

28 March 2013

Dear Shareholder

SHARE PURCHASE PLAN

The Directors of Invion Limited ("**Invion**" or "**Company**") are pleased to extend an invitation to eligible shareholders to participate in the Company's Share Purchase Plan ("**Plan**").

The Plan allows eligible shareholders to purchase up to \$15,000 worth of fully paid ordinary shares in the Company ("**Shares**") at a discount and without any brokerage or transaction costs. The Plan was announced by the Company to the Australian Securities Exchange ("**ASX**") on 28 March 2013 ("**Announcement Date**"). RBS Morgans Corporate Limited is acting as Lead Manager to the Offer.

The Shares under the Plan will be issued at the lower of:

- 4.8 cents; or
- the price which is equal to a 10% discount to the five day volume weighted average price (VWAP) of shares traded on the ASX up to and including the last day of the Plan offer period.

The offer of Shares under the Plan is open to all Eligible Shareholders (as defined in the attached Offer) as at 7:00pm (AEDT) on 27 March 2013 ("**Record Date**"). The Plan allows Eligible Shareholders, irrespective of the size of their shareholding, to apply for additional ordinary Invion Shares at a discount to market in parcels from as little as \$500 and up to \$15,000.

This is an opportunity for Eligible Shareholders to take advantage of prevailing market conditions and to participate in the future growth of the Company.

Directors of Invion who are Eligible Shareholders have indicated their intention to participate in the Plan.

Funds raised through the Plan will be used for the Company's general working capital which is to be applied (at the discretion of the Board) to costs associated with the ongoing development of INV102 (nadolol) and INV103 (ala-Cpn10), including regulatory costs; the development and maintenance of Invion's intellectual property portfolio; and two phase II clinical trials.

The first, a phase II trial in patients with chronic bronchitis (undergoing smoking cessation) is being conducted under an Investigational New Drug (IND) application in the US, with patient dosing to commence in the near term. The second, a phase II trial in patients with systemic lupus erythematosus (lupus), is the subject of the Company's second IND application which is due for submission to the FDA in the second calendar quarter of 2013. The company's third current phase II clinical trial is being conducted in patients with asthma and is funded by the United States National Institutes of Health (NIH) (\$4.4M).

Data from the chronic bronchitis (smoking cessation) and lupus trials is expected to be received this calendar year.

Participation in the Plan is entirely voluntary. Offers under the Plan are non-renounceable, meaning that you are not permitted to transfer your rights to subscribe for Shares under the Plan.

The Directors reserve the right to scale back applications received in excess of the amount permitted by ASX Listing Rules, or to place any shortfall with institutional and professional investors (subject to the Listing Rules).

If after reading the attached Offer you wish to participate in the Plan, you must complete and return the attached personalised Application Form, together with a cheque and return it to the Company's Share Registry on or before 5.00pm (AEST) on 24 April 2013. Alternatively you may use the BPAY facility described later in this documentation.

Invion Limited – Fact File

Invion is a clinical-stage drug development company focussed on the development of treatments for major opportunities in the inflammatory diseases market including asthma and COPD (\$34B)ⁱ and lupus (to \$4B)ⁱⁱ. The Company's strategy is the cost-effective development of its assets to late phase II before negotiating commercial partnerships.

Invion has two phase II proprietary therapeutic candidates:

- INV102 (nadolol), a beta blocker being repurposed to treat inflammatory lung conditions; and
- INV103 (ala-Cpn10), a modified human protein being targeted to the treatment of autoimmune inflammation

In 3 x phase II clinical programs:

- chronic bronchitis (smoking cessation)
- asthma
- systemic lupus erythematosus (lupus)

Medical, regulatory and commercial precedent, as well as existing phase II data, supports Invion's development strategy which is being carried out under an experienced management team including Dr Mitchell Glass who has filed five New Drug Applications (NDAs) with the US Food and Drug Administration (FDA).

Invion's strategic partners include the United States National Institutes of Health (NIH) and Numoda.

The NIH is funding Invion's phase II clinical trial in patients with asthma to \$4.4 million. This is an exciting validation by one of the most prominent medical research bodies in the world.

The Numoda Corporation/ Numoda Capital Innovations, LLC (NCI) alliance provides Invion access to Numoda's TruPoints technology which will facilitate the flow of "live" clinical trial information to potential commercial partners without incurring a statistical penalty. NCI are to invest in the order of \$250,000 in 2013, via open market purchases and private placements at a 10% premium to market. NCI's total commitment is for an investment of up to \$2 million to occur across current and future clinical trials.

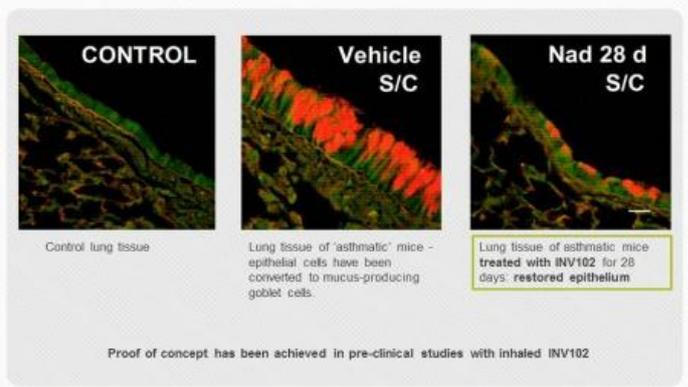
INV102 (nadolol)

