

21 November 2014

**INVION LIMITED AGM  
CHAIRMAN'S ADDRESS & CEO PRESENTATION**

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Invion Limited (ASX: IVX) is pleased to provide the Chairman's Address and CEO presentation to the 2014 Annual General Meeting of Shareholders being held this morning at 10.00am (AEST) at the offices of McCullough Robertson Lawyers, Level 11, 66 Eagle Street Brisbane.

**Address to Shareholders by Dr Ralph Craven, Chairman.**

I am very pleased to have the opportunity to speak with you again today, and feel privileged to say that this is my 4th AGM addressing you as Chairman of Invion.

In the last 12 months, your company has worked diligently to deliver on its strategic objectives.

Managing Director and CEO, Dr Greg Collier, will shortly speak in detail about the Company's pipeline of assets and the status of our clinical trials, however I am pleased to stand before you today and say we have made good progress in all our programs.

Just prior to last year's AGM, we announced that Invion had in-licenced a new drug asset, INV104 (zafirlukast), which we have targeted to develop as the first inhaled non-steroidal anti-inflammatory therapy for the lung.

Earlier this year, we announced a collaboration with 3M Drug Delivery Systems, a world leader in inhalation device technology, to work with us on our inhaled respiratory franchise now comprising two drug assets – zafirlukast and INV102 (nadolol).

Feasibility work on the inhaled drug pipeline has progressed well, and as you will see in Dr Collier's presentation, we are working toward the commencement of phase I clinical studies in the coming 12 months.

As well as an inhaled program, we have an oral respiratory drug program, and in the 3rd quarter of this year we reported interim data on the phase II asthma study which is funded by the US National Institutes of Health.

The data showed that nadolol was being titrated to its highest doses, was safe and well tolerated in patients, and that there was no increase in the use of rescue medications in patients on study. This is a significant and promising finding for nadolol's continuing development and we are encouraged by the emerging signals.

We anticipate announcing interim data in our second phase II oral nadolol study, this time in smoking cessation, before the end of this calendar year. This data will add to the expanding clinical database for our respiratory drug pipeline, and will underpin our work going forward.

Invion's autoimmune drug program, in which we are clinically testing Cpn10 in a phase II trial of lupus patients, is also progressing well. Interim data was announced in the third quarter, and we expect the trial to be fully recruited this calendar year for reporting in the first quarter of 2015.

## ASX ANNOUNCEMENT

The coming 12 months are very promising for Invion, as we complete and report on three phase II clinical trials and move into phase I trials for our inhaled respiratory drugs.

As always, much remains to be done to achieve our goals and targets, and the Board continues its work to ensure continuous improvement in Invion's governance processes and policies in order to provide the sound oversight and strategic leadership required to guide the company into its next exciting stage.

To support this growth, early last week, the Company announced the execution of a Share Purchase and Convertible Security Agreement with the Australian Special Opportunity Fund. The agreement, which has been well received in discussions with investors and shareholders, provides Invion access to funds through a flexible convertible instrument, and the ability to secure additional funding in stages.

Your Board believes this is the right instrument to help fund the Company at this time as it enables the issue of shares at prices that are linked to prevailing prices, at the same time minimising dilution while meeting interim financing needs as our milestones are approached.

As I have done in the past, it is appropriate that in this address I acknowledge the legal proceedings undertaken against former officers of the Company. As was last reported to you, in June 2014 the Supreme Court of Queensland delivered judgment for the Company in its case, and Invion sought orders requiring the repayment of termination payments that were made to the defendants. The Court also dismissed the counterclaim by the defendants in which they sought damages from Invion for allegedly breaching an agreement pursuant to which bonus payments should have been paid after their resignations. In July the Company advised that the defendants had lodged a notice of appeal.

This appeal is set down for hearing in February 2015. The Board has always, and continues to, stand firm in its commitment to bring the matter to resolution as swiftly as possible.

Before closing, I take this opportunity to again thank my colleagues on the Board, for their skill, enthusiasm and commitment to Invion. I thank the management and the staff of Invion, and I thank you, our shareholders, for your continuing interest and support.

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### About Invion Limited

Invion is a life sciences company focussed on the development of treatments for major opportunities in respiratory disease and autoimmune disease. The Group has three drug assets in development, and three phase II clinical trials, regulated by the Food & Drug Administration (FDA), currently underway in the United States. **INV102 (nadolol)** a beta blocker (beta adrenergic inverse agonist) currently used to treat high blood pressure and migraine, is being repurposed to treat chronic inflammatory airway diseases, including asthma and chronic obstructive pulmonary disease (COPD). **INV104 (zafirlukast)** is a leukotriene receptor antagonist (LTRA) or anti-leukotriene that reduces inflammation, constriction of the airways, and the build-up of mucus in the lungs. **INV103 (ala-Cpn10)** is a modified, naturally occurring human protein which has been proposed as a founding member of the Resolution Associated Molecular Pattern (RAMPs) family hypothesised to maintain and restore immune homeostasis. Invion is an ASX listed company (ASX:IVX), with operations in Brisbane, Australia and Delaware, USA.