2015 Notice of Annual General Meeting

Invion Limited ACN 094 730 417

Notice is given that the Annual General Meeting of Invion Limited ACN 094 730 417 (**Company**) will be held:

Location	At the offices of McCullough Robertson Lawyers, Level 11, 66 Eagle Street, Brisbane, QLD 4000
Date	On Wednesday, 18 November 2015
Time	At 2:00pm (Brisbane time)

Ordinary Business

Financial statements and reports

To consider and receive the financial report, the Directors' report and the auditor's report for the year ended 30 June 2015.

Directors' remuneration report

To consider and, if in favour, pass the following resolution in accordance with section 250R(2) of the Corporations Act:

1 'That the Remuneration Report be adopted.'

Note: This resolution shall be determined under section 250R(2) of the Corporations Act. Votes must not be cast on this resolution by Key Management Personnel and closely related parties in contravention of section 250R or 250BD of the Corporations Act. Restrictions also apply to votes cast as proxy unless exceptions apply.

The Directors abstain, in the interests of corporate governance, from making a recommendation in relation to this resolution.

Re-election of Directors

Re-election of Dr James Campbell

To consider and, if in favour, pass the following resolution as an ordinary resolution:

2 'That Dr James Campbell, a Non-Executive Director, who retires by rotation in accordance with rule 16.1 of the Constitution, and being eligible, be re-elected as a Director of the Company.'

Note: Information about the candidate appears in the Explanatory Memorandum.

The Directors, with Dr James Campbell abstaining, unanimously recommend that you vote in favour of this resolution.

Re-election of Mr Warren Brown

To consider and, if in favour, pass the following resolution as an ordinary resolution:

3 'That Mr Warren Brown, a Non-Executive Director, who retires by rotation in accordance with rule 16.1 of the Constitution, and being eligible, be re-elected as a Director of the Company.'

Note: Information about the candidate appears in the Explanatory Memorandum.

The Directors, with Mr Warren Brown abstaining, unanimously recommend that you vote in favour of this resolution.

Special business

Ratification and approval of previous allotment and issue of placement shares

To consider, and if in favour, to pass the following resolution as an ordinary resolution:

4 'That for the purposes of ASX Listing Rule 7.4 and for all other purposes, approval be given for the previous issue of 71,500,000 shares at an issue price of $0.014 per share, issued under a placement to a US institutional investor as part of the placement announced by the Company on 1 September 2015, as detailed in the Explanatory Memorandum accompanying this Notice.'

The Directors unanimously recommend that you vote in favour of this resolution.

Ratification and approval of previous allotment and issue of share options

To consider, and if in favour, to pass the following resolution as an ordinary resolution:

5 'That for the purposes of ASX Listing Rule 7.4 and for all other purposes, shareholders approve the issue of 51,500,000 share options at an exercise price of $0.014 per option and with a 12 month expiry date to a US institutional investor as part of the placement announced by the Company on 1 September 2015, as detailed in the Explanatory Memorandum accompanying this Notice.'

The Directors unanimously recommend that you vote in favour of this resolution.

Approval for the issue of share options

To consider and, if in favour, to pass the following resolutions as ordinary resolutions:

6 'That for the purposes of ASX Listing Rule 7.1 and for all other purposes, shareholders approve the issue of 91,500,000 share options at an exercise price of $0.014 per option and with a 12 month expiry date to a US institutional investor as part of the placement announced by the Company on 1 September 2015, as detailed in the Explanatory Memorandum accompanying this Notice.'

7 'That for the purposes of ASX Listing Rule 7.1 and for all other purposes, shareholders approve the issue of 35,750,000 share options at an exercise price of $0.0175 per option and with a 5 year expiry date to a US institutional investor as part of the placement announced by the Company on 1 September 2015, as detailed in the Explanatory Memorandum accompanying this Notice.'

8 'That for the purposes of ASX Listing Rule 7.1 and for all other purposes, shareholders approve the issue of 5,005,000 share options at an exercise price of $0.0175 per option and with a 5 year expiry date to the placement agent as part of the placement announced by the Company on 1 September 2015, as detailed in the Explanatory Memorandum accompanying this Notice.'

The Directors unanimously recommend that you vote in favour of these resolutions.

Approval of additional 10% capacity to issue shares under Listing Rule 7.1A

To consider and, if in favour, to pass the following resolution as a special resolution:

9 'For the purposes of ASX Listing Rule 7.1A and for all other purposes, shareholders approve the Company having the additional capacity to issue equity securities up to 10% of the issued capital of the Company (at the time of issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2, on the terms and conditions set out in the Explanatory Memorandum.'

The Directors unanimously recommend that you vote in favour of this resolution.

Dated 13 October 2015
By order of the Board



Melanie Farris
Company Secretary

Voting exclusion statement

Corporations Act

Resolution 1- Adoption of the Remuneration Report	The Company will disregard votes cast by a member of the Key Management Personnel details of whose remuneration are included in the Remuneration Report, or a closely related party of such a member, in contravention of section 250R or 250BD of the Corporations Act. Restrictions also apply to votes cast as proxy unless exceptions apply.

Listing Rules

In accordance with Listing Rule 14.11, the Company will disregard votes cast by:

Resolution 4 - Ratification and approval of previous allotment and issue of placement shares	The Company will disregard any votes cast on this resolution by any person who participated in the issue of securities described in the Explanatory Memorandum or any of their associates.
Resolution 5 - Ratification and approval of previous allotment and issue of share options	The Company will disregard any votes cast on this resolution by any person who participated in the issue of securities described in the Explanatory Memorandum or any of their associates.
Resolutions 6, 7 & 8 – Approval for the issue of share options	The Company will disregard any votes cast on these resolutions by any person who may participate in the proposed issue of securities described in the Explanatory Memorandum and a person who might obtain a benefit, except a benefit solely in the capacity of a Shareholder, or any of their associates.
Resolution 9 - Approval of additional capacity to issue shares under Listing Rule 7.1A	A person who may participate in the proposed issue and a person who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if the resolution is passed, or an associate of such person. NB. In accordance with Listing Rule 14.11.1 and the relevant Note under that rule concerning Rule 7.1A, as at the date of this Notice of Meeting it is not known who may participate in the proposed issue (if any). On that basis, no security holders are currently excluded.