- INV102 is a *beta blocker*
- Currently marketed as a safe and effective treatment for high blood pressure and chest pain, Invion is targeting INV102 for the treatment of inflammatory lung conditions, e.g. asthma and COPD
- The development strategy follows the medical, regulatory and commercial precedent of the use of beta blockers (specifically *beta adrenergic inverse agonists*) in the treatment of chronic heart failure (CHF)
- Studies sponsored by SmithKline Beecham (now GSK), where Dr Mitchell Glass worked as Vice President, demonstrated that careful titration of the beta blocker *Carvedilol* reduced mortality in all classes of CHF.
- This "*Paradoxical Pharmacology*" led to *beta blockers* becoming the standard of care in the treatment of CHF
- Dr Glass is now pursuing the same regulatory and commercial strategy at Invion with INV102 (nadolol)
- IP position: Invion has patented the use of INV102 in the titrated treatment of inflammatory lung conditions in the US until 2025. Further patents are pending
- Data accumulated to date
 - ✓ Preclinical data confirms nadolol as an *adrenergic inverse agonist*. This is the classification for beta blockers that have unique anti-inflammatory capabilities
 - ✓ There are currently 17 beta blockers on the market, only three are *adrenergic inverse agonists*. Of these, INV102 demonstrates the best anti-inflammatory properties in the airways
 - ✓ Two phase II clinical trials completed: 80% positive response against objective endpoint, acceptable safety, dose-related reduction of airway hyper-responsiveness
- Two current phase II clinical programs
 - ✓ Chronic bronchitis (smoking cessation): Principal Investigator is Albert A. Rizzo, M.D., immediate past-chair of the National Board of the American Lung Association
 - ✓ Asthma: funded by the NIH to \$4.4M

INV103 (ala-Cpn10)

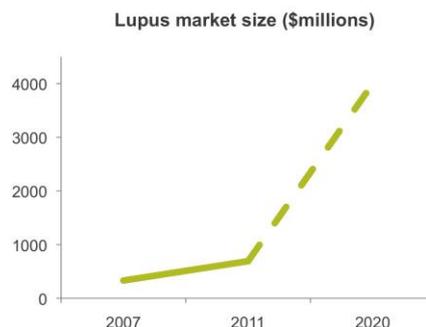
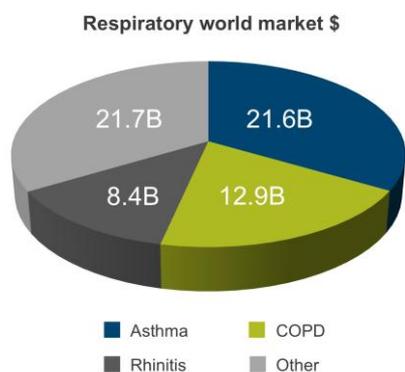
- INV103 is a modified version of the naturally occurring human protein, *chaperonin10*
- Novel mechanism: chaperonin10 has been proposed as a member of the newly defined *resolution-associated molecular patterns* family (RAMPS) which act to resolve inflammation and restore immune homeostasisⁱⁱⁱ
- Intellectual Property: 'composition of matter' claim has been granted in the major markets (US to 2026)
- Data accumulated to date
 - ✓ Demonstrated dose-response reduction in biomarkers of inflammation including IL-6, MCP1, TNF and IL-1
 - ✓ Strong safety profile >250 patients
 - ✓ Subcutaneous and intravenous dosing data
- Phase II clinical program
 - ✓ Lupus: Pre-IND meeting was held with the US FDA in the fourth calendar quarter of 2012. The FDA confirmed lupus as an important unmet medical need.
 - ✓ IND submission imminent
 - ✓ Report data 4Q13

Airway healing: effect of oral INV102



Market Opportunity: large and growing inflammation market^{iv}

- INV102 (nadolol): asthma, chronic obstructive pulmonary disease (COPD) (\$34B)
- INV103 (ala-Cpn10): systemic lupus erythematosus (lupus) (to \$4B)



INV102 target: adding INV102 to existing therapy may improve treatment outcomes. Leading asthma and COPD drugs have annual sales of \$16B+. FDA Black box warnings have been placed on all Long Acting Beta Agonists (LABAs) and LABA/steroid combinations due to increased risk of death. INV102 may reduce long-term inflammation of the lung tissue and improve treatment outcomes. The smoking cessation drug market was estimated at \$2.4B in 2012. Nicotine-focussed therapies comprise the bulk of the existing market, however these therapies do not address lung healing. INV102 presents an opportunity to expand the existing market by adding lung healing therapy to nicotine-focussed therapies.

INV103 target: potential new therapy in under-serviced market. Despite sales of lupus therapies being anticipated to reach \$4B by 2020, Lupus presents a significant unmet medical need, with only one drug approved by the FDA in over 50 years. Lupus is a vascular inflammatory disease that is complex both in terms of diagnosis and treatment. Invion data accumulated to date demonstrates that INV103 (ala-Cpn10) has a significant effect on the reduction of interleukin-6 (IL-6) which is a recognised marker of vascular inflammation.

Risks

Your directors encourage your continued support of the Company. Before making an investment decision however, you should read the terms of the Plan Offer and the Plan Rules accompanying this letter in their entirety. The Company's success in the near-intermediate term will depend upon the conduct and outcome of its clinical trials and progress of FDA and other regulatory approvals. An investment in Invion is speculative.

Please refer to the accompanying Share Purchase Plan Offer and Rules booklet for further details of the Offer. If you have any questions about participating in the Plan, you should consult your stockbroker, accountant, professional adviser or contact the Company's share registry, Link Market Services on P: 1300 880 751.

I look forward to having the opportunity to meet with you at a forthcoming Investor Information Session. If you would like to receive information about these sessions, or if you would like to join Invion's Investor file to receive status updates, please email investor@invion.com.au or visit www.invion.com.au.

Yours faithfully



William Garner, M.D.
Managing Director and CEO

ⁱ Respiratory and Inflammation, AstraZeneca Annual Report, 2011

ⁱⁱ Datamonitor: Systemic Lupus Erythematosus Market Forecast, 22 August 2011; Decision Resources: Systemic Lupus Erythematosus, 2012

ⁱⁱⁱ Shields et al, 2011. Resolution-associated molecular pattern (RAMP): RAMParts defending immunological homeostasis. Clin and Exp. Immunol. 165. 292-300.

