ASX ANNOUNCEMENT: APPENDIX 4C

30 January 2015

The Manager
Company Announcements Office
ASX Limited
20 Bridge St
SYDNEY NSW 2000

Dear Sir

APPENDIX 4C

Invion Limited (ASX:IVX) is pleased to lodge its Appendix 4C for the quarter ending 31 December 2014.

The Company held cash reserves of $1.910 million at the end of December, consistent with budget forecasts. Cash outflows relating to operating expenses were $1.465 million, with total spend on direct R&D activities at approximately $0.9 million.

In the quarter under review the Company continued to progress its three phase II clinical trials (in asthma, smoking cessation and lupus). Subsequent to the end of the quarter, the Company announced interim data in its phase II clinical trial of oral INV102 (nadolol) in smoking cessation, which showed clinically relevant changes in four biomarkers of inflammation in INV102 (nadolol) treated patients compared to placebo.

During the quarter, the Company announced it had entered into an agreement with The Australian Special Opportunity Fund, LP, an institutional investor managed by The Lind Partners, LLC, for a total funding commitment of up to AU$17.4 million over 24 months.

During the quarter, the Company announced that it had satisfied the criteria under AusIndustry's R&D Tax Incentive Scheme for an advance finding with respect to certain local and overseas R&D activities carried out in the financial year ended 30 June 2014, and that an R&D Tax cash rebate of approximately $0.790 million had been received for those activities. The Company also announced that it had lodged with AusIndustry, an expanded R&D Tax Incentive application that sought to capture and make eligible for rebate a wider group of Invion R&D activities.

This application was successful and for the financial year ended 30 June 2014, a further approximately $0.390 million R&D tax rebate has been received, bringing the total cash rebate for the financial year to approximately $1.180 million.

The cash position of the Company is under constant review by the Board, and the Board is considering its options to ensure that cash resources are in place to see the Company through to the completion of forthcoming clinical development milestones.

An Appendix 4C accompanies this announcement.

For and on behalf of the Board of Invion Limited

MELANIE FARRIS
Company Secretary

Appendix 4C

Quarterly report for entities admitted on the basis of commitments

Introduced 31/3/2000. Amended 30/9/2001

Name of entity

INVION LIMITED

ABN	Quarter ended ("current quarter")
76 094 730 417	31-December-2014

Consolidated statement of cash flows

Cash flows related to operating activities			Current quarter $A'000	Year to date (6 months) $A'000
1.1	Receipts from customers		6	8
1.2	Payments for	(a) staff costs	(440)	(937)
		(b) patent costs	(165)	(225)
		(c) research and development	(688)	(1,797)
		(d) leased assets	(3)	(6)
		(e) other working capital	(175)	(524)
1.3	Dividends received		-	-
1.4	Interest and other items of a similar nature received		-	-
1.5	Interest and other costs of finance paid		-	-
1.6	Income taxes paid		-	-
1.7	Other	(a) Research & Development tax refund	-	-
		(b) Other	-	-
	Net operating cash flows		(1,465)	(3,481)

			Current quarter $A'000	Year to date (6 months) $A'000
1.8	Net operating cash flows (carried forward)		(1,465)	(3,481)
	Cash flows related to investing activities			
1.9	Payment for acquisition of:	(a) businesses	-	-
		(b) equity investments	-	-
		(c) intellectual property	(79)	(198)
		(d) physical current assets	-	-
		(e) other non-current assets	(6)	(10)
1.10	Proceeds from disposal of:	(a) businesses	-	-
		(b) equity investments	-	-
		(c) intellectual property	-	-
		(d) physical current assets	-	-
		(e) other non-current assets	-	-
1.11	Loans to other entities		-	-
1.12	Loans repaid by other entities		-	-
1.13	Other		-	
	Net investing cash flows		(85)	(208)
1.14	**Total operating and investing cash flows**		(1,550)	(3,689)
	Cash flows related to financing activities			
1.15	Proceeds from issues of shares		300	300
1.16	Proceeds from shares not yet issued		1,400	1,400
1.17	Proceeds from borrowings		-	-
1.18	Repayment of borrowings		-	-
1.19	Dividends paid		-	-
1.2	Other Creditors (costs of fund raising)		(35)	(40)
	Net financing cash flows		1,665	1,660
	Net increase (decrease) in cash held		115	(2,029)
1.21	Cash at beginning of quarter/year to date		1,806	3,954
1.22	Exchange rate adjustments to item 1.20		(11)	(15)
1.23	**Cash at end of quarter/year to date**		**1,910**	**1,910**

Payments to directors of the entity and associates of the directors
Payments to related entities of the entity and associates of the related entities

		Current quarter $A'000
1.24	Aggregate amount of payments to the parties included in item 1.2 (a)	219
1.25	Aggregate amount of loans to the parties included in item 1.11	-

1.26 Explanation necessary for an understanding of the transactions

Payments to directors includes directors fees, and salaries and other payments, including termination payments, to executive directors.

Separate to the amounts noted at 1.24 above, for the September quarter, approximately $62,600 in fees were paid or were payable to McCullough Robertson Lawyers. Mr Brett Heading is a Partner at McCullough Robertson Lawyers.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cashflows

N/A

2.2 Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest

N/A

Financing facilities available

Add notes as necessary for an understanding of the position. (See AASB 1026 paragraph 12.2).

		Amount available $A'000	Amount used $A'000
3.1	Loan facilities	-	-
3.2	Credit standby arrangements	-	-
3.3	Convertible loan facility	-	-

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		Current quarter $A’000	Previous quarter $A’000
4.1	Cash on hand and at bank	1,910	1,806
4.2	Deposits at call	-	-
4.3	Bank overdraft	-	-
4.4	Other (provide details)	-	-
	Total: cash at end of quarter (item 1.23)	1,910	1,806

Acquisitions and disposals of business entities

		Acquisitions	Disposals
5.1	Name of entity	N/A	N/A
5.2	Place of incorporation or registration		
5.3	Consideration for acquisition or disposal		
5.4	Total net assets		
5.5	Nature of business		

Compliance statement

1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act (except to the extent that information is not required because of note 2) or other standards acceptable to ASX.

2 This statement does give a true and fair view of the matters disclosed.

Sign here: Original signed
(Company Secretary)

Date: 30-January-2015

Print name: Melanie Farris