



NOXOPHARM LIMITED

ACN: 608 966 123

GENERAL PURPOSE

FINANCIAL REPORT

FOR THE PERIOD

27 OCTOBER 2015 TO 31 MARCH 2016

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DIRECTORS' REPORT

Your directors present their report, together with the financial statements, on Noxopharm Limited (referred to hereafter as the 'Company') for the period 27 October 2015 to 31 March 2016.

Directors

The following persons were directors of Noxopharm Limited during the period and up to the date of this report:

Graham Kelly (*Appointed 27 October 2015*)

Peter Marks (*Appointed 15 March 2016*)

Ian Dixon (*Appointed 15 March 2016*)

Principal activities

During the reporting period, the principal continuing activity of the company concerned the clinical development of its lead product, NOX66.

Review of operations

The main operations of the Company have focused on the logistics of bringing NOX66 into the clinic in 2016. A number of milestones were achieved during the period:

- Contract let with Jubilant Chemsys Ltd (Noida, Uttar Pradesh, India) for manufacture of clinical trial batch of idronoxil. Phase 1b clinical trial protocol drawn up in consultation with Australian oncologists. Discussions held with a number of contract research organisations in Australia and UK regarding the conduct of the clinical trial.
- Arrangements made with parties able to conduct assays that may serve as potential biomarkers of NOX66 activity.
- Arrangement entered into with Monash University Faculty of Pharmacy and Pharmaceutical Sciences to assist in R&D project regarding pharmacokinetics and pharmacodynamics of NOX66.

Significant changes in the state of affairs

There was no significant change in affairs.

Events since the end of the period

The Company converted \$486,900 of funds received from shareholders to shares on the 1st of April 2016. The amount of shares issued was: 6,955,714 at \$0.07 per share.

The Company became a public company on the 15th of April 2016 and as such changed its name from Noxopharm Pty Ltd to Noxopharm Limited. For clarity the company has adopted the change of name in this report.

The Company issued 3,477,857 options to shareholders at an exercise price of \$0.30 on 1 April 2016. These options expire on 28 February 2021.

A contract was signed with UK-based Contract Research Organisation to oversee conduct of Phase 1b clinical study in an Eastern European country.

Likely developments and expected results of operations

The company is in the process of listing on the Australian Stock Exchange and expect to conduct an Initial Public Offering in May 2016.

The company expects to achieve the following milestones:

- Contract to manufacture finished product for Phase 1b clinical study anticipated being issued in May 2016.
- Contracts with Principal Investigators at 2 clinical sites anticipated being issued in April 2016.
- Phase 1b clinical study anticipated enrolling first patient in Sept/Oct 2016.

Going concern

The financial statements have been prepared on a going concern basis, which contemplates continuity of normal business activities and the realization of assets and discharge of liabilities in the normal course of business.

Auditor's Independence Declaration

The Auditor's Independence Declaration as required under section 307C of the *Corporations Act 2001* is set out on the following page. This Director's Report has been issued following a resolution of the Directors pursuant to section 306 (3) of the *Corporations Act 2001*, for an on behalf of the Board.

A handwritten signature in black ink, appearing to read 'Graham Kelly', written over a horizontal line.

Graham Kelly
Signed this 30th day of May 2016

**AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE
CORPORATIONS ACT 2001 TO THE DIRECTORS OF NOXOPHARM LIMITED**

I declare that, to the best of my knowledge and belief during the period 27 October 2015 to 31 March 2016 there have been:

- no contraventions of the auditor independence requirements as set out in the Corporations Act 2001 in relation to the audit; and
- no contraventions of any applicable code of professional conduct in relation to the audit.

