

**INVION EXPANDS PHOTOSOFT™ TECHNOLOGY TERRITORY FOR CANCER INDICATIONS AND
UNDERTAKES CAPITAL RAISING**

MELBOURNE (AUSTRALIA) 16 November 2021:

Highlights:

- Invion (ASX: IVX) ("Invion" or the "Company") has entered into conditional agreements with RMW Cho Group Limited (**RMW**) to co-develop Photosoft™ technology for cancer and related diseases (**Indications**), pursuant to which Invion will gain exclusive distribution rights to the Photosoft™ technology in Asia Pacific¹ (**Territory**) for the Indications.
- The new conditional agreements will increase Invion's addressable markets beyond Australia and New Zealand for the Indications.
- Invion has received firm commitments to raise \$12 million through the issue of 545,454,546 fully paid ordinary shares (**New Shares**) priced at 2.2 cents per New Share ("**The Placement**"). There are no royalties or other payments. However RMW will supply products to Invion following commercialisation at arm's length prices.
- Participants in the Placement will be offered 1 free attaching option for every 2 New Shares subscribed, in total 272,727,273 placement options, exercisable at 4 cents and expiring 18 months from the issue date (**Options**). This offer will be subject to a separate prospectus ("**Option Offer**").
- In parallel, the Company announces a Share Purchase Plan ("**SPP**") to raise up to \$3 million at the same issue price as the Placement of 2.2 cents per New Share. The SPP participants will also be offered the opportunity to participate in the Option Offer.
- The net proceeds of the Placement and SPP provide funding to meet Invion's obligations under the Conditional Agreements, including funding of pre-clinical work and clinical trials in the new Territories, as well as atherosclerosis and infectious disease (**AID**) discovery and development, general working capital and operational costs and to fund the costs of the capital raising.

Expansion of Photosoft™ technology territory for cancer indications

Invion is pleased to announce that it has entered into an agreement to expand its existing Co-development Agreement and also entered into a new Exclusive Licence and Distribution Agreement, with RMW (together, the **Conditional Agreements**) on the following key material terms:

- Invion and RMW will co-develop the Photosoft™ technology, an improved next generation Photodynamic Therapy (PDT), in relation to the Indications in the Territory.

¹ The Territory includes all Asia Pacific countries excluding China (other than Hong Kong, which is included in the Territory), Macau, Taiwan, Japan and South Korea. Invion's rights with respect to development and distribution of the Photosoft™ technology in Australia and New Zealand will continue to be covered under the existing agreements with RMW dated 31 August 2017.

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- RMW will contribute its existing intellectual property and know-how in relation to the Photosoft™ technology for the Indications and Invion will pay RMW a one-time amount of \$5M as its contribution to development costs of the Photosoft™ technology in relation to the Indications. Any future pre-clinical and clinical trial work for the Indications for the Territory will be funded by Invion at Invion's election. RMW and its affiliates will continue funding Invion's R&D activities for cancers in relation to Australia and New Zealand under the existing services agreement.
- Invion will gain exclusive distribution rights to the Photosoft™ technology in the Territory for the Indications (subject to limited rights to renegotiate contributions in good faith).
- Invion will have a right of first refusal over the territories of Japan and South Korea if RMW proposes to grant distribution rights to the Photosoft™ technology for the Indications to a third party.
- RMW has an option to acquire the distribution rights granted to Invion over the territory of Hong Kong for the Indications under the Conditional Agreements at fair market value.
- The Conditional Agreements may be terminated by either party for breach of any material term and the breach is not capable of remedy or otherwise is not remedied within 30 business days after receipt of a notice from the other party or otherwise may also be terminated if any insolvency event occurs in respect of the other party.

The Conditional Agreements are conditional completion of the capital raising set out in this announcement and approval by Invion shareholders for the purposes of ASX listing rule 10.1 and all other purposes. The Company intends to call an extraordinary general meeting (**EGM**) as soon as reasonably practicable. A notice of meeting, including an independent expert's report, will be circulated to shareholders regarding the proposed resolution.