^{iv} Respiratory and Inflammation, AstraZeneca Annual Report, 2011; Smoking Cessation Drugs: World Market Prospects 2012-2022, Visiongain Reports 2012; Healthcare Finance, Bloomberg Brief, 13 August 2012; Full-Year and Fourth-Quarter 2011 Financial Results, Merck & Co.

SHARE PURCHASE PLAN (PLAN) – TERMS AND CONDITIONS

Offer at a glance

Invion is pleased to provide Eligible Shareholders with the opportunity to participate in the Invion Share Purchase Plan (**Plan**). Key features of the Plan are:

- **Shares are offered at the lower of:**
 - **4.8 cents; and**
 - **the price which is equal to a 10% discount to the five day volume weighted average price (VWAP) of shares traded on the ASX up to and including the last day of the Plan offer period.**
- **RBS Morgans Corporate Limited is acting as Lead Manager to the Offer.**
- **There are no transaction costs to participants.**

Eligible Shareholders have the opportunity to participate in the Plan by paying from as little as \$500 and up to \$15,000 to subscribe for additional ordinary shares in Invion (**Shares**) without incurring brokerage or transaction costs.

The proceeds of the Plan will be used for the Company's general working capital which is to be applied (at the discretion of the Board) for costs associated with:

- (a) the ongoing development of INV102 (nadolol) and INV103 (ala-Cpn10), including regulatory costs;
- (b) phase II clinical trials in two indications being chronic bronchitis (smoking cessation) and lupus; and
- (c) the development and maintenance of Invion's intellectual property portfolio.

If you have any questions relating to the Company's operations please contact the Company Secretary on +61 7 3295 0500.

Full details of the Plan and how to participate in the Plan are set out in this document, which incorporates the Plan Terms and Conditions, the Plan Rules, and the Application Form.

Invion encourages you to read those documents carefully.

The Offer does not take into account the individual objectives, financial situation or particular needs of shareholders. You may want to obtain independent financial and taxation advice before making a decision as to whether or not you participate in the Plan.

The Offer is not underwritten.

The Company reserves the right during or following the offer to raise additional capital to assist in achieving the Company's strategic objectives. If Invion raises funds by issuing Shares, this may have a dilutionary impact.

If you have any questions in relation to the Plan or how to complete the Application Form, please call Invion's share registry, Link Market Services, between 8.30am to 5.30pm (AEST) Monday to Friday on 1300 880 751.

Key dates

Event	Date
Record Date	7.00pm (AEDT) on 27 March 2013
Announcement Date	28 March 2013
Opening Date	4 April 2013
Closing Date for acceptances (Closing Date)	5.00pm (AEST) on 24 April 2013
Allotment Date	3 May 2013
Despatch of Transaction Confirmation Statement	8 May 2013
Quotation Date	9 May 2013

Note: Dates are indicative only and Invion retains the right to vary these dates without advance notice.

Key Offer details

Issue Price the lower of 4.8 cents and the price that is equal to a 10% discount to the five day volume weighted average price (VWAP) of shares traded on the ASX up to and including the last day of the Plan offer period

Minimum Application Amount \$500

Maximum Application Amount \$15,000

Note: Amounts are stated in Australian dollars.

ASIC relief

This offer of Shares under the Plan is made in Australia in accordance with ASIC Class Order 09/425.

This offer of Shares under the Plan is made in New Zealand in accordance with the New Zealand Securities Act (Overseas Companies) Exemption Notice 2002.

Important Notice

These materials do not constitute an offer of securities for sale in any place outside Australia or New Zealand. This Offer is only made to eligible Invin shareholders who, as at the Record Date, are registered shareholders with a registered address in Australia or New Zealand.

This Offer is not valid in any place where, or to any person whom, it would not be lawful to make the Offer.

Directors of Invin who are Eligible Shareholders, reserve the right to participate in the Plan.

The Plan may be varied, suspended or terminated by the Board at any time at the Board's absolute discretion without advance notice. Neither the Company nor the Board accepts or assumes any liability to shareholders because of variation, suspension or termination of the Plan.

The acquisition of Shares in the Company under the Plan will have different ramifications depending upon the circumstances of each Eligible Shareholder. Eligible Shareholders wanting to participate in the Plan should obtain independent advice about the taxation consequences of an investment under the Plan.

Invin reserves the right to refuse any application made, for example, if a cheque is returned unpaid or if the Application Form has not been properly completed, or where there are grounds for believing that the applicant is not acting in good faith or if holdings have been split into smaller parcels for the purpose of multiple applications under the Plan. Application Forms received after the Closing Date will not be accepted.

Questions and answers

Note: Capitalised terms are defined in the Share Purchase Plan Rules.

What is the Share Purchase Plan?

The Share Purchase Plan (**Plan**) being offered by Invin gives Eligible Shareholders the opportunity to purchase up to \$15,000 worth of Shares in the Company (without incurring brokerage and transaction costs). The offer

closes at 5.00pm (AEST) on 24 April 2013 and completes on 9 May 2013.

The Plan will be offered under the Plan Rules (contained in this Plan booklet) which contain the terms, as well as some important definitions.

Shares issued under the Plan will rank equally in every respect with existing Shares and will be eligible to participate in all dividends paid after the Allotment Date and will carry the same voting rights and other entitlements as existing Shares.

The Plan is intended to give existing shareholders the opportunity to purchase further Shares in the Company at a discount. The proceeds of the Plan will be used for the Company's general working capital which is to be applied (at the discretion of the Board) for costs associated with:

- (a) the ongoing development of INV102 (nadolol) and INV103 (ala-Cpn10), including regulatory costs;
- (b) phase II clinical trials in two indications being chronic bronchitis (smoking cessation) and lupus; and
- (c) the development and maintenance of Invin's intellectual property portfolio.

The Board reserves the right to apply the proceeds of the Plan to meet any change to the Company's strategy or objectives, which may differ from the use of funds described above.

How much will Invin raise under the Plan?

Invin, in conjunction with the Lead Manager, reserves discretion to decide the final amount raised under the Plan, subject to the Listing Rules and if necessary, to Scaleback applications under the Plan to the extent and in the manner that it thinks appropriate. See below for further details about Scaleback of applications.

