

## ASX ANNOUNCEMENT: APPENDIX 4C

29 July 2016

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 30 June 2016.

The Company held cash reserves of \$0.437 million at the end of June, with cash outflows during the quarter at \$0.444 million.

As R&D activity has historically accounted for the main operating cash outflow for the Company, outflows continue to be reduced from previous quarters, reflecting reduced activity following the completion of major R&D program milestones. These milestones include the March 2016 meeting with the US FDA, and the May 2016 presentation of data to the American Thoracic Society, regarding the smoking cessation program for INV102 (nadolol) following the successful completion of the phase 2 clinical trial in late 2015.

The Company is now focussed on business development, and the partnering (via sale or out-licence) of one or all of its assets. As such, and as noted in the March Appendix 4C, the company reduced headcount to align resourcing with the requirements of forward activities, and to further significantly reduce burn rate.

Anticipated receipt of R&D cash rebate

The Company has completed the required reviews and has met all prerequisites in order to submit its application for an R&D cash rebate against spend on local and overseas R&D activities conducted during the year ended 30 June 2016.

As a result, the Company anticipates receiving a cash rebate of \$0.619 million during the current quarter.

The Company believes that these cash inflows, combined with cash on hand and reduced operating cash outflows, will see the Company continue operations during the 2017 financial year without the need to raise further capital.

The Company is driven to realise value from its assets via a commercial transaction following the successful completion of its major R&D milestones.

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 admitted on the basis of commitments

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

Name of entity

INVION LIMITED

ABN

76 094 730 417

Quarter ended ("current quarter")

30-June-2016

#### Consolidated statement of cash flows

##### Cash flows related to operating activities

		Current quarter	Year to date (12 months)
		\$A'000	\$A'000
1.1	Receipts from customers	229	369
	Payments for		
	(a) staff costs	(286)	(1,616)
	(b) patent costs	(57)	(210)
1.2	(c) research and development	(156)	(3,130)
	(d) leased assets	(1)	(8)
	(e) other working capital	(173)	(1,616)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	-	-
1.5	Interest and other costs of finance paid	-	(62)
1.6	Income taxes paid	-	-
1.7	Other	-	2,406
	(a) Research & Development tax refund	-	-
	(b) Other	-	-
<b>Net operating cash flows</b>		<b>(444)</b>	<b>(3,867)</b>

		Current quarter	Year to date (12 months)
		\$A'000	\$A'000
1.8	Net operating cash flows (carried forward)	(444)	(3,867)
<b>Cash flows related to investing activities</b>			
1.9	Payment for acquisition of:		
	(a) businesses	-	-
	(b) equity investments	-	-
	(c) intellectual property	-	-
	(d) physical current assets	-	-
	(e) other non-current assets	-	-
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 - Bank guarantee repaid	25	25
<b>Net investing cash flows</b>		25	25
<b>1.14</b>	<b>Total operating and investing cash flows</b>	<b>(419)</b>	<b>(3,842)</b>
<b>Cash flows related to financing activities</b>			
1.15	Proceeds from issues of shares	5	3,115
1.16	Proceeds from shares not yet issued	-	-
1.17	Proceeds from borrowings	-	-
1.18	Repayment of borrowings	-	(974)
1.19	Dividends paid	-	-
1.2	Other Creditors (costs of fund raising)	-	(213)
<b>Net financing cash flows</b>		5	1,928
<b>Net increase (decrease) in cash held</b>		<b>(414)</b>	<b>(1,914)</b>
1.21	Cash at beginning of quarter/year to date	852	2,285
1.22	Exchange rate adjustments to item 1.20	(1)	66
<b>1.23</b>	<b>Cash at end of quarter/year to date</b>	<b>437</b>	<b>437</b>

**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)	94
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 executive directors salaries.

**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	437	852
4.2 Deposits at call	-	-
4.3 Bank overdraft	-	-
4.4 Other (provide details)	-	-
<b>Total: cash at end of quarter (item 1.23)</b>	<b>437</b>	<b>852</b>

**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**

This statement has been prepared under accounting policies which comply with accounting standards as defined 1 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: 29-July-2016

Print name: Melanie Farris