William Buck

William Buck Audit (Vic) Pty Ltd
ABN 59 116 151 136



J. C. Luckins
Director

Dated this 30th day of May 2016

**CHARTERED ACCOUNTANTS
& ADVISORS**

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Melbourne VIC 3000

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STATEMENT OF PROFIT & LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE PERIOD 27 OCTOBER 2015 TO 31 MARCH 2016

	Notes	31-Mar-16 AU\$
Administration expenses		4,952
Corporate expenses	3	84,964
Depreciation expenses		196
Employee expenses	4	18,883
Entertainment expenses		366
Occupancy expenses		6,205
R&D	5	129,361
Travel expenses		7,042
Performance shares expense	10	8,415
Options expense	11	194,096
Realised FX		28
Total expenses		454,508
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Net loss		(454,508)
Other comprehensive income/(loss) for the period, net of tax		-
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Total comprehensive loss for the period		(454,508)
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Loss attributable to owners of Noxopharm Limited		(454,508)
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Total comprehensive loss for the period attributable to owners of Noxopharm Limited		(454,508)
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This statement is to be read in conjunction with the Notes to the Financial Statements.

STATEMENT OF FINANCIAL POSITION

AS AT 31 MARCH 2016

	Notes	31-Mar-16 AU\$
Current assets		
Cash at bank	6	487,623
Other receivables		5,776
Prepayments		7,228
Total current assets		500,627
Non-current assets		
Equipment	7	4,795
Deposits paid		12,301
Total non-current assets		17,096
Total assets		517,723
Current liabilities		
Trade and other payables	8	44,925
Other borrowings	9	486,900
Provisions		9,295
Total current liabilities		541,120
Total liabilities		541,120
Net assets		(23,397)
Equity		
Shareholder capital	10	237,015
Reserves	11	194,096
Accumulated losses	12	(454,508)
Total equity		(23,397)

This statement is to be read in conjunction with the Notes to the Financial Statements.

STATEMENT OF CHANGES IN EQUITY

FOR THE PERIOD 27 OCTOBER 2015 TO 31 MARCH 2016

	Contributed equity	Option Reserve	Accumulated losses	Total equity
As at 27 October 2015	-	-	-	-
Loss for the period	-	-	(454,508)	(454,508)
Total comprehensive loss for the period	-	-	(454,508)	(454,508)
<i>Transactions with Equity holders in their capacity as equity holders:</i>				
Shares issued	237,015	-	-	237,015
Options issued	-	194,096	-	194,096
As at 31 March 2016	237,015	194,096	(454,508)	(23,397)

This statement is to be read in conjunction with the Notes to the Financial Statements.

STATEMENT OF CASH FLOWS

FOR THE PERIOD 27 OCTOBER 2015 TO 31 MARCH 2016

	Notes	31-Mar-16 AU\$
<i>Cash flows from operating activities</i>		
Payments to suppliers and employees	18	(210,585)
Net cash flows used in operating activities		(210,585)
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<i>Cash flows related to investing activities</i>		
Payment for purchases of plant and equipment		(4,991)
Payment for hold on lease		(12,301)
Net cash flows used in investing activities		(17,292)
<hr/>		
<i>Cash flows related to financing activities</i>		
Proceeds from issues of securities		228,600
Proceeds from borrowings		486,900
Net cash flows provided by financing activities		715,500
<hr/>		
Net increase in cash and cash equivalents		487,623
Cash and cash equivalents at the beginning of the period		-
Cash and cash equivalents at the end of the period		487,623

This statement is to be read in conjunction with the Notes to the Financial Statements.

NOTES TO THE FINANCIAL STATEMENTS

1. Statement of significant accounting policies

Noxopharm Limited is a for profit company limited by shares incorporated in Australia.

The financial report of Noxopharm Limited (the "Company") for the period 27 October 2015 to 31 March 2016 was authorised for issue in accordance with a resolution of the Directors on 30 May 2016. This is the first set of financial statements that the company has prepared. There are no comparative figures.

a. Basis of preparation

The general-purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for a for-profit oriented entity. These financial statements also comply with International Financial Reporting Standards ('IFRS') as issued by the International Accounting Standards Board ('IASB').