The Company reserves the right during or following the offer to raise additional capital to assist in achieving the Company's strategic objectives. If Invin raises funds by issuing Shares, this may have a dilutionary impact.

Will the directors participate in the Plan?

Directors are able to participate in the Plan. Directors who are eligible shareholders have indicated their intention to participate in the Plan.

Am I an Eligible Shareholder?

All Invion shareholders at the Record Date having a registered address in Australia or New Zealand are eligible to participate in the Plan. Directors and senior management who are Eligible Shareholders are able to participate in the Plan.

The Company is not making this Offer to shareholders in countries outside Australia and New Zealand.

Are Eligible Shareholders required to participate in the Plan?

Participation in the Plan is optional for Eligible Shareholders. If, as an Eligible Shareholder, you wish to participate in the Plan, you may purchase Shares in accordance with the Plan Rules up to the Maximum Application Amount.

Before deciding on whether to participate in the Plan, and in particular before completing any application for Shares, you should consider the Company's disclosures of operating and financial performance and, if necessary, consult your financial adviser.

How much can I invest under the Plan?

Eligible Shareholders may subscribe for Shares up to the Maximum Application Amount, being \$15,000. Based on an issue price of 4.8 cents per Share, Eligible Shareholders may therefore apply for a maximum of 312,500 Shares.

Applications must be for at least the Minimum Application Amount of \$500.

The Application Form provides for an Eligible Shareholder to apply for a parcel of shares equal to \$500, \$1,000, \$5,000, \$10,000 or \$15,000. If an Eligible Shareholder applies for an amount of Shares which is not equal to one of these parcels, the Company may round down the number to the next lowest parcel at its discretion.

What is the Issue Price?

Shares are offered at an Issue Price which is the lower of:

- 4.8 cents; and
- the price which is equal to a 10% discount to the five day volume weighted average price (VWAP) of shares traded on the ASX up to and including the last day of the Plan offer period.

The Issue Price shall be subject to the limit prescribed by Listing Rule 7.2 (Exception 15) and Class Order CO 09/425 (**Class Order**).

What risks are associated with investing under the Plan?

The market price for the Company's Shares may change between the Announcement Date and the Allotment Date. If the market price of Shares on the Allotment Date falls below the Issue Price, you may be financially disadvantaged by purchasing Shares under the Plan. Eligible Shareholders wanting to participate in the Plan should obtain independent professional advice about the taxation consequences of an investment under the Plan.

An investment in Invion is speculative.

Before making an investment decision, you should read the terms of the Offer set out in the accompanying offer letter and the terms of the Offer contained in the Plan Rules.

Specific risk factors associated with an investment in the Company include:

- Clinical trial risk* - Invion's ability to obtain regulatory approval for its products and profitably commercialise its products is dependent upon its ability to conduct successful clinical trials which are inherently risky, depend upon the availability of patients and regulatory approvals, and have no guarantee of returning efficacious results or proving practical or cost effective;
- Regulatory and reimbursement approval risk* – Invion's ability to research, develop, manufacture and sell its products is dependent upon regulatory approvals in target markets, for which there is no guarantee of securing such approvals in a timely and cost-effective manner;
- Delay risk* – the potential for delay of any of the key milestones presents a number of risks, including the ability to secure a commercial partner, receive regulatory classification, and achieve revenues within estimated timeframes; and
- Manufacturing and distribution capability risk* – Invion's ultimate success is dependent upon its ability, or that of its commercial partners, to scale up and maintain production within the estimated time frame, and in accordance with regulatory standards.

Some general risks associated with an investment in the Company include:

- (a) the price of the Shares may be influenced by factors beyond the control of Invion;
- (b) inability to attract and retain strategic partners;
- (c) inability to adequately protect intellectual property;
- (d) competition from companies which have potentially greater resources; and
- (e) inability to raise future funds.

When can I sell Shares purchased under the Plan?

Shares issued under the Plan may be sold or transferred on ASX at any time after quotation. The Company will apply for quotation on the Quotation Date of all Shares issued under the Plan on the Official List following the processing of those Applications received from Eligible Shareholders by the Closing Date.

How do I apply for Shares under the Plan?

Eligible Shareholders can subscribe for Shares under the Plan in one of two ways, depending upon whether payment is to be made by cheque or by BPAY. All payments must be in Australian dollars.

For payment by BPAY

Eligible Shareholders who wish to pay by BPAY must follow the instructions on the Application Form. Payment must be received before 5.00pm (AEST) on 24 April 2013. There is no need to return the Application Form.

For payment by cheque

Eligible Shareholders must complete the personalised Application Form enclosed with this Plan booklet and return it with a cheque or money order in payment of the Application Amount before 5.00pm (AEST) on 24 April 2013 to:

Invion Limited
C/- Link Market Services Limited
Locked Bag 3415
Brisbane QLD 4001

or deliver it to:

Invion Limited
C/- Link Market Services Limited
1A Homebush Bay Drive
Rhodes NSW 2138

What is the subscription amount and how many Shares will I receive?

The minimum subscription amount (Minimum Application Amount) under the Offer is \$500. Eligible Shareholders may subscribe for Shares up to the Maximum Application Amount, being \$15,000. Based on an Issue Price of 4.8 cents you will receive 312,500 Shares for the Maximum Application Amount.

The Company may, in its absolute discretion, undertake a Scaleback, including for the purpose of complying with Listing Rule 7.2 (Exception 15) so that not more than 30% of the number of Shares already on issue are issued under the Plan. See below for further details.

If the parcel of Shares does not equal a whole number of Shares, the value of Shares issued to you will be rounded down to the nearest Share.

What is a Scaleback?

A Scaleback is a reduction in the allotments of Shares under the Plan (compared to the parcels applied for) that Invion may undertake if it receives applications under the Plan for more shares than it wishes to issue.

