

1. Company details

Name of entity:	Noxopharm Limited
ABN:	50 608 966 123
Reporting period:	For the half-year ended 31 December 2016
Previous period:	For the period ended 31 December 2015

2. Results for announcement to the market

			\$
Revenues from ordinary activities	down	-	-
Loss from ordinary activities after tax attributable to the owners of Noxopharm Limited	up	1083.3%	(1,139,068)
Loss for the half-year attributable to the owners of Noxopharm Limited	up	1083.3%	(1,139,068)

Dividends

There were no dividends paid, recommended or declared during the current financial period.

Comments

The loss for the company after providing for income tax amounted to \$1,139,068 (31 December 2015: \$96,262).

3. Net tangible assets

	Reporting period Cents	Previous period Cents
Net tangible assets per ordinary security	<u>5.14</u>	<u>0.06</u>

4. Control gained over entities

Not applicable.

5. Loss of control over entities

Not applicable.

6. Dividends

Current period

There were no dividends paid, recommended or declared during the current financial period.

Previous period

There were no dividends paid, recommended or declared during the previous financial period.

7. Dividend reinvestment plans

Not applicable.

8. Details of associates and joint venture entities

Not applicable.

9. Foreign entities

Details of origin of accounting standards used in compiling the report:

Not applicable.

10. Audit qualification or review

Details of audit/review dispute or qualification (if any):

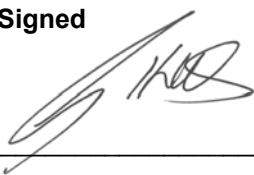
The financial statements were subject to a review by the auditors and the review report is attached as part of the Interim Report.

11. Attachments

Details of attachments (if any):

The Interim Report of Noxopharm Limited for the half-year ended 31 December 2016 is attached.

12. Signed



Date: 24 February 2017

Graham Kelly
Director

Noxopharm Limited

ABN 50 608 966 123

Interim Report - 31 December 2016

The directors present their report, together with the financial statements, on the company for the half-year ended 31 December 2016.

Directors

The following persons were directors of the company during the whole of the financial half-year and up to the date of this report, unless otherwise stated:

Dr. Graham Kelly
Mr. Peter Marks
Dr. Ian Dixon

Principal activities

The Company's principal activity in the course of the financial year were the research and development of NOX66 in the field of adjuvant therapy in chemotherapy and radiotherapy.

There were no significant changes in the nature of the Company's principal activity during the financial half year.

Review of operations

The loss for the company after providing for income tax amounted to \$1,139,068 (31 December 2015: \$96,262).

During the period, the Company has:

- developed a strategic drug development plan embracing both clinical and pre-clinical programs;
- provided preliminary details regarding its planned 5 clinical studies scheduled to commence in the first half of 2017;
- announced first-in-human Phase 1 study approved;
- made 3 key medical appointments as part of the expansion of its clinical team to coincide with the initiation of its NOX66 clinical trials program;
- announced lodgment of a new patent in relation to its NOX66 delivery technology successfully delivering high levels of the experimental anti-cancer drug, idronoxil, across the blood-brain barrier to the brain; and
- in order to streamline its expanding operations, moved its administrative functions from Melbourne to Sydney, including the appointment of a Sydney-based Company Secretary and Financial Officer, Mr David Franks.

Significant changes in the state of affairs

There were no significant changes in the state of affairs of the company during the financial half-year.

Matters subsequent to the end of the financial half-year

On 31 January 2017, the Company announced that the first NOX66 clinical trial is to commence.

No other matter or circumstance has arisen since 31 December 2016 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

Auditor's independence declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out immediately after this directors' report.

This report is made in accordance with a resolution of directors, pursuant to section 306(3)(a) of the Corporations Act 2001.

On behalf of the directors

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

Graham Kelly
Director

Sydney, 24 February 2017

**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 half-year ended 31 December 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.

A handwritten signature in blue ink that reads 'William Buck'.

