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ANNOUNCEMENT TO THE ASX

27 November 2013 ~ Inventis Limited (ASX: IVT)

Annual General Meeting

The Chairman's Address to the Annual General Meeting of Members, being held at 10:00am today, together with the Technology Division's Managing Director's overview are attached.

Yours faithfully,

Renuka Sharma

Renuka Sharma
Company Secretary

Inventis Limited (ASX: IVT) ~ Chairman's Address

Annual General Meeting ~ Wednesday, 27 November 2013

Five years ago marked the beginning of a very painful series of events, all of which adversely impacted the future sustainability of the IVT Group.

At that time I made a personal commitment for the benefit of all IVT stakeholders – shareholders, employees, customers, and suppliers alike – to implement, lead and administer a 5-year business action plan with the objective of maximising brand and corporate value on a global scale.

The first stage of this plan required substantive reforms, which caused initial setbacks in order to redirect the future course for business advancement.

The second stage required a redefinition of the local and global growth strategies, supported by a substantial change in corporate culture that resulted in the elimination of a top heavy management approach and a refocus on technological innovation for the global market. The implementation of this second stage faced considerable resistance within the organisation, as well as an initial pushback by the markets. However, persistence, perseverance and an unwillingness by the core team to accept 'no' for an answer, we eventually made a number of inroads, which we firmly believe will result in positive business outcomes for the Group.

Now we are in the final stage of this 5-year plan: Transforming our two business divisions into market leaders and I am pleased to say that my fellow Directors support my view that the Group is now ready and poised to complete this transformation.

We have strengthened our competitiveness by adopting best practice principles and by becoming a customer-centric business that encourages performance and focuses on service; we have concentrated on identification, penetration and exploitation of new business opportunities, both domestically and globally, through proactive sales and marketing, backed by superb product design, development and innovation. This has led to us becoming more and more accepted overseas and to be considered as strategic technology trading partners and suppliers in our target markets.

To have achieved all of this during what can only be described as the greatest financial world-wide down turn in 90 years, is testament to the many stakeholders that have continued on this journey with and for the Group.

We are ready to advance, as we planned and anticipated five years ago, but there are some final challenges that need to overcome. Although these are not insurmountable, they nonetheless require focussed attention and I define these hereinafter in this presentation.

I am confident that with the support of our shareholders and that of our excellent reliable and loyal team, as well as the anticipated support from the capital and financial markets, Inventis will come through and move to its full transformation in this forthcoming year, and in so doing, turn the corner into a long, sustainable and rewarding future for all its participants.

Results for the Year Ended 30 June 2013

Net Profit was $2.95 million compared to a loss of $4.53 million for the previous year.

During the twelve months ended 30 June 2013, the Group continued the streamlining of operations, which led to incurring $0.5 million in one-of costs and write-offs that are expected to contribute in excess of $0.9 million in future annual savings.

In addition to the above, we eliminated top management duplication costs and relocated our Technology division to new, modern and efficiency enhancing premises in Auburn, New South Wales. This also incurred substantive on-of costs and write-offs, but has led to sustainable ongoing savings of more than $1million per annum.

Notwithstanding the one-off streamlining costs incurred during the year ending 30 June 2013, and an overall 5% reduction in sales revenue, as compared to the previous year, the bottom line results from the Group's continuing operations improved by 45%.

Unfortunately, and quite evidently, a frequent occurrence experienced by both the Technology and the Furniture Divisions is the inability to exploit business opportunities due to the continuing challenges associated with cash flow and working capital management. I cover this critical issue in more detail further on in this address.

Also of significance this year is that on 3 July 2012, the Receivers of the Les Bleus Group of Companies, (Formerly the Alpha Aviation business in NZ) filed a notice at the New Zealand Companies House informing of the end of the Receivership. A consequence of the conclusion of the Receivership and the deregistration of the companies in question, was the reversal of the net deficiency in assets of $5 million that had been recognised in the Inventis Group financial statements relating to Les Bleus. This positive reversal is due to Inventis not having any further obligations to settle any outstanding liabilities relating to Les Bleus Group.

