to any such circumstance.

5.7 INSPECTION OF RECORDS

MEPL may during normal business hours and upon reasonable notice by its authorised representatives (including accountants and auditors) inspect the records and books of account of Novogen to determine whether the amounts paid or payable under this clause 5 have been calculated and paid in accordance with this clause 5, schedule 1 and the MEPL Agreed Budget. For the purposes of that inspection and determination, MEPL's authorised representatives may take such copies and extracts of those records and books of account as they think fit and Novogen must, and must ensure that its agents and contractors, give MEPL's authorised representatives such assistance as is necessary, including by providing access to facilities, hardware, software and documents, to enable that inspection and determination.

6. GOODS AND SERVICES TAX

6.1 GST LAW DEFINITIONS

Words defined in the GST Law have the same meaning in this clause 6, unless the context makes it clear that a different meaning is intended.

6.2 GST PAYABLE IN ADDITION TO OTHER AMOUNTS

In addition to paying all amounts payable under this document, each of MEI and MEPL must:

(a) pay to Novogen an amount equal to any GST payable on any supply by Novogen under or in connection with this document without deduction or set-off of any other amount;

(b) make that payment:

(i) if Novogen must pay GST on or after receiving the consideration or any part of it - as and when MEI or MEPL (as the case may be) must pay or provide the consideration or that part of it;

(ii) if Novogen must pay GST on issuing an invoice under this document - on the earlier of the due date for payment of that invoice, or 10 Business Days following the end of the month in which Novogen issued that invoice; and

(iii) if Novogen must pay GST upon the occurrence of some other event - within 5 Business Days of a written request by Novogen for payment for the GST, which may be in the form of a tax invoice (or an adjustment note); and

(c) indemnify Novogen against, and pay Novogen on demand the amount of:

(i) all GST on the transactions contemplated by this document; and

(ii) any loss, liability or expense directly or indirectly incurred in connection with or arising from or caused by any failure by MEI or MEPL (as the case may be) to pay any amount as and when required by this clause 6, for example, any additional tax, penalty tax, fine, interest or other charge under a GST Law.

6.3 TAX INVOICE

Within 28 days of a written request from MEI or MEPL, Novogen must issue a tax invoice (or an adjustment note) to MEI or MEPL (as the case may be) for any supply for which Novogen may recover GST from MEI or MEPL under this document, and must include in the tax invoice (or adjustment note) the particulars required by the GST Law for MEI or MEPL to obtain an input tax credit for that GST.

6.4 ADJUSTMENTS

Novogen must refund to MEI or MEPL (as the case may be) any overpayment by MEI or MEPL for GST, but Novogen need not refund any amount for GST paid to the Commissioner of Taxation unless Novogen has received a refund or credit of that amount.

6.5 GST WHERE MEI SUPPLIES NOVOGEN

If MEI must pay GST for anything provided or supplied by MEI under this document, Novogen must pay to MEI an amount equal to that GST in exactly the same way as MEI must so do for any GST Novogen must pay, and this clause 6 applies to that GST as if MEI was Novogen, and Novogen was MEI.

6.6 GST WHERE MEPL SUPPLIES NOVOGEN

If MEPL must pay GST for anything provided or supplied by MEPL under this document, Novogen must pay to MEPL an amount equal to that GST in exactly the same way as MEPL must so do for any GST Novogen must pay, and this clause 6 applies to that GST as if MEPL was Novogen, and Novogen was MEPL.

7. MATERIALS AND INTELLECTUAL PROPERTY RIGHTS

7.1 MATERIALS AND INFORMATION

Novogen acknowledges that all materials and information made available by MEI or MEPL to Novogen in the performance of the Services remain the property of MEI or MEPL (as the case may be).

7.2 INTELLECTUAL PROPERTY RIGHTS

(a) All Intellectual Property Rights created or developed by or on behalf of Novogen and its subsidiaries in the performance of Services for or at the request of MEI vest exclusively in MEI immediately upon their creation, and by this document Novogen assigns to MEI absolutely and as beneficial owner its entire right and title to and interest in all such Intellectual Property Rights.

(b) All Intellectual Property Rights created or developed by or on behalf of Novogen and its subsidiaries in the performance of Services for or at the request of MEPL vest exclusively in MEPL immediately upon their creation, and by this document Novogen assigns to MEPL absolutely and as beneficial owner its entire right and title to and interest in all such Intellectual Property Rights.

7.3 ACKNOWLEDGMENT

Novogen acknowledges that nothing in this document grants to it any Intellectual Property Rights created in the performance of the Services and Novogen must not, and must procure that its subsidiaries do not, represent to any person that it or they have any such Intellectual Property Rights.

8. CONFIDENTIAL INFORMATION

8.1 CONFIDENTIALITY

Each party must:

(a) keep and maintain all Confidential Information of the other party strictly confidential;

(b) use Confidential Information of the other party only for the purposes for which it is disclosed; and

(c) not disclose any Confidential Information of the other party other than to its employees, authorised sub-contractors, legal advisers, auditors or other consultants requiring the information for the purposes of this document and then only upon those persons undertaking in writing to keep that information strictly confidential.

8.2 SECURITY

For the purposes of clause 8.1, each party must establish and maintain effective security measures to safeguard the Confidential Information of the other party from unauthorised use or access and must notify the other party immediately upon becoming aware of any suspected or actual unauthorised use or disclosure of that party's Confidential Information.

8.3 EXCEPTIONS TO OBLIGATIONS OF CONFIDENTIALITY

The obligations in clauses 8.1 and 8.2 do not apply to the extent that a party is required by law to disclose the other party's Confidential Information, provided the party promptly gives notice to the other party of that requirement and discloses only that portion of Confidential Information which it is legally required to disclose.

8.4 PUBLIC DOMAIN

No Confidential Information shall be deemed to be in the public domain merely because it contains information which is in the public domain or is embraced by a general disclosure which is in the public domain.

9. REPRESENTATIONS AND WARRANTIES

9.1 REPRESENTATIONS AND WARRANTIES

Each party represents and warrants that:

(a) (STATUS) it is a company limited by shares under the Corporations Act;

(b) (POWER) it has full legal capacity and power to:

(i) own its property and to carry on its business; and

(ii) enter into this document and to carry out the transactions that this document contemplates;

(c) (CORPORATE AUTHORITY) it has taken all corporate action that is necessary or desirable to authorise its entry into this document and its carrying out the transactions that this document contemplates;

(d) (DOCUMENTS EFFECTIVE) this document constitutes its legal, valid and binding obligations, enforceable against it in accordance with its terms (except to the extent

limited by equitable principles and laws affecting creditors' rights generally), subject to any necessary stamping or registration; and

(e) (NO CONTRAVENTION) neither its execution of this document nor the carrying out by it of the transactions that this document contemplates, does or will:

(i) contravene any law to which it or any of its property is subject or any order of any Government Agency that is binding on it or any of its property;

(ii) contravene any Authorisation;

(iii) contravene any undertaking or instrument binding on it or any of its property;

(iv) contravene its constitution; or

(v) require it to make any payment or delivery in respect of any financial indebtedness before it would otherwise be obliged to do so.

9.2 RELIANCE ON REPRESENTATIONS AND WARRANTIES

Each party acknowledges that the other party has executed this document and agreed to take part in the transactions that this document contemplates in reliance on the representations and warranties that are made in clause 9.1.

9.3 EXCLUSION OF CONDITIONS AND WARRANTIES

Except for the warranties expressly made in this document, all conditions, warranties, undertakings or representations express or implied arising by statute, general law or otherwise are expressly excluded to the extent permitted by law.

9.4 STATUTORY WARRANTIES

If legislation implies in this document any condition or warranty and that legislation avoids or prohibits provisions in a contract excluding or modifying the application of or exercise of or liability under such condition or warranty, the condition or warranty shall be deemed to be included in this document. However the liability of Novogen for any breach of such condition or warranty shall be limited at the option of Novogen to one or more of the following:

(a) if the breach relates to goods:

(i) the replacement of the goods or the supply of equivalent goods;

(ii) the repair of the goods;

(iii) the payment of the cost of replacing the goods or of acquiring equivalent goods; or

(iv) the payment of the cost of having the goods repaired; and

(b) if the breach relates to services:

(i) the supplying of the services again; or

(ii) the payment of the cost of having the services supplied again.

10. DISPUTE RESOLUTION

10.1 DISPUTE RESOLUTION

If a dispute arises out of or in relation to this document (including any dispute as to breach or termination of this document or as to any claim in tort, in equity or pursuant to any statute) (a "DISPUTE"), a party to this document may not commence any court or arbitration proceedings relating to the Dispute unless it has complied with this clause 10 except where the party seeks urgent interlocutory relief.

10.2 DISPUTE NOTICE

A party claiming that a Dispute has arisen under or in relation to this document must give written notice to the other party specifying the nature of the Dispute (a "DISPUTE NOTICE").

10.3 NEGOTIATION

Upon receipt by a party of a Dispute Notice, Novogen, MEI and MEPL must procure that their respective Managing Directors or President (as the case may be) meet to endeavour to resolve the Dispute expeditiously by negotiation.

10.4 RESOLUTION OF DISPUTES

If the parties have not resolved the Dispute under clause 10.3 within 14 days of receipt of the Dispute Notice, the parties must endeavour to resolve the Dispute expeditiously using informal dispute resolution techniques such as mediation, expert evaluation or determination or similar techniques agreed by the parties.

10.5 MEDIATION

If the parties do not agree within 28 days of receipt of a Dispute Notice (or such further period as the parties agree in writing) as to:

(a) the dispute resolution technique and procedures to be adopted;

(b) the timetable for all steps in those procedures; and

(c) the selection and compensation of the independent person required for such technique,

the parties must mediate the Dispute in accordance with the Mediation Rules of the Law Society of New South Wales, and the President of the Law Society of New South Wales (or the President's nominee) will select the mediator and determine the mediator's remuneration.

11. TERM AND TERMINATION

11.1 TERM

The rights and obligations of the parties under this document begin on the Commencement Date and end on the earlier of:

(a) the date of termination in accordance with this clause 11; and

(b) the sixteenth anniversary of the Commencement Date,

or such later date as the parties agree in writing.

11.2 TERMINATION BY MEI

MEI may terminate its rights and obligations under this document at any time:

(a) on three months' written notice to Novogen;

(b) immediately if Novogen defaults in the performance of any of its obligations under this document which in MEI's reasonable opinion is capable of remedy and fails to remedy that default within 21 days of receiving written notice from MEI specifying the default and requiring the default to be remedied;

(c) on 21 days written notice if Novogen defaults in the performance of any of its material obligations under this document which in MEI's reasonable opinion is not capable of remedy; and

(d) immediately by notice in writing if:

(i) there is a Change of Control of Novogen without MEI's written consent (which shall not be unreasonably withheld, delayed or conditioned);

(ii) Novogen is involved in an Insolvency Event; or

(iii) Novogen ceases for any reason to be able lawfully to carry out all the transactions which this document contemplates may be carried out by Novogen.

11.3 TERMINATION BY MEPL

MEPL may terminate its rights and obligations under this document at any time:

(a) on three months' written notice to Novogen;

(b) immediately if Novogen defaults in the performance of any of its obligations under this document which in MEPL's reasonable opinion is capable of remedy and fails to remedy that default within 21 days of receiving written notice from MEPL specifying the default and requiring the default to be remedied;

(c) on 21 days written notice if Novogen defaults in the performance of any of its material obligations under this document which in MEPL's reasonable opinion is not capable of remedy; and

(d) immediately by notice in writing if:

(i) there is a Change of Control of Novogen without MEPL's written consent (which shall not be unreasonably withheld or delayed or conditioned);

(ii) Novogen is involved in an Insolvency Event; or

(iii) Novogen ceases for any reason to be able lawfully to carry out all the transactions which this document contemplates may be carried out by Novogen.

11.4 TERMINATION BY NOVOGEN

Novogen may terminate this document at any time:

(a) immediately if MEI or MEPL defaults in the performance of any of its obligations under this document which in Novogen's reasonable opinion is capable of remedy and fails to remedy that default within 21 days of receiving written notice from Novogen specifying the default and requiring the default to be remedied;

(b) on 21 days written notice if MEI or MEPL defaults in the performance of any of its material obligations under this document which in Novogen's reasonable opinion is not capable of remedy; and

(c) immediately by notice in writing if:

(i) there is a Change of Control of MEI or MEPL without Novogen's written consent (which shall not be unreasonably withheld or delayed or conditioned);

(ii) MEI or MEPL is involved in an Insolvency Event; or

(iii) MEI or MEPL ceases for any reason to be able lawfully to carry out all the transactions which this document contemplates may be carried out by MEI or MEPL (as the case may be).

11.5 CONSEQUENCES OF TERMINATION

Upon expiry or termination of this document for any reason each party must immediately return to any other party or destroy at its direction:

(a) all Confidential Information of that other party; and

(b) all materials, documents and other records containing, referring or relating to any Confidential Information of that other party,

in its possession, custody or power.

11.6 SURVIVAL AND ACCRUED RIGHTS

Upon termination under this clause 11, this document is at an end as to its future operation, except for:

(a) the enforcement of any right or claim which arises on or has arisen before termination; and

(b) the obligations of the parties under clauses 1, 8, 9.3, 10, 13 and 15 (except clause 15.3) and this clause 11, which survive termination.

12. FORCE MAJEURE

12.1 NOTICE AND SUSPENSION OF OBLIGATIONS

If a party to this document is affected, or likely to be affected, by a Force Majeure Event:

(a) that party must immediately give the others prompt notice of that fact including:

(i) full particulars of the Force Majeure Event;

(ii) an estimate of its likely duration;

(iii) the obligations affected by it and the extent of its effect on those obligations; and

(iv) the steps taken to rectify it; and

(b) the obligations under this document of the party giving the notice are suspended to the extent to which they are affected by the Force Majeure Event as long as the Force Majeure Event continues.

