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ASX ANNOUNCEMENT

8 November 2016

Chairman's Address Bionomics Annual General Meeting 2016

2016 has been an eventful year as we sought to advance our drug pipeline, strengthen your Company's balance sheet, further globalise the share register, and strengthen the board.

One of the more central achievements of the year is the recently reported highly successful results for our Phase 2 clinical trial of BNC210, our first-in-class negative allosteric modulator of the $\alpha 7$ nicotinic receptor, in patients with Generalised Anxiety Disorder or GAD.

We have very high hopes for this drug candidate making a real difference in the lives of those suffering from a range of anxiety and depression disorders and we are now looking forward to the successful recruitment for our ongoing Phase 2 trial in people suffering from Post Traumatic Stress Disorder or PTSD. As you will hear from our CEO, we are planning to expand our evaluation of BNC210 in PTSD following the further insights gained in the GAD trial by adding lower dose BNC210 treatment groups, increasing patient numbers to be treated and globalising the trial with sites in the UK and the US now under active consideration.

It is worth remembering that this breakthrough was achieved because of Bionomics' strong cash position, which has allowed the company to continue to make major advances in its clinical development programs including BNC210 and to focus on its important partnerships with Merck & Co (known as MSD outside the US and Canada).

We also progressed our cancer stem cell targeting drug candidate BNC101 into the clinic following a successful Investigational New Drug (IND) application to the US Food & Drug Administration (FDA) in July 2015. A Phase 1 trial in patients with metastatic colon cancer is underway and reflects further progress in an important asset from our 2012 acquisition of Biogen spin-out, Eclipse Therapeutics. The ongoing clinical trials are indicative of our mission to develop best-in-class treatments for central nervous system disorders and for cancer thereby maximising the value of our drug discovery platforms ionX, CSCRx and MultiCore. Compelling data with any of our clinical programs are major value inflection points giving confidence for both continued development and strategic partnering of our innovative drug candidates.

Bionomics' business model is to secure strategic partnerships for our drug candidates to facilitate international commercialisations and mitigate risk while generating revenue. Your company has continued to focus on its partnerships with MSD in pain and cognition with continued progress being made towards identifying potential drug candidates for advancement into development.

In 2016 the Board undertook a major renewal program. Following a productive Shareholder Consultation Process we are delighted to welcome Messrs David Wilson, Alan Fisher and Peter Turner to the Board. The new Directors bring strong global investment, finance and drug development skills, which were recognised as necessary in the Company's Board structure and governance review.

These appointments came after extensive consultation with shareholders and I thank the Shareholder Working Group representing a cross-section of our major institutional shareholders, for their active participation in the Board appointment process. With these appointments Mr Graeme Kaufman and Mr Trevor Tappenden announced their intention to retire from the Board. We very much value the significant contributions Graeme and Trevor made to Bionomics over a considerable period of time and thank them for their outstanding leadership as Chairman of the Board and Chair of the Audit and Risk Committee, respectively. This year has also seen the departure of Dr Alan W Dunton from the Board, who we also thank for the considerable contributions he made to the Company during his tenure on the Board.

The renewed Bionomics Board now comprises well-qualified members operating under a strong governance structure and with the requisite skills and knowledge to drive the development and commercialisation of Bionomics' pipeline to maximise shareholder value.

As you know, in December 2015 Bionomics undertook a share placement, which included an agreement to issue warrants to the new investors. Part of the warrant issuance was, from a timing perspective, subject to shareholder approval. This approval was not forthcoming, and we recognise that shareholders clearly signalled their perspective on the situation at the time of the vote.

Over the next few weeks the Board will be considering the two alternative means to satisfy the contractual requirement - whether to issue additional warrants or to cash settle the obligation. No decision has been made at this time. Our framework for the decision will take into account a range of qualitative and quantitative factors, including perspectives on Bionomics' fair value, shareholder value, maintaining strategic flexibility and the current views of shareholders. Based on Bionomics' current market value, among other things, Bionomics currently believes it is likely to be in the best interests of shareholders to issue the warrants when the time comes. However, we very much welcome shareholders feedback on this important matter, noting that we do have contractual obligations we are required to satisfy. Deborah will provide additional detail on the alternatives. Suffice to say, Bionomics is firmly committed to acting in shareholders' best interests within the contractual framework.

In conclusion, Bionomics ends the year with a strong cash balance enabling the Company to build shareholder value by maximising its development pipeline. The Board thanks all shareholders for their continued support and constructive feedback over the past year and we look forward to sharing with you, news on clinical and partnership progress in the coming year.

Yours faithfully
Errol De Souza
Chairman and Non-Executive Director

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About Bionomics Limited

Bionomics (ASX: BNO) is a global, clinical stage biopharmaceutical company leveraging its proprietary platform technologies to discover and develop a deep pipeline of best in class, novel drug candidates focused on the treatment of serious central nervous system disorders and on the treatment of cancer. Bionomics' lead drug candidate BNC210, currently in Phase 2 for the treatment of generalized anxiety disorder and for post-traumatic stress disorder, is a novel, proprietary negative allosteric modulator of the alpha-7 ($\alpha 7$) nicotinic acetylcholine receptor. The Company is also developing BNC101, its lead humanized monoclonal antibody targeting a key receptor on cancer stem cells that is overexpressed in metastatic colorectal cancer, metastatic pancreatic cancer and many other solid tumours; BNC101 entered clinical trials in the first quarter of 2016. Bionomics has strategic partnerships with Merck & Co., Inc (known as MSD outside the United States and Canada) in pain and cognition.

www.bionomics.com.au

Factors Affecting Future Performance

This announcement contains "forward-looking" statements within the meaning of the United States' Private Securities Litigation Reform Act of 1995. Any statements contained in this announcement that relate to prospective events or developments, including, without limitation, statements made regarding Bionomics' drug candidates (including BNC210 and BNC101), its licensing agreements with Merck & Co. and any milestone or royalty payments thereunder, drug discovery programs, ongoing and future clinical trials, and timing of the receipt of clinical data for our drug candidates are deemed to be forward-looking statements. Words such as "believes," "anticipates," "plans," "expects," "projects," "forecasts," "will" and similar expressions are intended to identify forward-looking statements.

There are a number of important factors that could cause actual results or events to differ materially from those indicated by these forward-looking statements, including unexpected safety or efficacy data, unexpected side effects observed in clinical trials, risks related to our available funds or existing funding arrangements, our failure to introduce new drug candidates or platform technologies or obtain regulatory approvals in a timely manner or at all, regulatory changes, inability to protect our intellectual property, risks related to our international operations, our inability to integrate acquired businesses and technologies into our existing business and to our competitive advantage, as well as other factors. Results of studies performed on our drug candidates and competitors' drugs and drug candidates may vary from those reported when tested in different settings.

Subject to the requirements of any applicable legislation or the listing rules of any stock exchange on which our securities are quoted, we disclaim any intention or obligation to update any forward-looking statements as a result of developments occurring after the date of this announcement.