Historical cost convention

The financial report has been prepared under the historical cost convention, except for, where applicable, the revaluation of available-for-sale financial assets, financial assets and liabilities at fair value through profit or loss, investment properties, certain classes of property, plant and equipment and derivative financial instruments.

Critical accounting estimates and significant judgements

The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the consolidated entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 2.

The accounting policies set out below have been applied in preparing the financial statements for the period ending 31 March 2016.

b. Cash and cash equivalents

Cash and short-term deposits in the Statement of Financial Position comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less.

For the purposes of the Statement of Cash Flow, cash and cash equivalents consist of cash and cash equivalents as defined above.

c. Other receivables

Trade and other receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less an allowance for impairment, once they become over due by more than 60 days. A separate account records the impairment.

An allowance for a doubtful debt is made when there is objective evidence that the Company will not be able to collect the debts. The criteria used to determine that there is objective evidence that an impairment loss has occurred include whether the Financial Asset is past due and whether there is any other information regarding increased credit risk associated with the Financial Asset. Bad debts which are known to be uncollectible are written off when identified.

d. Plant and equipment

Property, plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the consolidated entity and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Depreciation on plant and equipment is calculated using the straight-line method to allocate their cost or revalued amounts, net of their residual values, over their estimated useful lives, as follows:

Computer equipment:	4 years	Furniture and fittings:	10 years
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The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at each reporting date.

1. Statement of significant accounting policies *Continued*

d. Plant and equipment *Continued*

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss. When revalued assets are sold, it is Company policy to transfer the amounts included in other reserves in respect of those assets to retained earnings.

e. Leases

Operating lease payments, net of any incentives received from the lessor, are charged to profit or loss on a straight-line basis over the term of the lease.

f. Trade creditors and other payables

Trade and other payables are carried at amortised cost and represent liabilities for goods and services provided to the Company prior to the end of the financial year that are unpaid and arise when the Company becomes obliged to make future payments in respect of the purchase of these goods and services. Licensing fees are recognised as an expense when it is confirmed that they are payable by the Company.

g. Other borrowings

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

h. Goods and services tax

Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense. Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the taxation authority is included with other receivables or payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities, which are recoverable from, or payable to the taxation authority, are presented as operating cash flow.

i. Employee benefits

Short Term Employee Benefits

Provision is made for the Company's obligation for short-term employee benefits. Short-term employee benefits are benefits (other than termination benefits) that are expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related service, including wages, salaries and sick leave. Short-term employee benefits are measured at the (undiscounted) amounts expected to be paid when the obligation is settled.

The Company's obligations for short-term employee benefits such as wages, salaries and sick leave are recognised as a part of current trade and other payables in the statement of financial position. The Company's obligations for employees' annual leave entitlements are recognised as provisions in the statement of financial position.

Long Service Leave

The liability for long service leave is recognised for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date. Consideration is given to expected future wage and salary levels, experience of employee departures, and periods of service. Expected future payments are discounted using market yields at the reporting date on high quality corporate bonds with terms to maturity and currencies that match, as closely as possible, to the estimated future cash outflows.

j. Contributed equity

Ordinary shares are classified as equity. Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction (net of tax) of the share proceeds received.

1. Statement of significant accounting policies *Continued*

k. Research and development costs

Research costs are expensed as incurred.

An intangible asset arising from development expenditure on an internal project is recognised only when the Company can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale, its intention to complete and its ability to use or sell the asset, how the asset will generate future economic benefits, the availability of resources to complete the development and the ability to measure reliably the expenditure attributable to the intangible asset during its development.

Following initial recognition of the development expenditure, the cost model is applied requiring the asset to be carried at cost less any accumulated amortisation and accumulated impairment losses. Any expenditure so capitalised is amortised over the period of expected benefits from the related project.