The Les Bleus matter has been an arduous and lamentably expensive exercise for the Group. Enormous financial and managerial resources were required to be redirected over the past five years to attend to the de-grouping of this business operation. Therefore, it is a mark of the Group's strength and resilience to have come out of this unsavoury chapter with renewed focus and enthusiasm for its core areas of business.

Results for the First Quarter Ended 30 September 2013

PROFIT & LOSS	**$'000's**		
	Unaudited Actual Year to Date	**(Unaudited) Predicted Full Year**	**Audited Actual Last Year**
Sales	$4,280	$24,111	$20,517
Gross Profit	$1,787	$11,024	$8,962
Gross Profit %	**42%**	**46%**	**44%**
EBIT	($261)	$1,636	($1,122)
EBIT %	**(6%)**	**7%**	**(5%)**
Net Interest Expense	($103)	($466)	($451)
EBT	($364)	$1,171	($1,573)
EBT %	**(9%)**	**5%**	**(8%)**

As indicated previously, the first quarter results for this year have been affected by insufficient financial resources, which stopped us from being able to capitalise on customer orders, attract favourable credit terms from suppliers and/or convert business prospects available to the Group.

Furniture Division

The Furniture Division holds a number of long-term supply relationships with blue chip companies and government related entities both in Australia and New Zealand. Our servicing of these has been impacted by the lack of timely working capital for the full implementation of the Groups procurement strategy. Nevertheless, despite these challenges, customers prefer to deal with Inventis' Furniture Division, Gregory Commercial Furniture, and we are confident that with an injection of the appropriate level of working capital, the Furniture Division will not only be able to recover lost ground, but capitalise on the significant orders (approx $1.8 million, as of today, which equates to a gross profit of approx $0.8 million) and supply agreements already on hand.

Recently, the Australian Division has been successful in winning crucial supply agreements and our New Zealand Furniture Business has shown a significant turn- around in performance with the added focus from the new executive team in New Zealand, headed by Mr Bruce Roberts.

Technology Division

The Inventis Technology division currently holds more than $1.5 million in orders with backorders unable to be filled due to working capital constraints. This has the potential for business leakage to competitors. More importantly, Inventis Technology is in the final stages of securing a potential multi-million dollar offshore contract in the UK, the first stage of which is anticipated to require an on-location site trial scheduled for the end of January 2014. This contract alone has the potential to significantly change Inventis' financial fortunes, and thereafter expose the Technology Division to substantive new business opportunities in the Europe and America.

My co-members of the board and our senior management have reached consensus and, like me, are quietly confident the Group can accomplish the predicted full year headline EBT result. However, this is predicated on us being able to successfully complete the remaining steps, which now in progress.

Prospects for the Duration of the Year Ending 30 June 2014

The remaining steps to accomplish the full streamlining of Group operations consist of:

i. **Relocation of Head Office:** The relocation of head office to Pemulwuy, New South Wales, which is scheduled to be fully implemented early in the 2014 calendar year, is expected to provide a further annual saving of approximately $0.15 million in operating expenditure. The Pemulwuy location I speak of is the one that also houses the operating premises of Gregory Commercial Furniture.

ii. **Capital Raising:** On 9 July 2013 Inventis made a private placement of shares under ASX Listing Rule 7.1 to third parties. The offer was equivalent to 15% of the issued shares at that date. This share placement raised $0.43 million as a first stage injection of working capital.

Subsequently, on 17 October 2013 IVT lodged a Prospectus with ASIC and a Replacement Prospectus was filed with ASIC on 4 November 2013.

You will be aware the Replacement Prospectus is for a Non-Renounceable offer of four (4) Convertible Preference Shares (CPS) for every nine (9) Ordinary Shares held, in order to raise approximately $3.78 million.

The CPS offer is aimed at supporting the working capital requirements of the Group, as well as the retirement of expensive debt and most importantly, to support the anticipated growth of the Group.

With an annual fully franked yield of 8.50% (equates to a gross taxable yield of 12.13% when the effect of the franking credits are included); a mandatory conversion on 30 December 2016; and an expectation that the CPS will be quoted on the ASX; the Board is confident the CPS offer will be fully subscribed.

Based on previous capital raisings and indicative commitments from many of the existing top 20 shareholders, it is reasonable to anticipate a take up of the CPS offer entitlement by existing shareholders to be in the vicinity of $2.5 million by the close of the CPS offer on 6 December 2013. The remaining balance will be raised no later than 10 March 2014 through a target-dedicated book build.

