



ABN 53 075 582 740

ASX ANNOUNCEMENT
30 October 2015

CASH FLOW REPORT FOR THE QUARTER ENDED 30 SEPTEMBER 2015

Bionomics Limited (ASX: BNO, OTCQX: BNOEF), a biopharmaceutical company focused on the discovery and development of innovative therapeutics for the treatment of diseases of the central nervous system and cancer, today released its Appendix 4C cash flow report for the quarter ended 30 September 2015.

Key points - Financial

- Bionomics retains a strong balance sheet that has been boosted through the cash investment by Merck & Co., Inc., Kenilworth NJ (known as Merck, Sharp and Dohme or MSD outside the US and Canada) of US\$9 million announced on 8 October 2015 by way of the issue of 21,659,230 ordinary shares at A\$0.5938, a 29% premium to Bionomics' closing price on 7 October 2015.
- In addition, Bionomics now anticipates a cash refund of \$8.5 million from the Australian R&D Tax Incentive after lodgment of the company's tax return on 6 October 2015. At 30 June 2015 this was recognised as a receivable of \$7.0 million, with the difference relating to approval of overseas expenditure.
- Funds from the placement to MSD and the Australian R&D Tax Incentive would have added approximately \$21.5 million to the cash balance.
- Expenses for the period included some significant one-off costs associated with the completion of Investigational New Drug (IND)-enabling studies, manufacturing and IND submission to the US Food and Drug Administration (FDA) for the BNC101 program and clinical trials of BNC210, including the completion of the Phase I multiple ascending dose trial. Bionomics anticipates a net annualised cash burn of approximately \$1 million per month in FY16.

Key points – Operational

- On 31 August 2015 Bionomics announced that its IND application for BNC101 had been accepted by the U.S. FDA. This successful submission has paved the way for clinical trials of BNC101.

BNC101 is a first-in-class humanized anti-LGR5 monoclonal antibody targeting cancer stem cells. LGR5 is a receptor overexpressed in metastatic colorectal cancer, metastatic pancreatic

cancer and many other solid tumour types. BNC101 is designed to prevent or delay tumour recurrence, and reduce cancer stem cells as a single agent and in combination with standard chemotherapy treatment. Bionomics plans to initiate a Phase 1 clinical trial in patients with metastatic colon cancer.

- On 16 September 2015 Bionomics reported positive data from a Phase 1 multiple ascending dose trial of BNC210. All primary and secondary endpoints for the trial were met. BNC210 treatment was shown to significantly reduce the response to nicotine as measured by EEG providing evidence of target engagement. BNC210 is in development for the treatment of anxiety and depression and is the subject of an ongoing Phase 2 trial in patients with Generalised Anxiety Disorder that is expected to report data in Q3, 2016.
- In addition, Bionomics announced on 8 October 2015 that it had extended its strategic collaboration with MSD for the discovery and development of drug candidates for the treatment of chronic and neuropathic pain utilizing Bionomics' ionX and MultiCore drug discovery platforms.

FOR FURTHER INFORMATION PLEASE CONTACT:

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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, 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 is expected to enter clinical trials in the fourth quarter of 2015. Bionomics has strategic partnerships with Merck & Co. in pain and cognition.

www.bionomics.com.au

Factors Affecting Future Performance

This presentation contains "forward-looking" statements within the meaning of the United States' Private Securities Litigation Reform Act of 1995. Any statements contained in this presentation 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 presentation.

Appendix 4C

Quarterly report for entities admitted on the basis of commitments

Introduced 31/3/2000. Amended 30/9/2001, 24/10/2005, 17/12/10

Name of entity

BIONOMICS LIMITED

ABN

53 075 582 740

Quarter ended ("current quarter")

30-Sep-15**Consolidated statement of cash flows**

		Current quarter \$A'000	Year to date (3 months) \$A'000
Cash flows related to operating activities			
1.1	Receipts from customers	1,274	1,274
1.2	Payments for		
	(a) staff costs	(434)	(434)
	(b) advertising & marketing	(243)	(243)
	(c) research & development (incl. R&D staff costs)	(8,130)	(8,130)
	(d) leased assets	(105)	(105)
	(e) other working capital	(644)	(644)
1.3	Dividends received	0	0
1.4	Interest and other items of a similar nature received	146	146
1.5	Interest and other costs of finance paid	(162)	(162)
1.6	Income taxes paid	0	0
1.7	Other	0	0
	Net operating cash flows	(8,298)	(8,298)
1.8	Net operating cash flows (carried forward)	(8,298)	(8,298)
Cash flows related to investing activities			
1.9	Payment for acquisition of:		
	(a) businesses (item 5)	0	0
	(b) equity investments	0	0
	(c) intellectual property	0	0
	(d) physical non-current assets	0	0
	(e) other non-current assets	0	0
1.10	Proceeds from disposal of:		
	(a) businesses (item 5)	0	0
	(b) equity investments	0	0
	(c) intellectual property	0	0
	(d) physical non-current assets	0	0
	(e) other non-current assets	0	0
1.11	Loans to other entities	0	0
1.12	Loans repaid by other entities	0	0
1.13	Other	0	0
	Net investing cash flows	0	0
1.14	Total operating and investing cash flows	(8,298)	(8,298)

	Current quarter \$A'000	Year to date (3 months) \$A'000
Cash flows related to financing activities		
1.15 Proceeds from issues of shares, options, etc.	49	49
1.16 Proceeds from sale of forfeited shares	0	0
1.17 Proceeds from borrowings	0	0
1.18 Repayment of borrowings	0	0
1.19 Dividends paid	0	0
1.20 Other	0	0
Net financing cash flows	49	49
Net increase (decrease) in cash held	(8,249)	(8,249)
1.21 Cash at beginning of quarter/year to date	27,447	27,447
1.22 Exchange rate adjustments to item 1.20	62	62
1.23 Cash at end of quarter:	19,260	19,260

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	(285)
1.25 Aggregate amount of loans to the parties included in item 1.11	0
1.26 Explanation necessary for an understanding of the transactions	
Consists of remuneration paid to directors including remuneration paid to the Chief Executive Officer and Managing Director.	

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 cash flows

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 - Line of Credit	12,568	12,568
3.2 Credit standby arrangements	0	0

Explanation necessary for an understanding of financing facilities available

Silicon Valley Bank non-dilutive funding as announced on 11 November 2014, fully drawn

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	5,611	1,805
4.2 Deposits at call	13,649	25,642
4.3 Bank overdraft		
4.4 Other (provide details)		
Total: cash at end of quarter (item 1.23)	19,260	27,447

Acquisitions and disposals of business entities

	Acquisitions \$A'000 (Item 1.9(a))	Disposals (Item 1.10(a))
5.1 Name of entity		
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

1 This statement has been prepared under accounting policies, which comply with accounting standards as defined 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 ~~/does not*~~ (delete one) give a true and fair view of the matters disclosed.

Sign here: 30-10-15
(CEO & Managing Director)

Print name: DEBORAH RATHJEN

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
- 2 The definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report except for any additional disclosure requirements requested by AASB 107 that are not already itemised in this report.
- 3 **Accounting Standards.** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.