Invion, in conjunction with the Lead Manager, reserves discretion to decide the final amount raised under the Plan, subject to the Listing Rules, and if necessary, to Scaleback applications under the Plan to the extent and in the manner that it thinks appropriate.

Factors that Invion may take into account in deciding any Scaleback include the amount applied for by each Shareholder under the Plan, the number of Shares held at the Record Date and whether the Shareholder remains on the register on the Closing Date. Invion may Scaleback applications below the Minimum Application Amount.

If Invion undertakes a Scaleback, you will receive the number of Shares decided by Invion in its absolute discretion which may be less than the parcel of Shares for which you applied. In this case, the difference between the application money received and the number of Shares allocated to you, multiplied by the Issue Price, will be refunded to you by direct credit (to your nominated account as recorded on Invion's Share Register) or by cheque, as soon as practicable, without interest. Scaleback decisions are made by the Board and are final.

Lead Manager fees

Upon completion of the Plan, Invion will pay to the Lead Manager an equity raising fee (GST exclusive) equal to 6% of the gross proceeds raised.

The Lead Manager agrees to pay out of these fees any broker selling fees, including a handling fee of 3% on successful Plan applications claimed by ASX market participants.

Listing Rule compliance

Listing Rule 7.2 (Exception 15) provides that the number of shares issued to Eligible Shareholders under the Plan must not be greater than 30% of the fully paid ordinary shares on issue. Invin in its discretion may issue up to this 30% maximum limit under the Plan.

What do I do if I receive more than one Application Form?

If you receive more than one Application Form or if you hold Shares in more than one capacity, for example, if you are both a sole and a joint holder of Shares, the maximum amount you may apply to invest under the Plan in any 12 month period is \$15,000. This limitation is imposed by the Australian Securities and Investments Commission (**ASIC**).

Single holders

If you are the only registered holder of a holding of Shares but you receive more than one offer under the Plan, you may only apply for one maximum parcel of Shares.

Joint holders

If you are a joint holder of a holding of Shares, that joint holding is considered to be a single registered holding for the purpose of the Plan and the joint holders are entitled to participate in the Plan for that single holding only. If the same joint holders receive more than one offer under the Plan, the joint holders may only apply for one maximum parcel of Shares.

Custodians

If you are expressly recorded in the Share Register as holding Shares as a Custodian for one or more named persons (each a **beneficiary**), each named beneficiary is taken to be an Eligible Shareholder for the purposes of the Plan and you may apply for up to \$15,000 for each beneficiary. If the Share Register does not record a named beneficiary for your trustee or nominee holding, the rules for single holdings apply.

By applying to purchase Shares under the Plan, you certify that the application price for shares applied for has not exceeded this limit of \$15,000 in a 12 month consecutive period for that beneficiary, whether or not the shares were issued to the beneficiary in their own right as a registered holder or to the Custodian.

Invin reserves the right to reject applications where it appears that you are applying for more than \$15,000 of Shares per beneficiary or for all Custodian holdings if beneficiaries are not named on the Share Register.

Will the Offer be available again?

The Plan is intended to be a one-off offer to Eligible Shareholders, giving them an opportunity to purchase additional Shares without transaction costs or brokerage. However, the Board retains the right to make similar offers under future Share Purchase Plans.

The Company also reserves the right during or following the offer to raise additional capital to assist in achieving the Company's strategic objectives. If Invin raises funds by issuing Shares, this may have a dilutionary impact.

Contact details

If you have any further queries about the Plan, please contact the Share Registry on 1300 880 751.

Applications and payment must be received before 5.00pm (AEST) on 24 April 2013.

Share Purchase Plan Rules

1 Definitions and interpretations

Term	Definition
Announcement Date	means the date on which the Plan is announced to the market on ASX, being 28 March 2013.
Allotment Date	means the date on which the Shares to be issued under the Plan are allotted, being 3 May 2013.
Application	means an application for Shares under this Plan.
Application Amount	means the amount nominated by an Eligible Shareholder on an Application Form for the subscription of Shares under the Offer having regard to the Minimum Application Amount and Maximum Application Amount.
Application Form	means a personalised application form in which Eligible Shareholders may apply for Shares under the Plan.
ASIC	means the Australian Securities and Investments Commission.
ASX	means ASX Limited ACN 008 624 691 or the securities exchange operated by it (as the case requires).
Board	means the board of directors of Invision.
Company or Invision	means Invision Limited ACN 094 730 417.
Constitution	means the constitution of Invision.
Class Order	means ASIC Class Order 09/425.
Closing Date	means the closing date for the Plan, being 24 April 2013.
Custodian	has the meaning given to that term under the Class Order.
Despatch Date	means the date on which Transaction Confirmation Statements will be sent to shareholders, being 8 May 2013.

Term	Definition
Eligible Shareholder	means a shareholder in Invision at the Record Date with a Registered Address in Australia or New Zealand.
Issue Price	means the lower of 4.8 cents and the price which is equal to a 10% discount to the five day volume weighted average price (VWAP) of shares traded on the ASX up to and including the last day of the Offer period.
Lead Manager	means RBS Morgans Corporate Limited.
Listing Rules	means the Listing Rules of ASX and any other rules of ASX which are applicable while the Company is admitted to the Official List of ASX, each as amended or replaced from time to time, except to the extent of any express written waiver by ASX.
Market Price	has the meaning given to that term under the Listing Rules.
Minimum Application Amount	means \$500.
Maximum Application Amount	means \$15,000.
Offer	means the offer of Shares under the Plan on the terms set out in the Rules.
Official List	means the official list for quotation on ASX.
Opening Date	means the date on which the Plan opens, being 4 April 2013.
Plan Rules or Rules	means these rules.
Plan or SPP	means the Invision Share Purchase Plan.
Quotation Date	means the date on which Shares are expected to be traded on the Official List, being 9 May 2013.
Record Date	means the date for deciding who will be an Eligible Shareholder, being 27 March 2013.

