Rule 2.7, 3.10.3, 3.10.4, 3.10.5

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12

Name of entity

INVION LIMITED

ABN

76 094 730 417

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

1	+Class of +securities issued or to be issued	Fully paid ordinary shares
2	Number of +securities issued or to be issued (if known) or maximum number which may be issued	Further to the Share Purchase and Convertible Security Agreement (SPCSA) with The Australian Special Opportunity Fund announced 10 November 2014, the Company is varying the one convertible security currently on issue with an original face value of AU$1,060,000 (which was subsequently reduced to $760,000 following the part conversion of the security), and increasing it to a convertible security with a renewed outstanding face value of AU$1,110,000. Assuming conversion into fully paid ordinary shares at $0.046, being the market price for shares today (2 March 2015), the additional component of the convertible security (of $350,000) would be convertible to a maximum of 7,608,696 fully paid ordinary shares.

+ See chapter 19 for defined terms.

3	Principal terms of the +securities (eg, if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion)	Convertible Security is unsecured and has a face value of $1,110,000. The security shall be convertible into new shares, in amounts of no less than $50,000, after a 90 day lock-up period. The conversion price per share shall equal 90% of the average of five daily VWAPs per share as chosen by the Investor during the 20 consecutive trading days immediately prior to the relevant conversion.
4	Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities? If the additional securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	Shares issued upon conversion of the Convertible Security will be on equal terms and rank equally with existing shares. The Convertible Security does not carry any dividend or voting rights.
5	Issue price or consideration	n/a
6	Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)	Pursuant to Share Purchase and Convertible Security Agreement (as varied) (SPCSA) with The Australian Special Opportunity Fund, LP (ASOF) announced on 10 November 2014. Funds raised will be used for working capital purposes.
6a	Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A? If Yes, complete sections 6b – 6h *in relation to the +securities the subject of this Appendix 3B*, and comply with section 6i	Yes

6b	The date the security holder resolution under rule 7.1A was passed	21 November 2014
6c	Number of +securities issued without security holder approval under rule 7.1	7,608,696 (agreed to be issued)
6d	Number of +securities issued with security holder approval under rule 7.1A	0
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	Not applicable to this Appendix 3B
6f	Number of securities issued under an exception in rule 7.2	Not applicable to this Appendix 3B
6g	If securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the issue date and both values. Include the source of the VWAP calculation.	Not applicable to this Appendix 3B
6h	If securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	Not applicable to this Appendix 3B
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	Capacity under LR 7.1 is 27,113,625 Capacity under LR 7.1A is 52,458,650
7	Dates of entering +securities into uncertificated holdings or despatch of certificates	Not applicable to this Appendix 3B

+ See chapter 19 for defined terms.

		Number	+Class
8	Number and +class of all +securities quoted on ASX (*including* the securities in section 2 if applicable)	571,246,860	Fully paid Ordinary Shares

		Number	+Class
9	Number and +class of all +securities not quoted on ASX (*including* the securities in section 2 if applicable)	1,700,000	Share Options exercisable at $0.517 each on or before 16 May 2015 (IVXAL)
		16,875,000	Share Options exercisable at $0.09 each on or before 9 November 2017 (IVXAI)
		10,525,000	Share Options exercisable at $0.10 each on or before 9 November 2017 (IVXAK)
		23,800,000	Share Options exercisable at $0.12 each on or before 9 November 2018 (IVXAM)
		3,500,000	Share Options exercisable at $0.0721 each on or before 11 November 2017 (IVXAN)
		3,500,000	Share Options exercisable at $0.0721 each on or before 22 November 2017 (IVXAO)
		1	Convertible Security which, assuming current face value conversion at the market price for shares on 10 November 2014

		($0.058) (execution date) and the valuation value at the market price for shares on 2 March 2015 (date of variation) would convert to a maximum of 18,712,665 fully paid ordinary shares (IVXAP)

10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	Not applicable

Part 2 - Bonus issue or pro rata issue

11	Is security holder approval required?	Not applicable to this Appendix 3B
12	Is the issue renounceable or non-renounceable?	Not applicable to this Appendix 3B
13	Ratio in which the +securities will be offered	Not applicable to this Appendix 3B
14	+Class of +securities to which the offer relates	Not applicable to this Appendix 3B
15	+Record date to determine entitlements	Not applicable to this Appendix 3B
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	Not applicable to this Appendix 3B
17	Policy for deciding entitlements in relation to fractions	Not applicable to this Appendix 3B
18	Names of countries in which the entity has +security holders who will not be sent new issue documents Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.	Not applicable to this Appendix 3B

+ See chapter 19 for defined terms.

19	Closing date for receipt of acceptances or renunciations	Not applicable to this Appendix 3B
20	Names of any underwriters	Not applicable to this Appendix 3B
21	Amount of any underwriting fee or commission	Not applicable to this Appendix 3B
22	Names of any brokers to the issue	Not applicable to this Appendix 3B
23	Fee or commission payable to the broker to the issue	Not applicable to this Appendix 3B
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of +security holders	Not applicable to this Appendix 3B
25	If the issue is contingent on +security holders' approval, the date of the meeting	Not applicable to this Appendix 3B
26	Date entitlement and acceptance form and prospectus or Product Disclosure Statement will be sent to persons entitled	Not applicable to this Appendix 3B
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	Not applicable to this Appendix 3B
28	Date rights trading will begin (if applicable)	Not applicable to this Appendix 3B
29	Date rights trading will end (if applicable)	Not applicable to this Appendix 3B
30	How do +security holders sell their entitlements *in full* through a broker?	Not applicable to this Appendix 3B
31	How do +security holders sell *part* of their entitlements through a broker and accept for	Not applicable to this Appendix 3B

	the balance?	
32	How do +security holders dispose of their entitlements (except by sale through a broker)?	Not applicable to this Appendix 3B
33	+Despatch date	Not applicable to this Appendix 3B