I for one, as a substantial shareholder, not only intend to take up all my entitlement, but I also intend to convert all my CPS to ordinary shares at the earliest opportunity.

In line with expectations, as at close of business, Tuesday 26 November, CPS applications for a total of 138.35 million Convertible Preference Shares, with an allocated value of $1.93 million, have been received from existing shareholders.

iii. **Refinancing:** The rearrangement of the existing finance facilities is also anticipated to contribute around $0.15 million in annual savings. The positive outcome of the Les Bleus receivership is the increase in the Group's net tangible assets by $5 million. This is expected to assist with the planned negotiations with bankers and financiers to secure a refinancing arrangement, immediately following a successful placement of the CPS Offer.

Acknowledgements

It would be remiss of me not to acknowledge, during what has become a prolonged period of continual disruptive and painful change, the incredible effort by the hard working and extremely flexible and adaptive team of personnel that makes up the Inventis Group of companies. Without their inherent belief and trust in the actions of the Board, together with the unwavering support of our shareholders, the Inventis Group would not exist today, and we would not be looking to the brighter profitable future for the benefit of all stakeholders.

I sincerely thank you,

Tony Noun
Executive Chairman

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Inventis Technology MD Overview – 2012-2013

Inventis Technology is continuing its restructuring program to its entire operations and although these changes took longer than anticipated, we are now seeing an invigorated Inventis. We continue to invest in people, partners and resources to keep the momentum required to reach our goals for another successful fiscal year.

Our major restructuring initiatives include a change to our sales and marketing approach. We instigated a new strategy whereby Business Development Manager roles were changed from a National based role operating out of Head Office to having representatives in each State selling multiple products.

To date we have hired representatives in Victoria and Queensland and are presently recruiting in NSW. This multiple product role approach encompasses EAS, PANDA and SafeZone products. This increased local representation has already increased our sales pipeline figures as well as our conversion rates.

Early in the new calendar year, the same strategy will be applied to Opentec Solutions, but in the interim we are replacing the NSW representative as a matter of priority.

Financial Results: The Technology Division's Revenue for the year ended 30/6/2013 was $8.05 million with an EBITDA of $0.8 million, which compares favourably to the previous year's results of $6.87 million in revenue and 0.03 million in EBITDA.

Our revenue as at 30 September 2013 is $1.4 million, which is below our budgeted forecast. The main contributing factors to this lack-lustre performance is cash flow and working capital, which have led to a reduction in sales and marketing expenditure and to orders being cancelled or not initiated. Our order book currently stands at $1.5 million.

In spite of these challenges, we have been able to further develop and expand our product ranges both in our Inventis Technology's traditional markets as well as our Opentec computing division. With these initiatives coupled with fiscal support, we are confident that we will gain entry into much larger overseas markets in the 2014 calendar year.

2013-14 High Probability Sales/Projects

- Network Rail UK – SafeZone Low-cost Rail Crossing Systems - The project scope is 4,000 sites over a 3 to 4 year period. Based on an average of \$15k to \$20K per site, the project has a total potential worth in the order of \$60 million to \$80 million.

  I am pleased to report that we are now a preferred supplier for this project and a contract for the supply and installation of our system has been provided by Network Rail UK.

  The next phase of this project is the installation of trial sites and approval status of our systems. The first trial site installation is planned for late January / early February 2014.

  Together with our new partners in the UK, the Eric Wright Group who have extensive civil engineering knowledge in rail projects both in UK and Europe, we are not only poised for a successful collaboration on this project, but also for the Eric Wright Group becoming an exclusive partner for our SafeZone product range in Europe.

- QLD Rail – Trial period has commenced on SPAD (Signal Passed At Danger) SafeZone IRAD system with a potential value of approximately \$0.6 million. Early stages are indicating favorable results.

- Thales Project – Opentec is being specified for the ruggedized computer requirements for the Bushmaster vehicles. Project value is estimated at \$3 million with an expected roll-out starting in December 2013 at annual rate of \$0.6 million p.a.

Andrew Skaltsounis
Managing Director,
Inventis Technology Pty Limited