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

A handwritten signature in blue ink that reads 'J. C. Luckins'.

J. C. Luckins
Director

Dated this 24th day of February 2017

**CHARTERED ACCOUNTANTS
& ADVISORS**

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General information

The financial statements cover Noxopharm Limited as an individual entity. The financial statements are presented in Australian dollars, which is Noxopharm Limited's functional and presentation currency.

Noxopharm Limited is a listed public company limited by shares, incorporated and domiciled in Australia. Its registered office and principal place of business are:

Registered office

Suite 1 Level 6, 50 Queen Street,
MELBOURNE, VIC 3000,
AUSTRALIA

Principal place of business

Suite 3 Level 4
828 Pacific Highway
GORDON NSW 2072

A description of the nature of the company's operations and its principal activities are included in the directors' report, which is not part of the financial statements.

The financial statements were authorised for issue, in accordance with a resolution of directors, on 24 February 2017.

Noxopharm Limited
Statement of profit or loss and other comprehensive income
For the half-year ended 31 December 2016



	Note	31/12/2016 \$	31/12/2015 \$
Revenue			
Interest income		28,601	-
Expenses			
Corporate Administration Expenses		(410,309)	(33,881)
Research and Development Expenses		(235,681)	(10,647)
Depreciation Expense		(17,392)	(243)
Finance Fee Expenses		(8,723)	(10)
Consulting, Employee and Director Expenses		(423,550)	(49,024)
Travel and Entertainment Expenses		(72,014)	(2,457)
		<hr/>	<hr/>
Loss before income tax expense		(1,139,068)	(96,262)
Income tax expense		-	-
		<hr/>	<hr/>
Loss after income tax expense for the half-year attributable to the owners of Noxopharm Limited		(1,139,068)	(96,262)
Other comprehensive income for the half-year, net of tax		-	-
		<hr/>	<hr/>
Total comprehensive income for the half-year attributable to the owners of Noxopharm Limited		<u>(1,139,068)</u>	<u>(96,262)</u>
		Cents	Cents
Basic earnings per share	6	(1.64)	(0.27)
Diluted earnings per share	6	(1.64)	(0.27)

The above statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes

Noxopharm Limited
Statement of financial position
As at 31 December 2016



	Note	31/12/2016 \$	30/06/2016 \$
Assets			
Current assets			
Cash and cash equivalents		4,332,250	160,960
Trade and other receivables		34,884	38,852
Other assets		81,740	106,337
Total current assets		<u>4,448,874</u>	<u>306,149</u>
Non-current assets			
Property, plant and equipment		16,120	16,579
Term deposit		61,505	-
Total non-current assets		<u>77,625</u>	<u>16,579</u>
Total assets		<u>4,526,499</u>	<u>322,728</u>
Liabilities			
Current liabilities			
Trade and other payables		110,923	283,249
Employee benefits		41,229	13,604
Total current liabilities		<u>152,152</u>	<u>296,853</u>
Total liabilities		<u>152,152</u>	<u>296,853</u>
Net assets		<u>4,374,347</u>	<u>25,875</u>
Equity			
Issued capital	3	6,218,140	730,600
Accumulated losses		<u>(1,843,793)</u>	<u>(704,725)</u>
Total equity		<u>4,374,347</u>	<u>25,875</u>

The above statement of financial position should be read in conjunction with the accompanying notes

Noxopharm Limited
Statement of changes in equity
For the half-year ended 31 December 2016