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

34 Type of securities
(*tick one*)

(a) ☐ Securities described in Part 1

(b) ☐ All other securities

Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a) – Not applicable

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

35 ☐ If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders

36 ☐ If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
1 - 1,000
1,001 - 5,000
5,001 - 10,000
10,001 - 100,000
100,001 and over

37 ☐ A copy of any trust deed for the additional +securities

+ See chapter 19 for defined terms.

Entities that have ticked box 34(b) - Not applicable

38	Number of securities for which +quotation is sought	
39	Class of +securities for which quotation is sought	
40	Do the +securities rank equally in all respects from the date of allotment with an existing +class of quoted +securities? If the additional securities do not rank equally, please state: • the date from which they do • the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment • the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	
41	Reason for request for quotation now Example: In the case of restricted securities, end of restriction period (if issued upon conversion of another security, clearly identify that other security)	

		Number	+Class
42	Number and +class of all +securities quoted on ASX (*including* the securities in clause 38)		

Quotation agreement

1 +Quotation of our additional +securities is in ASX's absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

  Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document not available now, will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:  Date: 3 March 2015
(~~Director~~/Company Secretary)
Print name: Melanie Farris

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+ See chapter 19 for defined terms.

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for +eligible entities

Introduced 01/08/12

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
Step 1: Calculate "A", the base figure from which the placement capacity is calculated	
Insert number of fully paid ordinary securities on issue 12 months before date of issue or agreement to issue	529,376,463
Add the following: • Number of fully paid ordinary securities issued in that 12 month period under an exception in rule 7.2 • Number of fully paid ordinary securities issued in that 12 month period with shareholder approval • Number of partly paid ordinary securities that became fully paid in that 12 month period *Note:* • *Include only ordinary securities here – other classes of equity securities cannot be added* • *Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed* • *It may be useful to set out issues of securities on different dates as separate line items*	11,848,977 - shares issued under the Rights Issue on 28 March 2014
Subtract the number of fully paid ordinary securities cancelled during that 12 month period	0
"A"	541,225,440

Step 2: Calculate 15% of "A"	
"B"	0.15 *[Note: this value cannot be changed]*
Multiply "A" by 0.15	81,183,816
Step 3: Calculate "C", the amount of placement capacity under rule 7.1 that has already been used	
Insert number of equity securities issued or agreed to be issued in that 12 month period *not counting* those issued: • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 *Note:* • *This applies to equity securities, unless specifically excluded – not just ordinary securities* • *Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed* • *It may be useful to set out issues of securities on different dates as separate line items*	3,500,000 – 1st commitment share options issued to The Australian Special Opportunity Fund (ASOF) 3,500,000 – 2nd commitment share options issued to ASOF 1,663,894 – 2nd commitment shares issued to ASOF 3,000,000 – collateral shares issued to ASOF 6,521,739 – tranche shares issued to ASOF 10,000,000 – tranche shares issued to ASOF 1,219,512 – convertible security shares issued to ASOF 5,952,381 – convertible security shares issued to ASOF 11,103,969 – remaining shares to be issued on conversion of current face value (prior to the variation) of the Convertible Security if converted at market price for Invion shares on 10 November 2014, issued under the SPCSA with ASOF 7,608,696 – convertible security shares to be issued on conversion of variation value of the Convertible Security if converted at market price for Invion shares on 2 March 2015 (date of variation) as to be issued under the SPCSA with ASOF issued to ASOF (the subject of this Appendix 3B)
"C"	**54,070,191**
Step 4: Subtract "C" from ["A" x "B"] to calculate remaining placement capacity under rule 7.1	
"A" x 0.15 *Note: number must be same as shown in Step 2*	81,183,816
Subtract "C" *Note: number must be same as shown in*	54,070,191

+ See chapter 19 for defined terms.

Step 3	
Total [“A” x 0.15] – “C”	27,113,625 *[Note: this is the remaining placement capacity under rule 7.1]*

Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate "A", the base figure from which the placement capacity is calculated	
"A" *Note: number must be same as shown in Step 1 of Part 1*	541,225,440
Step 2: Calculate 10% of "A"	
"D"	0.10 *Note: this value cannot be changed*
Multiply "A" by 0.10	54,122,544
Step 3: Calculate "E", the amount of placement capacity under rule 7.1A that has already been used	
Insert number of equity securities issued or agreed to be issued in that 12 month period under rule 7.1A *Notes:* • *This applies to equity securities – not just ordinary securities* • *Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed* • *Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained* • *It may be useful to set out issues of securities on different dates as separate line items*	1,663,894 – 1st commitment shares issued to ASOF
"E"	1,663,894

+ See chapter 19 for defined terms.

Step 4: Subtract "E" from ["A" x "D"] to calculate remaining placement capacity under rule 7.1A	
"A" x 0.10 *Note: number must be same as shown in Step 2*	54,122,544
Subtract "E" *Note: number must be same as shown in Step 3*	1,663,894
Total ["A" x 0.10] – "E"	52,458,650 *Note: this is the remaining placement capacity under rule 7.1A*