12.2 EFFORT TO OVERCOME

A party claiming a Force Majeure Event must use its best endeavours to remove, overcome or minimise the effects of that Force Majeure Event as quickly as possible. However, this does not require a party to settle any industrial dispute in any way it does not want to.

12.3 TERMINATION

If a Force Majeure Event occurs for more than 30 days, any party may terminate this document by giving at least 21 days notice to the other parties.

13. NOTICES

(a) A notice, consent or other communication under this document is only effective if it is in writing, signed and either left at the addressee's address or sent to the addressee by mail or fax. If it is sent by mail, it is taken to have been received 3 working days after it is posted. If it is sent by fax, it is taken to have been received when the addressee actually receives it in full and in legible form.

(b) A person's address and fax number are those set out below, or as the person notifies the sender:

NOVOGEN
Address: 140 Wicks Road, North Ryde, NSW 2113 AUSTRALIA
Fax number: Int + 612 9878 0055
Attention: Managing Director

MEI
Address: 140 Wicks Road, North Ryde, NSW 2113 AUSTRALIA
Fax number: Int + 612 9878 0055
Attention: President

MEPL
Address: 140 Wicks Road, North Ryde, NSW 2113 AUSTRALIA
Fax number: Int + 612 9878 0055
Attention: Managing Director

14. AMENDMENT AND ASSIGNMENT

14.1 AMENDMENT

This document can only be amended, supplemented, replaced or novated by another document signed by the parties.

14.2 ASSIGNMENT

A party may only dispose of, declare a trust over or otherwise create an interest in its rights under this document with the consent of each other party.

15. GENERAL

15.1 GOVERNING LAW

(a) This document is governed by the law in force in New South Wales.

(b) Each party submits to the non-exclusive jurisdiction of the courts exercising jurisdiction in New South Wales, and any court that may hear appeals from any of those courts, for any proceedings in connection with this document, and waives any right it might have to claim that those courts are an inconvenient forum.

15.2 LIABILITY FOR EXPENSES

Each party must pay its own expenses incurred in negotiating, executing, stamping and registering this document.

15.3 GIVING EFFECT TO THIS DOCUMENT

Each party must do anything (including execute any document), and must ensure that its employees and agents do anything (including execute any document), that the other party may reasonably require to give full effect to this document.

15.4 WAIVER OF RIGHTS

A right may only be waived in writing, signed by the party giving the waiver, and:

(a) no other conduct of a party (including a failure to exercise, or delay in exercising, the right) operates as a waiver of the right or otherwise prevents the exercise of the right;

(b) a waiver of a right on one or more occasions does not operate as a waiver of that right if it arises again; and

(c) the exercise of a right does not prevent any further exercise of that right or of any other right.

15.5 OPERATION OF THIS DOCUMENT

(a) This document contains the entire agreement between the parties about its subject matter. Any previous understanding, agreement, representation or warranty relating to that subject matter is replaced by this document and has no further effect.

(b) Any right that a person may have under this document is in addition to, and does not replace or limit, any other right that the person may have.

(c) Any provision of this document which is unenforceable or partly unenforceable is, where possible, to be severed to the extent necessary to make this document enforceable, unless this would materially change the intended effect of this document.

15.6 CONSENTS

Where this document contemplates that either party may agree or consent to something (however it is described), that party may:

(a) agree or consent, or not agree or consent, in its absolute discretion; and

(b) agree or consent subject to conditions,

unless this document expressly contemplates otherwise.

15.7 EXCLUSION OF CONTRARY LEGISLATION

Any legislation that adversely affects an obligation of a party, or the exercise by a party of a right or remedy, under or relating to this document is excluded to the full extent permitted by law.

15.8 COUNTERPARTS

This document may be executed in counterparts.

SCHEDULE 1

CALCULATION OF FEES FOR SERVICES

The fees payable by MEI and MEPL to Novogen for Services provided to MEI or MEPL (as the case may be) shall be determined as follows:

1. Within 14 days of the beginning of each financial year during the Term, Novogen shall prepare and provide to each of MEI and MEPL, a budget estimate for the following financial year having regard to:

   (a) the time spent by the employees and consultants of Novogen in the previous financial year in the provision of Services to MEI and MEPL under this document; and

   (b) any considerations of which it is aware which are likely to influence the time spent by the employees and consultants of Novogen in the following financial year in the provision of Services to MEI and MEPL under this document.

2. Each budget estimate prepared under paragraph 1 shall contain for each of MEI and MEPL:

   (a) a list of all employees and consultants who Novogen expects will provide Services during the financial year, together with their positions, and the salaries, consultancy fees or other remuneration payable by Novogen to those employees and consultants for that financial year;

   (b) the allocated on-costs attributable to each person listed in paragraph (a), including fringe benefits tax, payroll tax, workers compensation insurance, superannuation charges and holiday and sick pay;

   (c) the percentage of time Novogen expects each person listed in paragraph (a) to spend on the provision of Services under this document for the following financial year;

   (d) the sum of the percentages for each person in paragraph (c) multiplied by the costs and charges for that person in paragraphs (a) and (b);

   (e) a premises rental charge based on the floor space within Novogen's premises attributable to each person listed in paragraph (a);

   (f) a general asset usage charge calculated on the basis of depreciation, amortisation and repairs and maintenance of Novogen's general assets used by each person listed in paragraph (a);

   (g) a general overheads charge based on all other general outgoings in the operation of Novogen's business attributable to each person listed in paragraph (a);

(h) a direct asset usage charge in relation to non-production assets directly attributable to the businesses of MEI or MEPL (as the case may be), calculated on the basis of depreciation, amortisation and repairs and maintenance of those assets; and

(i) calculations of the budget estimate of fees payable by MEI and MEPL for Services in the following financial year, being the sum of:

(i) the figure in paragraph (d);

(ii) the figures in paragraphs (e), (f), (g) and (h); and

(iii) an additional 10% of those figures.

3. Within 14 days of receipt of a budget estimate under paragraph 1, MEI and MEPL shall either accept the budget estimate provided by Novogen under paragraph 1 or respond to Novogen with a revised budget estimate having regard to the assumptions and calculations in the estimate provided by Novogen.

4. Within 7 days of receipt by Novogen of any revised budget estimate under paragraph 3, the parties shall negotiate in good faith to reach agreement on a budget estimate.

5. The budget estimate accepted by MEI under paragraph 3 or agreed under paragraph 4 shall become the agreed budget for the following financial year and shall be attached to this document as Annexure A.

6. The fees payable by MEI to Novogen per month in consideration of the performance of the Services shall be one twelfth of the budget set out in Annexure A.

7. The budget estimate accepted by MEPL under paragraph 3 or agreed under paragraph 4 shall become the agreed budget for the following financial year and shall be attached to this document as Annexure B.

8. The fees payable by MEPL to Novogen per month in consideration of the performance of the Services shall be one twelfth of the budget set out in Annexure B.

EXECUTED as an agreement.

EXECUTED by NOVOGEN LIMITED:

/s/ Christopher Naughton	/s/ Ronald Lea Erratt
Signature of director	Signature of director/secretary
Christopher Naughton	Ronald Lea Erratt
Name	Name

EXECUTED by MARSHALL EDWARDS, INC.:

/s/ Christopher Naughton	/s/ David Seaton
Signature of director	Signature of director/secretary
Christopher Naughton	David Seaton
Name	Name

EXECUTED by MARSHALL EDWARDS
PTY LIMITED:

/s/ Christopher Naughton	/s/ David Seaton
Signature of director	Signature of director/secretary
Christopher Naughton	David Seaton
Name	Name

ANNEXURE A

MEI AGREED BUDGET

ANNEXURE B

MEPL AGREED BUDGET

Exhibit 10.5

BLAKE DAWSON WALDRON
LAWYERS

GUARANTEE AND INDEMNITY

MARSHALL EDWARDS, INC.

MARSHALL EDWARDS PTY LIMITED

NOVOGEN LIMITED

ABN 37 063 259 754

NOVOGEN RESEARCH PTY LIMITED

ABN 87 060 202 931

NOVOGEN LABORATORIES PTY LIMITED

ABN 42 002 489 947

1-LO/200637.3

Level 41
225 George Street
SYDNEY NSW 2000
Telephone: +61 2 9258 6000
Fax: +61 2 9258 6999

[EXECUTION DATE]
REF: SJD.BLM.02-1308-9508

CONTENTS

GUARANTEE AND INDEMNITY

DATE 16 MAY 2002

PARTIES

MARSHALL EDWARDS, INC., a company incorporated under the laws of Delaware, United States of America, c/- The Corporation Trust Company, Corporation Trust Center, 1209 Orange Street, Wilmington, Delaware, USA ("MEI")

MARSHALL EDWARDS PTY LIMITED CAN 099 665 675 whose registered office is situated at 140 Wicks Road, North Ryde, NSW 2113, Australia ("MEPL")

NOVOGEN LIMITED ABN 37 063 259 754 ("NOVOGEN LIMITED")

NOVOGEN RESEARCH PTY LIMITED ABN 87 060 202 931 ("NOVOGEN RESEARCH")

NOVOGEN LABORATORIES PTY LIMITED ABN 42 002 489 947 ("NOVOGEN LABORATORIES")

RECITAL

MEI considers that it will benefit commercially by entering into this document.

OPERATIVE PROVISIONS

1. INTERPRETATION

1.1 DEFINITIONS

The following definitions apply in this document.

"AUTHORISATION" means:

(a) an authorisation, consent, declaration, exemption, notarisation or waiver, however it is described; and

(b) in relation to anything that could be prohibited or restricted by law if a Government Agency acts in any way within a specified period, the expiry of that period without that action being taken,

including any renewal or amendment.

"CORPORATIONS ACT" means the Corporations Act 2001 (Cth).

"DEFAULT RATE" means, in relation to an amount which has not been paid to a party, a rate equal to the sum of that party's cost of funding the amount (if that party were to borrow that amount and as determined conclusively by that party) and 2% per annum.

"ENCUMBRANCE" means a mortgage, charge, pledge, lien, hypothecation or title retention arrangement, a right of set-off or right to withhold payment of a deposit or other money, a notice under section 255 of the Income Tax Assessment Act 1936 (Cth), section 260-5 in schedule 1 to the Taxation Administration Act 1953 (Cth) or any similar legislation, or an

easement, restrictive covenant, caveat or similar restriction over property, or an agreement to create any of them or to allow any of them to exist.

"GUARANTEE" means a guarantee, indemnity, letter of credit, performance bond, acceptance or endorsement, or other undertaking or obligation:

(a) to provide funds (including by the purchase of property), or otherwise to make property available, in or to enable payment or discharge of;

(b) to indemnify against the consequences of default in the payment of; or

(c) otherwise to be responsible for,

an obligation (whether or not it involves the payment of money), or otherwise to be responsible for the solvency or financial condition, of any other person.

"GUARANTEED MONEY" means:

(a) all amounts (including damages) that are payable, owing but not payable, or that otherwise remain unpaid by MEPL to Novogen Research on any account at any time under or in connection with the Licence Agreement or any transaction contemplated by the Licence Agreement;

(b) all amounts (including damages) that are payable, owing but not payable, or that otherwise remain unpaid by MEPL to Novogen Laboratories on any account at any time under or in connection with the Manufacturing Licence and Supply Agreement or any transaction contemplated by the Manufacturing Licence and Supply Agreement, and

(c) all amounts (including damages) that are payable, owing but not payable, or that otherwise remain unpaid by MEPL to Novogen Limited on any account at any time under or in connection with the Services Agreement or any transaction contemplated by the Services Agreement,

whether:

(d) present or future, actual or contingent;

(e) incurred alone, jointly, severally or jointly and severally;

(f) MEPL is liable on its own account or the account of, or as surety for, another person and without regard to the capacity in which MEPL is liable;

(g) due to the Novogen Companies alone or with another person;

(h) arising from a banker and customer relationship or any other relationship;

(i) originally contemplated by MEI, MEPL or the Novogen Companies or not; and

(j) the Novogen Companies are the original party in whose favour the undertakings in this document, the Licence Agreement or the Manufacturing Licence and

Supply Agreement were given or an assignee and, if the Novogen Companies are assignee:

(i) whether or not MEI or MEPL consented to or knew of the assignment;

(ii) no matter when the assignment occurred; and

(iii) whether or not the entitlements of that original person were assigned with this document.

"MEI GUARANTEED OBLIGATIONS" means the obligations of MEPL to pay the Guaranteed Money and all its other obligations:

(a) to Novogen Research (monetary or non monetary, present or future, actual or contingent) arising under or in connection with the Licence Agreement;

(b) to Novogen Laboratories (monetary or non monetary, present or future, actual or contingent) arising under or in connection with the Manufacturing Licence and Supply Agreement;

(c) to Novogen Limited (monetary or non monetary, present or future, actual or contingent) arising under or in connection with the Services Agreement;

"NOVOGEN GUARANTEED OBLIGATIONS" means the obligations of:

(d) Novogen Research (monetary or non-monetary, present or future, actual or contingent) to MEPL arising under or in connection with the Licence Agreement;

(e) Novogen Laboratories (monetary or non-monetary, present or future, actual or contingent) to MEPL arising under or in connection with the Manufacturing Licence and Supply Agreement; and

"GUARANTEED OBLIGATIONS" means the MEI Guaranteed Obligations, and the Novogen Guaranteed Obligations collectively.

"GUARANTEE PARTY" means the party in whose favour the Guarantor Party has granted the Guarantee pursuant to the terms of this document and "GUARANTEE PARTIES" shall be construed accordingly.

"GUARANTOR PARTIES" means each of MEI and Novogen Limited and "GUARANTOR PARTY" means any one of them, as the case may be.

"INSOLVENCY EVENT" means, for a person, being in liquidation or provisional liquidation or under administration, having a controller (as defined in the Corporations Act) or analogous person appointed to it or any of its property, being taken under section 459F(1) of the Corporations Act to have failed to comply with a statutory demand, being unable to pay its debts or otherwise insolvent, dying, ceasing to be of full legal capacity or otherwise becoming incapable of managing its own affairs for any reason, taking any step that could result in the person becoming an insolvent under administration (as defined in section 9 of the Corporations Act), entering into a compromise or arrangement with, or assignment for

the benefit of, any of its members or creditors, or any analogous event, otherwise than in the course of a re-organisation, reconstruction, amalgamation or merger.