However, the Company need not disregard a vote if:

(a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or

(b) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.

Notes

(a) Terms used in this Notice of Meeting which are defined in the Explanatory Memorandum have the meaning given to them in the Explanatory Memorandum.

(b) Subject to the Corporations Act, including sections 250R and 250BD, a Shareholder who is entitled to attend and cast a vote at the meeting is entitled to appoint a proxy.

(c) The proxy need not be a Shareholder of the Company. A Shareholder who is entitled to cast two or more votes may appoint two proxies and may specify the proportion or number of votes each proxy is appointed to exercise.

(d) If you wish to appoint a proxy and are entitled to do so, then complete and return the **attached** proxy form.

(e) A corporation may elect to appoint a representative in accordance with the Corporations Act in which case the Company will require written proof of the representative's appointment which must be lodged with or presented to the Company before the meeting.

(f) The Company has determined under regulation 7.11.37 Corporations Regulations 2001 that for the purpose of voting at the meeting or adjourned meeting, securities are taken to be held by those persons recorded in the Company's register of Shareholders as at 7.00 pm (Sydney time) on Monday, 16 November 2015.

(g) If you have any queries on how to cast your votes then call the Company Secretary on +61 7 3295 0500 during business hours.

Explanatory Memorandum

Invion Limited ACN 094 730 417 (**Company**)

This Explanatory Memorandum accompanies the Notice of Meeting for the Annual General Meeting of the Company to be held at the offices of McCullough Robertson Lawyers at Level 11, 66 Eagle Street, Brisbane, Queensland 4000 on Wednesday 18 November 2015 at 2:00pm (Brisbane time).

The Explanatory Memorandum has been prepared to assist Shareholders in determining how to vote on the resolutions set out in the Notice of Meeting and is intended to be read in conjunction with the Notice of Meeting.

Ordinary Business

Financial statements and reports

1 The *Corporations Act 2001* (Cth) (**Corporations Act**) requires that the report of the Directors, the auditor's report and the financial report be laid before the Annual General Meeting.

2 Apart from the matters involving remuneration which are required to be voted upon, neither the Corporations Act nor the Constitution requires a vote of Shareholders at the Annual General Meeting on the financial statements and reports.

3 Shareholders will be given reasonable opportunity at the meeting to raise questions and make comments on these reports.

4 In addition to asking questions at the meeting, Shareholders may address written questions to the Chairman about the management of the Company or to the Company's auditor, Ernst & Young, if the question is relevant to:

(a) the content of the auditor's report; or

(b) the conduct of its audit of the annual financial report to be considered at the meeting.

Note: Under section 250PA(1) of the Corporations Act, a Shareholder must submit the question to the Company no later than the fifth business day before the day on which the Annual General Meeting is held.

5 Written questions for the auditor must be delivered by Friday, 13 November 2015. Please send any written questions for Ernst & Young to:

The Company Secretary
GPO Box 1557
Brisbane, QLD, 4001
or via email to: investor@inviongroup.com

Resolution 1: Remuneration Report

6 The Remuneration Report is contained in the Financial Statements for the year ended 30 June 2015. A copy is available on the Company's website.

7 The Corporations Act requires that the Remuneration Report be put to a vote of Shareholders.

8 The resolution of Shareholders is advisory only and not binding on the Company. The Board will take the discussion at the meeting into consideration when determining the Company's remuneration policy and appropriately respond to any concerns Shareholders may raise in relation to remuneration issues.

9 The remuneration report:

(a) reports and explains the remuneration arrangements in place for non-executive Directors, executive Directors and senior management; and

(b) explains Board policies in relation to the nature and value of remuneration paid to non-executive Directors, executives and senior managers within the Company.

10 The Chairman will give Shareholders a reasonable opportunity to ask questions about, or to make comments on, the remuneration report.

Directors' Recommendation

11 As the resolution relates to matters including the remuneration of the Directors, the Board, as a matter of corporate governance and in accordance with the spirit of section 250R(4) of the Corporations Act, makes no recommendation regarding this resolution.

Re-election of Directors

12 Rule 16.1 of the Constitution requires that, at every Annual General Meeting, one-third of the Directors (excluding the Managing Director) must retire from office and stand for re-election. Where there are five or fewer Directors (excluding the Managing Director), at least two must retire from office at each Annual General Meeting.

13 The Directors to retire under rule 16.1 are those who have been in office the longest since being appointed. The Board has determined that the following Directors will retire from office under rule 16.1 of the Constitution and stand for re-election:

(a) Dr James Campbell; and

(b) Mr Warren Brown.

Resolution 2: Re-election of Dr James Campbell

14 Dr James Campbell retires from office under rule 16.1 of the Constitution and stands for re-election.

15 Dr Campbell was appointed a non-executive Director of the Company on 26 February 2012 (and was last subject to re-election on 22 November 2013).

16 Dr James Campbell is a senior biotechnology executive with more than 20 years international experience in scientific research, research management, management consulting and venture capital. Dr Campbell has held research positions at the CNRS and the CSIRO. He is a principal of Gemini Biotechnology, a specialist biotechnology advisory services company advising life science companies on M&A, partnering and corporate strategy. Dr Campbell was an executive at ChemGenex Pharmaceuticals for nine years until the company was acquired in 2011, and has served on the investment committee of UniSeed, a $60 million pre-seed venture fund, and various state and local government advisory committees concerning biotechnology. During the previous three years, Dr Campbell has also served as a director of Gemini Biotechnology, Fusion Biosciences Pty Ltd and Vitality Devices. Dr Campbell is currently a non-executive director of Medibio Limited (ASX:MEB), Prescient Therapeutics Limited (ASX:PTX) and is the CEO/MD of Patrys Limited (ASX:PAB).

17 Special responsibilities:

(a) chair of the Nomination and Remuneration Committee; and

(b) member of the Audit and Risk Management Committee.

