

20 March 2015

Dear Shareholder

#### Invion Limited Entitlement Offer – notice to eligible shareholders

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On 20 March 2015, Invision Limited (**Invion**) announced a \$5 million equity raising through a \$895,000 placement to professional and sophisticated investors (**Placement**), and a \$4.1 million 2 for 7 non-renounceable rights issue to existing shareholders (**Entitlement Offer**) (together the **Equity Raising**) of fully paid ordinary shares in Invision (**New Shares**).

Funds raised from the Placement and Entitlement Offer will be applied to the further development of Invision's three drug assets - INV102 (nadolol), INV103 (ala-Cpn10) and INV104 (zafirlukast), as well as for general working capital.

The Entitlement Offer is fully underwritten by Patersons Securities Limited ACN 008 896 311 and Morgans Corporate Limited ACN 010 539 607.

#### Summary of key terms of the Entitlement Offer

Under the Entitlement Offer, Eligible Shareholders (defined below) will be invited to subscribe for 2 New Shares for every 7 existing Invision ordinary shares held at 7.00pm (AEDT) on Thursday 26 March 2015 (**Record Date**) at an offer price of 2.5 cents per New Share (**Entitlement**).

The Entitlement Offer is being made at the same offer price as the Placement.

#### Eligibility of shareholders to participate in the Entitlement Offer

You are being sent this letter because Invision believes you may be an Eligible Shareholder. An Eligible Shareholder means a holder of Invision Shares at 7.00pm (AEDT) on the Record Date who:

- has a registered address in Australia and New Zealand or is a Shareholder that Invision has otherwise determined is eligible to participate; and
- is eligible under all applicable securities laws to receive an offer under the Entitlement Offer without any requirement for a prospectus to be lodged or registered.

The Entitlement Offer is being made by Invision without a disclosure document or product disclosure statement in accordance with section 708AA of the *Corporations Act 2001* (Cth) (as notionally modified by ASIC Class Order 08/35). Shareholder approval is not required for Invision to make the offer under the Entitlement Offer.

If you are not an Eligible Shareholder you cannot participate in the Entitlement Offer. Once the Record Date has passed, Invision will notify those shareholders who are not Eligible Shareholders.

#### Further details about the Entitlement Offer

Eligible Shareholders who take up their full Entitlement, may subscribe for additional New Shares from a pool of those not taken up by Eligible Shareholders as at the closing date of the Entitlement Offer (**Top Up Facility**). There is no guarantee that applicants under the Top Up Facility will receive the number of New Shares applied for under the Top Up Facility, or any. The Directors reserve the right to scale-back and allot and issue New Shares under the Top Up Facility at their discretion.

The Directors also reserve the right, subject to the requirements of the Listing Rules and the *Corporations Act 2001* (Cth), to place any shortfall shares remaining after the close of the Entitlement Offer (and completion of the Top Up Facility, if any), including those Entitlements of ineligible shareholders which were unable to be taken up under the Entitlement Offer, within 3 months after the closing date of the Entitlement Offer to either existing or new Shareholders at their discretion at a price not less than the Offer Price of New Shares under the Entitlements Offer.

The Entitlement Offer is non-renounceable. Accordingly, Entitlements do not trade on the ASX, nor can they be transferred or otherwise disposed of.

Fractional Entitlements will be rounded up to the nearest whole number of New Shares and holdings on different registers or sub-registers will not be aggregated to calculate Entitlements.

### Information Booklet

An information booklet and personalised entitlement and acceptance form will be issued to Eligible Shareholders after the Record Date which will set out the number of New Shares Eligible Shareholders are entitled to purchase under the Entitlement Offer. A copy of the information booklet is also available on the ASX website at [www.asx.com.au](http://www.asx.com.au) and Invion's website at [www.inviongroup.com](http://www.inviongroup.com).

### Key dates

Invion expects the Entitlement Offer to be conducted according to the following timetable.

Event	Date
Announcement of Equity Raising	20 March 2015
'Ex' date	24 March 2015
Record Date for determining Entitlements 7.00pm (AEDT)	26 March 2015
Allotment of shares issued under the Placement	27 March 2015
Dispatch of Entitlement Offer information booklet to shareholders	30 March 2015
Entitlement Offer opens	30 March 2015
Entitlement Offer closes	17 April 2015
New Shares quoted on a deferred settlement basis	20 April 2015
Invion notifies ASX of under subscriptions	22 April 2015
Allotment of New Shares under the Entitlement Offer	24 April 2015
Normal trading of New Shares under the Entitlement Offer commences	27 April 2015
Despatch of holding statements in respect of New Shares issued under the Entitlement Offer	27 April 2015

*This Timetable is indicative only. The Directors may vary these dates, in consultation with the Underwriters, subject to the Listing Rules. An extension of the closing date will delay the anticipated date for issue of the New Shares. The Directors also reserve the right not to proceed with the whole or part of the Entitlement Offer any time prior to allotment and issue of the New Shares. In that event, the relevant application monies (without interest) will be returned in full to applicants.*

### Capital structure

Subject to the rounding up of fractional Entitlements and depending on the number of Invion options (if any) that are exercised before the Record Date, the capital structure of Invion following the issue of New Shares is expected to be as follows:

Existing Shares on issue as at 16 March 2015 (announcement of the Equity Raising)	571,246,860
Approximate new Shares issued under the Placement	35,826,290
Approximate new Shares issued under the Entitlement Offer	163,213,389
Approximate total number of Shares after the Equity Raising	770,286,539

The above figures assume that no existing options over Invision Shares will be exercised prior to the Record Date. If that is the case, the existing options at the Record Date will comprise:

- (a) 1,700,000 options exercisable at \$0.517 each on or before 16 May 2015;
- (b) 16,875,000 options exercisable at \$0.09 each on or before 9 November 2017;
- (c) 10,525,000 options exercisable at \$0.10 each on or before 9 November 2017;
- (d) 23,800,000 options exercisable at \$0.12 each on or before 9 November 2018;
- (e) 3,500,000 options exercisable at \$0.0721 each on or before 11 November 2017; and
- (f) 3,500,000 options exercisable at \$0.0721 each on or before 12 November 2017.

#### Fees

A handling fee of 2% of the application amount (plus GST) of New Shares (subject to a maximum handling fee of \$300) (**Broker Handling Fee**) under the Entitlement Offer will be paid by the Underwriter to stockbrokers (being those entities being recognised as full service brokers or non advisory brokers by ASX) who submit a valid claim for a Broker Handling Fee on successful applications.

The Underwriters are also entitled to receive the following fees in connection with the Equity Raising:

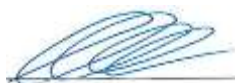
- (i) an underwriting fee of up to 5% of the gross proceeds of the Equity Raising (excluding GST); and
- (ii) a corporate advisory fee of \$60,000.

#### Further information

If you have any queries, please call 1300 859 277 (inside Australia) or +61 1300 859 277 (outside Australia), alternatively, consult your professional adviser.

On behalf of the Directors, I thank you for your continued support of Invision.

Yours sincerely



**Dr Greg Collier**  
Managing Director & Chief Executive Officer