

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K/A

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): September 12, 2004

Marshall Edwards, Inc.

(Exact name of registrant as specified in its charter)

DELAWARE

000-50484

51-0407811

(State or other jurisdiction of
incorporation or
organization)

(Commission File Number)

(I.R.S. Employer Identification No.)

140 Wicks Road, North Ryde, NSW, 2113 Australia

(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (011) 61 2 8877-6196

Not Applicable

(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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EXPLANATORY NOTE

Marshall Edwards, Inc. is filing this Form 8-K/A to amend and restate the Form 8-K filed on September 16, 2004.

Item 4.01. Changes in Registrant's Certifying Accountant.

On September 12, 2004, the Board of Directors of Marshall Edwards, Inc. ("the Registrant") dismissed Ernst & Young as the Registrant's independent auditor and appointed BDO as its successor independent audit firm.

Ernst & Young served as the Registrant's independent accountants to audit the Registrant's fiscal year ended June 30, 2004. Ernst & Young LLP served as the Registrant's independent accountants to audit the Registrant's fiscal year ended June 30, 2003. Ernst & Young's and Ernst & Young LLP's respective reports on the Registrant's financial statements for each of those years (fiscal years ended June 30, 2004 and 2003) did not contain an adverse opinion or disclaimer of opinion and were not qualified or modified as to uncertainty, audit scope, or accounting principles.

During the Registrant's two most recent fiscal years and through the date of this Form 8-K, there were no disagreements, as that term is described in Item 304(a)(1)(iv) of Regulation S-K of the Securities and Exchange Commission, between the Registrant and Ernst & Young or Ernst & Young LLP on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure, which disagreements, if not resolved to the satisfaction of Ernst & Young or Ernst & Young LLP, would have caused Ernst & Young or Ernst & Young LLP to make reference to the subject matter of the disagreement in connection with their respective reports.

During the Registrant's two most recent fiscal years and through the date of this Form 8-K, there were no "reportable events," as that term is described in Item 304(a)(1)(v) of Regulation S-K, except for a material weakness in the Registrant's internal control for the year ended June 30, 2004 which was identified by Ernst & Young and disclosed in Item 9a in the Registrant's Annual Report on Form 10-K for the year ended June 30, 2004. Specifically, Ernst & Young noted that the personnel and management of Novogen Limited ("Novogen"), who perform the Registrant's accounting and financial reporting functions pursuant to a Services Agreement, are not sufficiently expert in U.S. GAAP and the requirements of the Securities and Exchange Commission (the "SEC") and the Public Company Accounting Oversight Board and that this lack of expertise represents a material weakness in the operation of the Registrant's internal control over financial reporting. Ernst & Young further noted that the Registrant's system of financial reporting was not designed to prepare financial statements in accordance with U.S. GAAP and that the Registrant's system of internal control, in particular its processes to review and analyze elements of the financial statement close process and prepare consolidated financial statements in accordance with U.S. GAAP, has not reduced to a relatively low level the risk that errors in amounts that would be material in relation to those financial statements may occur and may not be detected within a timely period by management in the normal course of business.

The Registrant has sought assurances from Novogen that it will promptly remedy the concerns raised by Ernst & Young and Novogen has presented to the Registrant a plan for addressing these concerns. Novogen's plan is designed to ensure that the preparation of the Registrant's consolidated financial statements, including the processes to review and analyze elements of the financial statement is in accordance with U.S. GAAP and that relevant information about U.S. GAAP, SEC financial reporting requirements, and the requirements of the Public Company Accounting Oversight Board is available to those persons involved in the process by which the financial statements are prepared. Specifically Novogen's plan provides for additional resources and further training of the Novogen accounting team including: (1) the employment of additional accounting staff on the Novogen accounting team which will enable

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senior finance staff responsible for the preparation of U.S. GAAP financial reports to spend more time dealing with U.S. GAAP reporting issues; (2) increasing the level of attendance at targeted U.S. GAAP and SEC reporting courses by senior Novogen finance staff responsible for the preparation of U.S. GAAP financial reports and SEC disclosure; and (3) subscribing to additional information networks that provide publications and updates of SEC and U.S. GAAP releases and rule changes and of information about the requirements of the Public Company Accounting Oversight Board.

Novogen is already actively recruiting additional accounting staff and the Registrant expects that they will have completed their hiring process during the second fiscal quarter. Additionally, Novogen's senior finance staff has already committed to taking a number of training courses during the next six months, including the SEC Institute's SEC Reporting Conference and the SEC Institute's SEC Reporting Skills Workshop, and will continue to evaluate the merits of additional courses as they become available. Novogen has already begun to receive additional publications and updates of SEC, U.S. GAAP and Public Company Accounting Oversight Board requirements and will review the adequacy of this additional information within the next four months to determine whether additional resources are required.

Until the Registrant is satisfied that it has addressed its need for sufficient expertise in preparing financial statements required in its filings under the securities law the Registrant will seek to mitigate this weakness by conferring with its outside accounting advisers with respect to the technical requirements applicable to its financial statements.

The Registrant has authorized and requested Ernst & Young to respond fully to the inquiries of the BDO regarding the matters above.

The Registrant has provided Ernst & Young with a copy of the foregoing disclosures in response to Item 304(a) of Regulation S-K in conjunction with the filing of this Form 8-K. The Registrant requested that Ernst & Young deliver to the Registrant a letter addressed to the SEC stating whether Ernst & Young agrees with the statements made by the Registrant in response to Item 304(a) of Regulation S-K. Ernst & Young's letter is filed herewith as Exhibit 16.

