



ABN 53 075 582 740

**ASX ANNOUNCEMENT**  
**12 November 2018**

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## **Capital Raise Update and Conference Call**

*Bell Potter and Shaw & Partners appointed Joint Lead Managers  
Conference call at 12.30pm AEDT*

### **Investor Teleconference 12.30pm AEDT Today**

You are invited to participate  
Led by Dr Errol De Souza, Executive Chairman

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<b>UK Toll free:</b>	<b>0800 051 1453</b>

Further to the trading halt previously announced, Bionomics Limited (ASX: BNO, OTCQX:BNOEF), a global, clinical stage biopharmaceutical company, today announced the appointment of Bell Potter and Shaw and Partners as joint lead managers to the capital raising referred to in that announcement.

Bionomics will host a teleconference call with Executive Chairman Dr Errol B De Souza today.

The details of the capital raising and other relevant considerations are set out in Bionomics' announcements to the market on Friday 9 November 2018 and further detailed in the attached presentation.

### **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) and a pipeline of pre-clinical ion channel programs targeting pain, depression, cognition and epilepsy.

[www.bionomics.com.au](http://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), 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.



CREATING INNOVATIVE THERAPIES  
**FOR CNS DISORDERS.**

**Capital Raising**  
BNO (Australia: ASX)  
BNOEF (USA: OTCQX)

12 November 2018

Central Nervous System (CNS)

# Safe Harbor Statement

## 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, BNC105 and BNC101), its licensing agreement 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.

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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.

# Bionomics Overview

- Global, clinical stage biopharmaceutical company leveraging proprietary platform technologies, ionX and MultiCore, to discover and develop a deep pipeline of novel drug candidates targeting ion channels in CNS disorders
- Lead candidate, BNC210, is a novel, orally-administered, first-in-class, negative allosteric modulator of the  $\alpha 7$  nicotinic acetylcholine receptor, in development for anxiety, panic and agitation:
  - Positive data from Phase 2 trial in Generalized Anxiety Disorder (GAD) patients reported in September 2016
  - Phase 2 trial in Post Traumatic Stress Disorder (PTSD) did not reach primary endpoint reported in October 2018. Evidence of antidepressant and anxiolytic effects on components of CAPS-5
  - Phase 2 trial in Agitation ongoing in Australia with data anticipated in 1Q, CY2019
- Strategic partnership with Merck & Co., (MSD):
  - Cognition therapeutic candidate entered clinical development and triggered US\$10M milestone payment in deal valued up to US\$506M in upfront, research and milestone payments plus additional royalties on net sales of licensed drugs
  - Merck & Co equity investment in October 2015
- Robust pipeline of first-in-class ion channel programs

# Leadership Changes and Strategic Review

(see announcement 9 November 2018)

## Leadership Changes

- Dr Errol De Souza, Bionomics' non-executive Chairman since July 2016 has become Bionomics' Executive Chairman
- Dr Deborah Rathjen has retired as Managing Director effective last Friday, 9 November and will continue as CEO until 31 January 2019
  - Dr Rathjen's departure arrangements are in line with her existing contract disclosed to shareholders in the Annual Report
- Mr Steven Lydeamore has resigned as CFO to pursue another opportunity and will depart on 23 November 2019. Bionomics' former CFO, Mr Stephen Birrell, has been appointed interim CFO

## Strategic Review

- Bionomics has appointed Greenhill & Co to conduct a thorough review of strategic options for the company, to ensure the company can maximise strategic flexibility ahead of possible news events around 1Q19 relating to both the BNC210 Agitation trial and the MSD cognition partnership
- No decisions have been made at this time pending Board consideration of the outcome of the review and expected news events
- The Board considers it prudent to be ready to respond promptly as required

# Recapitalisation

(see announcement 9 November 2018)

## BVF Placement

- Following an approach to the company, Bionomics' largest shareholder, BVF Partners, LP, and associates ("BVF") has agreed to acquire ~48 million new Bionomics shares at \$0.1637 per share to raise \$7.9m
  - Equivalent to 10% of Bionomics shares on issue; BVF to hold 19.9% of Bionomics shares on issue, prior to any shares issued per below
  - Price represents a premium of 10% to the 5-day VWAP up to Friday, 9 November 2018
  - BVF expected to nominate Mr Mitch Kaye as a director of Bionomics following the placement

## Institutional Placement

- Bionomics has been granted a trading halt from the opening of the market on Monday, 12 November 2018 to conduct an institutional placement of a further ~24 million new Bionomics shares via [Shaw Stockbrokers and Bell Potter] as Joint Lead Managers on a non-underwritten basis ("Institutional Placement")
  - Equivalent to 5% of Bionomics shares on issue
  - Same price as price to BVF. BVF may take up shares not subscribed for, subject to Corporations Act limitations

## Share Purchase Plan

- All Bionomics shareholders to be offered participation in a share purchase plan to acquire up to \$15,000 of new Bionomics shares at a price of \$0.155 per share, up to a cap of 2.5% of issued capital post the BVF Placement and Institutional Placement
  - Price equivalent to market close on Friday, 9 November 2018
  - Discount of 5.3% to the BVF Placement and Institutional Placement price

# Rationale for Recapitalisation

- Protect value of assets by ensuring flexibility for all foreseeable outcomes
  - MSD partnered therapeutic candidate, BNC375
  - Pipeline assets, including BNC210
- Current fundraising along with potential future revenues from milestones and/or out-licensing would allow elimination of net debt during CY19
- Proactive approach at an attractive premium to recent trading
- Fair opportunity for all shareholders to participate on at least equal terms
- Address perceived financing overhang
- Further cost-cutting measures have been implemented to extend the cash runway



# Financial Overview – Post Recapitalisation

- Pro Forma \$27.4m Cash and cash equivalents as at 31 October 2018, assuming recapitalisation is fully subscribed
- Pro Forma Net Cash as at 31 October 2018 increased by (max) \$13.1m, providing enhanced flexibility to reduce or eliminate external debt in future
- October 2018 pro forma monthly pre-financing cash burn substantially reduced by
  - Monthly cost saving of personnel reductions (\$150k)
  - Monthly reduction in other expenditures (\$100k)
- BNC210 R&D cost savings from ceasing activities other than agitation (\$2m)

# Questions?