Directors' Recommendation

18 The Directors, with Dr Campbell abstaining, unanimously recommend the re-appointment of Dr Campbell to the Board.

Resolution 3: Re-election of Mr Warren Brown

19 Mr Warren Brown retires from office under rule 16.1 of the Constitution and stands for re-election.

20 Mr Brown was appointed a non-executive Director of the Company on 4 November 2011 (and was last subject to re-election on 8 November 2012).

21 Mr Warren Brown has extensive experience in managing large projects and large labour forces. He has strong skills in negotiating contracts and corporate strategy. Mr Brown formed a consulting engineering practice in 1992 that employed 25 people at the time of sale in 2005. Prior to this Mr Brown held a management position at Major Engineering Construction where he was responsible for engineering construction projects throughout Queensland.

22 Special responsibilities:

(a) chair of the Audit and Risk Management Committee; and

(b) member of the Nomination and Remuneration Committee.

Directors' Recommendation

23 The Directors, with Mr Brown abstaining, unanimously recommend the re-appointment of Mr Brown to the Board.

Special business

Ratification and approval of previous allotment and issue of placement shares

Resolution 4 - Ratification and approval of previous allotment and issue of placement shares

24 The purpose of Resolution 4 is for Shareholders to ratify and approve, pursuant to Listing Rule 7.4, those securities issued and allotted in a placement to a US institutional investor which completed on 3 September 2015, which would otherwise count toward the 10% limit under Listing Rule 7.1A.

25 ASX Listing Rule 7.1A enables certain eligible entities to seek Shareholder approval to issue equity securities up to 10% of its issued share capital over a 12 month period after the annual general meeting at which a resolution for the purposes of ASX Listing Rule 7.1A is passed by special resolution. This 10% placement capacity is in addition to the Company's 15% placement capacity under ASX Listing Rule 7.1. The Company obtained approval from Shareholders to issue equity securities under ASX Listing Rule 7.1A at its annual general meeting on 21 November 2014.

26 A note to ASX Listing Rule 7.4 provides that an issue of securities made under ASX Listing Rule 7.1A can be ratified by Shareholders under ASX Listing Rule 7.4. If Shareholders ratify the issue of securities, the issue will not reduce the Company's placement capacity under ASX Listing Rule 7.1A. By ratifying this issue, the Company will retain the flexibility to issue equity securities in the future up to the 25% annual placement capacity set out in Listing Rules 7.1 and 7.1A without the requirement to obtain prior Shareholder approval (subject to Resolution 9 being passed).

27 Resolution 4 proposes the approval of the previous allotment and issue of Shares for the purpose of satisfying the requirements of Listing Rule 7.4. In compliance with the information requirements of Listing Rule 7.5, members are advised of the following particulars:

Information	Disclosure
Date of issue	3 September 2015
Number of Shares issued	71,500,000
Issue price and terms of issue	The issue price was $0.014 per Share. The Shares were issued as fully paid ordinary shares, ranking equally with all other ordinary shares and having identical rights to existing ordinary shares and are quoted on ASX.
Persons to whom the Shares were issued	The Shares were issued to US institutional investor, Sabby Healthcare Master Fund, Ltd and Sabby Volatility Warrant Master Fund, Ltd.
The intended use of funds raised	Funds raised were and will be used for the Company's general working capital, and specifically applied to costs associated with the development of INV102 (nadolol) and INV104 (zafirlukast).

Directors' Recommendation

28 The Directors unanimously recommend that you vote in favour of this resolution.

Ratification and approval of previous allotment and issue of share options

Resolution 5 - Ratification and approval of previous allotment and issue of share options

29 The purpose of Resolution 5 is for Shareholders to ratify and approve, pursuant to Listing Rule 7.4, those share options issued and allotted as part of the placement to a US institutional investor which completed on 3 September 2015, which will otherwise count toward the 15% limit under Listing Rule 7.1.

30 Listing Rule 7.1 provides that, subject to certain exceptions, none of which are relevant here, prior approval of Shareholders is required for an issue of securities if the securities will, when aggregated with the securities issued by a company during the previous 12 months, exceed 15% of the number of the shares on issue at the commencement of that 12 month period.

31 The allotment and issue of share options detailed in this resolution did not exceed the 15% threshold. However, Listing Rule 7.4 provides that where a company subsequently approves an issue of securities, the issue will be treated as having been made with approval for the purpose of Listing Rule 7.1, thereby replenishing that company's 15% capacity and enabling it to issue further securities up to that limit.

32 Resolution 5 proposes the approval of the previous allotment and issue of share options for the purpose of satisfying the requirements of Listing Rule 7.4. In compliance with the information requirements of Listing Rule 7.5, members are advised of the following particulars in relation to the allotment and issue:

Information	Disclosure
Date of issue	3 September 2015
Number of share options issued	51,500,000
Issue price	The share options will be issued for nil consideration.
Intended use of funds raised	Any funds raised from the exercise of the Options will be applied to the Company's general working capital which includes costs associated with the ongoing development of INV102 (nadolol) and INV104 (zafirlukast).
Key terms	Exercise price $0.014 per option. Expiry date 3 September 2016.
Persons to whom the share options were issued	The share options were issued to a Sabby Healthcare Master Fund, Ltd and Sabby Volatility Warrant Master Fund, Ltd as part of the placement which completed on 3 September 2015.

Directors' Recommendation

33 The Directors unanimously recommend that you vote in favour of this resolution.

Approval for the issue of options

Resolution 6 – Approval for the issue of options to a US institutional investor

34 Subject to the approval of Shareholders, the Company proposes to issue share options to a US institutional investor pursuant to the placement announced by the Company on 1 September 2015.

35 Approval is sought for the grant of the options pursuant to Listing Rule 7.1. Listing Rule 7.1 provides, subject to certain exceptions, that Shareholder approval is required for any issue of securities by a listed company, where the securities proposed to be issued represent more than 15% of the company's ordinary securities then on issue.

36 Pursuant to, and in accordance with, Listing Rule 7.3, the following information is provided in relation to the approval of the proposed issue of options the subject of Resolution 6.

