

INVION ANNOUNCES STRATEGIC ALLIANCE WITH THE CHO GROUP

- **ALLIANCE REPRESENTS OPPORTUNITY FOR INVION TO EXPAND ASSET PIPELINE**
- **THE CHO GROUP WILL MAKE AN EQUITY INVESTMENT VIA PLACEMENT OF 17.69% OF EXISTING SHARES**
- **INVION CONTINUES ACTIVITY AIMED AT SALE OR OUT-LICENCE OF CURRENT ASSETS**

Brisbane, Australia and Delaware, United States, 18 April 2017: Invion Limited (ASX: IVX) announces that it has entered into a strategic alliance with The Cho Group, a Hong Kong based group that funds and has successfully commercialised a number of unique and advanced technologies.

The strategic alliance represents an opportunity for Invion to expand its business and develop its asset pipeline through the identification and in-licencing of new advanced clinical opportunities.

In support of the alliance, The Cho Group will make an equity investment in Invion Limited. The investment will be made in the form of a private placement to The Cho Group of 218,894,024 fully paid ordinary shares in Invion, representing 17.69% of its existing issued capital, for a post-issue holding by The Cho Group of 15.03%.

Shares will be issued at a price of \$0.003, being the volume weighted average price for Invion shares traded on the ASX for the 15 days up to and including the day before execution of the agreement, for a total investment of \$656,682. Placement proceeds will be received in two tranches: \$100,000 will be received immediately, and the balance of \$556,682 will be received by 15 June 2017. Shares will be issued in line with the receipt of placement funds.

The Company intends to use the proceeds of the investment for working capital as it continues to market the sale or out-licence of its current respiratory assets and seeks, in collaboration with The Cho Group, to identify new assets to bring into the Company's pipeline.

The Cho Group is a successful international company involved in a wide range of industries that has successfully raised capital and facilitated various business plans and models to commercialise numerous unique and advanced technologies.

Following the completion of the placement, the Board of Invion will be restructured, and will include two representatives of The Cho Group.

Dr Greg Collier, Interim Executive Chair, said "The Board of Invion is very pleased to welcome The Cho Group as a new shareholder and strategic alliance partner. The alliance will see us consolidate the Company's financial position and leverage The Cho Group's substantial networks in the East Asian region to identify and progress new biotechnology opportunities. The Board sees access to the Asian capital and medical markets as significant opportunities for growth and value creation."

"The Board remains committed to the sale or out-licence of the Company's existing assets, and continues to actively pursue partners, including pharmaceutical companies, health and other funds, and like-minded biotechnology groups."

"We look forward to working with The Cho Group to identify potential new targets to expand Invion's business through pipeline enhancement."

FOR MORE INFORMATION CONTACT

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About Invion Limited

Invion is a life sciences company focussed on the development of treatments for major opportunities in respiratory and autoimmune disease. The company currently has two primary assets the subject of partnering activity. **INV102 (nadolol)**, currently contraindicated in airway disease, has been shown by Invion in a large, controlled phase 2 clinical trial to be safe and well tolerated by patients. The Company has shown that nadolol blocks the beta-arrestin pathway, which is strongly implicated in the phenotype of chronic airway disease, and that by blocking this pathway and reversing abnormal mucus production, nadolol represents a promising and novel method of treating an underlying cause of chronic airway diseases including asthma and COPD. Invion's position regarding its second respiratory asset, **INV104 (zafirlukast)**, is that delivery of this FDA-approved non-steroidal drug via an inhaled route will provide superior benefit to patients and bypass problems currently associated with its systemic delivery. Invion's collaborator on this project, Hovione Scientia Limited, has provided critical work on formulation and manufacturing that has enabled the Company to seek to partner this program, so as to progress the drug into clinical trials.