Placement

Invion announces it has received firm commitments to raise \$12M via a placement of New Shares to existing and new professional and sophisticated investors. Funds raised from the Placement will be allocated to the contribution of \$5M to RMW for development costs of the Photosoft™ technology in relation to the Indications under the Conditional Agreements (subject to shareholder approval) and funding of pre-clinical work and clinical trials in the new Territories; and the balance for atherosclerosis and infectious disease (**AID**) discovery and development and general working capital and operational costs, as well as to fund the costs of the capital raising (including fees payable to the Joint Lead Managers). The fees payable to the Joint Lead Managers are 6% of gross proceeds of the placement and 30,000,000 unlisted options exercisable at \$0.04 and expire 18 months from date of issue.

The Placement will result in the issue of approximately 545,454,546 New Shares at an issue price of \$0.022 per New Share. The issue price is a discount of 18.5% to the last traded price of \$0.027 and a discount of 19.7% to the 15-day VWAP of \$0.0274. New Shares issued under the Placement will rank equally with existing shares on issue and are expected to be allotted on 22 November 2021. The placement was conducted utilising the Company's available placement capacity pursuant to ASX Listing Rule 7.1A and therefore does not require shareholder approval.

Placement investors will be offered 1 free attaching Option for every 2 New Shares subscribed, with an exercise price of 4 cents per Option and an expiry date 18 months from their issue, under a prospectus to be lodged with the Australian Securities and Investments Commission (**ASIC**) on or about 22 November 2022 (**Prospectus**). The Company will apply for the Options

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to be quoted on ASX following their issue. It is expected that approximately 272,727,273 Options will be issued to Placement investors. Options issued to Placement investors will utilise the Company's available placement capacity pursuant to ASX Listing Rule 7.1.

Share Purchase Plan

Following completion of the institutional placement, Invion's existing eligible shareholders will be given the opportunity to subscribe for up to \$30,000 of New Shares at the same offer price as the Placement of \$0.022 per New Share. This represents an 18.5% discount to Invion's last traded price. Funds raised from the SPP will be allocated in the same manner as funds raised from the Placement.

The SPP aims to raise up to approximately \$3M through the issue of New Shares. An eligible shareholder is any shareholder recorded on the Invion share register at 7.00pm AEDT on Monday, 15 November 2021 with a registered address in Australia or New Zealand.

SPP investors will be given the opportunity to subscribe for the same Options being offered to Placement investors under the Prospectus. Options issued to SPP investors will utilise the Company's available placement capacity pursuant to ASX Listing Rule 7.1. Invion reserves the right to close the SPP early and scale back applications at its absolute and sole discretion should the total demand exceed \$3M.

When determining the amount (if any) by which to scale back a SPP application, Invion may consider a number of factors, including the size of an applicant's shareholdings in the Company after the SPP record date, the movement in shareholding between the record date and the closing date of the SPP and the date on which an application was made, earlier applications given precedence.

Further information will be sent to eligible retail shareholders in a booklet (SPP Booklet) expected to be lodged with the ASX and dispatched on or around Monday, 22 November 2021. The Options will be offered to SPP investors under the Prospectus and will not be included in the SPP Booklet.

The SPP Booklet and the accompanying application form will contain instructions on how to apply for New Shares under the SPP. Shareholders should consider the SPP Booklet in full before deciding whether to participate in the SPP. New Shares issued under the SPP will rank equally with existing shares on issue on the date of allotment (per the timetable below). Shareholder approval is not required for the issue of Shares under the SPP.

Key Dates:

Event	Date
Record Date for SPP	Monday, 15 November 2021
Announcement Date for Placement and SPP	Tuesday, 16 November 2021
Settlement of Placement Shares	Friday, 19 November 2021
Allotment and normal trading of New Shares under the Placement	Monday, 22 November 2021
Prospectus for the Option Offer lodged	Monday, 22 November 2021
SPP Booklet despatched	Monday, 22 November 2021
SPP offer opens	Monday, 22 November 2021
Quotation of New Shares under the Placement	Tuesday, 23 November 2021
Despatch of Prospectus and Option Offer open	Tuesday, 30 November 2021
SPP closing date	Friday, 3 December 2021