Information	Disclosure
Number of share options to be issued	91,500,000
Issue price	The share options will be issued for nil consideration.
Intended use of funds raised	Any funds raised from the exercise of the Options will be applied to the Company's general working capital which includes costs associated with the ongoing development of INV102 (nadolol) and INV104 (zafirlukast).
Key terms	Exercise price $0.014 per option. Expiry date 12 months from the date of issue.
Persons to whom the share options will be issued	The share options are to be issued to Sabby Healthcare Master Fund, Ltd and Sabby Volatility Warrant Master Fund, Ltd who subscribed for the Shares the subject of Resolution 4.
Date of Issue	The share options will be issued as soon as practicable after the Annual

	General Meeting, and in any event, within 3 months of the date of the Annual General Meeting.

Directors' Recommendation

37 The Directors unanimously recommend that you vote in favour of this resolution.

Resolution 7 – Approval for the issue of options to a US institutional investor

38 Subject to the approval of Shareholders, the Company proposes to issue share options to a US institutional investor pursuant to the placement announced by the Company on 1 September 2015.

39 Approval is sought for the grant of the options pursuant to Listing Rule 7.1. Listing Rule 7.1 provides, subject to certain exceptions, that Shareholder approval is required for any issue of securities by a listed company, where the securities proposed to be issued represent more than 15% of the company's ordinary securities then on issue.

40 Pursuant to, and in accordance with, Listing Rule 7.3, the following information is provided in relation to the approval of the proposed issue of options the subject of Resolution 7.

Information	Disclosure
Number of share options to be issued	35,750,000
Issue price	The share options will be issued for nil consideration.
Intended use of funds raised	Any funds raised from the exercise of the Options will be applied to the Company's general working capital which includes costs associated with the ongoing development of INV102 (nadolol) and INV104 (zafirlukast).
Key terms	Exercise price $0.0175 per option. Expiry date 5 years from the date of issue.
Persons to whom the share options will be issued	The share options are to be issued to Sabby Healthcare Master Fund, Ltd and Sabby Volatility Warrant Master Fund, Ltd who subscribed for the Shares the subject of Resolution 4.
Date of Issue	The share options will be issued as soon as practicable after the Annual General Meeting, and in any event, within 3 months of the date of the Annual General Meeting.

Directors' Recommendation

41 The Directors unanimously recommend that you vote in favour of this resolution.

Resolution 8 – Approval for the issue of options to placement agent

42 Subject to the approval of Shareholders, the Company proposes to issue share options to the placement agent as part of fees for the placement announced by the Company on 1 September 2015.

43 Approval is sought for the grant of the options pursuant to Listing Rule 7.1. Listing Rule 7.1 provides, subject to certain exceptions, that Shareholder approval is required for any issue of securities by a listed company, where the securities proposed to be issued represent more than 15% of the company's ordinary securities then on issue.

44 Pursuant to, and in accordance with, Listing Rule 7.3, the following information is provided in relation to the approval of the proposed issue of options the subject of Resolution 8.

Information	Disclosure
Number of share options to be issued	5,005,000
Issue price	The share options will be issued for nil consideration.
Intended use of funds raised	Any funds raised from the exercise of the Options will be applied to the Company's general working capital which includes costs associated with the ongoing development of INV102 (nadolol) and INV104 (zafirlukast).
Key terms	Exercise price $0.0175 per option. Expiry date 5 years from the date of issue.
Persons to whom the share options will be issued	The share options are to be issued to the placement agent, Rodman & Renshaw, a unit of H.C. Wainwright & Co, who was entitled to a fee of 7% of the gross proceeds raised under the placement and 5-year options to purchase up to 5,005,000 ordinary shares at an exercise price of $0.0175 per option.
Date of Issue	The share options will be issued as soon as practicable after the Annual General Meeting, and in any event, within 3 months of the date of the Annual General Meeting.

Directors' Recommendation

45 The Directors unanimously recommend that you vote in favour of this resolution.

Resolution 9: Approval of additional 10% capacity to issue shares under Listing Rule 7.1A

46 ASX Listing Rule 7.1 allows the Company to issue a maximum of 15% of its capital in any 12 month period without requiring shareholder approval. In accordance with Listing Rule 7.1A, eligible entities (companies that are outside the S&P/ASX 300 index and that also have a market capitalisation of $300 million or less) can issue a further 10% of share capital in 12 months on a non-pro rata basis, determined in accordance with the following formula prescribed in Listing Rule 7.1A.2:

(A x D) – E

Where:

A is the number of fully paid shares on issue 12 months before the date of issue or agreement:

(A) plus the number of fully paid shares issued in the 12 months under an exception in Listing Rule 7.2;

(B) plus the number of partly paid shares that became fully paid in the 12 months;

(C) plus the number of fully paid shares issued in the 12 months with approval of holders of shares under Listing Rule 7.1 and 7.4. This does not include an issue of fully paid shares under the entity's 15% capacity pursuant to Listing Rule 7.1 without shareholder approval;

(D) less the number of fully paid shares cancelled in the 12 months.

D is 10%.

E is the number of equity securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of the issue or agreement to issue that are not issued with the approval of shareholders under Listing Rule 7.1 or 7.4.

47 Additional disclosure obligations are imposed when the special resolution is proposed, when securities are issued and when any further approval is sought. For the purposes of Listing Rule 7.3A the Company provides the following information:

Minimum price at which the equity securities may be issued	The issue price of each Share must be no less than 75% of the volume weighted average price for the Shares calculated over the 15 trading days on which trades in that class were recorded immediately before: (a) the date on which the price at which the securities are to be issued is agreed; or (b) if the securities are not issued within 5 trading days of the date in paragraph (a), the date on which the securities are issued.
Risk of economic and voting dilution	An issue of shares under Listing Rule 7.1A involves the risk of economic and voting dilution for existing ordinary security holders. The risks include: (a) the market price for Shares may be significantly lower on the issue date than on the date of the approval under Listing rule 7.1A; and (b) the equity securities may be issued at a price that is at a discount to the market price for the Shares on the issue date. In accordance with Listing Rule 7.3A.2 a table describing the notional possible dilution, based upon various assumptions as stated, is set out below.
Date by which the Company may issue the securities	The period commencing on the date of the annual general meeting (to which this Notice relates) at which approval is obtained and expiring on the first to occur of the following: (a) the date which is 12 months after the date of the annual general meeting at which approval is obtained; and (b) the date of the approval by holders of the Company's ordinary securities of a transaction under Listing Rules 11.1.2 or 11.2. The approval under Listing Rule 7.1A will cease to be valid in the event that holders of the Company's ordinary securities approve a transaction under Listing Rules 11.1.2 or 11.2.