Term	Definition
Registered Address	means the address of an Eligible Shareholder as shown in the Share Register.
Scaleback	means a reduction in the number of Shares allotted to Eligible Shareholders who lodge an Application.
Share Register	means the register of all shareholders of Invision maintained by the Share Registry.
Share Registry	means Link Market Services Limited of Level 15, 324 Queen Street, Brisbane, Queensland 4000.
Share	means a fully paid ordinary share in Invision.
Transaction Confirmation Statement	means a statement sent to Shareholders confirming allotment of Shares issued under the Plan.

Interpretation

In this document:

- (a) a reference to a rule is a reference to a rule under this Plan;
- (b) if a word or phrase is defined, its other grammatical forms have a corresponding meaning;
- (c) a reference to a person includes a corporation, trust, partnership, unincorporated body, government and local authority or agency, or other entity whether or not it comprises a separate legal entity;
- (d) any reference to time is to Sydney time; and
- (e) a reference to '\$' or 'dollars' means Australian dollars.

2 Offer timetable

- 2.1 This Offer is dated and taken to be made on the Announcement Date.
- 2.2 Applications may be made on and from the Opening Date.
- 2.3 Only Eligible Shareholders may participate in the Plan.

- 2.4 This Offer closes on the Closing Date and all Application Forms and payments of the Application Amounts must be received by the Share Registry before the Closing Date.
- 2.5 Shares will be allotted on or about the Allotment Date.
- 2.6 Any Scaleback will be announced on the Allotment Date. Transaction Confirmation Statements (and any refund cheques in payment of any Scaleback amount) will be despatched on or about the Despatch Date.
- 2.7 Trading of Shares issued under the Plan on ASX will begin on the Quotation Date.
- 2.8 Invision may change, at any time, any of the dates in rules 2.1 to 2.7, regardless of whether the Offer has opened or Applications have been received.

3 Regulatory relief

- 3.1 This Offer of new Shares under the Plan is made under ASIC Class Order 09/425 (**Class Order**). This Class Order grants relief from the requirement to prepare a prospectus for the Offer of new Shares under the Plan.
- 3.2 Subject to Listing Rule 7.2 (Exception 15), the Class Order permits Invision to issue up to \$15,000 worth of Shares to each Shareholder, without an offer document, and for all directors of Invision to participate in the Plan.
- 3.3 This Offer of new Shares under the Plan is made in accordance with the New Zealand Securities Act (Overseas Companies) Exemption Notice 2002.

4 Participation in the Plan

- 4.1 Participation in the Plan is subject to these Rules. The Offer made under this Plan is made only to Eligible Shareholders.
- 4.2 This Offer is non-renounceable.
- 4.3 The Board may refuse to accept or may suspend or withdraw any Application if that Application might:
 - (a) prejudice the effective operation of the Plan; or

- (b) give rise to breaches of applicable laws by Invision or its officers or by the Eligible Shareholders or their associates,

and may reject any Application if it has reason to believe that the Eligible Shareholder concerned may not be acting in good faith.

4.4 It is the responsibility of each Eligible Shareholder to obtain any necessary approvals to enable them to participate in the Plan.

4.5 The Directors who are Eligible Shareholders may participate in the Plan.

4.6 The Directors may refuse an Application where an Eligible Shareholder has, in the opinion of the Directors, split a shareholding, or acquired Shares as part of a split of a shareholding, in order to attempt to increase the number of Shares that may be allotted under the Plan to that Eligible Shareholder or another person.

4.7 Eligible Shareholders who are Custodians may apply for up to a maximum amount of \$15,000 worth of Shares for each beneficiary of that custodian if, in conjunction with an Application Form, it provides Invision with a certificate stating:

- (a) that it complies with the definition of Custodian in this Plan;
- (b) that the Custodian holds Shares on behalf of one or more beneficiaries on the date of the Offer who have, subsequent to that date, instructed the Custodian to apply for Shares on their behalf under the Plan;
- (c) the number of beneficiaries;
- (d) the name and address of each beneficiary;
- (e) in respect of each beneficiary, the number of Shares that the Custodian holds on their behalf;
- (f) in respect of each beneficiary, the number of Shares and the Application Amount the beneficiary instructed the Custodian to apply for on their behalf; and
- (g) that there are no beneficiaries in respect of whom the total of:

- (i) the Application Price referable to that beneficiary; and

- (ii) the price paid for any other Shares issued to the Custodian in the 12 months before the Application as a result of an instruction given by the beneficiary to the Custodian to apply for Shares on their behalf under an arrangement similar to the Plan,

exceeds \$15,000.

5 Application to participate

5.1 An Eligible Shareholder may apply to Invision to participate in the Plan by completing and signing an Application Form and returning it to the Share Registry with a cheque for payment of the Application Amount, before the Closing Date or by making a payment by BPAY before the Closing Date following the instructions on the Application Form. If payment is made by BPAY there is no requirement to complete and return the application form. Your BPAY reference number identifies you to the Share Registry who will process your BPAY share application.

5.2 Applications must specify the Application Amount in Australian dollars, for the number of Shares applied for at the Issue Price (being not less than \$500 and not more than \$15,000) and be accompanied by a cheque in payment of this amount unless payment is made by BPAY.

5.3 By making an Application, Eligible Shareholders certify that the aggregate of the Application Amount for:

- (a) Shares under the Plan; and
- (b) any other Shares applied for by the Eligible Shareholder under the Plan or any similar arrangements in the 12 months prior to the Application,

does not exceed \$15,000.

5.4 Subject to rule 5.2 and 5.3, participation in the Plan may be full or partial.

5.5 Shares issued under the Plan will be issued at the Issue Price and allotted as fully paid.

5.6 The number of Shares issued pursuant to an Application will be calculated by dividing the

Application Amount by the Issue Price, subject to any Scaleback.

5.7 In a Scaleback, the number of Shares issued for an Application may be subject to rounding at the discretion of the Directors or the Share Registry.

5.8 Fractional shares will not be issued. The number of Shares issued for an Application may be subject to rounding at the discretion of the Directors or the Share Registry.