"LICENCE AGREEMENT" means the document of that title between Novogen Research and MEPL, dated on or about the date of this document.

"MANUFACTURING LICENCE AND SUPPLY AGREEMENT" means the agreement of that title between MEPL and Novogen Laboratories dated on or about the date of this document.

"MEPL" means Marshall Edwards Pty Limited.

"NOVOGEN COMPANIES" means each of Novogen Research, Novogen Laboratories and Novogen Limited.

"NOVOGEN SUBSIDIARIES" means each of Novogen Research and Novogen Laboratories.

"SERVICES AGREEMENT" means the document of that title between Novogen Limited, MEI and MEPL dated on or about the date of this document.

"TAX" means a tax, levy, duty, charge, deduction or withholding, however it is described, that is imposed by law or by a Government Agency, together with any related interest, penalty, fine or other charge, other than one that is imposed on net income in any jurisdiction.

1.2 RULES FOR INTERPRETING THIS DOCUMENT

Headings are for convenience only, and do not affect interpretation. The following rules also apply in interpreting this document, except where the context makes it clear that a rule is not intended to apply.

(a) A reference to:

(i) legislation (including subordinate legislation) is to that legislation as amended, re-enacted or replaced, and includes any subordinate legislation issued under it;

(ii) a document or agreement, or a provision of a document or agreement, is to that document, agreement or provision as amended, supplemented, replaced or novated;

(iii) a party to this document or to any other document or agreement includes a permitted substitute or a permitted assign of that party;

(iv) a person includes any type of entity or body of persons, whether or not it is incorporated or has a separate legal identity, and any executor, administrator or successor in law of the person; and

(v) anything (including a right, obligation or concept) includes each part of it.

(b) A singular word includes the plural, and vice versa.

(c) A word which suggests one gender includes the other genders.

(d) If a word is defined, another part of speech has a corresponding meaning.

(e) If an example is given of anything (including a right, obligation or concept), such as by saying it includes something else, the example does not limit the scope of that thing.

(f) The word "AGREEMENT" includes an undertaking or other binding arrangement or understanding, whether or not in writing.

1.3 MULTIPLE PARTIES

If a party to this document is made up of more than one person, or a term is used in this document to refer to more than one party:

(a) an obligation of those persons is joint and several;

(b) a right of those persons is held by each of them severally; and

(c) any other reference to that party or term is a reference to each of those persons separately, so that (for example) a representation, warranty or undertaking is given by each of them separately.

2. GUARANTEE

2.1 CONSIDERATION

Each Guarantor Party acknowledges that it has received valuable consideration for entering into this document.

2.2 OBLIGATIONS GUARANTEED

MEI guarantees to the Novogen Companies the due and punctual:

(a) payment by MEPL of the Guaranteed Money; and

(b) performance by MEPL of the MEI Guaranteed Obligations.

Novogen Limited guarantees to MEPL the due and punctual:

(c) performance by the Novogen Subsidiaries of the Novogen Guaranteed Obligations.

2.3 CONSEQUENCES OF DEFAULTS

(a) If MEPL defaults in the due and punctual payment of any Guaranteed Money, MEI must pay that money on demand to, or as directed by, the Novogen Companies.

(b) If MEPL defaults in the due and punctual performance of any MEI Guaranteed Obligation, MEI:

(i) must indemnify the Novogen Companies against all losses, liabilities and expenses (including legal expenses on a full indemnity basis) that the Novogen Companies incur (directly or indirectly) as a result of that default; and

(ii) must pay the amount of those losses, liabilities and expenses on demand to, or as directed by, the Novogen Companies.

(c) if any of the Novogen Subsidiaries defaults in the due and punctual performance of any Novogen Guaranteed Obligation, Novogen Limited:

(i) must indemnify MEPL against all losses, liabilities and expenses (including legal expenses on a full indemnity basis) that MEPL incurs (directly or indirectly) as a result of that default; and

(ii) must pay the amount of those losses, liabilities and expenses on demand to, or as directed by MEPL.

2.4 NATURE OF OBLIGATIONS AND ENFORCEMENT

Each Guarantor Party's obligations in this document:

(a) are principal obligations, and not ancillary or collateral to any other right or obligation; and

(b) may be enforced against the Guarantor Parties without the Guarantee Parties first being required to:

(i) exhaust any remedy they may have against the Guarantor Parties;

(ii) enforce any security they may hold relating to the Guaranteed Obligations.

2.5 PRESERVATION OF OBLIGATIONS

Each Guarantor Party's obligations in this document are absolute, unconditional and irrevocable. The liability of each Guarantor Party under this document extends to and is not affected by any circumstance, act or omission which, but for this clause 2.5, might otherwise affect it at law or in equity including:

(a) the grant of any time, waiver or other indulgence or concession;

(b) the discharge or release of MEPL, MEI, the Novogen Subsidiaries or any other person;

(c) any transaction or arrangement that may take place between MEPL, MEI the Novogen Companies, or any other person;

(d) the occurrence of an Insolvency Event in relation to MEPL, MEI, the Novogen Subsidiaries or any other person;

(e) the Guarantee Parties or any other person dealing or not dealing in any way with any other Guarantee, Encumbrance, document or agreement;

(f) the Guarantee Parties or any other person:

(i) exercising or not exercising any other Guarantee or Encumbrance or any right or remedy conferred on them by law or in equity or by any document or agreement; or

(ii) not recovering any money owing by MEPL or by the Novogen Subsidiaries, as the case may be;

(g) any variation (including a variation which increases, or extends the duration of, the Guaranteed Money or the Guaranteed Obligations), replacement, extinguishment, unenforceability, failure, loss, abandonment or transfer of any document or agreement relating to the Guaranteed Obligations (including this document and any other Guarantee or Encumbrance held by the Guarantee Parties from any person at any time);

(h) the Guaranteed Obligations or the obligations of MEI or Novogen Limited or any other person under this document or any other document or agreement relating to the Guaranteed Obligations or this document (including any other Guarantee or Encumbrance) being or becoming illegal, void, voidable, unenforceable or disclaimed by a liquidator or trustee for creditors or in bankruptcy;

(i) the Novogen Companies not giving MEI notice of any default by MEPL or any other person;

(j) MEPL not giving Novogen Limited notice of any default by the Novogen Subsidiaries or any other person;

(k) the Guarantee Parties not disclosing any information to the Guarantor Parties;

(l) any representation made or information given by the Guarantee Parties to the Guarantor Parties;

(m) any change in the legal capacity, rights or obligations of, or other circumstance related to MEPL, MEI, the Novogen Companies or any other person;

(n) any legal limitation, disability, incapacity or other circumstance related to MEPL, MEI, the Novogen Companies or any other person;

(o) any invalidity or irregularity in the execution of this document or any deficiency in the powers of MEPL or MEI or the Novogen Companies;

(p) any assignment by the Novogen Companies, with or without the knowledge of MEPL or MEI; or any assignment by MEPL with or without the knowledge of the Novogen Companies;

(q) any obligation of MEPL or the Novogen Subsidiaries being discharged by operation of law;

(r) any person who was intended to be bound as a guarantor or surety in relation to the Guaranteed Obligations not becoming bound or ceasing to be bound;

(s) any laches, acquiescence, delay, act, omission or mistake on the part of, or suffered by, the Novogen Companies or by MEPL or by MEI or by any other person, in relation to this document or any other Guarantee, Encumbrance, document or agreement;

(t) the receipt by the Novogen Companies or any other person of any dividend or money after an Insolvency Event in relation to MEPL, MEI or any other person;

(u) the receipt by MEPL, MEI or any other person of any dividend or money after an Insolvency Event in relation to the Novogen Companies or any other person;

(v) any judgment or right which the Novogen Companies may have or exercise against MEPL, MEI or any other person;

(w) any judgment or right which MEPL or MEI may have or exercise against the Novogen Companies or any other person;

(x) the opening or operation of a new account by MEPL with the Novogen Companies or any other person or the opening or operation of a new account by the Novogen Companies with MEPL or any other person;

(y) the amendment of the constitution, trust deed or other constituent document of MEPL or MEI or the Novogen Companies;

(z) if MEPL or MEI or any of the Novogen Companies is a member of a partnership, firm, joint venture or association, any change in the structure, membership, name or business of that partnership, firm, joint venture or association;

(aa) if MEPL or MEI or any of the Novogen Companies is a trustee of a trust, any breach or variation of the terms of that trust; or

(bb) if MEI is a director or shareholder of MEPL, any change in that directorship or shareholding or if Novogen Limited is a director or shareholder of the Novogen Subsidiaries, any change in that directorship or shareholding.

2.6 CONTINUITY

This document is a continuing security, and remains in full force until the Guaranteed Obligations have been irrevocably paid and performed in full despite any transaction or other thing (including a settlement of account or intervening payment).

2.7 LIMITATIONS ON GUARANTOR PARTY'S RIGHTS

Until the Guaranteed Obligations have been irrevocably paid and performed in full, each Guarantor Party may not:

(a) in the case of MEI, share in any Guarantee, Encumbrance or money received or receivable by the Novogen Companies in relation to the MEI Guaranteed Obligations, or stand in the place of the Novogen Companies in relation to any Guarantee, Encumbrance or right to receive money;

(b) in the case of Novogen Limited, share in any Guarantee, Encumbrance or money received or receivable by MEI and/or MEPL in relation to the Novogen Guaranteed Obligations, or stand in the place of MEI and/or MEPL in relation to any Guarantee, Encumbrance or right to receive money;

(c) in the case of MEI, take any steps to enforce a right or claim against MEPL relating to any money paid by MEI to the Novogen Companies under this document;

(d) in the case of Novogen Limited, take any steps to enforce a right or claim against the Novogen Subsidiaries relating to any money paid by Novogen Limited to MEI under this document;

(e) in the case of MEI, have or exercise any rights as surety in competition with the Novogen Companies;

(f) in the case of Novogen Limited, have or exercise any rights as surely in competition with MEPL;

(g) receive, claim or have the benefit of any payment (including a payment under a Guarantee), distribution or Encumbrance from or on account of any person;

(h) in reduction of its liability under this document, raise a defence, set off or counterclaim available to itself, or a co-surety or co-indemnifier against the Guarantee Parties or claim a set off or make a counterclaim against the Guarantee Parties; or

(i) claim to be entitled by way of contribution, indemnity, subrogation, marshalling or otherwise to the benefit of any agreement or document to which the Guarantee Parties are a party.

2.8 NO MARSHALLING

The Guarantee Parties are not under any obligation to marshal or appropriate in favour of the Guarantor Parties or to exercise, apply, perfect or recover any Encumbrance that the Guarantee Parties hold at any time or any funds or property that the Guarantee Parties may be entitled to receive or have a claim on.

2.9 EFFECT OF INSOLVENCY EVENT

(a) If MEPL is wound up or bankrupted, MEI irrevocably authorises the Novogen Companies and if the Novogen Subsidiaries are wound up or bankrupted, Novogen Limited irrevocably authorises MEI, to:

(i) prove for all money that the Guarantee Party has paid under this document; and

(ii) retain and carry to a suspense account and appropriate at the Guarantee Parties' discretion any dividends and other money received in relation to the Guaranteed Money,

until the Guaranteed Obligations have been irrevocably paid and performed in full. The Guarantee Parties are not obliged to do this.

(b) If an Insolvency Event has occurred in relation to MEPL or MEI or the Novogen Companies, any amount paid by MEPL or MEI or the Novogen Companies (as the case may be) within the preceding 6 months (the "RELEVANT PAYMENT") will only be applied against any Guaranteed Obligations if:

(i) The relevant Guarantee Party forms the opinion in good faith (which will be conclusively binding on the Guarantor Party) that it will not be required to pay the relevant payment to any person under any law relating to bankruptcy, winding up or the protection of creditors; or

(ii) a final judgment is given by a court of competent jurisdiction in favour of the Guarantee Party that it is not required to pay the relevant payment to any person under any law relating to bankruptcy, winding up or the protection of creditors.

(c) If an amount is applied against any Guaranteed Obligations and the Guarantee Party forms the opinion in good faith that it is obliged to pay the relevant payment to any person under any law relating to bankruptcy, winding up or the protection of creditors:

(i) the Guarantee Party's rights are to be reinstated and will be the same in relation to that amount as if the application, or the payment or transaction giving rise to it, had not been made; and

(ii) the Guarantor Party must immediately do anything (including the signing of documents) required by the relevant Guarantee Party to restore to the Guarantee Party any Guarantee or Encumbrance to which it was entitled immediately before that application or the payment or transaction giving rise to it.

(d) Any discharge or release between a Guarantee Party and a Guarantor Party is subject to reinstatement of the Guarantee Party's rights under this subclause.

2.10 GUARANTEE PARTIES NOT LIABLE

The Guarantee Parties are not liable for any loss suffered by the Guarantor Parties as a direct or indirect result of:

(a) the Guarantee Parties' exercise or attempted exercise of, or failure to exercise, any of their rights contained in this document; or

(b) any release or dealing with any other Guarantee or Encumbrance (including any prejudice to or loss of the Guarantee Parties' rights of subrogation).

3. INDEMNITY IN RESPECT OF THE GUARANTEED OBLIGATIONS

3.1 INDEMNITY

For the consideration mentioned in clause 2.1, the Guarantor Parties must unconditionally indemnify the Guarantee Parties against, and must pay the Guarantee Parties on demand the amount of, any loss that the Guarantee Parties may suffer because:

(a) the Guaranteed Obligations are unenforceable; or

(b) in the case of the Novogen Companies, the Guaranteed Money is not recoverable from MEPL or is repaid or restored after it has been recovered,

including the amount of any Guaranteed Money (or any money which, if recoverable, would have formed part of the Guaranteed Money) that is not or may not be recoverable.

