INVION ANNOUNCES $2M PLACEMENT

BRISBANE, 11 June 2013: Australian drug development company Invion Limited (ASX: IVX) is pleased to announce that it has today completed a private placement to new and existing sophisticated and professional investors in Australia, the United States and Europe.

The Company will issue a total of 53,292,115 fully paid ordinary shares to raise approximately $2 million (before costs). The issue price per share is 3.8 cents, which was the closing share price on Wednesday 5 June 2013, being the last trading day prior to the commencement of the placement.

Funds raised from the placement will be applied to the development of Invion's two drug assets INV102 (nadolol) and INV103 (ala-Cpn10) and general working capital. The Company is pleased that a number of directors have participated in the placement to support the ongoing FDA-regulated clinical programs.

Managing Director and Chief Executive Officer Dr Greg Collier said "The successful completion of this placement demonstrates strong interest from professional investors to see the advancement of Invion's programs. Combined with the recently completed Share Purchase Plan, the Company has now raised in excess of $3.1 million."

"This new injection of capital enables us to maintain momentum with our three phase II clinical trials targeting the major markets of asthma, chronic obstructive pulmonary disease, and lupus. We have a number of important milestones set down for the second half of 2013, and we look forward to delivering against those," he said.

Details of the placement

Invion has agreed to place a total of 53,292,115 fully paid ordinary shares to sophisticated and professional investors including directors of the Company. As participation by directors and other related parties is subject to shareholder approval, the placement shares will be issued in two tranches.

- 50,278,783 shares at 3.8 cents to raise approximately $1.9 million will be issued on 18 June 2013 to sophisticated and professional investors under the company's 15% capacity, pursuant to ASX Listing Rule 7.1;

- 3,013,332 shares at 3.8 cents to raise approximately $100,000 will be issued to participating directors and other related parties who have subscribed to the placement, subject to shareholder approval being received at an Extraordinary General Meeting which the company plans to hold in July 2013.

RBS Morgans Limited acted as Lead Manager to the placement.

<u>About Invion Limited</u>

Invion Limited (ASX:IVX) is a life sciences company with two drug assets in three FDA-regulated, phase II clinical programs. With operations in the US and Australia, the strategic focus of IVX is the development of treatments for major market opportunities in inflammatory diseases, including asthma and COPD ($34B) and lupus (to $4B). The company's corporate focus is the cost-effective advancement of its assets to late phase II before negotiating commercial partnerships.

INV102 (nadolol) is a beta blocker that has been used in more than 10 million people for the treatment of high blood pressure, migraine and chest pain. Invion is repurposing INV102 to treat lung indications and to date the company has completed two phase II clinical trials which demonstrated acceptable safety as well as dose-related reduction of airway hyper-responsiveness. A further phase II trial in asthma - funded by the US National Institutes of Health in excess of $4 million - is now underway, and a trial in chronic bronchitis patients is due to commence. INV103 (ala-Cpn10) is a modified naturally occurring human protein that has shown to reduce IL-6, a key marker in the inflammatory disease, lupus. A phase II trial in lupus is anticipated to commence in Q2 2013, under a US IND submitted 24 April 2013.

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