During the Registrant's two most recent fiscal years ended June 30, 2003 and 2004, and through the date of this Form 8-K, the Registrant did not consult BDO regarding any of the matters or events set forth in Item 304(a)(2)(i) and (ii) of Regulation S-K.

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Item 9.01. Financial Statements and Exhibits.

(c) Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
16	Letter to the Securities and Exchange Commission from Ernst & Young

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Signature

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

MARSHALL EDWARDS, INC.

By: /s/ David R. Seaton
David R. Seaton
Chief Financial Officer
(Duly Authorized Officer and Principal Financial
Officer)

Dated: October 21, 2004

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<u>Exhibit No.</u>	<u>Description</u>
16	Letter to the Securities and Exchange Commission from Ernst & Young



■ **The Ernst & Young Building**
321 Kent Street
Sydney NSW 2000
Australia

■ Tel 61 2 92485555
Fax 61 2 92626565
DX Sydney Stock
Exchange 10172

GPO Box 2646
Sydney NSW 2001

October 20, 2004

Securities and Exchange Commission
450 Fifth Street, N.W.
Washington D.C 20549
UNITED STATES OF AMERICA

Gentlemen:

We have read Item 4.01 of Form 8-K/A dated September 12, 2004, of Marshall Edwards, Inc. and are in agreement with the statements contained in the second, third and fourth paragraphs on page 1 and the eighth and ninth paragraphs on page 2 therein. We have no basis to agree or disagree with other statements of the registrant contained in the first, fifth, sixth, seventh and tenth paragraphs on pages 1 and 2 of the above referenced filing.

Regarding the registrant's statement concerning the lack of internal control to prepare financial statements, included in the paragraph 4 on page 1 therein, we had considered such matter in determining the nature, timing and extent of procedures performed in our audit of the registrant's 2004 financial statements.

A handwritten signature in black ink, appearing to be 'Ernst & Young' written in a cursive style.

/s/ Ernst & Young

Liability limited by the Accountants Scheme, approved
under the Professional Standards Act 1994 (NSW)

Marshall Edwards, Inc.
140 Wides Road
North Ryde NSW 2113
Australia

October 21, 2004

Securities and Exchange Commission
Division of Corporation Finance
Attn: Sasha Parikh

450 Fifth Street, N.W., Mail Stop 3-9
Washington, D.C. 20540-0404

**Re: Marshall Edwards, Inc.
Form 8-K filed September 16, 2004**

Dear Ms. Parikh:

We are responding to the comments of the Staff of the Securities and Exchange Commission (the "Commission") in your September 21, 2004 letter to the Company with respect to the Company's Form 8-K, which was filed with the Commission by the Company on September 16, 2004 (the "8-K").

In response to your letter, set forth below are your comments in bold followed by the Company's responses to your comments.

1. Comment: Please state whether the former accountant resigned, declined to stand for re-election or was dismissed and the date thereof, pursuant to Item 304(a)(1)(i) of Regulation 8-K.

Response: The Company advises the Staff that the Company's former accountants were dismissed by the Board of Directors of the Company on September 12, 2004. The Company has, today, filed with the Commission an amendment to the 8-K (the "8-K/A") in which the Company has disclosed that its former accountant was dismissed on September 12, 2004.

2. Comment: In Ernst and Young's letter dated September 16, 2004, we noted that they did not agree or disagree with paragraph eight of the filing regarding the authorization and request of Ernst and Young to respond fully to the inquires of BDO. Please revise your disclosure to correspond with Ernst and Young's response or provide the required disclosure for disagreements with former auditors pursuant to Item 304(a)(1)(iv).

Response: Ernst & Young has provided an updated letter, dated the date hereof, which indicates that they agree with paragraph eight of the Company's 8-K regarding the

authorization and request of Ernst and Young to respond fully to the inquiries of BDO. A copy of the Ernst & Young letter has been filed as Exhibit 16 to the 8-K/A.

3. Comment: Please file an updated letter from your former accountant covering the changes made in response to the above comments. File that letter as Exhibit 16 to the amended Form 8-K, or if not available at the time of filing, file another amended Form 8-K within ten business days or within two days of receipt, whichever is earlier. Please refer to rules 304(a)(3) and 601(b)(16) of Regulation 8-K.

Response: As noted in response to Comment #2 above, the Company has filed a copy of an updated letter from Ernst & Young as Exhibit 16 to the 8-K/A.

In connection with the Company's response to the comments of the Commission, the Company hereby acknowledges that:

- the Company is responsible for the adequacy and accuracy of the disclosure in its filings;
- Staff comments or changes to disclosure in response to Staff comments in the filing reviewed by the Staff do not foreclose the Commission from taking any action with respect to the filing; and
- the Company may not assert Staff comments as a defense in any proceeding initiated by the Commission or any person under the federal securities laws of the United States.

Please feel free to contact Steven A. Navarro (212-309-6147) or Owen S. Littman (212-309-6142) of Morgan, Lewis & Bockius LLP, the Company's outside counsel, with any questions regarding the foregoing.

Very truly yours,

MARSHALL EDWARDS, INC.

By: /s/ David R. Seaton

Name: David R. Seaton

Title: Chief Financial Officer and Secretary

cc: Morgan, Lewis & Bockius LLP

Steven A. Navarro

Owen S. Littman

Ernst & Young

Gary Daniels