3.2 APPLICATION OF THE INDEMNITY

The indemnity in clause 3.1 extends to any money that is not recoverable:

(a) because of any legal limitation, disability or incapacity of or affecting MEPL or the Novogen Subsidiaries (as the case may be) or any other person;

(b) because any transaction relating to that money was void, illegal, voidable or unenforceable;

(c) whether or not the Guarantee Parties knew or should have known any of the relevant matters or facts; and because of any fact or circumstance.

4. DEFAULT INTEREST

4.1 GUARANTOR PARTY MUST PAY INTEREST

(a) Each Guarantor Party must pay interest on each amount that is not paid when due from (and including) the day on which it falls due to (but excluding) the day on which it is paid in full, at the rate calculated in accordance with paragraph (b). This interest must be paid on demand.

(b) Interest on an unpaid amount accrues each day at the Default Rate, and is capitalised (if not paid) every 7 days.

(c) This subclause 4.1 does not affect each Guarantor Party's obligation to pay each amount under this document when it is due.

4.2 INTEREST AFTER JUDGMENT

If a liability of a Guarantor Party becomes merged in a judgment or order, the Guarantor Party, as an independent obligation, must pay interest on the amount of that liability, from (and including) the date of the judgment or order until it is paid in full, at the higher of the rate that applies under the judgment or order and the rate calculated in accordance with clause 4.1.

4.3 ACCRUAL AND CALCULATION OF INTEREST

Interest under this clause:

(a) accrues daily; and

(b) is calculated on the basis of the actual number of days on which interest has accrued and of a 365 day year.

5. PAYMENTS

5.1 HOW PAYMENTS MUST BE MADE

(a) The Guarantor Parties must make each payment to the Guarantee Parties under this document by delivering an unendorsed bank cheque to the Guarantee Parties at the place, or by direct transfer of cleared funds to the credit of the account, that the Guarantee Parties nominate at least 1 Business Day before the payment is made.

(b) The Guarantor Parties must make each payment to the Guarantee Parties under this document without any set-off or counterclaim and (to the extent permitted by law) free and clear of, and without deduction or withholding for or on account of, any Taxes.

5.2 DEDUCTIONS AND WITHHOLDINGS

If at any time an applicable law obliges a Guarantor Party to make a deduction or withholding in respect of Taxes from a payment to a Guarantee Party under this document, the Guarantor Party must:

(a) notify the Guarantee Party of the obligation promptly after the Guarantor Party becomes aware of it;

(b) ensure that the deduction or withholding does not exceed the minimum amount required by law;

(c) pay to the relevant Government Agency on time the full amount of the deduction or withholding and promptly deliver to the Guarantee Party a copy of any receipt, certificate or other proof of payment; and

(d) indemnify the Guarantee Party against the deduction or withholding by paying to the Guarantee Party, at the time that the payment to the Guarantee Party is due, an additional amount that ensures that, after the deduction or withholding is made, the Guarantee Party receives a net sum equal to the sum that it would have received if the deduction or withholding had not been made.

6. REPRESENTATIONS AND WARRANTIES

6.1 REPRESENTATIONS AND WARRANTIES

MEI represents and warrants to the Novogen Companies that:

(a) (STATUS) it is a company limited by shares incorporated under the laws of Delaware, United States of America;

Novogen Limited represents and warrants to MEPL that

(b) (STATUS) it is a company limited by shares incorporated under the laws of the Commonwealth of Australia;

Each Guarantor Party represents and warrants that:

(c) (POWER) it has full legal capacity and power to:

(i) own its property and to carry on its business; and

(ii) enter into this document and to carry out the transactions that this document contemplates;

(d) (CORPORATE AUTHORITY) it has taken all corporate action that is necessary or desirable to authorise its entry into this document and its carrying out the transactions that this document contemplates;

(e) (AUTHORISATIONS) it holds each Authorisation that is necessary or desirable to:

(i) enable it to properly execute this document and to carry out the transactions that this document contemplates;

(ii) ensure that this document is legal, valid, binding and admissible in evidence; or

(iii) enable it to properly carry on its business,

and it is complying with any conditions to which any of these Authorisations is subject;

(f) (DOCUMENTS EFFECTIVE) this document constitutes its legal, valid and binding obligations, enforceable against it in accordance with its terms (except to the extent

limited by equitable principles and laws affecting creditors' rights generally), subject to any necessary stamping or registration;

(g) (RANKING) its payment obligations under this document rank at least equally with all its other unsecured and unsubordinated payment obligations (whether present or future, actual or contingent), other than obligations that are mandatorily preferred by law;

(h) (NO CONTRAVENTION) neither its execution of this document nor the carrying out by it of the transactions that this document contemplates, does or will:

(i) contravene any law to which it or any of its property is subject or any order of any Government Agency that is binding on it or any of its property;

(ii) contravene any Authorisation;

(iii) contravene any undertaking or instrument binding on it or any of its property;

(iv) contravene its constitution; or

(v) require it to make any payment or delivery in respect of any financial indebtedness before it would otherwise be obliged to do so;

(i) (NO SECURITY) in the case of MEI, that it has not taken any Encumbrance from MEPL for or in consideration of assuming any of its obligations under this document and, in the case of Novogen Limited, that it has not taken any encumbrance from the Novogen Subsidiaries for or in consideration of assuming any of its obligations under this document.

6.2 RELIANCE ON REPRESENTATIONS AND WARRANTIES

Each Guarantor Party acknowledges that the Guarantee Parties have executed this document and agreed to take part in the transactions that this document contemplates in reliance on the representations and warranties that are made in this clause.

6.3 NOVOGEN COMPANIES HAVE NO DUTY TO DISCLOSE

Except as provided in this document, the Novogen Companies were not, before execution of this document by MEI, and are not in the future, liable to do anything (including disclosing any information to MEI) relating to MEPL's affairs or transactions with the Novogen Companies.

7. UNDERTAKINGS

MEI must:

(a) (MAINTAIN STATUS) maintain its status as a company limited by shares under the laws of Delaware, United States of America;

Novogen Limited must

(b) maintain its status as a company limited by shares under the laws of the Commonwealth of Australia;

Each Guarantor Party must:

(c) (COMPLY WITH LAW) comply with, and ensure that each of its subsidiaries complies with, all applicable law including by paying when due all Taxes for which it or any of its property is assessed or liable (except to the extent that these are being diligently contested in good faith and by appropriate proceedings and it or the relevant subsidiary has made adequate reserves for them);

(d) (HOLD AUTHORISATIONS) obtain and maintain each Authorisation that is necessary or desirable to:

(i) execute this document and to carry out the transactions that this document contemplates;

(ii) ensure that this document is legal, valid, binding and admissible in evidence; or

(iii) enable it to properly carry on its business,

and must comply with any conditions to which any of these Authorisations is subject;

(e) (NO ADMINISTRATOR) not appoint, and ensure that none of its subsidiaries appoints, an administrator without notice to the Guarantee Parties; and

(f) (NO SECURITY) in the case of MEI, not take any Encumbrance from MEPL and, in the case of Novogen Limited, not take any Encumbrance from the Novogen Subsidiaries, as the case may be, for or in consideration of assuming any of its obligations under this document.

8. GENERAL INDEMNITY

Each Guarantor Party must indemnify the Guarantee Parties against, and must pay the Guarantee Parties on demand the amount of, all losses, liabilities, expenses and Taxes incurred in connection with the administration, and any actual or attempted preservation or enforcement, of any rights under this document.

9. NOTICES

(a) A notice, consent or other communication under this document is only effective if it is in writing, signed and either left at the addressee's address or sent to the addressee by mail or fax. If it is sent by mail, it is taken to have been received 3 working days after it is posted. If it is sent by fax, it is taken to have been received when the addressee actually receives it in full and in legible form.

(b) A person's address and fax number are those set out below, or as the person notifies the sender:

MEI
Address: 140 Wicks Road, North Ryde NSW 2113 AUSTRALIA
Fax number: Int + 612 9878 0055
Attention: President

MEPL
Address: 140 Wicks Road, North Ryde NSW 2113 AUSTRALIA
Fax number: Int + 612 9878 0055
Attention: Managing Director

NOVOGEN RESEARCH
Address: 140 Wicks Road, North Ryde NSW 2113 AUSTRALIA
Fax number: Int + 612 9878 0055
Attention: Managing Director

NOVOGEN LABORATORIES
Address: 140 Wicks Road, North Ryde NSW 2113 AUSTRALIA
Fax number: Int + 612 9878 0055
Attention: Managing Director

NOVOGEN LIMITED
Address: 140 Wicks Road, North Ryde NSW 2113 AUSTRALIA
Fax number: Int + 612 9878 0055
Attention: Managing Director

10. AMENDMENT AND ASSIGNMENT

10.1 AMENDMENT

This document can only be amended, supplemented, replaced or novated by another document signed by the parties.

10.2 ASSIGNMENT

(a) Each Guarantor Party may only dispose of, declare a trust over or otherwise create an interest in its rights under this document with the consent of the relevant Guarantee Party.

11. GENERAL

11.1 GOVERNING LAW

(a) This document is governed by the law in force in New South Wales.

(b) Each party submits to the non-exclusive jurisdiction of the courts exercising jurisdiction in New South Wales, and any court that may hear appeals from any of

those courts, for any proceedings in connection with this document, and waives any right it might have to claim that those courts are an inconvenient forum.

11.2 GIVING EFFECT TO THIS DOCUMENT

Each Guarantor Party must do anything (including execute any document), and must ensure that its employees and agents do anything (including execute any document), that the relevant Guarantee Party may reasonably require to give full effect to this document.

11.3 WAIVER OF RIGHTS

A right may only be waived in writing, signed by the Guarantee Parties, and:

(a) no other conduct of the Guarantee Parties (including a failure to exercise, or delay in exercising, the right) operates as a waiver of the right or otherwise prevents the exercise of the right;

(b) a waiver of a right on one or more occasions does not operate as a waiver of that right if it arises again; and

(c) the exercise of a right does not prevent any further exercise of that right or of any other right.

11.4 OPERATION OF THIS DOCUMENT

(a) This document contains the entire agreement between the parties about its subject matter. Any previous understanding, agreement, representation or warranty relating to that subject matter is replaced by this document and has no further effect.

(b) Any right that the Guarantee Parties may have under this document is in addition to, and does not replace or limit, any other right that the Guarantee Parties may have.

(c) Any provision of this document which is unenforceable or partly unenforceable is, where possible, to be severed to the extent necessary to make this document enforceable, unless this would materially change the intended effect of this document.

11.5 OPERATION OF INDEMNITIES

(a) Each indemnity in this document survives the expiry or termination of this document.

(b) Each Guarantee Party may recover a payment under an indemnity in this document before it makes the payment in respect of which the indemnity is given.

11.6 STATEMENTS BY THE GUARANTEE PARTIES

A statement by an authorised representative of the Guarantee Parties on any matter relating to this document (including any amount owing by the Guarantor Parties) is conclusive unless clearly wrong on its face.

11.7 COUNTERPARTS

This document may be executed in counterparts.

EXECUTED as a deed.

EXECUTED by MARSHALL EDWARDS, INC.:

/s/ Christopher Naughton	/s/ David Seaton
- ----------	----------
Signature of director	Signature of director/secretary
Christopher Naughton	David Seaton
- ----------	----------
Name	Name

EXECUTED by NOVOGEN RESEARCH PTY LIMITED:

/s/ Christopher Naughton	/s/ Ronald Erratt
- ----------	----------
Signature of director	Signature of director/secretary
Christopher Naughton	Ronald Erratt
- ----------	----------
Name	Name

EXECUTED by NOVOGEN LABORATORIES PTY LIMITED:

/s/ Christopher Naughton	/s/ Ronald Erratt
- ----------	----------
Signature of director	Signature of director/secretary
Christopher Naughton	Ronald Erratt
- ----------	----------
Name	Name

EXECUTED by MARSHALL EDWARDS PTY LTD

/s/ Chris Naughton	/s/ David Seaton
Signature of director	Signature of director/secretary
Chris Naughton	David Seaton
Name	Name

EXECUTED by NOVOGEN LIMITED:

/s/ Chris Naughton	/s/ Ronald Erratt
Signature of director	Signature of director/secretary
Chris Naughton	Ronald Erratt
Name	Name

Exhibit 10.6

BLAKE DAWSON WALDRON
LAWYERS

Rules of the Marshall Edwards Inc Share Option Plan

	26 March 2001
Blake Dawson Waldron Level 37 Grosvenor Place 225 George Street SYDNEY NSW 2000 Telephone: (02) 9258 6000 Fax: (02) 0259 6999 MM 111559948	REF. SJD.JG.12846476

CONTENTS

MARSHALL EDWARDS INC

RULES OF THE MARSHALL EDWARDS INC SHARE OPTION PLAN

1. INTERPRETATION AND OBJECT

1.1 DEFINITIONS

In these Rules, the following definitions apply.

ACCEPTANCE FORM means a form for the acceptance of the invitation made by the Committee to the Participant to participate in the Plan under clause 3.1 in such form as is approved by the Committee from time to time;

ASSOCIATED COMPANY means any entity that is, directly or indirectly through one or more intermediaries, controlled by, in control of, or under common control with, the Company.

ASX means Australian Stock Exchange Limited.

BOARD means the board of Directors of the Company from time to time.

BUSINESS DAY means a day which is a "business day" for the purposes of the Listing Rules.