	Issued capital \$	Accumulated losses \$	Total equity \$
Balance at 27 October 2015	-	-	-
Loss after income tax expense for the half-year	-	(96,262)	(96,262)
Other comprehensive income for the half-year, net of tax	-	-	-
	<hr/>	<hr/>	<hr/>
Total comprehensive income for the half-year	-	(96,262)	(96,262)
<i>Transactions with owners in their capacity as owners:</i>			
Contributions of equity, net of transaction costs	125,000	-	125,000
	<hr/>	<hr/>	<hr/>
Balance at 31 December 2015	<u>125,000</u>	<u>(96,262)</u>	<u>28,738</u>
Balance at 1 July 2016	730,600	(704,725)	25,875
Loss after income tax expense for the half-year	-	(1,139,068)	(1,139,068)
Other comprehensive income for the half-year, net of tax	-	-	-
	<hr/>	<hr/>	<hr/>
Total comprehensive income for the half-year	-	(1,139,068)	(1,139,068)
<i>Transactions with owners in their capacity as owners:</i>			
Contributions of equity, net of transaction costs (note 3)	5,487,540	-	5,487,540
	<hr/>	<hr/>	<hr/>
Balance at 31 December 2016	<u>6,218,140</u>	<u>(1,843,793)</u>	<u>4,374,347</u>

The above statement of changes in equity should be read in conjunction with the accompanying notes

Noxopharm Limited
Statement of cash flows
For the half-year ended 31 December 2016



	Note	31/12/2016 \$	31/12/2015 \$
Cash flows from operating activities			
Payments to suppliers and employees		(1,266,413)	(75,798)
Interest received		28,601	-
		<u>(1,237,812)</u>	<u>(75,798)</u>
Cash flows from investing activities			
Payments for plant and equipment		(16,933)	(1,817)
Payments for deposits		(61,505)	-
		<u>(78,438)</u>	<u>(1,817)</u>
Cash flows from financing activities			
Proceeds from issue of shares	3	6,000,000	125,000
Share issue transaction costs		(512,460)	-
		<u>5,487,540</u>	<u>125,000</u>
Net increase in cash and cash equivalents		4,171,290	47,385
Cash and cash equivalents at the beginning of the financial half-year		160,960	-
		<u>4,332,250</u>	<u>47,385</u>

The above statement of cash flows should be read in conjunction with the accompanying notes

Note 1. Significant accounting policies

These general purpose financial statements for the interim half-year reporting period ended 31 December 2016 have been prepared in accordance with Australian Accounting Standard AASB 134 'Interim Financial Reporting' and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'.

These general purpose financial statements do not include all the notes of the type normally included in annual financial statements. Accordingly, these financial statements are to be read in conjunction with the annual report for the year ended 30 June 2016 and any public announcements made by the company during the interim reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

The principal accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period, unless otherwise stated.

New or amended Accounting Standards and Interpretations adopted

The company has adopted all of the new or amended Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any new or amended Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Title of standard	Nature of change	Impact	Mandatory application date
AASB 9 Financial Instruments	AASB 9 introduces new requirements for the classification and measurement of financial assets and liabilities and includes a forward-looking 'expected loss' impairment model and a substantially-changed approach to hedge accounting. These requirements improve and simplify the approach for classification and measurement of financial assets compared with the requirements of AASB 139.	Due to the basic nature of the entity's financial instruments, the Standard is not expected to have a material impact on the transactions and balances recognised in the financial statements when it is first adopted for the year ending 30 June 2019.	Accounting periods beginning on or after 1 January 2018
AASB 15 Revenue from Contracts with Customers	AASB 15 – replaces AASB 118 Revenue, AASB 111 Construction Contracts and some revenue-related Interpretations – establishes a new revenue recognition model – changes the basis for deciding whether revenue is to be recognised over time or at a point in time – provides new and more detailed guidance on specific topics (e.g. multiple element arrangements, variable pricing, rights of return, warranties and licensing) – expands and improves disclosures about revenue.	As the entity does not currently generate any revenue the Standard is not expected to have a material impact on the transactions and balances recognised in the financial statements when it is first adopted for the year ending 30 June 2019.	Accounting periods beginning on or after 1 January 2018

Note 1. Significant accounting policies (continued)

