



ABN 53 075 582 740

ASX ANNOUNCEMENT

29 October 2018

Quarterly Cashflow Report

Bionomics Limited (ASX:BNO, OTCQX:BNOEF), a global, clinical stage biopharmaceutical company, today released its Appendix 4C - Quarterly Cashflow Report.

During the quarter, Bionomics continued to progress its development pipeline of innovative therapies.

- Merck progressed clinical development of our partnered therapeutic candidate for the treatment of cognitive dysfunction in Alzheimer's disease and other conditions;
- Reported topline data from BNC210 Phase 2 study in PTSD;
- Progressed BNC210 Phase 2 study in Agitation with recruitment anticipated to read out in Q1, CY2019; and
- Progressed identification of novel therapeutic candidates for partnering.

Bionomics has twelve months cash runway.

- Cash balance at 30 September 2018 was \$16.67m (30 June 2018: \$24.93m) with net operating cash outflow during the quarter ended 30 September 2018 of \$8.25m.
- There are no breaches of loan covenants as of 29 October 2018.
- Cash receipts for the current quarter ending 30 September 2018 included receipts from customers totalling \$2.19m (30 June 2018: \$2.82m).
- Cash outflow reflected investment in the ongoing Phase 2 clinical trial of BNC210 in PTSD and initiation of the Phase 2 clinical trial of BNC210 in Agitation.
- Administration, occupancy and compliance expenses decreased by 9% in FY2017 with an additional reduction of 18% in FY2018.
- Strategic options for partnering and portfolio prioritisation are continuing to be assessed whilst conserving cash with the aim of maintaining and enhancing shareholder value.

Whilst section 9 of the Appendix 4C shows the estimated cash outflows for the next quarter ending 31 December 2018, no estimated cash inflows are provided. The estimated cash outflows are reliant on the timing of various activities, including clinical trials, being conducted by Bionomics.

Upcoming Milestones.

- BNC210 Phase 2 Agitation in the Elderly clinical trial data is anticipated in the first quarter of CY2019. All other work on BNC210 will be stopped until that time.

- Bionomics has an ongoing process to monetise its oncology programs through divestment and/or out-licensing both BNC101 and BNC105 as the company completes its transition to a focused Central Nervous System (CNS) disorders company.
- Bionomics also continues to progress early stage ion channel programs targeting pain, depression, cognition and epilepsy, with identification of a potential therapeutic candidate for partnering.
- To maintain and enhance shareholder value, we are continuing to assess our strategic options for partnering and portfolio prioritisation whilst conserving cash.
- A further update on our strategic direction will be provided at the Annual General Meeting to be held on 14 November.

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. Bionomics' lead drug candidate BNC210, currently in Phase 2 for the treatment of agitation, is a novel, proprietary negative allosteric modulator of the alpha-7 ($\alpha 7$) nicotinic acetylcholine receptor. Beyond BNC210, Bionomics has a strategic partnership with Merck & Co., Inc (known as MSD outside the United States and Canada).

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, BNC101 and BNC105), 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.

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 2018

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	2,193	2,193
1.2 Payments for		
(a) research and development	(8,353)	(8,353)
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	-	-
(d) leased assets	(28)	(28)
(e) staff costs	(675)	(675)
(f) administration and corporate costs	(899)	(899)
1.3 Dividends received (see note 3)		
1.4 Interest received	42	42
1.5 Interest and other costs of finance paid	(531)	(531)
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	(8,251)	(8,251)
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	-	-
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 Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of quarter/year to date	24,930	24,930
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(8,251)	(8,251)
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)	-	-
4.5 Effect of movement in exchange rates on cash held	(6)	(6)
4.6 Cash and cash equivalents at end of quarter	16,673	16,673

5 Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter	Previous quarter
	\$A'000	\$A'000
5.1 Bank balances	6,673	2,430
5.2 Call deposits	10,000	22,500
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)	16,673	24,930

6 Payments to directors of the entity and their associates	Current quarter
	\$A'000
6.1 Aggregate amount of payments to these parties included in item 1.2	231
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	

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

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	

8 Financing facilities available	Total facility amount at quarter end	Amount drawn at quarter end
<i>Add notes as necessary for an understanding of the position</i>	\$A'000	\$A'000
8.1 Loan facilities	20,753	20,753
8.2 Credit standby arrangements		
8.3 Other (please specify)		

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	(4,792)
9.2 Product manufacturing and operating costs	-
9.3 Advertising and marketing	-
9.4 Leased assets	(78)
9.5 Staff costs	(598)
9.6 Administration and corporate costs	(1,128)
9.7 Other (provide details if material)	-
9.8 Total estimated cash outflows	(6,596)

10 Acquisitions and disposals of business (items 2.1(b) and 2.2(b) above)	Acquisitions	Disposals
10.1 Name of entity		
10.2 Place of incorporation or registration		
10.3 Consideration for acquisition or disposal		
10.4 Total net assets		
10.5 Nature of business		

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: Date: 29/10/2018
(Director/~~Company secretary~~)

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.