CHANGE IN CONTROL shall be deemed to have occurred on:

(a) the date of the acquisition by any "person" (within the meaning of Section 13(d)(3) or 14(d)(2) of the Exchange Act), excluding the Company or Associated Company or any employee benefit plan sponsored by any of the foregoing, of beneficial ownership (within the meaning of Rule 13d-3 under the Exchange Act) of 50% or more of either (x) the then outstanding shares of common stock of the Company, or (y) the then outstanding voting securities entitled to vote generally in the election of Directors;

(b) the date the individuals who constitute the Board as of the effective date of the Plan (the "Incumbent Board) cease for any reason to constitute at least a majority of the members of the Board, provided that any individual becoming a Director subsequent to the effective date of the Plan whose election, or nomination for election by the Company's stockholders, was approved by a vote of at least a majority of the Directors then comprising the Incumbent Board (other than any individual whose nomination for election to Board membership was not endorsed by the Company's management prior to, or at the time of, such individual's initial nomination for election) shall be, for purposes of the Plan, considered as though such person were a member of the Incumbent Board; or

(c) the consummation of a merger, consolidation, recapitalization, reorganization, sale or disposition of all or a substantial portion of the Company's assets, a reverse stock split of outstanding voting securities, the issuance of shares of stock of the Company in connection with the acquisition of the stock or assets of another entity, provided, however, that a Change in Control shall not occur under this

clause (c) if consummation of the transaction would result in more than 50% of the total voting power represented by the voting securities of the Company (or, if not the Company, the entity that succeeds to all or substantially all of the Company's business) outstanding immediately after such transaction being beneficially owned (within the meaning of Rule 136d-3 promulgated pursuant to the Exchange Act) by at least 75% of the holders of outstanding voting securities of the Company immediately prior to the transaction, with the voting power of each such continuing holder relative to other such continuing holders not substantially altered in the transaction.

CHANGE IN CONTROL PERIOD means:

(a) in relation to a Change in Control which will result in the Company ceasing to exist as a legal entity, a period before the day on which the Change of Control will occur, as determined by the Committee; and

(b) in relation to any other Change in Control, the 20 Business Days after the day on which the Change in Control occurred.

COMMITTEE means the Board or, if a committee is appointed by the Board as contemplated by clause 2.1, that committee.

COMPANY means Marshall Edwards Inc.

DIRECTOR means a member of the Board.

EMPLOYEE means:

(a) an employee (which, for the avoidance of doubt, includes a part time employee) or director resident in Australia;

(b) a consultant or contractor engaged by the Company or a Related Body Corporate who is resident in Australia and who has:

  (i) worked for the Company or a Related Body Corporate for more than one year; and

  (ii) has received 80% of their income in the preceding year from the Company or the Related Body Corporate; or

(c) a director, employee, consultant or contractor of any entity in the Group resident anywhere other than Australia.

EXCHANGE ACT means the United States Securities Exchange Act of 1934, as amended.

EXERCISE CONDITION means, in respect of an Option, one or more conditions which must be met before the Option may be exercised.

EXERCISE PERIOD means, in respect of an Option, each of:

(a) each day which is after the Vesting Period and before the end of the Option Period; and

(b) each Change in Control Period during the Option Period.

EXERCISE PRICE means in respect of an Option, the subscription price on exercise of the Option determined in accordance with clauses 2.3 and 3.1 in relation to that Option (as adjusted under clause 6).

GROUP means the Company and all Associated Companies and Related Bodies Corporate.

HOLDER means in respect of an Option, the person registered as holder of the Option in the register of options maintained by the Company.

LISTING RULES means the listing rules of ASX as they may apply to the Company from time to time.

MARKET PRICE of a Share, in respect of a particular date, means, the price determined by the Committee to be the weighted average closing price of Shares sold on ASX on the 5 trading days immediately preceding that date (provided that if no Shares were sold on ASX during such 5 day period the Market Price of a Share shall be the amount determined by the Committee to be equal to the closing price of Shares sold on ASX on the last trading day on which Shares were traded).

MINIMUM PRICE means $0.20 or such other amount as may be prescribed by the Listing Rules as the minimum exercise price for options.

OPTION means an option to subscribe under the Plan for one fully paid Share (as adjusted under clause 6).

OPTION CERTIFICATE means the certificate issued by the Company to a Holder in respect of an Option.

OPTION PERIOD means, in respect of an Option, subject to clause 5.6, the period starting on the date on which the Company grants the Option and ending, unless another period is specified in the invitation made in relation to that Option under clause 3:

(a) on the fifth anniversary of that date; or

(b) at the end of any other period permitted by law that the Committee may from time to time determine for the purposes of this definition.

PARTICIPANT means any Employee whom the Committee has decided under clause 2.2 is eligible to participate in the Plan.

PLAN means the Marshall Edwards Inc Share Option Plan established in accordance with these Rules.

RECORD DATE has the meaning given to it by the Listing Rules.

RELATED BODY CORPORATE has the meaning given to it in the Australian Corporations Law.

SHARE means a share of common stock of the Company, par value $_ (as adjusted under clause 6).

VESTING PERIOD means, in respect of an Option, the period of two years after the date of grant or another period determined by the Committee (either generally or in a particular case).

1.2 RULES FOR INTERPRETING THIS DOCUMENT

Headings are for convenience only, and do not affect interpretation. The following Rules also apply in interpreting this document, except where the context makes it clear that a Rule is not intended to apply.

(a) A reference to:

(i) legislation (including subordinate legislation) is to that legislation as amended, re-enacted or replaced, and includes any subordinate legislation issued under it;

(ii) a document or agreement, or a provision of a document or agreement, is to that document, agreement or provision as amended, supplemented, replaced or novated;

(iii) a person includes any type of entity or body of persons, whether or not it is incorporated or has a separate legal identity, and any executor, administrator or successor in law of the person; and

(iv) anything (including a right, obligation or concept) includes each part of it.

(b) A singular word includes the plural, and vice versa.

(c) A word which suggests one gender includes the other genders.

(d) If a word is defined, another part of speech has a corresponding meaning.

(e) If an example is given of anything (including a right, obligation or concept), such as by saying it includes something else, the example does not limit the scope of that thing.

(f) A reference to "DOLLARS" or "$" is to Australian currency.

1.3 OBJECT OF PLAN

The object of the Plan is to assist in the recruitment, reward, retention and motivation of Employees.

2. ADMINISTRATION

2.1 COMMITTEE'S AUTHORITY

The Board or a committee properly appointed by the Board may manage and administer the Plan for the Company and the Committee has all powers necessary to do so.

2.2 DETERMINATION OF ELIGIBILITY

The Committee may from time to time decide:

(a) that an Employee is eligible to participate in the Plan;

(b) (whether or not the Participant is already a Holder) the number of Options for which the Participant may at that time be invited to apply;

(c) the Exercise Conditions (if any) to be applicable to the Options for which the Participant may at that time be invited to apply.

In making these determinations, the Committee must consider:

(a) the Employee's position with the Group and the services provided to the Group by the Employee;

(b) the Employee's record of employment or service with the Group;

(c) the Employee's potential contribution to the growth of the Group; and

(d) any other matters which tend to indicate the Employee's merit.

2.3 DETERMINATION OF PRICE

When the Committee decides to invite a Participant to apply for an Option, it must, in its absolute discretion (but subject to clause 6), determine the Exercise Price per Share for that Option, but that price:

(a) unless the Committee otherwise determines either generally or in a particular case, must be at least equal to the Market Price of one Share at the date the Committee decides to invite the Participant to apply for the Option; and

(b) must not be less than the Minimum Price.

2.4 DISPUTES

Any dispute or difference of any nature arising in relation to the Plan:

(a) must be referred to the Committee; and

(b) the Committee's decision on that dispute or difference is final and binding on the Company, the Participants and the Holders in all respects.

2.5 DIRECTION FROM BOARD

The Board may at any time and from time to time:

(a) give directions to the Committee as to the manner of the exercise by the Committee of any of its discretions under these Rules or the Plan; and

(b) amend any of those directions,

and where the Board has given such a direction, the Committee must exercise the relevant discretion in accordance with that direction.

3. METHOD OF INVITATION

3.1 INVITATIONS

The Committee may from time to time give a Participant notice inviting the Participant to apply for Options and must include with the invitation an Acceptance Form and specify in the invitation:

(a) the Participant;

(b) the number of Options for which the Participant is invited to apply;

(c) the amount payable (if any) by the Participant as consideration for the Options and the terms of its payment (which may include the circumstances in which the Company must refund some or all of that amount);

(d) the Exercise Price for each Option;

(e) the Vesting Period for each Option;

(f) the Option Period for each Option;

(g) the Exercise Conditions (if any) determined by the Committee to be applicable in respect of each Option;

(h) the closing date for applying for each Option;

(i) how the Company will during the Option Period, within a reasonable period of the Participant so requesting, make available to the Participant, the current market price of Shares; and

(j) how the Participant is to apply for the Option

An invitation under this clause 3.1 may be on such terms, whether in addition to or inconsistent with the terms of the Plan, as the Committee may in its absolute discretion determine.

3.2 PARTICIPANT MAY APPLY

Where a Participant receives an invitation under clause 3.1, the Participant may apply for the Options specified in the invitation.

4. APPLICATION FOR OPTIONS

4.1 APPLICATION

A Participant who wishes to apply for Options specified in an invitation made under clause 3 must on or before the closing date stated in the invitation (or any later date that the Company may allow either generally or in a particular case):

(a) do what is specified in the invitation in order to apply for the Option; and

(b) execute the Acceptance Form, or arrange for the execution of the Acceptance Form on the Participant's behalf and deliver it to the Committee, and

upon so accepting the Participant agrees to be bound by the Rules.

4.2 GRANT AND CERTIFICATE

Upon receipt of a duly completed Acceptance Form, the Company must:

(a) grant the relevant Options to the Participant; and

(b) must issue to the Holder an Option Certificate in respect of those Options.

5. OPTION TO SUBSCRIBE

5.1 EXERCISE

The Participant may exercise any Option granted to the Participant under clause 4.2 only:

(a) during an Exercise Period for the Option;

(b) by giving a notice and doing all the other things required by clause 5.2 during that time; and

(c) if the Participant at the same time either:

(i) exercises a number of Options so that the Company will issue a minimum of a number of Shares or multiple of a number that the Committee determines; or

(ii) exercises all the Options granted to the Participant which the Participant is then entitled to exercise.

The exercise of an Option does not prevent the exercise of any other Option.

5.2 NOTICE

To exercise an Option the Participant must give a notice specifying that it exercises the Option to the Company accompanied by:

(a) the relevant Option Certificate; and

(b) payment by bank cheque or postal order in favour of the Company of the full amount of the Exercise Price.

Exercise of an Option is only effective when the Company receives full value for the full amount of the Exercise Price.

5.3 PAYMENT

All payments of the Exercise Price for an Option must be made by bank cheque or postal order made out in favour of the Company.

5.4 ALLOTMENT

As soon as practicable after the exercise of an Option becomes effective, but subject to any timetable requirements under the Listing Rules, the Company must allot and issue to the Participant the Shares the subject of the Option. However, no Shares shall be issued under the Plan unless and until all applicable legal requirements have been complied with to the satisfaction of the Committee. The Committee shall have the right to condition the exercise of any Option on the Participant's undertaking in writing to comply with applicable legal requirements.

5.5 SHARE ALLOTTED UPON EXERCISE OF OPTION

The Shares allotted and issued following exercise of an Option, upon allotment rank equally in all respects (including as to dividends the entitlement to which is determined after the allotment) with those then issued fully paid Shares which arc entitled to participate in full in any dividend and are subject to the constitution of the Company.

5.6 LAPSE

Each Option lapses:

(a) on exercise of the Option under clause 5.2;

(b) if the Option is not exercised under clause 5.2 during the Option Period, at the end of the Option Period;

(c) except as provided in clauses 5.7 and 5.8, if the Participant ceases to be an Employee during the Option Period;

(d) if the Committee becomes aware of circumstances which, in the reasonable opinion of the Committee indicate that the Participant has acted fraudulently, dishonestly or in a manner which is in breach of his or her obligations to the Company or any Associated Company and the Committee (in its absolute discretion) determines that the Option lapses; or

(e) pursuant to clause 6, if so determined by the Committee.

5.7 DEATH

If the Participant dies before the end of the Option Period, with the written approval of the Committee in its absolute discretion, the Option may (but only at a time permitted by the approval and in accordance with any conditions specified in the approval) be

exercised by the legal personal representatives of the Participant in accordance with clause 5.1 and to the extent necessary for this to occur, the Option may be transferred to the legal personal representatives and does not lapse.

5.8 TERMINATION OF EMPLOYMENT

If the Participant ceases to be an Employee before the end of the Option Period (other than by reason of the death of the Employee), the Committee may in its absolute discretion (on any conditions which it thinks fit) decide that the Option does not lapse under clause 5.6(c) but lapses at the time and subject to the conditions it may specify by notice to the Participant. In making a decision under this clause, the Committee may consider any relevant matter (including, without limitation, whether the Participant ceased to be an Employee by reason of retirement, ill-health, accident or redundancy).

5.9 BALANCE CERTIFICATE

If the Participant exercises less than all of the Options referred to in an Option Certificate, the Committee must issue to the Holder an Option Certificate in respect of the Options not exercised at that time.

5.10 LISTING ON ASX

The Shares to be issued to any Participant upon exercise of an Option will not be quoted on any stock exchange on which the Shares are quoted until the Option is exercised, at which time the Company must apply to ASX (and any other stock exchange on which the Shares are quoted), within 3 Business Days after the date of issue of the Shares, for, and will use its best endeavours to obtain, quotation for those Shares.

5.11 NO ADDITIONAL RIGHTS

The Plan does not give a Participant any additional rights to compensation or damages as a result of the termination of employment or appointment.

6. ADJUSTMENTS

6.1 PARTICIPATION IN NEW ISSUES

The Holder of an Option may not participate in a new issue of securities by the Company unless the Holder exercises the Option and becomes the holder of Shares prior to the Record Date for that new issue of securities.

6.2 NOTICE OF ENTITLEMENTS ISSUES

Where after the Vesting Period but during the Option Period of an Option, the Company makes a pro rata offer or invitation to holders of Shares of securities of the Company or any other entity, the Company must give the Holder notice not less than 9 Business Days before the Record Date to determine entitlements to receive that offer or invitation to enable the Holder to exercise the Option and receive that offer or invitation in respect of the Shares allotted on exercise of the Option.