The carrying value of an intangible asset arising from development expenditure is tested for impairment annually when the asset is not available for use, or more frequently when an indication of impairment arises during the reporting period.

k. Going concern

The financial statements have been prepared on a going concern basis, which contemplates continuity of normal business activities and the realization of assets and discharge of liabilities in the normal course of business.

l. R&D tax incentives

Under the research and development tax incentive a refundable offset of 45%, equivalent to a deduction of 150%, will be available to eligible small companies with an annual aggregate turnover of less than \$20 million. Eligible companies can receive a refundable research and development tax incentive offset of 45% of their research and development spending.

The Company's research and development activities are eligible under an Australian Government tax incentive for eligible expenditure from 1 July 2011. Management has assessed these activities and expenditure to determine which are likely to be eligible under the incentive scheme. For the period to 31 March the Company has deemed the amount to be recorded as immaterial and as such not recognised a tax concession.

m. New, revised or amending Accounting Standards and Interpretations adopted

The Company has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period. Any new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or financial position of the Company.

n. New Accounting Standards and Interpretations not yet mandatory or early adopted

The following Australian Accounting Standards and Interpretations have recently been issued or amended but are not yet effective and therefore have not been adopted by the Company for the period ended 31 March 2016:

1. Statement of significant accounting policies *Continued*

o. New Accounting Standards and Interpretations not yet mandatory or early adopted *Continued*

Reference	Title	Summary	Application date of standard	Impact on financial report	Application date
AASB 9	Financial Instruments (2014)	AASB 9 addresses the classification, measurement and de-recognition of financial assets and financial liabilities and introduces new rules for hedge accounting. In December 2014, the AASB made further changes to the classification and measurement rules and also introduced a new impairment model. These latest amendments now complete the new financial instruments standard.	1 January 2018	Impact not yet assessed	1 July 2018
AASB 15	Revenue from Contracts with Customers	The AASB has issued a new standard for the recognition of revenue. This will replace AASB 118 which covers contracts for goods and services and AASB 111 which covers construction contracts. The new standard is based on the principle that revenue is recognised when control of a good or service transfers to a customer – so the notion of control replaces the existing notion of risks and rewards. The standard permits a modified retrospective approach for the adoption. Under this approach entity will recognise transitional adjustments in retained earnings on the date of initial application (eg 1 July 2018), ie without restating the comparative period. They will only need to apply the new rules to contracts that are not completed as of the date of initial application	1 January 2018	Impact not yet assessed	1 July 2018

2. Critical accounting judgements, estimates and assumptions

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed below.

Options

Under AASB 132 *Financial Instruments: Presentation* the Company must recognise the fair value of options granted as an expense on a pro-rata basis over the vesting period in profit or loss with a corresponding adjustment to equity.

The cost of these transactions is measured by reference to fair value at the date they are granted. The fair value is determined using the Black Scholes model taking into account the terms and conditions upon which the instruments were granted.

For further details, please refer to Note 11(a) Reserves.

2. Critical accounting judgements, estimates and assumptions *Continued*

Performance shares

Under AASB 132 *Financial Instruments: Presentation* the Company must recognise the fair value of shares granted as an expense in profit or loss with a corresponding adjustment to equity.

The cost of these transactions is measured by reference to fair value at the date they are granted. The fair value is determined using market conditions and probability factors.

For further details, please refer to Note 10(a) Issued capital.

3. Corporate expenses	Period 27-Oct-15 to 31-Mar-16 AU\$
Accounting expenses	10,000
Audit expenses	10,000
Consulting expenses	10,722
Legal expenses	53,214
Insurances	1,028
Total corporate expenses	84,964
4. Employee expenses	Period 27-Oct-15 to 31-Mar-16 AU\$
Wages & salaries	16,070
Employee benefits	1,531
Leave provisions	1,282
Total employee expenses	18,883
5. Research and development	Period 27-Oct-15 to 31-Mar-16 AU\$
Employee expenses	118,519
Legal fees	8,342
Patent costs	2,500
Total research and development	129,361
6. Cash and cash equivalents	31-Mar-16 AU\$
Cash at bank	487,623
Total cash and cash equivalents	487,623