Purposes for which the equity securities may be issued, including whether the Company may issue them for non-cash consideration	It is the Board's current intention that any funds raised pursuant to an issue of securities will be applied towards the continued commercialisation of the Company's drug development portfolio. This would principally include: (a) development activities; (b) clinical trial costs; (c) regulatory approvals; (d) intellectual property portfolio costs; and (e) overhead including staff and office costs, audit and compliance expenses, and ASX fees. The Company reserves the right to issue shares for non-cash consideration, including for payment of service or consultancy fees and costs. The Company also reserves the rights to utilise funds or scrip to acquire complimentary drug assets or intellectual property.
Details of the Company's allocation policy for issues under approval	The Company's allocation policy is dependent on the prevailing market conditions at the time of any proposed issue pursuant to Listing Rule 7.1A. The identity of the allottees will be determined on a case-by-case basis having regard to the factors including but not limited to the following: (a) the methods of raising funds that are available to the Company including, but not limited to, rights issues or other issues in which existing security holders can participate; (b) the effect of the issue of the Listing Rule 7.1A shares on the control of the Company; (c) the financial situation and solvency of the Company; and (d) advice from corporate, financial and broking advisers (if applicable). The allottees under the Listing Rule 7.1A facility have not been determined as at the date of this Notice of Meeting but may include existing substantial Shareholders and/or new Shareholders who are not related parties or associates of a related party of the Company. Further, if the Company is successful in its acquisitive growth strategy as outlined above, it is likely that the allottees under the Listing Rule 7.1A facility will be or include the vendors of the relevant target company or companies.
Previous approvals under Listing Rule 7.1A	The Company first sought approval under Listing Rule 7.1A at the 2012 Annual General Meeting. Shareholders voted in approval at that Meeting. The Company sought further approval at the 2013 and 2014 Annual General Meetings, and Shareholders voted in approval at those Meetings.

Information under Listing Rule 7.3A.6(a):

48 The table below shows the total number of equity securities issued in the past 12 months preceding the date of the AGM and the percentages those issues represent of the total number of equity securities on issue at the commencement of the 12 month period.

Equity securities on issue at the date of the 12 month period preceding the AGM	591,226,834* *Comprising 542,889,334 Shares and an aggregate of 48,337,500 options
Equity securities issued in the 12 months preceding the date of the AGM	421,484,869* *Comprising 351,357,734 Shares and an aggregate of 70,127,135 options.

Percentage these issues represent of total number of equity securities on issue at commencement of 12 month period	71.29%

Information under Listing Rule 7.3A.6(b):

49 The tables below set out specific details for each issue of equity securities that has taken place in the 12 month period preceding the date of the AGM.

Overview of issue	In November 2014, the Company announced it had entered into a Share Purchase and Convertible Security Agreement (SPCSA) with The Australian Special Opportunity Fund, LP (ASOF), an institutional investor managed by The Lind Partners, LLC, for a funding commitment of up to AU$17.4 million. The agreement provided Invion access to funds through a flexible convertible instrument, and the ability to secure additional funding in stages to meet interim financing needs, through the issue of shares at prices that are linked to market prices at the time of issue.
Date, number and price of shares issued pursuant to SPSCA with ASOF	1. 21 November 2014: 4,663,894 fully paid ordinary shares. Deemed issue price of $0.0601 was a 20% premium to the closing Invion share price on the day of issue ($0.050). 2. 18 December 2014: 6,521,739 fully paid ordinary shares. Deemed issue price of $0.046 was a 7% premium to the closing Invion share price on the day of issue ($0.043). 3. 21 January 2015: 10,000,000 fully paid ordinary shares. Deemed issue price of $0.040 was a 7% discount to the closing Invion share price on the day of issue ($0.043). 4. 11 February 2015: 1,219,512 fully paid ordinary shares. Deemed issue price of $0.041 was a 9% discount to the closing Invion share price on the day of issue ($0.050). 5. 17 February 2015: 5,952,381 fully paid ordinary shares. Deemed issue price of $0.042 was a 7% discount to the closing Invion share price on the day of issue ($0.05).
Date, number and price of share options issued pursuant to SPSCA with ASOF	1. 21 November 2014: 3,500,000 unlisted share options with an exercise price of $0.0721 and an expiry date of 22 November 2017. Issued for nil consideration.
Class and type of equity security and summary of terms	Shares: fully paid ordinary shares Share options: The unlisted share options have an exercise price of $0.0721 and an expiry date of 22 November 2017.

Names of persons who received securities or basis on which those persons were determined	The Australian Special Opportunity Fund, LP (ASOF)
Discount to market price (if any)	As specified above
For cash issues	
Total cash consideration received	The total cash received under the SPCSA with ASOF was $2,450,000.
Amount of cash consideration spent	The full cash consideration has been spent.
Use of cash consideration	Funds were applied to the Company's general working capital which includes costs associated with the ongoing development of INV102 (nadolol), INV103 (ala-Cpn10), and INV104 (zafirlukast) including regulatory costs; the development and maintenance of Invion's intellectual property portfolio; three phase II clinical programs and a feasibility program for inhaled INV102 and INV104.
Intended use for remaining amount of cash (if any)	As above
For non-cash issues	
Non-cash consideration paid	N/A
Current value of that non-cash consideration	N/A

