

ASX ANNOUNCEMENT: APPENDIX 4C

30 January 2017

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 2017.

The Company held cash reserves of \$0.547 million at the end of December, with cash outflows during the quarter at \$0.174 million.

As reported in previous quarters, operating cash outflows have been reduced reflecting lower capital-intensive activity following the completion of major R&D program milestones.

These milestones include the completion of two phase II clinical trials for the company's lead drug asset - INV102(nadolol) - being a phase II study of nadolol in patients with chronic bronchitis, and a phase II study of nadolol in patients with mild asthma.

The Company is driven to realise value from its assets via a commercial transaction following the successful completion of its major R&D milestones. The activity of the Company therefore has been directed towards business development, and the partnering (via sale or out-licence) of one or all of its assets.

An Appendix 4C accompanies this announcement.

For and on behalf of the Board of Invion Limited

MELANIE FARRIS
Company Secretary and Head of Operations

Appendix 4C

Quarterly report for entities subject to Listing Rule 4.7B

Introduced 31/3/00. Amended 30/9/01, 24/10/05, 17/12/10, 1/09/16

Name of entity

INVION LIMITED

ABN

76 094 730 417

Quarter ended ("current quarter")

31-December-2016

Consolidated statement of cash flows

	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	-	-
1.2 Payments for		
(a) research and development	(52)	(166)
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	-	-
(d) leased assets	-	1
(e) staff costs	(19)	(39)
(f) administration and corporate costs	(103)	(350)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	610
1.8 Other (provide details if material)	-	-
1.9 Net cash from/(used in) operating activities	(174)	56

2. Cash flows from investing activities

2.1 Payments to acquire:

- (a) property, plant and equipment
- (b) businesses (see item 10)
- (c) investments

-	-
-	-
-	-

Consolidated statement of cash flows	Current quarter	Year to date (6 months)
	\$A'000	\$A'000
(d) intellectual property	-	-
(e) other non-current assets	-	-
2.2 Proceeds from disposal of:		
(a) property, plant and equipment	-	-
(b) businesses (see item 10)	-	-
(c) investments (term deposit)	53	53
(d) intellectual property	-	-
(e) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	-
2.4 Dividends received (see note 3)	-	-
2.5 Other (provide details if material)	-	-
2.6 Net cash from/(used in) investing activities	53	53
3. Cash flows from financing activities		
3.1 Proceeds from issues of shares	-	4
3.2 Proceeds from issue of convertible notes	-	-
3.3 Proceeds from exercise of share options	-	-
3.4 Transaction costs related to issues of shares, convertible notes or options	-	-
3.5 Proceeds from borrowings	-	-
3.6 Repayment of borrowings	-	-
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (provide details if material)	-	-
3.10 Net cash from/(used in) financing activities	-	4
4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of quarter/year to date	662	437
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(174)	56
4.3 Net cash from / (used in) investing activities (item 2.6 above)	53	53
4.4 Net cash from / (used in) financing activities (item 3.10 above)	-	4

Consolidated statement of cash flows		Current quarter	Year to date (6 months)
		\$A'000	\$A'000
4.5	Effect of movement in exchange rates on cash held	6	(3)
4.6	Cash and cash equivalents at end of quarter	547	547

5. Reconciliation of cash and cash equivalents		Current quarter	Previous quarter
at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts		\$A'000	\$A'000
5.1	Bank Balances	547	662
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	547	662

6. Payments to directors of the entity and their associates		Current quarter
		\$A'000
6.1	Aggregate amount of payments to the parties included in item 1.2	(18)
6.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	-
6.3	Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

Payments to directors includes directors fees and executive directors salaries.

7. Payments to related entities of the entity and their associates		Current quarter
		\$A'000
7.1	Aggregate amount of payments to the parties included in item 1.2	-
7.2	Aggregate amount of cash flow from loans to these parties included in item 2.3	-
7.3	Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

8. Financing facilities available
Add notes as necessary for an understanding of the position

Total facility amount at quarter end \$A'000	Total drawn at quarter end \$A'000
-	-
-	-
-	-

- 8.1 Loan facilities
- 8.2 Credit standby arrangements
- 8.3 Other (please specify)

8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.

9. Estimated cash outflows for next quarter

- 9.1 Research and development (including intellectual property)
- 9.2 Product manufacturing and operating costs
- 9.3 Advertising and marketing
- 9.4 Leased assets
- 9.5 Staff costs
- 9.6 Administration and corporate costs
- 9.7 Other (provide details if material)
- 9.8 Total estimated cash outflows**

\$A'000
52
-
-
-
19
103
-
174

10. Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)

- 10.1 Name of entity
- 10.2 Place of incorporation or registration
- 10.3 Consideration for acquisition or disposal
- 10.4 Total net assets
- 10.5 Nature of business

Acquisitions	Disposals
N/A	N/A

Compliance statement

¹ This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.

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

Sign here: Original signed 
(Company Secretary)

Date: 30-January-2017

Print name: Melanie Farris

Notes

¹ The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.

² If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.

³ Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.