7. Equipment	31-Mar-16
	AU\$
Computer equipment	1,817
Less accumulated depreciation	(173)
Furniture and fittings	3,174
Less accumulated depreciation	(23)
Total plant & equipment	4,795

Reconciliation

A reconciliation of the written down values at the beginning and end of the current period are set out below:

	Computer equipment	Furniture and fittings
Balance at 27 October 2015	-	-
Additions	1,817	3,174
Depreciation expense	(173)	(23)
Balance at 31 March 2016	1,644	3,151

8. Trade and other payables	31-Mar-16
	AU\$
Trade payables	34,925
Accrued expenses	10,000
Total trade and other payables	44,925

9. Other borrowings	31-Mar-16
	AU\$
Loans from shareholders	486,900
Total other borrowings	486,900

The amounts received from shareholders were converted to shares on the 1st of April 2016. The number of shares issued was: 6,955,714 at \$0.07 per share.

10. Issued capital	Note	No.	31-Mar-16 AU\$
Contributed equity	(a)	48,215,715	237,015
Total issued capital			237,015

(a) Contributed equity	Note	No.	31-Mar-16 AU\$
At the beginning of the period		-	-
Share issued during the period	(i)	48,215,715	237,015
Total at reporting date		48,215,715	237,015

(i) Details of shares issued during the period

Date	Details	Number	Issue Price \$AU	AU\$
11/11/2015	Private placement to sophisticated investors	35,000,000	0.0001	3,500
11/11/2015	Private placement to sophisticated investors	1,428,572	0.07	100,000
29/12/2015	Private placement to sophisticated investors	1,072,143	0.07	75,050
08/01/2016	Private placement to sophisticated investors	715,000	0.07	50,050
08/03/2016	Performance shares issued to founding shareholders	10,000,000	0.0665 ²	8,415
		38,215,715		237,015

(2) Performance shares

The Performance shares will convert to into one fully paid ordinary share in the Company on the achievement of the Company attaining a market capitalisation of \$50,000,000. These shares lapse on 28 February 2021 and as such the Company has taken a conservative approach in amortising the shares over their life. In conducting the valuation of the shares the Company has taken into consideration the expected share price needed to reach a market capitalisation of \$50,000,000 (based on the expected number of shares on issue) and assigned a probability factor of 10%. On conversion the Performance shares will rank pari passu in all respects with existing shares.

Rights of each type of shares:

Ordinary shares entitle the holder to participate in dividends and the proceeds on winding up of the Company in proportion to the number of shares held. On a show of hands every holder of ordinary shares present at a meeting or by proxy, is entitled to one vote. Upon a poll every holder is entitled to one vote per share held.

Noxopharm Limited

11. Reserves	Note	No.	31-Mar-16 AU\$
Options reserve	(a)	19,107,858	194,096
Total issued capital			194,096

(a) Options reserve	Note	No.	31-Mar-16 AU\$
At the beginning of the period		-	-
Share issued during the period	(i)	19,107,858	194,096
Total at reporting date		19,107,858	194,096

(i) Details of shares issued during the period

Date	Details	Number	Fair value at Grant date \$AU	AU\$
08/03/2016	Unlisted shareholder options exercisable at \$0.30, expire 28 February 2021 ⁽²⁾	19,107,858	0.0371	194,096
		19,107,858		194,096

(2) Options

The Options are amortised over a vesting period from 8 March 2016 to 31 May 2016 as it is expected that the options will not be exercised until the company is listed on the ASX.

For the options granted during the current period, the valuation model inputs used to determine the fair value at the grant date are outlined below:

Grant date	Expiry date	Share price at grant date	Exercise Price	Expected Volatility (%)	Dividend yield	Risk-free Interest rate	Fair value at grant date
08/03/2016	28/02/2021	\$0.07	\$0.30	100	-	2.12%	\$0.0371

The general terms and conditions of the options were:

- No dividends or voting rights attached
- Exercise price set at a premium to share price at date of entitlement
- All shares allotted upon exercise of Options will upon allotment rank pari passu in all respects with other shares.