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Results of SPP announced	Wednesday, 8 December 2021
Allotment of SPP Shares	Tuesday, 9 December
Option Offer closing date	Friday, 10 December 2021
Issue date of New Shares under the SPP	Friday, 10 December 2021
Allotment of Options to Placement and SPP investors	Tuesday, 14 December 2021
Quotation date for Options issued to Placement and SPP investors	Wednesday, 15 December 2021
EGM to approve Conditional Agreements	Q1 2022

The dates in the table above are indicative only and Invion may amend this timetable. Invion may also withdraw the SPP at any time before the allotment date at its absolute discretion.

The release of this announcement was authorised by the Board of Directors.

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About Invion

Invion is a life-science company that is leading the global research and development of Photosoft™ technology for the treatment of a range of cancers, atherosclerosis and infectious diseases. Invion holds the exclusive Australia and New Zealand license rights to the Photosoft™ technology for all cancer indications and Asia Pacific (excluding Greater China) for atherosclerosis and infectious diseases. Research and clinical cancer trials are funded by the technology licensor, RMW Cho Group Limited, via an R&D services agreement with the Company. Invion is listed on the ASX (ASX: IVX). This announcement was approved for release by Thian Chew, Chairman of the Board.

About Photodynamic Therapy (PDT)

Invion is developing Photosoft™ technology as a novel next generation Photodynamic Therapy (PDT). PDT uses non-toxic photosensitisers and light to selectively kill cancer cells and promote an anti-cancer immune response. Less invasive than surgery and with minimal side effects, PDT offers an alternative treatment option aimed at achieving complete tumour regression and long-lasting remission.

Forward-looking statements

This announcement may contain certain forward-looking statements, forecasts, estimates, projections, beliefs and opinions (**Forward Statements**). Forward Statements can be identified by the use of 'forward looking' terminology, including, without limitation, the terms 'believes',

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'estimates', 'anticipates', 'expects', 'projects', 'predicts', 'intends', 'plans', 'propose', 'goals', 'targets', 'aims', 'outlook', 'guidance', 'forecasts', 'may', 'will', 'would', 'could' or 'should' or, in each case, their negative or other variations or comparable terminology, and include financial outlook information as defined below. Forward Statements involve elements of subjective judgment and analysis, and are subject to known and unknown risks, uncertainties and other factors because they relate to events and depend on circumstances that may or may not occur in the future, assumptions which may or may not prove correct, and may be beyond the Company's ability to control or predict.

Investors should note that the financial information may not be indicative of actual performance in the future. Investors should be aware that the timing of actual events, and the magnitude of their impact might differ from that assumed in preparing the financial outlook information, which may have a material negative effect on actual future financial performance, financial position and cash flows. Forward Statements including projections, guidance on future earnings and estimates are by their very nature subject to significant uncertainties and contingencies and are not reliably predictable. They are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance and may involve known and unknown risks, uncertainties and other factors, many of which are outside the control of the Company. No representation or guarantee is made by the Company or any other person that any of these Forward Statements (including the financial outlook information) will be achieved or proved to be correct. Readers are cautioned not to place undue reliance on Forward Statements and the Company assumes no obligation to update such statements (except as required by applicable regulations or by law).

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This announcement does not constitute an offer to sell, or a solicitation of an offer to buy, any securities in the United States and may not be distributed or released in the United States or any jurisdiction in which, or to any person to whom, such an offer would be illegal. The New Shares and Options to be offered and sold under the capital raising have not been and will not be registered under the U.S. Securities Act of 1933, as amended (U.S. Securities Act), or under the securities laws of any state or other jurisdiction of the United States. Accordingly, the New Shares and Options may not be offered or sold, directly or indirectly, in the United States except in compliance with the registration requirements of the U.S. Securities Act and any other applicable securities laws of any state or other jurisdiction of the United States (which the Company has no obligation or intention to do or procure) or pursuant to an exemption from, or in a transaction exempt from or not subject to, such registration requirements and any other applicable securities laws. There will be no public offer of securities (including the New Shares or Options) in the United States.