6.3 ADJUSTMENTS IN RESPECT OF A RIGHTS ISSUES

Where after the Vesting Period and before the end of the Option Period the Company gives holders of Shares the right (pro-rata with existing shareholdings) to subscribe for additional securities and the Option is not exercised as contemplated in clause 6.2, the Exercise Price of that Option after the issue of those securities is adjusted in accordance with the formula set out in schedule 1.

6.4 PRO-RATA BONUS ISSUES

Where during the Option Period of an Option, the Company makes a pro-rata bonus issue to holders of Shares and the Option is not exercised before the Record Date to determine entitlements to that bonus issue, the number of securities to be issued on exercise of that Option is the number of Shares before that bonus issue plus the number of securities which would have been issued to the Holder if the Option had been exercised before that Record Date.

6.5 REORGANISATION OF CAPITAL

Where during the Option Period in respect of an Option there is a reorganisation of the capital of the Company (including a subdivision or consolidation and a return or cancellation of capital):

(a) the Company must comply with the Listing Rules applying to a reorganisation of capital at the time of the reorganisation; and

(b) the rights of a Holder will be changed to the extent necessary to comply with the Listing Rules applying to a reorganisation of capital at the time of the reorganisation.

6.6 OTHER ADJUSTMENTS

Where the Committee believes that another event has occurred which should result in an adjustment to the terms of an Option, but the adjustment is not permitted by the Listing Rules, the adjustment must not be made unless ASX waives compliance with the Listing Rules in respect of that adjustment and the adjustment 1s made in accordance with the terms of that waiver.

6.7 NOTICE OF ADJUSTMENT

The Company must give notice to Holders of any adjustment to the number, description or terms of securities which are to be issued on exercise of an Option or to the Exercise Price in accordance with the applicable Listing Rules.

6.8 CUMULATIVE ADJUSTMENTS

Each adjustment provided for in clauses 6.3 to 6.6 (inclusive) is to be made in respect of each Option granted and unexercised at the time the relevant clause applies on each occasion during the Option Period of the Option that the relevant clause applies.

6.9 ROUNDING

Before an Option is exercised under clause 5.1, all adjustment calculations are to be carried out including all fractions (in relation to both the Shares and the Exercise Price of the Option), but on exercise the number of Shares issued is rounded down to the next lower whole number and the Exercise Price rounded up to the next higher cent.

7. DURATION OF THE PLAN

7.1 DISCRETIONARY

The Plan continues in operation until the Committee decides to terminate or discontinue it.

7.2 SUSPENSION

The Committee may decide to suspend the operation of the Plan either for a fixed period or indefinitely and may also decide to end any period of suspension.

7.3 NO PREJUDICE

Termination, discontinuation or suspension of the operation of the Plan for any reason, does not prejudice the accrued rights of Holders or Participants.

8. AMENDMENT OF THE PLAN

8.1 BY THE COMMITTEE

Subject to clause 8.2, the Committee may at any time and from time to time by resolution:

(a) amend all or any of these Rules or all or any of the rights or obligations of the Participants or Holders or any of them; and

(b) formulate (and subsequently amend) special terms and conditions, in addition to those set out in these Rules, to apply to Participants employed in, resident in, or who are citizens of, a particular jurisdiction.

8.2 LISTING RULES

The Committee's exercise of its powers under clause 8.1 is subject to any restrictions or procedural requirements relating to the amendment of the terms of an employee incentive scheme or of issued options imposed by the Listing Rules applicable to the Plan or the Options, as the case may be, unless those restrictions or requirements are relaxed or waived by ASX or any of its delegates either generally or in a particular case or class of cases and either expressly or by implication.

9. NOTICES AND CORRESPONDENCE

9.1 TO THE COMPANY

Any notice required to be given by a Holder or Participant to the Company or the Committee or any correspondence from a Holder or Participant to the Company or the Committee in connection with the Plan must be in writing signed by (or on behalf of) the

person giving it and must be given to the principal place of business of the Company or any other address of which the Company gives notice.

9.2 TO A PARTICIPANT

Any notice required to be given by the Company or the Committee to a Holder or Participant or any correspondence from the Company or the Committee to a Holder or Participant in connection with the Plan must be in writing and must be given or made by a person authorised by the Committee on behalf of the Company or the Committee to the place of employment of the relevant person or to the last address of that person given to the Company.

10. TRANSFER OF THE OPTION

Each Option is personal to the Participant and is not transferable, transmissible, assignable or chargeable, except as provided by rule 5.7 or with the prior written consent of the Committee.

11. MISCELLANEOUS

11.1 RIGHTS OF EMPLOYEES

This Plan does not form part of any contract of employment between the Company or any Associated Company and any Eligible Employee and does not confer directly or indirectly on an Eligible Employee any legal or equitable rights whatsoever (other than rights as a participant under the Plan) against the Company.

11.2 GOVERNING LAW

The terms and conditions of this plan shall be governed by and construed in accordance with the laws for the time being in force in the [State of Delaware].

SCHEDULE 1

$$O(1) = O - E\,\frac{[P - (S + D)]}{N + 1}$$

where:

O(1) = The new Exercise Price of the Option or the Minimum Price, whichever is the greater.

O = The old Exercise Price of the Option.

E = The number of Shares into which an Option is exercisable.

P = The average closing price (excluding special crossings, overnight sales and exchange traded option exercises) on the Stock Exchange Automated Trading System provided for the trading of securities on ASX of Shares (weighted by reference to volume) during the 5 trading days before the ex rights date or ex entitlements date.

S = The subscription price for one security under the rights or entitlements issue.

D = The dividend due but not yet paid on existing Shares (except those to be issued under the rights or entitlements issue).

N = Number of Shares with rights or entitlements that must be held to receive a right to one new security.

EXHIBIT 10.7

EXHIBIT A

FORM OF WARRANT

(NON-US PERSON)

THIS WARRANT AND THE SECURITIES ISSUABLE UPON THE EXERCISE OF THIS WARRANT HAVE NOT BEEN REGISTERED UNDER THE US SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (1) IN AN OFFSHORE TRANSACTION MEETING THE REQUIREMENTS OF RULE 903 AND RULE 904 OF REGULATION S UNDER THE SECURITIES ACT, (2) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, OR (3) PURSUANT TO AN AVAILABLE EXEMPTION TO THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AS EVIDENCED BY AN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY, IN EACH CASE IN ACCORDANCE WITH ALL APPLICABLE STATE AND OTHER SECURITIES LAWS.

THIS WARRANT AND THE SECURITIES ISSUABLE UPON EXERCISE OF THIS WARRANT HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT. THIS WARRANT MAY NOT BE EXERCISED BY OR ON BEHALF OF ANY US PERSONS AND MAY BE EXERCISED ONLY IN AN OFFSHORE TRANSACTION, UNLESS REGISTERED UNDER THE SECURITIES ACT OR UNLESS AN EXEMPTION FROM SUCH REGISTRATION IS AVAILABLE. ANY HEDGING TRANSACTIONS INVOLVING THIS WARRANT OR THE SECURITIES WHICH MAY BE ACQUIRED UPON EXERCISE HEREOF MAY NOT BE CONDUCTED UNLESS IN COMPLIANCE WITH THE SECURITIES ACT.

THE HOLDER HEREOF, BY PURCHASING THIS WARRANT, AGREES FOR THE BENEFIT OF THE COMPANY TO THE FOREGOING RESTRICTIONS AND THAT IT IS NOT A US PERSON.

PRIOR TO INVESTING IN THIS WARRANT OR THE SECURITIES ISSUABLE UPON THE EXERCISE OF THIS WARRANT OR CONDUCTING ANY TRANSACTIONS IN THIS WARRANT OR THE SECURITIES ISSUABLE UPON THE EXERCISE OF THIS WARRANT, INVESTORS ARE ADVISED TO CONSULT PROFESSIONAL ADVISERS REGARDING THE ABOVE RESTRICTIONS ON TRANSFER AND OTHER RESTRICTIONS REFERRED TO IN THE CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM RELATING TO THE SHARES DATED [APRIL 17], 2002.

MAY __, 2002 NO. __

MARSHALL EDWARDS, INC.

(INCORPORATED UNDER THE LAWS OF THE STATE OF DELAWARE)

WARRANT FOR THE PURCHASE OF SHARES OF COMMON STOCK

FOR VALUE RECEIVED, MARSHALL EDWARDS, INC., a Delaware corporation (the "Company"), hereby certifies that [_____] (the "Holder") is entitled, subject to the provisions of this Warrant, to purchase from the Company, up to [_____] fully paid and non-assessable shares of Common Stock at a price of $4.00 per share (the "Exercise Price").

The term "Common Stock" means the Common Stock, par value $.00000002 per share, of the Company. The number of shares of Common Stock to be received upon the exercise of this Warrant may be adjusted from time to time as hereinafter set forth. The shares of Common Stock deliverable upon such exercise, and as adjusted from time to time, are hereinafter referred to as "Warrant Shares." The term "Company" means and includes the corporation named above as well as (1) any immediate or more remote successor corporation resulting from the merger or consolidation of such corporation (or any immediate or more remote successor corporation of such corporation) with another corporation, or (ii) any corporation to which such corporation (or any immediate or more remote successor corporation of such corporation) has transferred its property or assets as an entirety or substantially as an entirety.

Upon receipt by the Company of evidence reasonably satisfactory to it of the loss, theft, destruction or mutilation of this Warrant, and (in the case of loss, theft or destruction) of reasonably satisfactory indemnification, and upon surrender and cancellation of this Warrant, if mutilated, the Company shall execute and deliver a new Warrant of like tenor and date. Any such new Warrant executed and delivered shall constitute an additional contractual obligation on the part of the Company, whether or not this Warrant so lost, stolen, destroyed or mutilated shall be at any time enforceable by anyone.

The Holder agrees with the Company that this Warrant is issued, and all the rights hereunder shall be held subject to, all of the conditions, limitations and provisions set forth herein.

1. EXERCISE OF WARRANT. This Warrant may be exercised, in whole or in part, at any time, or from time to time during the period commencing on the date hereof and expiring 5:00 p.m. Eastern Time on November 30, 2003 (the "Expiration Date"), by presentation and surrender of this Warrant to the Company at its principal office, or at the office of its stock transfer agent, if any, with the Warrant Exercise Form attached hereto duly executed and accompanied by payment (either in cash or by certified or official bank check, payable to the order of the Company) of the Exercise Price for the number of shares specified in such form and instruments of transfer, if appropriate, duly executed by the Holder or his or her duly authorized attorney. If this Warrant should be exercised in part only, the Company shall, upon surrender of this Warrant for cancellation, execute and deliver a new Warrant of like terms evidencing the rights of the Holder thereof to purchase the balance of the shares purchasable hereunder. Upon receipt by the Company of this Warrant, together with the Exercise Price, at its office, or by the stock transfer agent of the Company at its office, in proper form for exercise, the Holder shall be deemed to be the holder of record of the shares of Common Stock issuable upon such exercise, notwithstanding that the stock transfer books of the Company shall then be closed or that certificates representing such shares of Common Stock shall not then be actually delivered to the Holder. The Holder shall pay any and all documentary stamp or similar issue or transfer taxes payable in respect of the issue or delivery of shares of Common Stock on exercise of this Warrant.

2. RESERVATION OF SHARES. The Company will at all times reserve for issuance and delivery upon exercise of this Warrant all shares of Common Stock or other shares of capital stock of the Company from time to time issuable upon exercise of this Warrant. All such shares

shall be duly authorized and, when issued upon such exercise, shall be validly issued, fully paid and non-assessable and free of all preemptive rights.

3. FRACTIONAL SHARES. No fractional shares or scrip representing fractional shares shall be issued upon the exercise of this Warrant, but the Company shall pay the Holder an amount equal to the fair market value of such fractional share of Common Stock in lieu of each fraction of a share otherwise called for upon any exercise of this Warrant. For purposes of this Warrant, the fair market value of a share of Common Stock shall be determined as follows:

(a) If the Common Stock is listed on a National Securities Exchange or admitted to unlisted trading privileges on such exchange or listed for trading on the Nasdaq system or the Alternative Investment Market of the London Stock Exchange, the current market value shall be the last reported sale price of the Common Stock on such exchange or system on the last business day prior to the date of exercise of this Warrant or, if no such sale is made on such day, the average of the closing bid and asked prices for such day on such exchange or system; or

(b) If the Common Stock is not so listed or admitted, the current market shall be the average of the closing bid and asked prices as quoted by the OTC Bulletin Board; or

(c) If the Common Stock is not so listed or admitted to unlisted trading privileges, the current market value shall be the mean of the last reported bid and asked prices reported by the National Quotation Bureau, Inc. on the last business day prior to the date of the exercise of this Warrant; or

(d) If the Common Stock is not so listed or admitted to unlisted trading privileges and bid and asked prices are not so reported, the current market value shall be an amount, not less than book value thereof as at the end of the most recent fiscal year of the Company ending prior to the date of the exercise of the Warrant, determined in such reasonable manner as may be prescribed by the Board of Directors of the Company.

4. EXCHANGE, TRANSFER, ASSIGNMENT OR LOSS OF WARRANT. This Warrant is exchangeable, without expense, at the option of the Holder, upon presentation and surrender hereof to the Company or at the office of its stock transfer agent, if any, for other Warrants of different denominations, entitling the Holder or Holders thereof to purchase in the aggregate the same number of shares of Common Stock purchasable hereunder. Upon surrender of this Warrant to the Company or at the office of its stock transfer agent, if any, with an Assignment Form annexed hereto duly executed and funds sufficient to pay any transfer tax, subject to the provisions of Sections 7 and 11 hereof, the Company shall, without charge, execute and deliver a new Warrant in the name of the assignee named in such instrument of assignment (and in the event of a partial transfer, a new Warrant to the Holder for the portion of such Warrant not transferred) and this Warrant shall promptly be cancelled. This Warrant may be divided or combined with other Warrants that carry the same rights upon presentation hereof at the office of the Company or at the office of its stock transfer agent, if any, together with a written notice specifying the names and denominations in which new Warrants are to be issued and signed by the Holder hereof.