6 Operation of the Plan

An Eligible Shareholder who participates in the Plan will be treated as having:

- (a) confirmed, for all Shares applied for by him or her under the Plan, that he or she does not make the Application for any other person in circumstances which might involve any breach of securities laws of any jurisdiction other than Australia or New Zealand;
- (b) agreed to be bound by the Constitution in respect of all the Shares issued to them under the Plan; and
- (c) acknowledged that the Shares have not, and will not be, registered under the US Securities Act or the securities law of any state or other jurisdiction outside Australia or New Zealand and accordingly, the Shares may not be offered, sold or otherwise transferred except in accordance with an available exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act and any other applicable securities laws.

7 Shares issued under the Plan

7.1 Shares issued under the Plan will rank equally in all respects with existing Shares.

7.2 Shares issued to Eligible Shareholders under the Plan will be registered on the Share Register.

7.3 Invision will promptly, following the issue and allotment of Shares under the Plan:

- (a) apply to ASX for quotation of the Shares on ASX; and

- (b) send a Transaction Confirmation Statement to each Eligible Shareholder to whom Shares are issued, at their Registered Address.

8 Cost to participants

8.1 No brokerage, commission or other transaction costs will be payable by an Eligible Shareholder in respect of Shares issued under the Plan.

8.2 In the event of a change in legislation so that at the date of any issue or allotment of Shares, stamp duty or any other tax or duty is payable on Shares issued under the Plan, the amount of that stamp duty or other tax or duty must be paid by the Eligible Shareholder to whom the Shares are issued and, in respect of each of those Shares, included in the calculation of the Issue Price.

9 Non-participation

Participation in the Plan is voluntary. It is a matter for each Eligible Shareholder to decide whether or not they apply for Shares under the Plan.

10 Scaleback

10.1 Invision may, in its absolute discretion, undertake a Scaleback to the extent and in the manner it sees appropriate, including for the purpose of compliance with Listing Rule 7.2, Exception 15.

10.2 If Invision undertakes a Scaleback, the difference between the value of the Shares allotted and the Application Amount paid to the Company by the Eligible Shareholder will be refunded by cheque and mailed to the Eligible Shareholder on the Despatch Date.

11 Applications and notices

11.1 Other than in relation to paying the Application Amount via BPAY, Applications and notices for the purposes of the Plan must be in writing in the form and lodged at the place specified by Invision or the Share Registry.

11.2 Applications and notices (other than notices of death, bankruptcy or liquidation) for Shares registered in joint names must be completed by all registered holders of those Shares who wish to subscribe for Shares.

- 11.3 Applications and notices will take effect on and from the date on which they are received by the Share Registry, except for an Application to participate in the Plan which is not effective until it has been accepted by the Board and the Application Amount is received.
- 11.4 The Company may:
- (a) accept and treat as valid an Application Form which does not satisfy the provisions of rule 11.1; and
 - (b) reject and treat as invalid an Application Form where the Board decides acceptance of the Application Form would or might prejudice the effective operation of the Plan or would or might otherwise be contrary to the laws of any country.
- 11.5 The Company has no obligation to correct or amend defective Application Forms on behalf of Eligible Shareholders.

12 Board's powers in the administration, variation, suspension or termination of the Plan

- 12.1 The Plan will be administered by the Board which has the power to:
- (a) decide appropriate procedures for administration and implementation of the Plan, consistent with the Plan Rules, and to settle any difficulty, in regard to the Plan, which may arise generally or in a particular case, as the Board thinks appropriate, and its decision binds all shareholders and other persons to whom the decision relates;
 - (b) resolve conclusively all questions of fact or interpretation in connection with the Plan; and
 - (c) delegate, to any one or more persons for a period and on the conditions it decides, its powers or discretions under the Plan, but not any powers under rule 12.4.
- 12.2 The Company and its officers and employees will not be held responsible or liable for any error or omission which occurs in the administration of the Plan.

12.3 The Board may vary administrative procedures to be followed in the implementation of the Plan. The procedures may be varied at any time by the Board having regard to ASX or ASIC requirements.

- 12.4 The Board may:
- (a) at any time modify, vary or amend the Plan;
 - (b) suspend the operation of the Plan from time to time for any period; or
 - (c) terminate the Plan at any time without any need for giving advance notice to shareholders.

13 Taxation

Invion makes no representations or warranties about, and accepts no responsibility for, the liability of Eligible Shareholders to pay income tax in respect of any allotment or issue of Shares, payment or other transaction under this Plan.

14 Dispute Resolution

- 14.1 Invion may settle in any manner it thinks fit, any difficulties, anomalies or disputes which may arise in connection with or by reason of the operation of the Plan, whether generally or in relation to any participant or application, and the decision of Invion will be conclusive and binding on all participants and other persons to whom the determination relates.
- 14.2 Invion reserves the right to waive strict compliance with any provision of these Rules. The powers of Invion under these conditions may be exercised by any member of the Board or their delegate.

15 Governing Law

This Offer is governed by the law in force in Queensland. By accepting this Offer, you submit to the non-exclusive jurisdiction of the courts of Queensland.

INVION

Targeting inflammation

Invision Limited

ABN 76 094 730 417

All Registry communications to:
Link Market Services Limited
Locked Bag A14
Sydney South NSW 1235 Australia
Telephone: 1300 554 474
From outside Australia: +61 1300 554 474
ASX Code: IVX
Website: www.linkmarketservices.com.au

SRN/HIN:

Entitlement Number:

Record Date: 27 March 2013

Offer Opens: 4 April 2013

Offer Closes 5pm (AEST):	24 April 2013
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SHARE PURCHASE PLAN ("SPP") APPLICATION FORM

How do I apply for Shares under this offer?

- Carefully read the SPP Terms and Conditions accompanying this form.
- Decide on the amount you wish to apply for.
- Pay for the Shares in accordance with the instructions outlined in the Terms and Conditions Booklet and further important instructions on the reverse of this form.
 - Option 1: Paying by BPAY®.
 - Option 2: Paying by Cheque, Bank Draft or Money Order.
- Payments must be in Australian dollars.