Date of issue	24 November 2014
Number of securities issued	8,812,500 Share Options
Class and type of equity security	Options to acquire shares. Once shares are allotted upon exercise of the options the participant will hold the Shares free of restrictions. The Shares will rank for dividends declared on or after the date of issue but will carry no right to receive any dividend before the date of issue. A holder of options is not entitled to participate in dividends, a new issue of Shares or other securities made by the Company to Shareholders merely because he or she holds options. However, if a pro rata bonus or cash issue of securities is awarded by the Company, the Company in its absolute discretion may adjust the number of Shares over which an option exists and the exercise price in the manner specified in Listing Rule 6.22, in which case written notice will be given to the option holder.
Summary of terms	Options have an exercise price of $0.12 per option and an expiry date of 9 November 2018.
Names of persons who received securities or basis on which those persons were determined	Share options were issued to EVP R&D and Chief Medical Officer, Dr Mitchell Glass, following shareholder approval at the 2014 AGM.
Price	Options were issued for nil consideration.
Discount to market price (if any)	In accordance with the Option Terms, the strike price was not less than 150% of share price on the day the options were issued.
For cash issues	

Total cash consideration received	N/A
Amount of cash consideration spent	N/A
Use of cash consideration	N/A
Intended use for remaining amount of cash (if any)	N/A
For non-cash issues	
Non-cash consideration paid	N/A
Current value of that non-cash consideration	N/A

Date of issue	27 March 2015
Number of securities issued	35,826,290 fully paid ordinary shares
Class and type of equity security	Fully paid ordinary shares ranking equally with all other fully paid ordinary shares
Summary of terms	Fully paid ordinary shares.
Names of persons who received securities or basis on which those persons were determined	Shares were issued to institutional and sophisticated investors including clients and contacts of Morgans Limited and Patersons Securities Limited.
Price	$0.025 (2.5 cents)
Discount to market price (if any)	Shares were issued at a 36% discount to the 3.9c closing price on 11 March 2015 (the last trading day prior to commencement of the placement).
For cash issues	
Total cash consideration received	$895,657
Amount of cash consideration spent	The full cash consideration has been spent.
Use of cash consideration	Funds were applied to the Company's general working capital which includes costs associated with the ongoing development of INV102 (nadolol), INV103 (ala-Cpn10), and INV104 (zafirlukast) including regulatory costs; the development and maintenance of Invion's intellectual property portfolio; three phase II clinical programs and a feasibility program for inhaled INV102 and INV104.
Intended use for remaining amount of cash (if any)	N/A
For non-cash issues	
Non-cash consideration paid	N/A
Current value of that non-cash consideration	N/A

Date of issue	22 April 2015
Number of securities issued	163,215,268 fully paid ordinary shares
Class and type of equity security	Fully paid ordinary shares ranking equally with all other fully paid ordinary shares
Summary of terms	Fully paid ordinary shares

Names of persons who received securities or basis on which those persons were determined	Issued to existing eligible shareholders under a non-renounceable Rights Issue Entitlement Offer which was announced on 20 March 2015.
Price	$0.025 (2.5 cents)
Discount to market price (if any)	Shares were issued at a 36% discount to the 3.9c closing price on 11 March 2015 (the last trading day prior to announcement of the offer).
For cash issues	
Total cash consideration received	$ 4,080,382
Amount of cash consideration spent	The full cash consideration has been spent.
Use of cash consideration	Funds were applied to the Company's general working capital which includes costs associated with the ongoing development of INV102 (nadolol), INV103 (ala-Cpn10), and INV104 (zafirlukast) including regulatory costs; the development and maintenance of Invion's intellectual property portfolio; three phase II clinical programs and a feasibility program for inhaled INV102 and INV104.
Intended use for remaining amount of cash (if any)	N/A
For non-cash issues	
Non-cash consideration paid	N/A
Current value of that non-cash consideration	N/A

Date of issue	22 April 2015
Number of securities issued	52,458,650 fully paid ordinary shares
Class and type of equity security	Fully paid ordinary shares ranking equally with all other fully paid ordinary shares
Summary of terms	Fully paid ordinary shares
Names of persons who received securities or basis on which those persons were determined	Shares were issued to institutional and sophisticated investors including clients and contacts of Morgans Limited and Patersons Securities Limited in the shortfall from the Rights Issue Entitlement Offer announced 20 March 2015 and completed on 22 April 2015.
Price	$0.025 (2.5 cents)
Discount to market price (if any)	Shares were issued at a 36% discount to the 3.9c closing price on 11 March 2015 (the last trading day prior to announcement of the offer).
For cash issues	
Total cash consideration received	$ 1,311,466
Amount of cash consideration spent	The full cash consideration has been spent.
Use of cash consideration	Funds were applied to the Company's general working capital, particularly costs associated with the completion of the phase II clinical trial of INV102 (nadolol) in smoking cessation.

Intended use for remaining amount of cash (if any)	N/A
For non-cash issues	
Non-cash consideration paid	N/A
Current value of that non-cash consideration	N/A

Date of issue	29 May 2015
Number of securities issued	6,314,635 Share Options
Class and type of equity security	Options to acquire shares. Once shares are allotted upon exercise of the options the participant will hold the Shares free of restrictions. The Shares will rank for dividends declared on or after the date of issue but will carry no right to receive any dividend before the date of issue. A holder of options is not entitled to participate in dividends, a new issue of Shares or other securities made by the Company to Shareholders merely because he or she holds options. However, if a pro rata bonus or cash issue of securities is awarded by the Company, the Company in its absolute discretion may adjust the number of Shares over which an option exists and the exercise price in the manner specified in Listing Rule 6.22, in which case written notice will be given to the option holder.
Summary of terms	Options have an exercise price of $0.04 per option and an expiry date of 9 November 2018.
Names of persons who received securities or basis on which those persons were determined	Share Options were issued to staff and consultants of Invion Limited.
Price	Options were issued for nil consideration.
Discount to market price (if any)	In accordance with the Option Terms, the strike price was not less than 150% of share price on the day the options were issued.
For cash issues	
Total cash consideration received	N/A
Amount of cash consideration spent	N/A
Use of cash consideration	N/A
Intended use for remaining amount of cash (if any)	N/A
For non-cash issues	
Non-cash consideration paid	N/A
Current value of that non-cash consideration	N/A