5. RIGHTS OF THE HOLDER. The Holder shall not, by virtue hereof, be entitled to any rights of a shareholder in the Company, either at law or in equity, and the rights of the Holder are limited to those expressed in this Warrant.

6. ANTI-DILUTION PROVISIONS.

6.1 Adjustment for Recapitalization, Reorganization, Consolidation, Merger, Etc. In case (i) the outstanding shares of the Common Stock shall be subdivided into a greater number of shares, (ii) a dividend or other distribution in Common Stock shall be paid in respect of Common Stock, (iii) the outstanding shares of Common Stock shall be combined into a smaller number of shares thereof, or (iv) any shares of the Company's capital stock are issued by reclassification of the Common Stock (including any reclassification upon a consolidation or merger in which the Company is the continuing corporation), the Exercise Price in effect immediately prior to such subdivision, combination or reclassification or at the record date of such dividend or distribution shall simultaneously with the effectiveness of such subdivision, combination or reclassification or immediately after the record date of such dividend or distribution be proportionately adjusted to equal the product obtained by multiplying the Exercise Price by a fraction, the numerator of which is the number of outstanding shares of Common Stock (on a fully diluted basis) after giving effect to such combination, subdivision, reclassification or dividend and the denominator of which is the number of outstanding shares of Common Stock (on a fully diluted basis) outstanding immediately prior to such combination, subdivision, reclassification or dividend.

For purposes of this Warrant, "on a fully diluted basis" means that all outstanding options, rights or Warrants to subscribe for shares of Common Stock and all securities convertible into or exchangeable for shares of Common Stock (such options, rights, Warrants and securities are collectively referred to herein as "Convertible Securities") and all options or rights to acquire Convertible Securities have been exercised, converted or exchanged.

Whenever the Exercise Price per share is adjusted as provided in the immediately preceding paragraph, the number of shares of Common Stock purchasable upon conversion of the Warrant immediately prior to such Exercise Price adjustment shall be adjusted, effective simultaneous with the Exercise Price adjustment, to equal the product obtained (calculated to the nearest full share) by multiplying such number of shares of Common Stock by a fraction, the numerator of which is the Exercise Price per share in effect immediately prior to such Exercise Price adjustment and the denominator of which is the Exercise Price per share in effect upon such Exercise Price adjustment, which adjusted number of shares of Common Stock shall thereupon be the number of shares of Common Stock purchasable upon conversion of the Warrant until further adjusted as provided herein.

6.2 Adjustment for Reorganization, Consolidation, Merger, Liquidation Etc. In case of any reorganization of the Company (or any other corporation, the securities of which are at the time receivable on the exercise of this Warrant) after the date hereof or in case after such date the Company (or any such other corporation) shall consolidate with or merge into another corporation or convey all or substantially all of its assets to another corporation or liquidate, then, and in each such case, the Holder of this Warrant upon the exercise thereof as provided in Section 1 at any time after the consummation of such reorganization, consolidation,

merger, conveyance or liquidation, shall be entitled to receive, in lieu of the securities and property receivable upon the exercise of this Warrant prior to such consummation, the securities or property to which such Holder would have been entitled upon such consummation if such Holder had exercised this Warrant immediately prior thereto; in each such case, the terms of this Warrant shall be applicable to the securities or property receivable upon the exercise of this Warrant after such consummation.

6.3 No Dilution. The Company will not, by amendment of its Certificate of Incorporation or through reorganization, consolidation, merger, dissolution, issue or sale of securities, sale of assets or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms of this Warrant, but will at all times in good faith assist in the carrying out of all such terms and in the taking of all such action as may be necessary or appropriate in order to protect the rights of the Holder of this Warrant against dilution or other impairment. Without limiting the generality of the foregoing, while this Warrant is outstanding, the Company (a) will not permit the par value, if any, of the shares of Common Stock receivable upon the exercise of this Warrant to be above the amount payable therefor upon such exercise and (b) will take all such action as may be necessary or appropriate in order that the Company may validly and legally issue or sell fully paid and non-assessable shares of Common Stock upon the exercise of this Warrant.

6.4 Certificate as to Adjustments. In each case of an adjustment in the number of shares of Warrant Shares receivable on the exercise of this Warrant, the Company at its expense will promptly compute such adjustment in accordance with the terms of this Warrant and prepare a certificate executed by an executive officer of the Company setting forth such adjustment and showing in detail the facts upon which such adjustment is based. The Company will forthwith mail a copy of each such certificate to the Holder.

6.5 Notices of Record Date, Etc. In case:

(a) the Company shall take a record of the holders of its Common Stock for the purpose of entitling them to receive any dividend (other than a cash dividend at the same rate as the rate of the last cash dividend theretofore paid) or other distribution, or any right to subscribe for, purchase or otherwise acquire any shares of stock of any class or any other securities, or to receive any other right; or

(b) of any capital reorganization of the Company, any reclassification of the capital stock of the Company, any consolidation or merger of the Company with or into another corporation, or any conveyance of all or substantially all of the assets of the Company to another corporation; or

(c) of any voluntary or involuntary dissolution, liquidation or winding up of the Company, then, and in each such case, the Company shall mail or cause to be mailed to each Holder of the Warrant at the time outstanding a notice specifying, as the case may be, (i) the date on which a record is to be taken for the purpose of such dividend, distribution or right, and stating the amount and character of such dividend, distribution or right, or (ii) the date on which such reorganization, reclassification, consolidation, merger, conveyance, dissolution, liquidation or winding up is to take place, and the time, if any, is to be fixed, as to which the holders of

record of Common Stock (or such other securities at the time receivable upon the exercise of the Warrant) shall be entitled to exchange their shares of Common Stock (or such other securities) for securities or other property deliverable upon such reorganization, reclassification, consolidation, merger, conveyance, dissolution, liquidation or winding up. Such notice shall be mailed at least 20 days prior to the date therein specified and the Warrant may be exercised prior to said date during the term of the Warrant.

7. TRANSFER TO COMPLY WITH THE SECURITIES ACT. Notwithstanding any other provision contained herein, this Warrant and any Warrant Shares have not been and will not be registered under the Securities Act of 1933, as amended (the "Securities Act"), or the securities laws of any state of the United States and are therefore "restricted securities" within the meaning of Rule 144 under the Securities Act. Accordingly, the Holder of this Warrant agrees that this Warrant and the Warrant Shares may not be offered, sold, pledged or otherwise transferred except (i) in an offshore transaction meeting the requirements of Rule 903 and Rule 904 of Regulation S under the Securities Act, (ii) pursuant to an effective registration statement under the Securities Act, or (iii) pursuant to an available exemption from the registration requirements of the Securities Act as evidenced by an opinion of counsel satisfactory to the Company, in each case in accordance with all applicable State and other Securities Laws. The Holder further agrees that this Warrant may not be exercised by or on behalf of any US Persons and may be exercised only in an offshore transaction (as such terms are defined in Regulation S), unless registered under the Securities Act or unless an exemption from such registration is available, and that any hedging transactions involving this Warrant or the Warrant Shares may not be conducted unless in compliance with the Securities Act.

8. LEGEND. Unless the shares of Warrant Shares have been registered under the Securities Act, upon exercise of any of the Warrants and the issuance of any of the shares of Warrant Shares, all certificates representing such securities shall bear on the face thereof substantially the following legend:

> THE SHARES OF COMMON STOCK REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE US SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (1) IN AN OFFSHORE TRANSACTION MEETING THE REQUIREMENTS OF RULE 903 AND RULE 904 OF REGULATION S UNDER THE SECURITIES ACT, (2) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, OR (3) PURSUANT TO AN AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AS EVIDENCED BY AN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY, IN EACH CASE IN ACCORDANCE WITH ALL APPLICABLE STATE AND OTHER SECURITIES LAWS. HEDGING TRANSACTIONS INVOLVING THE SHARES MAY NOT BE CONDUCTED UNLESS IN COMPLIANCE WITH THE SECURITIES ACT.

THE HOLDER HEREOF, BY PURCHASING THIS SECURITY, AGREES FOR THE BENEFIT OF THE COMPANY TO THE FOREGOING RESTRICTIONS AND THAT IT IS NOT A US PERSON.

PRIOR TO INVESTING IN THE SHARES OR CONDUCTING ANY TRANSACTIONS IN THE SHARES, INVESTORS ARE ADVISED TO CONSULT PROFESSIONAL ADVISERS REGARDING THE ABOVE RESTRICTIONS ON TRANSFER AND OTHER RESTRICTIONS REFERRED TO IN THE CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM RELATING TO THE SHARES DATED [APRIL 17], 2002.

9. NOTICES. All notices required hereunder shall be in writing and shall be deemed given when delivered personally, by facsimile or overnight delivery or within two days after mailing when mailed by certified or registered mail, return receipt requested, to the Company at its principal office, or to the Holder at the address set forth on the record books of the Company, or at such other address of which the Company or the Holder has been advised by notice hereunder.

10. APPLICABLE LAW. The Warrant is issued under and shall for all purposes be governed by and construed in accordance with the laws of the State of Delaware, without giving effect to the choice of law rules thereof.

11. SUCCESSORS AND ASSIGNS. This Warrant cannot be transferred or assigned by the Holder without the prior written consent of the Company.

(SIGNATURE ON FOLLOWING PAGE)

IN WITNESS HEREOF, the Company has caused this Warrant to be signed on its behalf, in its corporate name, by its duly authorized officer, all as of the day and year first above written.

MARSHALL EDWARDS, INC.

By: _____
Name:
Title:

WARRANT EXERCISE FORM

The undersigned hereby irrevocably elects to exercise the rights contained within the Warrant to the extent of purchasing _____ shares of Common Stock of Marshall Edwards, Inc., a Delaware corporation (the "Company"), and hereby makes payment of $_____ in payment therefor. By its exercise hereof, the undersigned confirms and agrees that (a) it is not a US Person (as defined in Regulation S under the Securities Act of 1933,as amended) and is not acting for the account or benefit of any US Person; and (b) it understands and has complied and will comply with all applicable restrictions on the offer, sale, pledge or other transfer of the shares of Common Stock of the Company as set forth in the Warrant.

_____
Signature

_____
Signature, if jointly held

_____
Date

EXHIBIT 10.8

EXHIBIT A

FORM OF WARRANT

(US PERSON)

THIS WARRANT AND THE SECURITIES ISSUABLE UPON THE EXERCISE OF THIS WARRANT HAVE NOT BEEN REGISTERED UNDER THE US SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (1) IN AN OFFSHORE TRANSACTION MEETING THE REQUIREMENTS OF RULE 903 AND RULE 904 OF REGULATION S UNDER THE SECURITIES ACT, (2) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, OR (3) PURSUANT TO AN AVAILABLE EXEMPTION TO THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AS EVIDENCED BY AN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY, IN EACH CASE IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS.

PRIOR TO INVESTING IN THIS WARRANT OR THE SECURITIES ISSUABLE UPON THE EXERCISE OF THIS WARRANT OR CONDUCTING ANY TRANSACTIONS IN THIS WARRANT OR THE SECURITIES ISSUABLE UPON THE EXERCISE OF THIS WARRANT, INVESTORS ARE ADVISED TO CONSULT PROFESSIONAL ADVISERS REGARDING THE ABOVE RESTRICTIONS ON TRANSFER AND OTHER RESTRICTIONS REFERRED TO IN THE CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM RELATING TO THE SECURITIES DATED [APRIL 17], 2002.

MAY __, 2002 NO. __

MARSHALL EDWARDS, INC.

(INCORPORATED UNDER THE LAWS OF THE STATE OF DELAWARE)

WARRANT FOR THE PURCHASE OF SHARES OF COMMON STOCK

FOR VALUE RECEIVED, MARSHALL EDWARDS, INC., a Delaware corporation (the "Company"), hereby certifies that [_____] (the "Holder") is entitled, subject to the provisions of this Warrant, to purchase from the Company, up to [_____] fully paid and non-assessable shares of Common Stock at a price of $4.00 per share (the "Exercise Price").

The term "Common Stock" means the Common Stock, par value $.00000002 per share, of the Company. The number of shares of Common Stock to be received upon the exercise of this Warrant may be adjusted from time to time as hereinafter set forth. The shares of Common Stock deliverable upon such exercise, and as adjusted from time to time, are hereinafter referred to as "Warrant Shares." The term "Company" means and includes the corporation named above as well as (1) any immediate or more remote successor corporation resulting from the merger or consolidation of such corporation (or any immediate or more remote successor corporation of such corporation) with another corporation, or (ii) any corporation to which such corporation (or

any immediate or more remote successor corporation of such corporation) has transferred its property or assets as an entirety or substantially as an entirety.

Upon receipt by the Company of evidence reasonably satisfactory to it of the loss, theft, destruction or mutilation of this Warrant, and (in the case of loss, theft or destruction) of reasonably satisfactory indemnification, and upon surrender and cancellation of this Warrant, if mutilated, the Company shall execute and deliver a new Warrant of like tenor and date. Any such new Warrant executed and delivered shall constitute an additional contractual obligation on the part of the Company, whether or not this Warrant so lost, stolen, destroyed or mutilated shall be at any time enforceable by anyone.

The Holder agrees with the Company that this Warrant is issued, and all the rights hereunder shall be held subject to, all of the conditions, limitations and provisions set forth herein.

