ASX ANNOUNCEMENT

INVION
Targeting inflammation

3 September 2015

INVION – ADDITIONAL PLACEMENT DETAILS

Invion Limited (ASX:IVX) today announces completion of a private placement to an institutional investor in the United States raising approximately AU$1 million (before costs of the issue) by the issue of 71,500,000 fully paid ordinary shares (**Shares**) at an issue price of AU$0.014 per share.

The Company has also agreed to issue to the US institutional investor under the placement, in aggregate, for no additional cash consideration:

- 12-month options to purchase an aggregate of 51,500,000 ordinary shares at an exercise price of AU$0.014 per share (**First Options**);
- 12-month options to purchase an aggregate of 91,500,000 ordinary shares at an exercise price of AU$0.014 per share (**Second Options**); and
- 5-year options to purchase an aggregate of 35,750,000 ordinary shares at an exercise price of AU$0.0175 per share (**Third Options**).

The Shares and the First Options were issued today. The issue of the Second Options and the Third Options is subject to shareholder approval at the Annual General Meeting of the Company.

In accordance with Listing Rule 3.10.5A, Invion advises as follows in relation to the issue:

a. The dilution to existing shareholders, as a result of the issue of Shares under the placement under Listing Rule 7.1A is 8.7%. Further details of the approximate percentage of the issued capital post the Listing Rule 7.1A placement held by the pre-placement security holders and new security holders are as follows:

Pre-placement security holders who did not participate in the placement	100%
Pre-placement security holders who did participate in the placement	0%
Participants in the placement who were not previously security holders	1

b. The Company issued the Shares as a placement under Listing Rule 7.1A as it believed that this was the most efficient mechanism for raising funds at the time as it gives the Company certainty of raising the amount of capital and also gives the Company exposure to a US institutional investor.

c. The placement was not underwritten.

d. The placement agent, Rodman & Renshaw, a unit of H.C. Wainwright & Co, is 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 A$0.0175 per option. The issue of these options is subject to shareholder approval.

For and on behalf of the Board of Invion Limited

Melanie Farris
COMPANY SECRETARY