PAYMENT OPTIONS

Option 1: Paying by BPAY®

If paying by BPAY®, you do **NOT** need to complete or return the Acceptance Slip attached to this Application Form below. Payment must be received by the Registry by BPAY® by 5pm (AEST) on 24 April 2013. By paying by BPAY®, you will be deemed to have completed an Application Form for the number of Shares the subject of your Application Payment.

If you make a payment by BPAY® and Invision Limited receives an amount which is not equal to either A\$500, A\$1,000, A\$5,000, A\$10,000 or A\$15,000, Invision Limited may round down the number of Shares that you are applying for to the next lowest parcel at their discretion. Your payment must be for a minimum of A\$500.



Billers Code: 939108

Ref:

Telephone & Internet Banking – BPAY®

Contact your bank or financial institution to make this payment from your cheque, savings, debit or transaction account.
More info: www.bpay.com.au

© Registered to BPAY Pty Ltd ABN 69 079 137 518

Option 2: Paying by Cheque, Bank Draft or Money Order

If paying by cheque, bank draft or money order, complete and return the Acceptance Slip attached to this Application Form with your Application Payment.

- Tick the box beside the amount you wish to apply for, either A\$500, A\$1,000, A\$5,000, A\$10,000 or A\$15,000.
- Enter your cheque, bank draft or money order details. The amount of your Application Payment should be equal to the amount applied for in section A of the Acceptance Slip. Cheques, bank drafts or money orders must be drawn on an Australian branch of a financial institution in Australian currency, made payable to "Invision Limited" and crossed "Not Negotiable". Please ensure sufficient cleared funds are held in your account, as your cheque will be banked as soon as it is received. If you provide a cheque, bank draft or money order for an amount that is not equal to either A\$500, A\$1,000, A\$5,000, A\$10,000 or A\$15,000, Invision Limited may round down the number of Shares that you are applying for to the next lowest parcel at their discretion. Your payment must be for a minimum of A\$500.
- Enter your contact telephone number at which we may contact you regarding your application for Shares, if necessary.

THIS IS A PERSONALISED FORM FOR THE SOLE USE OF THE SHARES HOLDER AND HOLDING RECORDED ABOVE.

INVION

Targeting inflammation
Invision Limited
ABN 76 094 730 417

Please detach and enclose with payment

SRN/HIN:

Entitlement Number:



A I/we wish to purchase a parcel of Shares to the dollar amount of (tick one box only):

<input type="checkbox"/> A\$500	OR	<input type="checkbox"/> A\$1,000	OR	<input type="checkbox"/> A\$5,000	OR	<input type="checkbox"/> A\$10,000	OR	<input type="checkbox"/> A\$15,000
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B Make your cheque, bank draft or money order payable to "Invision Limited" and crossed "Not Negotiable"

Drawer	Cheque Number	BSB Number	Account Number	Amount of Cheque
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>	A\$ <input type="text"/> .00

C Telephone Number – Business Hours Telephone Number – After Hours Contact Name

<input type="text"/>	<input type="text"/>	<input type="text"/>
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IMPORTANT INFORMATION

1. This is an important document which requires your immediate attention. If you are in any doubt as to how to deal with this Application Form, please consult a professional adviser.
2. If you do not wish to purchase additional Shares under this SPP, there is no need to take action.
3. Please ensure you have read and understood the SPP Terms and Conditions and this Important Information, before you make the Application Payment by BPAY® or you submit your Acceptance Slip with your Application Payment.
4. This SPP is non-renounceable. Applications can only be accepted in the name printed on the Application Form.
5. If you are a custodian, trustee or nominee within the definition of "custodian" in ASIC Class Order [CO 09/425] you must complete and submit an additional Schedule that contains additional certifications and details that must be provided ("the Schedule") before your Application will be received. The Schedule can be obtained by contacting the Invion Limited SPP Offer Information Line. Applications received by custodians that are not accompanied by the Schedule will be rejected.
6. For applicants that are not required to complete the Schedule, by submitting the Acceptance Slip (with a cheque, bank draft or money order) or making payment by BPAY®, you certify that the aggregate of the Application Payment paid by you for:
 - the parcel of New Shares indicated on this Application Form or BPAY® payment; and
 - any other Shares applied for by you, or which you have instructed a Custodian to acquire on your behalf under the SPP or any other similar arrangement in the 12 months prior to the date of submission of the Acceptance Slip or payment by BPAY®does not exceed A\$15,000.
7. Invion Limited reserves the right to make amendments to this Application Form where appropriate.
8. Applicants are not assured of receiving the Shares for which they have applied as Invion Limited may scaleback applications in its discretion.

SAMPLE

How to Lodge your Acceptance Slip and Application Payment

A reply paid envelope is enclosed for you to return your Acceptance Slip and Application Payment. No postage stamp is required if it is posted in Australia.

Acceptance Slip and the payment for New Shares must be received by the Registry no later than the closing date shown overleaf. If paying by BPAY® you do not need to complete or return the Application Form. You should check the processing cut off-time for BPAY® transactions with your bank, credit union or building society to ensure your payment will be received by the Registry by the close of the offer.

Mailing Address

Invion Limited
C/- Link Market Services Limited
Locked Bag 3415
Brisbane QLD 4001

or

Hand Delivery

Invion Limited
C/- Link Market Services Limited
1A Homebush Bay Drive
Rhodes NSW 2138 **(Please do not use this address for mailing purposes)**

Make sure you send your Acceptance Slip and Application Payment allowing enough time for mail delivery, so Link Market Services Limited receives them no later than 5pm (AEST) on 24 April 2013. Please ensure sufficient cleared funds are held in your account, as your cheque will be banked as soon as it is received. Invion Limited reserves the right not to process any Acceptance Slips and Application Payments received after the Closing Date.

If you require information on how to complete this Acceptance Slip please contact the Invion Limited SPP Offer Information Line on 1300 880 751.