1. EXERCISE OF WARRANT. This Warrant may be exercised, in whole or in part, at any time, or from time to time during the period commencing on the date hereof and expiring 5:00 p.m. Eastern Time on November 30, 2003 (the "Expiration Date"), by presentation and surrender of this Warrant to the Company at its principal office, or at the office of its stock transfer agent, if any, with the Warrant Exercise Form attached hereto duly executed and accompanied by payment (either in cash or by certified or official bank check, payable to the order of the Company) of the Exercise Price for the number of shares specified in such form and instruments of transfer, if appropriate, duly executed by the Holder or his or her duly authorized attorney. If this Warrant should be exercised in part only, the Company shall, upon surrender of this Warrant for cancellation, execute and deliver a new Warrant of like terms evidencing the rights of the Holder thereof to purchase the balance of the shares purchasable hereunder. Upon receipt by the Company of this Warrant, together with the Exercise Price, at its office, or by the stock transfer agent of the Company at its office, in proper form for exercise, the Holder shall be deemed to be the holder of record of the shares of Common Stock issuable upon such exercise, notwithstanding that the stock transfer books of the Company shall then be closed or that certificates representing such shares of Common Stock shall not then be actually delivered to the Holder. The Holder shall pay any and all documentary stamp or similar issue or transfer taxes payable in respect of the issue or delivery of shares of Common Stock on exercise of this Warrant.

2. RESERVATION OF SHARES. The Company will at all times reserve for issuance and delivery upon exercise of this Warrant all shares of Common Stock or other shares of capital stock of the Company from time to time issuable upon exercise of this Warrant. All such shares shall be duly authorized and, when issued upon such exercise, shall be validly issued, fully paid and non-assessable and free of all preemptive rights.

3. FRACTIONAL SHARES. No fractional shares or scrip representing fractional shares shall be issued upon the exercise of this Warrant, but the Company shall pay the Holder an amount equal to the fair market value of such fractional share of Common Stock in lieu of each fraction of a share otherwise called for upon any exercise of this Warrant. For purposes of this Warrant, the fair market value of a share of Common Stock shall be determined as follows:

(a) If the Common Stock is listed on a National Securities Exchange or admitted to unlisted trading privileges on such exchange or listed for trading on the Nasdaq system or the Alternative Investment Market of the London Stock Exchange, the current market value shall be the last reported sale price of the Common Stock on such exchange or system on the last business day prior to the date of exercise of this Warrant or, if no such sale is made on such day, the average of the closing bid and asked prices for such day on such exchange or system; or

(b) If the Common Stock is not so listed or admitted, the current market shall be the average of the closing bid and asked prices as quoted by the OTC Bulletin Board; or

(c) If the Common Stock is not so listed or admitted to unlisted trading privileges, the current market value shall be the mean of the last reported bid and asked prices reported by the National Quotation Bureau, Inc. on the last business day prior to the date of the exercise of this Warrant; or

(d) If the Common Stock is not so listed or admitted to unlisted trading privileges and bid and asked prices are not so reported, the current market value shall be an amount, not less than book value thereof as at the end of the most recent fiscal year of the Company ending prior to the date of the exercise of the Warrant, determined in such reasonable manner as may be prescribed by the Board of Directors of the Company.

4. EXCHANGE, TRANSFER, ASSIGNMENT OR LOSS OF WARRANT. This Warrant is exchangeable, without expense, at the option of the Holder, upon presentation and surrender hereof to the Company or at the office of its stock transfer agent, if any, for other Warrants of different denominations, entitling the Holder or Holders thereof to purchase in the aggregate the same number of shares of Common Stock purchasable hereunder. Upon surrender of this Warrant to the Company or at the office of its stock transfer agent, if any, with an Assignment Form annexed hereto duly executed and funds sufficient to pay any transfer tax, subject to the provisions of Sections 7 and 11 hereof, the Company shall, without charge, execute and deliver a new Warrant in the name of the assignee named in such instrument of assignment (and in the event of a partial transfer, a new Warrant to the Holder for the portion of such Warrant not transferred) and this Warrant shall promptly be cancelled. This Warrant may be divided or combined with other Warrants that carry the same rights upon presentation hereof at the office of the Company or at the office of its stock transfer agent, if any, together with a written notice specifying the names and denominations in which new Warrants are to be issued and signed by the Holder hereof.

5. RIGHTS OF THE HOLDER. The Holder shall not, by virtue hereof, be entitled to any rights of a shareholder in the Company, either at law or in equity, and the rights of the Holder are limited to those expressed in this Warrant.

6. ANTI-DILUTION PROVISIONS.

6.1 Adjustment for Recapitalization, Reorganization, Consolidation, Merger, Etc. In case (i) the outstanding shares of the Common Stock shall be subdivided into a greater number of shares, (ii) a dividend or other distribution in Common Stock shall be paid in respect

of Common Stock, (iii) the outstanding shares of Common Stock shall be combined into a smaller number of shares thereof, or (iv) any shares of the Company's capital stock are issued by reclassification of the Common Stock (including any reclassification upon a consolidation or merger in which the Company is the continuing corporation), the Exercise Price in effect immediately prior to such subdivision, combination or reclassification or at the record date of such dividend or distribution shall simultaneously with the effectiveness of such subdivision, combination or reclassification or immediately after the record date of such dividend or distribution be proportionately adjusted to equal the product obtained by multiplying the Exercise Price by a fraction, the numerator of which is the number of outstanding shares of Common Stock (on a fully diluted basis) after giving effect to such combination, subdivision, reclassification or dividend and the denominator of which is the number of outstanding shares of Common Stock (on a fully diluted basis) outstanding immediately prior to such combination, subdivision, reclassification or dividend.

For purposes of this Warrant, "on a fully diluted basis" means that all outstanding options, rights or Warrants to subscribe for shares of Common Stock and all securities convertible into or exchangeable for shares of Common Stock (such options, rights, Warrants and securities are collectively referred to herein as "Convertible Securities") and all options or rights to acquire Convertible Securities have been exercised, converted or exchanged.

Whenever the Exercise Price per share is adjusted as provided in the immediately preceding paragraph, the number of shares of Common Stock purchasable upon conversion of the Warrant immediately prior to such Exercise Price adjustment shall be adjusted, effective simultaneous with the Exercise Price adjustment, to equal the product obtained (calculated to the nearest full share) by multiplying such number of shares of Common Stock by a fraction, the numerator of which is the Exercise Price per share in effect immediately prior to such Exercise Price adjustment and the denominator of which is the Exercise Price per share in effect upon such Exercise Price adjustment, which adjusted number of shares of Common Stock shall thereupon be the number of shares of Common Stock purchasable upon conversion of the Warrant until further adjusted as provided herein.

6.2 Adjustment for Reorganization, Consolidation, Merger, Liquidation Etc. In case of any reorganization of the Company (or any other corporation, the securities of which are at the time receivable on the exercise of this Warrant) after the date hereof or in case after such date the Company (or any such other corporation) shall consolidate with or merge into another corporation or convey all or substantially all of its assets to another corporation or liquidate, then, and in each such case, the Holder of this Warrant upon the exercise thereof as provided in Section 1 at any time after the consummation of such reorganization, consolidation, merger, conveyance or liquidation, shall be entitled to receive, in lieu of the securities and property receivable upon the exercise of this Warrant prior to such consummation, the securities or property to which such Holder would have been entitled upon such consummation if such Holder had exercised this Warrant immediately prior thereto; in each such case, the terms of this Warrant shall be applicable to the securities or property receivable upon the exercise of this Warrant after such consummation.

6.3 No Dilution. The Company will not, by amendment of its Certificate of Incorporation or through reorganization, consolidation, merger, dissolution, issue or sale of

securities, sale of assets or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms of this Warrant, but will at all times in good faith assist in the carrying out of all such terms and in the taking of all such action as may be necessary or appropriate in order to protect the rights of the Holder of this Warrant against dilution or other impairment. Without limiting the generality of the foregoing, while this Warrant is outstanding, the Company (a) will not permit the par value, if any, of the shares of Common Stock receivable upon the exercise of this Warrant to be above the amount payable therefor upon such exercise and (b) will take all such action as may be necessary or appropriate in order that the Company may validly and legally issue or sell fully paid and non-assessable shares of Common Stock upon the exercise of this Warrant.

6.4 Certificate as to Adjustments. In each case of an adjustment in the number of shares of Warrant Shares receivable on the exercise of this Warrant, the Company at its expense will promptly compute such adjustment in accordance with the terms of this Warrant and prepare a certificate executed by an executive officer of the Company setting forth such adjustment and showing in detail the facts upon which such adjustment is based. The Company will forthwith mail a copy of each such certificate to the Holder.

6.5 Notices of Record Date, Etc. In case:

(a) the Company shall take a record of the holders of its Common Stock for the purpose of entitling them to receive any dividend (other than a cash dividend at the same rate as the rate of the last cash dividend theretofore paid) or other distribution, or any right to subscribe for, purchase or otherwise acquire any shares of stock of any class or any other securities, or to receive any other right; or

(b) of any capital reorganization of the Company, any reclassification of the capital stock of the Company, any consolidation or merger of the Company with or into another corporation, or any conveyance of all or substantially all of the assets of the Company to another corporation; or

(c) of any voluntary or involuntary dissolution, liquidation or winding up of the Company, then, and in each such case, the Company shall mail or cause to be mailed to each Holder of the Warrant at the time outstanding a notice specifying, as the case may be, (i) the date on which a record is to be taken for the purpose of such dividend, distribution or right, and stating the amount and character of such dividend, distribution or right, or (ii) the date on which such reorganization, reclassification, consolidation, merger, conveyance, dissolution, liquidation or winding up is to take place, and the time, if any, is to be fixed, as to which the holders of record of Common Stock (or such other securities at the time receivable upon the exercise of the Warrant) shall be entitled to exchange their shares of Common Stock (or such other securities) for securities or other property deliverable upon such reorganization, reclassification, consolidation, merger, conveyance, dissolution, liquidation or winding up. Such notice shall be mailed at least 20 days prior to the date therein specified and the Warrant may be exercised prior to said date during the term of the Warrant.

7. TRANSFER TO COMPLY WITH THE SECURITIES ACT. Notwithstanding any other provision contained herein, this Warrant and any Warrant Shares have not been and will not be

registered under the Securities Act of 1933, as amended (the "Securities Act") or the securities laws of any state of the United States and are therefore "restricted securities" within the meaning of Rule 144 under the Securities Act, and that (A) can be offered, sold, pledged or otherwise transferred only (1) (a) to a person who the seller reasonably believes is a Qualified Institutional Buyer in a transaction meeting the requirements of Rule 144A under the Securities Act, (b) in a transaction meeting the requirements of Rule 144 under the Securities Act, (c) outside the United States to a non-US person in a transaction meeting the requirements of Rule 903 and Rule 904 Rule 905 under the Securities Act and in compliance with applicable local laws and regulations or (d) in accordance with another exemption from the registration requirements of the Securities Act (and based upon an opinion of counsel if the Company so requests), (2) to the Company or (3) pursuant to an effective registration statement and, in each case, in accordance with any applicable securities laws of any state of the United States or any other applicable jurisdiction and (B) the purchaser will, and each subsequent holder is required to, notify any subsequent purchaser from it of the resale restrictions set forth in (A) above.

8. LEGEND. Unless the shares of Warrant Shares have been registered under the Securities Act, upon exercise of any of the Warrants and the issuance of any of the shares of Warrant Shares, all certificates representing such securities shall bear on the face thereof substantially the following legend:

> THE SHARES OF COMMON STOCK REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE US SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (1) IN AN OFFSHORE TRANSACTION MEETING THE REQUIREMENTS OF RULE 903 AND RULE 904 OF REGULATION S UNDER THE SECURITIES ACT, (2) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT UNDER THE SECURITIES ACT, OR (3) PURSUANT TO AN AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AS EVIDENCED BY AN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY, IN EACH CASE IN ACCORDANCE WITH ALL APPLICABLE STATE AND OTHER SECURITIES LAWS.
>
> PRIOR TO INVESTING IN THE SHARES OR CONDUCTING ANY TRANSACTIONS IN THE SHARES, INVESTORS ARE ADVISED TO CONSULT PROFESSIONAL ADVISERS REGARDING THE ABOVE RESTRICTIONS ON TRANSFER AND OTHER RESTRICTIONS REFERRED TO IN THE CONFIDENTIAL PRIVATE PLACEMENT MEMORANDUM RELATING TO THE SHARES DATED [APRIL 17], 2002.

9. NOTICES. All notices required hereunder shall be in writing and shall be deemed given when delivered personally, by facsimile or overnight delivery or within two days after

mailing when mailed by certified or registered mail, return receipt requested, to the Company at its principal office, or to the Holder at the address set forth on the record books of the Company, or at such other address of which the Company or the Holder has been advised by notice hereunder.

10. APPLICABLE LAW. The Warrant is issued under and shall for all purposes be governed by and construed in accordance with the laws of the State of Delaware, without giving effect to the choice of law rules thereof.

11. SUCCESSORS AND ASSIGNS. This Warrant cannot be transferred or assigned by the Holder without the prior written consent of the Company.

(SIGNATURE ON FOLLOWING PAGE)

IN WITNESS HEREOF, the Company has caused this Warrant to be signed on its behalf, in its corporate name, by its duly authorized officer, all as of the day and year first above written.

MARSHALL EDWARDS, INC.

By: _____
Name:
Title:

WARRANT EXERCISE FORM

The undersigned hereby irrevocably elects to exercise the rights contained within the Warrant to the extent of purchasing _____ shares of Common Stock of Marshall Edwards, Inc., a Delaware corporation (the "Company"), and hereby makes payment of $_____ in payment therefor. By its exercise hereof, the undersigned confirms and agrees that it has complied and will comply with all applicable restrictions on the offer, sale, pledge or other transfer of the shares of Common Stock of the Company as set forth in the Warrant.

_____
Signature

_____
Signature, if jointly held

_____
Date

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EXHIBIT 21

SUBSIDIARIES OF MARSHALL EDWARDS, INC.

NAME	PLACE OF INCORPORATION
Marshall Edwards Pty, Limited	Australia

Exhibit 23.2

Consent of Independent Auditors

We consent to the reference to our firm under the captions "Summary Historical Consolidated Financial Data" and "Experts" and to the use of our report dated July 31, 2003, in the Registration Statement (Form S-1 No. 333-) and related Prospectus of Marshall Edwards, Inc. (a development stage company) for the registration of 2,300,000 common stock units.

/s/ Ernst & Young LLP

Stamford, Connecticut
September 25, 2003