Date of issue	3 September 2015
Number of securities issued	71,500,000 fully paid ordinary shares
Class and type of equity security	Fully paid ordinary shares ranking equally with all other fully paid ordinary shares
Summary of terms	Fully paid ordinary shares

Names of persons who received securities or basis on which those persons were determined	Shares were issued to Sabby Healthcare Master Fund, Ltd and Sabby Volatility Warrant Master Fund, Ltd in a placement announced on 1 September 2015.
Price	$0.014 (1.4 cents)
Discount to market price (if any)	Shares were issued at a 25% discount to the 15 day VWAP of to 27 August, the last trading day prior to agreement to issue. The closing price of Invion shares on the day of issue was $0.014.
For cash issues	
Total cash consideration received	$ 1,001,000
Amount of cash consideration spent	Approximately $300,000 of the cash consideration has been spent.
Use of cash consideration	Funds have been applied to the Company's general working capital, particularly the ongoing analysis costs associated with the completion of the phase II clinical trial of INV102 (nadolol) in smoking cessation, plus business development activity and general overhead.
Intended use for remaining amount of cash (if any)	As above.
For non-cash issues	
Non-cash consideration paid	N/A
Current value of that non-cash consideration	N/A

Date of issue	3 September 2015
Number of securities issued	51,500,000 Share Options
Class and type of equity security	Options to acquire shares. Once shares are allotted upon exercise of the options the participant will hold the Shares free of restrictions. The Shares will rank for dividends declared on or after the date of issue but will carry no right to receive any dividend before the date of issue. A holder of options is not entitled to participate in dividends, a new issue of Shares or other securities made by the Company to Shareholders merely because he or she holds options. However, if a pro rata bonus or cash issue of securities is awarded by the Company, the Company in its absolute discretion may adjust the number of Shares over which an option exists and the exercise price in the manner specified in Listing Rule 6.22, in which case written notice will be given to the option holder.
Summary of terms	Options have an exercise price of $0.014 per option and an expiry date of 3 September 2016.
Names of persons who received securities or basis on which those persons were determined	Options were issued to Sabby Healthcare Master Fund, Ltd and Sabby Volatility Warrant Master Fund, Ltd as part of the placement announced on 1 September 2015.
Price	Options were issued for nil consideration.
Discount to market price (if any)	N/A

For cash issues	
Total cash consideration received	N/A
Amount of cash consideration spent	N/A
Use of cash consideration	N/A
Intended use for remaining amount of cash (if any)	N/A
For non-cash issues	
Non-cash consideration paid	N/A
Current value of that non-cash consideration	N/A

Information under Listing Rule 7.3A.2:

50 The table below shows the dilution of existing Shareholders on the basis of the current market price of Shares and the current number of ordinary securities for variable "A" calculated in accordance with the formula in Listing Rule 7.1A(2) as at the date of this Notice.

51 The table also shows:

(a) two examples where variable "A" has increased, by 50% and 100%. Variable "A" is based on the number of ordinary securities the Company has on issue. The number of ordinary securities on issue may increase as a result of issues of ordinary securities that do not require Shareholder approval (for example, a pro rata entitlements issue or scrip issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting; and

(b) two examples of where the issue price of ordinary securities has decreased by 50% and increased by 100% as against the current market price.

Shares on issue Variable 'A' in Listing Rule 7.1A.2		Dilution		
		$0.007 **50% decrease in Issue Price**	**$0.014** **Current Issue Price**	**$0.03** **100% increase in Issue Price**
Current Variable A*	10% Voting Dilution	89,424,707	89,424,707	89,424,707
894,247,068	Funds raised	$625,972.95	$1,251,945.90	$2,503,891.79
50% increase in current Variable A*	10% Voting Dilution	134,137,060	134,137,060	134,137,060
1,341,370,602	Funds raised	$938,959.42	$1,877,918.84	$3,755,837.69
100% increase in current Variable A*	10% Voting Dilution	178,849,414	178,849,414	178,849,414
1,788,494,136	Funds raised	$1,251,945.90	$2,503,891.79	$5,007,783.58

*Note: Current Variable A refers to the calculation required by Listing Rule 7.1A.2, which equates to the current issued share capital of the Company (as at 22 September 2015).

52 The table has been prepared on the following assumptions:

(a) The Company issues the maximum number of Shares available under the 10% Listing Rule 7.1A approval.

(b) No options are exercised to convert into Shares before the date of the issue of the Shares available under Listing Rule 7.1A.

(c) The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.

(d) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of share issue under Listing Rule 7.1A, based on that Shareholder's holding at the date of the Annual General Meeting.

(e) The table shows only the effect of issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.

(f) The issue of Shares under Listing Rule 7.1A consists only of Shares.

(g) The issue price is $0.014, being the closing price of the Shares on ASX on 22 September 2015.

Directors' Recommendation

53 The Directors unanimously recommend that you vote in favour of this resolution.

Glossary

Invion Limited ACN 094 730 417

Annual General Meeting	means the Company's annual general meeting the subject of this Notice of Meeting.
ASX	means ASX Limited ABN 98 008 624 691 or the securities market which it operates, as the context requires.
Board	means the board of directors of the Company.
Company	means Invion Limited ACN 094 730 417.
Constitution	means the constitution of the Company.
Corporations Act	means the *Corporations Act 2001* (Cth).
Directors	means the directors of the Company.
Explanatory Memorandum	means the explanatory memorandum attached to the Notice of Meeting.
Key Management Personnel	means those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise).
Listing Rules	means the listing rules of ASX.
Notice of Meeting	means the notice of meeting and includes the Explanatory Memorandum.
Remuneration Report	means the section of the Directors' report for the year ended 30 June 2015 that is included under section 300A(1) of the Corporations Act.
Shares	means the existing fully paid ordinary shares in the Company.
Shareholder	means a person who is the registered holder of Shares.

