Novogen Annual General Meeting
Chairman's Report
29 October, 2010

I would like to welcome you all to the 2010 Annual General Meeting of Novogen Limited. The past twelve months for our Company have been highlighted by both change and disappointment. Change has taken place in the leadership of Novogen with the departure of most of the senior management team. Disappointment came with the long awaited results of the Ovature clinical trial.

The reality for all shareholders is shown by the following graph of Novogen's share price over the past five years. It is an understatement to say that we are all unhappy. I will outline over the next few minutes those actions that the Board has taken and plans to take over the coming months to try and create shareholder value in the future.

During the past year, the Board has spent a considerable amount of time rationalising all of Novogen's operations. The goal is to preserve what market value we have left, while also looking at the most realistic ways to build value for our shareholders in the future. I can tell you that the Board and management team have worked tirelessly on this effort. This week marks my 11th trip to Sydney from New York in the past twelve months.

As the Board has done over the past year, we can look at the Company's assets and business operations and start to understand where the value creating opportunities lie. The Company's assets in large categories are as follows:

- Consumer Products Business
- Royalty payments (ending 2013)
- IP Portfolio
- Glycotex shares (80%)
- Marshall Edwards shares (71%)
- ASX listing – shareholder base
- Cash

Consumer Products Business

This is the original business of Novogen. The Company has two primary products, Trinovin for prostate health and Promensil to relieve menopause symptoms. The Company sells these products through distributors in worldwide markets, with the exception of the US. Sales of these products were slightly under $8 million for 2010, somewhat lower than last year. We have seen growth in some of our geographic markets over the past twelve months but despite a small cash contribution to the Group, Novogen is not in a position to support the future growth of this business. We are currently exploring opportunities to sell this business and believe that we can use the cash proceeds for better purposes within the Group.

Royalty payments

Novogen receives royalty payments for certain licensed products primarily to one large corporate customer. These payments amounted to slightly under $1.7m in 2010 and are scheduled to end in 2013. There are obviously no growth opportunities in this segment but it is an important source of cash.

Intellectual Property Portfolio

Novogen has develpoed an extensive and diverse portfolio of isoflavin and glucan based compounds. The R&D team has achieved some success in creating and screening compounds that have shown promise in the lab in oncology, cardiovascular, anti-inflammatory and wound healing indications. As you will hear shortly, the oncology and glucan programs show considerable promise. The reality is that only four isoflavin compounds and one glucan formulation have shown enough potential in the lab to warrant the investment in time and money that might someday make them commercial drugs. Taking a promising compound from the lab to commercialisation is a ten year effort that can cost hundreds of millions of dollars. The Novogen Group does not have the resources to engage in a multi-pronged effort on this scale. In the past year, the Board decided after full review of all of the drug development programs to postpone further development of the cardiovascular and anti-inflammatory programs and focus our resource on those programs that show the most immediate potential.

As has been announced, Novogen has reached an agreement to sell its isoflavin based IP to MEI. The obvious logic is to move the IP into the entity that has the drug development expertise and has the best chance to raise the funds that will take them to success. I will discuss this more in a few moments.

Glycotex, Inc.

Glycotex is an 80% owned subsidiary of Novogen that licenses a glucan based compound from Novogen. Glycotex is developing GLYC-101 with a primary focus on the therapeutic benefits of this compound in wound healing. Reinhard Koenig, CEO of Glycotex is here today and you will hear a comprehensive report from him on the activities of the Company. Glycotex has not been a priority of the Group over the past few years. It has suffered from a lack of funding and honestly has been overshadowed by the excitement of the oncology programs at Marshall Edwards. The Novogen Board has recently decided to provide Glycotex with a modest amount of funding that will take it through the conclusion of its next Phase II clinical trial and an important value inflection point. This decision is still contingent upon the broader restructuring plan and available resources but with some luck and Reinhard's expertise, we believe that Glycotex can provide some of the long awaited future value for our shareholders.

Marshall Edwards, Inc.

Dan Gold, CEO of Marshall Edwards is here with us today and will be giving a full report on MEI's activities. For all of us, MEI is the big potential value driver of our Group because of its development of our exciting oncology compounds. Earlier this year, the Novogen Board made the strategic decision to shift all of its Isoflavin based programs into MEI. The result has been a series of steps that you have all seen in our press announcements. The first was a search for and the recruitment of an experienced drug development executive as CEO of MEI. In April, we hired Dan Gold. Dan's brief is to establish a clinical and administrative team around him giving MEI the best possible opportunity to access capital and move our compounds successfully through the clinic. Dan has located the company in San Diego, California where there is a large biotech community.

The second step in the refocus of the isoflavin program was to simplify the economic structure. The licence agreement between Novogen and MEI for certain of the isoflavin compounds has always been confusing to the marketplace and criticised by prospective investors. As a 70% owner of MEI, the real value to Novogen lies in the share ownership, not in the potential future royalty payments. Novogen agreed to sell the underlying intellectual property to MEI in September and we are working diligently to close that sale. Because this is a stock based transaction, it will increase Novogen's ownership stake in MEI. Make no mistake, however, in order to succeed MEI must raise additional capital in the near future and our position will ultimately be diluted.

The third step which is ongoing is to strengthen the MEI board of directors. An impressive step was taken in August with the appointment of Christine White to the MEI board. Dan will give you more detail on her credentials.

ASX/NASDAQ Listing, Cash

Our other assets include our public listing both in Australia and the US and the modest amount of cash we hold. As the previously mentioned steps take place, Novogen will become a smaller, leaner company. Its principal assets will be its ownership of MEI and Glycotex shares. It is our intention to explore possible new business opportunities for Novogen to add additional value to our Company. We are currently evaluating several such opportunities. To that end, the final facet of our strategy is represented here today. Because Novogen is no longer a drug development company, we have restructured the nature of our Board to include individuals who have extensive experience and past success in corporate finance, investing and corporate restructuring. This is all in an effort to maximise the value of our current assets and explore those opportunities that might add additional value in the future.

Our Board represents considerable ownership of our Company. We will succeed or fail in the same way as all other shareholders. Over the past ten years, we have lost over 90% of the value of our investment. It is now time for a radical change in our strategy to give the drug candidates we believe in a fair and reasonable chance for success. The two main elements that are required are expertise and capital. We believe that we have achieved the first through our management recruitment efforts at MEI and Dr Koenig's position at Glycotex. Capital is the remaining ingredient and the fuel that will drive us forward. We must do everything we can to insure that both MEI and Glycotex can access the capital they will need.

I would like to take this opportunity to thank some of the key people in the Group. The entire staff at our headquarters in North Ryde has worked diligently over the past year in a time of difficulty and uncertainty for our Company. I would like to thank them all for their efforts.

I would also like to thank two directors who will retire today. Geoff Leppinus joined the Board in 2005 and has chaired the Audit Committee for each of his years on the Board. We should all thank him for his many years of loyal service to the Company.

I would like to also thank Professor Paul Nestel for his more than ten years of service as a Director of both Novogen and Marshall Edwards. Paul has made the trip from Melbourne to North Ryde more times than any of us would care to imagine. We are grateful for his dedication and efforts on our behalf.

Finally, I would like to thank Phillip Johnston who retired from the Novogen Board recently. Phillip first joined the Board in 1997 and became its Chairman in 2001. No one on the Board made the contribution of time and effort that Phillip did for over more than 12 years. Without Phillip's leadership over the past 12 months, we would not have accomplished many of the positive steps I have referred to today.