



ABN 53 075 582 740

ASX ANNOUNCEMENT
31 October 2016

QUARTERLY CASHFLOW REPORT TO 30 SEPTEMBER 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, today released its Appendix 4C quarterly report.

On 18 October 2016, Bionomics received its R&D Tax Incentive Refund of \$8,028,985 which is in addition to the reported cash position at 30 September 2016 of \$39.015m.

During the quarter, Bionomics made considerable progress in its clinical programs.

- Positive BNC210 Phase 2 Generalized Anxiety Disorder (GAD) clinical trial results were reported on 21 September 2016 showing both primary endpoints were met with a high level of significance. The results suggest that BNC210 offers a potential paradigm change for the treatment of anxiety disorders. This data builds confidence in the further development of BNC210, considerably strengthens the BNC210 data packages and enhances its licensing potential.
- The initiation of a BNC210 Phase 2 clinical trial in patients with Post Traumatic Stress Disorder (PTSD) was announced on 30 June 2016. All existing data, including the recent Phase 2 GAD clinical trial results indicate that BNC210 could be an effective therapy for PTSD patients. Bionomics is considering an expansion of the PTSD clinical trial to include additional treatment arms following the successful GAD trial. With an estimated 1 million Australians experiencing PTSD in any year there exists a significant unmet need for an effective therapy.
- Enrolment into the BNC101 Phase 1 clinical trial in patients with metastatic colon cancer initiated in April 2016 continues on track with first data anticipated in Q2, 2017. BNC101 is a first in class drug candidate targeting cancer stem cells, the “seeds” of cancer.

During the period Bionomics presented at the following US investment conferences: Cantor Fitzgerald 2nd Annual Healthcare conference, Rodman and Renshaw's 18th Annual Global Investment Conference and the Ladenburg Thalmann 2016 Healthcare Conference.

In addition, BNC210 data presented at the European College of Neuropsychopharmacology (ECNP) Congress reported the results of the Phase 1b clinical trial completed in September 2015 in which BNC210 demonstrated target engagement through inhibition of the brain effects of nicotine as measured by electroencephalography (EEG).

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 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.

Appendix 4C

Quarterly report for entities subject to Listing Rule 4.7B

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10, 01/09/16

Name of entity

Bionomics Limited

ABN

53 075 582 740

Quarter ended ("current quarter")

30 September 2016

Consolidated statement of cash flows		Current quarter	Year to date (3 months)
		\$A'000	\$A'000
1	Cash flows from operating activities		
1.1	Receipts from customers	2,659	2,659
1.2	Payments for		
	(a) research and development	(7,658)	(7,658)
	(b) product manufacturing and operating costs	-	-
	(c) advertising and marketing	-	-
	(d) leased assets	(107)	(107)
	(e) staff costs	(496)	(496)
	(f) administration and corporate costs	(534)	(534)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	132	132
1.5	Interest and other costs of finance paid	(420)	(420)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	-	-
1.9	Net cash from / (used in) operating activities	(6,424)	(6,424)
2	Cash flows from investing activities		
2.1	Payments to acquire:		
	(a) property, plant and equipment	-	-
	(b) businesses (see item 10)	-	-
	(c) investments	-	-
	(d) intellectual property	-	-
	(e) other non-current assets	-	-
2.2	Proceeds from disposal of:		
	(a) property, plant and equipment	-	-
	(b) businesses (see item 10)	-	-
	(c) investments	-	-
	(d) intellectual property	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	-	-

Appendix 4C
Quarterly report for entities subject to Listing Rule 4.7B

Consolidated statement of cash flows	Current quarter	Year to date (3 months)
	\$A'000	\$A'000
3 Cash flows from financing activities		
3.1 Proceeds from issues of shares	-	-
3.2 Proceeds from issue of convertible notes	-	-
3.3 Proceeds from exercise of share options	4	4
3.4 Transaction costs related to issues of shares, convertible notes or options	-	-
3.5 Proceeds from borrowings	-	-
3.6 Repayment of borrowings	-	-
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (provide details if material)	-	-
3.10 Net cash from / (used in) financing activities	4	4

4 Net increase / (decrease) in cash and cash equivalents		
4.1 Cash and cash equivalents at beginning of quarter/year to date	45,450	45,450
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(6,424)	(6,424)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4 Net cash from / (used in) financing activities (item 3.10 above)	4	4
4.5 Effect of movement in exchange rates on cash held	(15)	(15)
4.6 Cash and cash equivalents at end of quarter	39,015	39,015

5 Reconciliation of cash and cash equivalents	Current quarter	Previous quarter
at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	\$A'000	\$A'000
5.1 Bank balances	8,868	19,665
5.2 Call deposits	30,147	25,785
5.3 Bank overdrafts		
5.4 Other (provide details)		
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	39,015	45,450

6 Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

Current quarter
\$A'000
233
-

Remuneration paid to Chief Executive Officer/Managing Director and Non-Executive Directors

Appendix 4C
Quarterly report for entities subject to Listing Rule 4.7B

7 Payments to related entities of the entity and their associates

Current quarter
\$A'000

7.1 Aggregate amount of payments to these parties included in item 1.2

7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3

7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

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8 Financing facilities available

Add notes as necessary for an understanding of the position

8.1 Loan facilities

8.2 Credit standby arrangements

8.3 Other (please specify)

Total facility amount at
quarter end

\$A'000

Amount drawn at
quarter end

\$A'000

19,659

19,659

8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.

Silicon Valley Bank US\$15m, interest 8.15%, secured by substantially all of the Group's assets, other than intellectual property.

9 Estimated cash outflows for next quarter

\$A'000

9.1 Research and development

10,163

9.2 Product manufacturing and operating costs

-

9.3 Advertising and marketing

-

9.4 Leased assets

107

9.5 Staff costs

500

9.6 Administration and corporate costs

550

9.7 Other (provide details if material)

-

9.8 Total estimated cash outflows

11,320

**10 Acquisitions and disposals of business
(items 2.1(b) and 2.2(b) above)**

Acquisitions

Disposals

10 Name of entity

10 Place of incorporation or registration

10 Consideration for acquisition or disposal

10 Total net assets

11 Nature of business

Appendix 4C
Quarterly report for entities subject to Listing Rule 4.7B

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here:


.....
(Director/Company secretary)

Date: 31-Oct-2016
.....

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 that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
- 2 If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
- 3 Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.