INVION

Targeting inflammation

Invion Limited
ABN 76 094 730 417

LODGE YOUR VOTE

ONLINE
www.linkmarketservices.com.au

BY MAIL
Invion Limited
C/- Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia

BY FAX
+61 2 9287 0309

BY HAND
Link Market Services Limited
1A Homebush Bay Drive, Rhodes NSW 2138; or
Level 12, 680 George Street, Sydney NSW 2000

ALL ENQUIRIES TO
Telephone: +61 1300 554 474

LODGEMENT OF A PROXY FORM

This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given above by **2:00pm on Monday, 16 November 2015,** being not later than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid for the scheduled Meeting.

Proxy Forms may be lodged using the reply paid envelope or:

ONLINE
www.linkmarketservices.com.au

Login to the Link website using the holding details as shown on the Proxy Form. Select 'Voting' and follow the prompts to lodge your vote. To use the online lodgement facility, shareholders will need their "Holder Identifier" (Securityholder Reference Number (SRN) or Holder Identification Number (HIN) as shown on the front of the Proxy Form).

HOW TO COMPLETE THIS SHAREHOLDER PROXY FORM

YOUR NAME AND ADDRESS

This is your name and address as it appears on the Company's share register. If this information is incorrect, please make the correction on the form. Shareholders sponsored by a broker should advise their broker of any changes. **Please note: you cannot change ownership of your shares using this form.**

APPOINTMENT OF PROXY

If you wish to appoint the Chairman of the Meeting as your proxy, mark the box in Step 1. If you wish to appoint someone other than the Chairman of the Meeting as your proxy, please write the name of that individual or body corporate in Step 1. A proxy need not be a shareholder of the Company.

DEFAULT TO CHAIRMAN OF THE MEETING

Any directed proxies that are not voted on a poll at the Meeting will default to the Chairman of the Meeting, who is required to vote those proxies as directed. Any undirected proxies that default to the Chairman of the Meeting will be voted according to the instructions set out in this Proxy Form, including where the Resolution is connected directly or indirectly with the remuneration of KMP.

VOTES ON ITEMS OF BUSINESS – PROXY APPOINTMENT

You may direct your proxy how to vote by placing a mark in one of the boxes opposite each item of business. All your shares will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the items of business, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

APPOINTMENT OF A SECOND PROXY

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company's share registry or you may copy this form and return them both together.

To appoint a second proxy you must:

(a) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of shares applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded; and

(b) return both forms together.

SIGNING INSTRUCTIONS

You must sign this form as follows in the spaces provided:

Individual: where the holding is in one name, the holder must sign.

Joint Holding: where the holding is in more than one name, either shareholder may sign.

Power of Attorney: to sign under Power of Attorney, you must lodge the Power of Attorney with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the *Corporations Act 2001*) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

CORPORATE REPRESENTATIVES

If a representative of the corporation is to attend the Meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission in accordance with the Notice of Meeting. A form of the certificate may be obtained from the Company's share registry or online at www.linkmarketservices.com.au.

IF YOU WOULD LIKE TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING, PLEASE BRING THIS FORM WITH YOU. THIS WILL ASSIST IN REGISTERING YOUR ATTENDANCE.

NAME SURNAME
ADDRESS LINE 1
ADDRESS LINE 2
ADDRESS LINE 3
ADDRESS LINE 4
ADDRESS LINE 5
ADDRESS LINE 6

X99999999999

PROXY FORM

I/We being a member(s) of Invion Limited and entitled to attend and vote hereby appoint:

STEP 1

APPOINT A PROXY

☐ the Chairman of the Meeting *(mark box)*

OR if you are **NOT** appointing the Chairman of the Meeting as your proxy, please write the name of the person or body corporate you are appointing as your proxy

or failing the person or body corporate named, or if no person or body corporate is named, the Chairman of the Meeting, as my/our proxy to act on my/our behalf (including to vote in accordance with the following directions or, if no directions have been given and to the extent permitted by the law, as the proxy sees fit) at the Annual General Meeting of the Company to be held at **2:00pm on Wednesday, 18 November 2015 at the offices of McCullough Robertson Lawyers, Level 11, 66 Eagle Street, Brisbane QLD 4000** (the **Meeting**) and at any postponement or adjournment of the Meeting.

Important for Resolution 1: If the Chairman of the Meeting is your proxy, either by appointment or by default, and you have not indicated your voting intention below, you expressly authorise the Chairman of the Meeting to exercise the proxy in respect of Resolution 1, even though the Resolution is connected directly or indirectly with the remuneration of a member of the Company's Key Management Personnel (**KMP**).

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

STEP 2

VOTING DIRECTIONS

Proxies will only be valid and accepted by the Company if they are signed and received no later than 48 hours before the Meeting.
Please read the voting instructions overleaf before marking any boxes with an ☒

Resolutions	For	Against	Abstain*
1 Directors' remuneration report	☐	☐	☐
2 Re-election of Dr James Campbell	☐	☐	☐
3 Re-election of Mr Warren Brown	☐	☐	☐
4 Ratification and approval of previous allotment and issue of placement shares	☐	☐	☐
5 Ratification and approval of previous allotment and issue of share options	☐	☐	☐
6 Approval for the issue of 91,500,000 share options	☐	☐	☐
7 Approval for the issue of 35,750,000 share options	☐	☐	☐
8 Approval for the issue of 5,005,000 share options	☐	☐	☐
9 Approval of additional 10% capacity to issue shares under Listing Rule 7.1A	☐	☐	☐

* If you mark the Abstain box for a particular Item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

STEP 3

SIGNATURE OF SHAREHOLDERS – THIS MUST BE COMPLETED

Shareholder 1 (Individual)	Joint Shareholder 2 (Individual)	Joint Shareholder 3 (Individual)
Sole Director and Sole Company Secretary	Director/Company Secretary (Delete one)	Director

This form should be signed by the shareholder. If a joint holding, either shareholder may sign. If signed by the shareholder's attorney, the power of attorney must have been previously noted by the registry or a certified copy attached to this form. If executed by a company, the form must be executed in accordance with the company's constitution and the *Corporations Act 2001* (Cth).