



ABN 53 075 582 740

ASX ANNOUNCEMENT
25 February 2016

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 (CNS) and cancer, has been asked to provide further information in relation to the methodology behind the Black Scholes Valuation (**BSV**) amount that could be paid to the four investors if;

- the Company did not receive shareholder approval to issue the Warrants at the Extraordinary Meeting of Members (**EGM**) on Thursday 3 March 2016*; and
- the Company elected to not issue the Warrants when its placement capacity is refreshed in December 2016.

**please refer to the Notice of Extraordinary General Meeting and Explanatory Notes dated 1 February 2016*

The BSV amount was calculated on 9 December 2015 when the closing price of the Company's securities was \$0.39

The following assumptions were made in arriving at the BSV amount;

- The strike price is A\$0.5938.
- The options have a 5 year expiry from the trade date (9 December 2015) therefore the expiry date being (9 December 2020).
- The 6 year risk-free interest rate was obtained by linear interpolation of the 5 and 7 year US Treasury bond rates with the result being 1.815%.
- The Bloomberg options valuation (OV) function defaults to using the Australian risk-free interest rate for the BNO ticker.
- The volatility used for the purpose of the calculation in the EGM Explanatory Notes is 100%.
- The underlying derivative have been valued as Warrants using a dilutionary model.

If the resolutions to issue the Warrants are not approved at the EGM, it is the Company's current intention to issue the Warrants in December 2016 rather than pay any BSV amount.

The Company does not consider this issue is material to how shareholders should vote at the EGM.

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 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.