

DRUG DEVELOPMENT COMPANY INVION FORMED FOLLOWING COMPLETION OF CBIO M&A TRANSACTION

- Completion of merger to create Invion Limited
- Clinical-stage company targeting inflammation
- Appointment of Directors

BRISBANE, 31 AUGUST 2012: Australian drug development company CBio Limited (ASX:CBZ) is pleased to advise that the merger with US based Inverseon Inc. has been successfully completed.

Dr William Garner has been appointed Managing Director and Chief Executive Officer of Invion Limited, and Dr Mitchell Glass has been appointed Executive Vice President of R&D and Chief Medical Officer.

Chairman Dr Ralph Craven welcomed the prompt finalisation of the transaction.

"Yesterday CBio shareholders approved this merger, and today the transaction has completed. The Directors of Invion are thrilled with this outcome, and I am very pleased to welcome our new colleagues to the Board. The Board is looking forward to a fresh future for the company."

With a clinical-stage portfolio of anti-inflammatory products under development, Dr William Garner said management is focussed on supporting the clinical development program and achieving its upcoming milestones. Invion has two key development programs: INV102 for the treatment of inflammatory respiratory disease, and Cpn10 for the treatment of lupus.

"The three-year plan of Invion is to develop oral and inhaled INV102 for diseases including chronic bronchitis, asthma and cystic fibrosis, to establish a regulatory strategy and proof of concept clinical trial for Cpn10 in lupus, and to develop a proprietary selective beta-2 adrenergic inverse agonist."

"This is an important turning point for the company and we now have the opportunity to offer shareholders an exciting portfolio of clinical-stage pharmaceuticals-under-development for diseases which continue to have suboptimal treatments."

Dr William Garner

Dr William Garner has a Master of Public Health from Harvard University and received his MD degree from New York Medical College. A licensed New York physician, Dr Garner is an experienced biotech entrepreneur, having founded EGB Advisors, LLC, a pharmaceutical commercialisation boutique which worked to start up a number of biopharmaceutical businesses, including Inverseon. Dr Garner was President and Chief Executive Officer of Urogen Pharmaceuticals Inc. which moved a procedure-based drug from a university license to a successful phase II multi-

centre clinical trial. Dr Garner worked in medical affairs at Hoffmann LaRoche in oncology, after serving with Paramount Capital Investments, a venture capital organization in New York.

Dr Mitchell Glass

Dr Mitchell Glass is a 24 year veteran of the pharmaceutical industry. His experience is broad, ranging from senior positions in top ten pharmaceutical companies, to investment in and management of start-ups and biotechs. After seven years of research, teaching and patient care at the University of Pennsylvania, Dr Glass joined ICI Pharmaceuticals in 1988 where he established the pulmonary therapeutics group and led the development and submission of the antileukotriene ACCOLATE®. From 1995-6, Dr Glass was VP and Director at SmithKline Beecham where he was responsible for cardiovascular, respiratory, renal and metabolic drug development and commercialisation, including submission of the NDA/MAA for COREG®. From 1998 to 2003, Dr Glass was Chief Medical Officer and VP of Clinical Development and Regulatory Affairs of AtheroGenics, Inc. (AGIX), where he led product development from IND to initiation of Phase 3 for AGI 1067 and was a member of the IPO team. Dr Glass joined AQUMEN Biopharmaceuticals KK and NA as CEO of AQUMEN NA and a Main Board Director. Since 2008, Dr Glass has been a Director of Orphagenix Inc. (gene editing) and AVATAR Biotechnologies (biosimilars) and a consultant in R&D and fundraising to early stage therapeutics companies. Dr Glass graduated from the University of Chicago and is board certified in internal medicine, pulmonary and critical care medicine.

About Invion Limited

Invion Limited is a clinical-stage drug development company that targets inflammation. Invion exploits the patented use of *beta-2 adrenergic inverse agonism* for the development of treatments for major market opportunities in inflammatory conditions of the lungs such as asthma, chronic bronchitis and cystic fibrosis. INV102, also known as nadolol, has been used in more than 8 million people for the treatment of high blood pressure, migraine and chest pain. Invion is now targeting INV102 for new indications. To date, two phase II clinical trials of INV102 have been completed which have demonstrated acceptable safety as well as dose-related activity showing a reduction of airway hyper-responsiveness. Two further phase II trials are due to commence in H2 2012. The larger of these two trials, a phase II \$4.4 million study in asthma patients, is expected to be entirely funded by the US National Institutes of Health. Invion Limited is also progressing regulatory preparations to investigate its second compound Cpn10 to treat lupus and has requested a pre-IND meeting with the US Food and Drug Administration (FDA) to discuss the proposed development path and regulatory strategy for this compound.

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