Title of standard	Nature of change	Impact	Mandatory application date
AASB 16 Leases	AASB 16 – replaces AASB 117 Leases and some lease-related Interpretations – requires all leases to be accounted for ‘on-balance sheet’ by lessees, other than short-term and low value asset leases– provides new guidance on the application of the definition of lease and on sale and lease back accounting– largely retains the existing lessor accounting requirements in AASB 117– requires new and different disclosures about leases Interpretations.	The entity does not currently have in place any material lease agreements. Therefore the Standard is not expected to have a material impact on the transactions and balances recognised in the financial statements when it is first adopted for the year ending 30 June 2020.	Accounting periods beginning on or after 1 January 2019

Note 2. Operating segments

Identification of reportable operating segments

The company is organised into one operating segment: research and development of NOX66 in the field of adjuvant therapy in chemotherapy and radiotherapy. This operating segment is based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources. There is no aggregation of operating segments.

The CODM reviews EBITDA (earnings before interest, tax, depreciation and amortisation). The accounting policies adopted for internal reporting to the CODM are consistent with those adopted in the financial statements.

The information reported to the CODM is on a monthly basis.

Note 3. Equity - issued capital

	31/12/2016 Shares	30/06/2016 Shares	31/12/2016 \$	30/06/2016 \$
Ordinary shares - fully paid	85,171,429	45,171,429	6,218,140	715,500
Performance shares	-	10,000,000	-	15,100
	<u>85,171,429</u>	<u>55,171,429</u>	<u>6,218,140</u>	<u>730,600</u>

Movements in ordinary share capital

Details	Date	Shares	Issue price	\$
Balance	1 July 2016	45,171,429		715,500
Initial public offering	8 August 2016	30,000,000	\$0.20	6,000,000
Conversion of performance shares to ordinary shares	20 December 2016	10,000,000	\$0.00	15,100
Share issue costs		-		(512,460)
Balance	31 December 2016	<u>85,171,429</u>		<u>6,218,140</u>

Note 3. Equity - issued capital (continued)

Movements in performance shares

Details	Date	Shares	Issue price	\$
Balance	1 July 2016	10,000,000		15,100
Conversion to ordinary shares	20 December 2016	<u>(10,000,000)</u>	\$0.00	<u>(15,100)</u>
Balance	31 December 2016	<u><u>-</u></u>		<u><u>-</u></u>

Ordinary shares

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the company does not have a limited amount of authorised capital.

On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Note 4. Equity - dividends

There were no dividends paid, recommended or declared during the current or previous financial half-year.

Note 5. Events after the reporting period

On 31 January 2017, the Company announced that the first NOX66 clinical trial is to commence.

No other matter or circumstance has arisen since 31 December 2016 that has significantly affected, or may significantly affect the company's operations, the results of those operations, or the company's state of affairs in future financial years.

Note 6. Earnings per share

	31/12/2016	31/12/2015
	\$	\$
Loss after income tax attributable to the owners of Noxopharm Limited	<u>(1,139,068)</u>	<u>(96,262)</u>
	Number	Number
Weighted average number of ordinary shares used in calculating basic earnings per share	<u>69,627,951</u>	<u>35,413,443</u>
Weighted average number of ordinary shares used in calculating diluted earnings per share	<u>69,627,951</u>	<u>35,413,443</u>
	Cents	Cents
Basic earnings per share	(1.64)	(0.27)
Diluted earnings per share	(1.64)	(0.27)

In the directors' opinion:

- the attached financial statements and notes comply with the Corporations Act 2001, Australian Accounting Standard AASB 134 'Interim Financial Reporting', the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes give a true and fair view of the company's financial position as at 31 December 2016 and of its performance for the financial half-year 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 303(5)(a) of the Corporations Act 2001.

On behalf of the directors

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

Graham Kelly
Director

Sydney, 24 February 2017

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

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Noxopharm Limited, which comprises the condensed statement of financial position as at 31 December 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 half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation of the half-year 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 half-year 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 half-year 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 December 2016 and its performance for the half-year 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 half-year 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 half-year 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 December 2016 and of its performance for the half year 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 24th day of February 2017