12. Accumulated losses	31-Mar-16 AU\$
Accumulated losses	-
Current period losses	(454,508)
Total accumulated losses	(454,508)

13. Lease commitments

The following represents the non-cancellable operating lease commitments not capitalised in the financial statements:

	0 - 12 Months
Premises	27,133

14. Key management personnel

The aggregate compensation made to directors and other members of key management personnel of company is set out below:

	31-Mar-16
	AU\$
Short-term employee benefits	118,532
Post-employment benefits	18,870
Total benefits	137,402

15. Remuneration of auditors

During the period the following fees were paid or payable for services provided by William Buck Audit (Vic) Pty Ltd, the auditor of the company:

	31-Mar-16
	AU\$
Review of the financial statements	10,000

16. Contingent liabilities

At 31 March 2016 there were no contingent liabilities of the company.

17. Related party transactions

Key management personnel

Disclosures relating to key management personnel are set out in note 14.

Transactions with related parties

The following transactions occurred with related parties:

	31-Mar-16
	AU\$
Payment for accounting and company secretarial services provided by the CFO Solution	10,000

18. Reconciliation of profit after income tax to net cash from operating activities

	31-Mar-16
	AU\$
Loss after income tax expense for the period	(454,949)
<i>Adjustments for:</i>	
Depreciation	196
Performance shares issued for nil consideration	8,856
Options issued for nil consideration	194,096
<i>Change in operating assets and liabilities:</i>	
Other receivables	(5,776)
Prepayments	(7,228)
Trade and other payables	34,925
Provisions	9,295
Net cash from operating activities	(210,585)

19. Events after the balance date

The Company converted \$486,900 of funds received from shareholders to shares on the 1st of April 2016. The amount of shares issued was: 6,955,714 at \$0.07 per share.

The Company became a public company on the 15th of April 2016 and as such changed its name from Noxopharm Pty Ltd to Noxopharm Limited. For clarity the company has adopted the change of name in this report.

The Company issued 3,477,857 options to shareholders at an exercise price of \$0.30 on 1 April 2016. These options expire on 28 February 2021.

A contract was signed with UK-based Contract Research Organisation to oversee conduct of Phase 1b clinical study in an Eastern European country.

INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF NOXOPHARM LIMITED

Report on the Financial Report for the period ended 31 March 2016

We have reviewed the accompanying financial report of Noxopharm Limited, which comprises the condensed statement of financial position as at 31 March 2016, the condensed statement of profit or loss and other comprehensive income, condensed statement of changes in equity and condensed statement of cash flows for the period ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' Responsibility for the Financial Report

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

Auditor's Responsibility

Our responsibility is to express a conclusion on the financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the Corporations Act 2001 including:

- giving a true and fair view of the company's financial position as at 31 March 2016 and its performance for the period ended on that date; and
- complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001.

As the auditor of Noxopharm Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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

Independence

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

CHARTERED ACCOUNTANTS & ADVISORS

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INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF NOXOPHARM LIMITED (CONT)*Conclusion*

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

- a) giving a true and fair view of the company's financial position as at 31 March 2016 and of its performance for the period ended on that date; and
- b) complying with Australian Accounting Standard 134 Interim Financial Reporting and the Corporations Regulations 2001.



William Buck Audit (Vic) Pty Ltd
ABN 59 116 151 136



J. C. Luckins
Director

Dated this 30th day of May 2016

DIRECTORS DECLARATION

NOXOPHARM LIMITED

FOR THE PERIOD 27 OCTOBER 2015 TO 31 MARCH 2016

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes thereto comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements;
- the attached financial statements and notes thereto give a true and fair view of the Company's financial position as at 31 March 2016 and of its performance for the period ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001.

On behalf of the Directors



Graham Kelly
Director

Dated this 30th day of May 2016