



ABN 53 075 582 740

ASX ANNOUNCEMENT
31 January 2019

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 announced the results of the Phase 2 Post Traumatic Stress Disorder (PTSD) trial which did not meet the primary endpoint of decrease in PTSD symptoms as measured by CAPS-5 at 12 weeks in a dose-response analysis.
- The company was recapitalised by a major US-based biotechnology investor and Bionomics' largest shareholder BVF Partners L.P. raising \$9.8m and Mr Mitchell Kaye was appointed to the Board. Retail Investors participated in a limited Share Purchase Plan.
- Leadership changes were effected with Dr Errol De Souza appointed Executive Chairman of Bionomics, Dr Deborah Rathjen resigning as Managing Director and leaving the Company on 31 January and Mr Stephen Birrell appointed interim CFO.
- Bionomics continued to assess the strategic options for partnering and portfolio prioritisation whilst protecting our major assets and conserving cash. Greenhill & Co was appointed to conduct a thorough and independent review of strategic options for the Company.
- Bionomics received a \$6,568,808 R&D Tax Incentive Refund for the 2017/2018 financial year.
- Bionomics received \$654,000 in licensing revenue from its successful participation in the Cancer Therapeutics CRC (CTx). The CTx has licensed two targets to Pfizer Inc under a potential US\$460M deal.

The Company is well funded as it progresses its BNC210 clinical trial for treatment of Agitation in Elderly Patients and advances other pre-clinical assets in its research pipeline.

- Cash balance at 31 December 2018 was \$27.35m (30 September 2018: \$16.67m) with net operating cash inflow during the quarter ended 31 December 2018 of \$1.84m.
- Cash receipts for the quarter ending 31 December 2018 included receipts from customers totalling \$2.66m (30 September 2018: \$2.19m).
- Cash outflow reflected reduced costs associated with completion of the Phase 2 clinical trial of BNC210 in PTSD and cost reductions implemented in FY2017.
- Administration, occupancy and compliance expenses decreased by 17% for the quarter ending 31 December 2018.

Whilst section 9 of the Appendix 4C shows the estimated cash outflows for the next quarter ending 31 March 2019, 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:

- Enrolment in the BNC210 Phase 2 Agitation in the Elderly clinical trial has slowed with the completion of patient treatment now projected for the first quarter and reporting of data in the second quarter of CY2019.
- Bionomics continues, in line with the BNC210 PTSD Phase 2 clinical trial's predetermined statistical analysis plan and as advised by the regulator at the time of IND submission, to analyse and improve its understanding of trial results in order to facilitate its partnering potential; further announcements will be made as data are available.
- Bionomics has identified a potential therapeutic candidate for the treatment of pain and continues a limited research investment to progress an additional early stage ion channel program targeting cognition to therapeutic candidate identification and partnering.
- Whilst the internal focus and current R&D spend is restricted to CNS programs, Bionomics continues limited activities to maximize the value of its legacy oncology programs through divestment and/or out-licensing both BNC101 and BNC105.
- Strategic review progress update will be provided in conjunction with the announcement of the BNC210 Phase 2 Agitation trial data in the second quarter of CY2019.

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), 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")

31 December 2018

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
1	Cash flows from operating activities		
1.1	Receipts from customers	2,668	4,861
1.2	Payments for		
	(a) research and development	(6,156)	(14,509)
	(b) product manufacturing and operating costs	-	-
	(c) advertising and marketing	-	-
	(d) leased assets	(18)	(46)
	(e) staff costs	(424)	(1,099)
	(f) administration and corporate costs	(749)	(1,648)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	127	169
1.5	Interest and other costs of finance paid	(640)	(1,171)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	7,036	7,036
1.8	Other (provide details if material)	-	-
1.9	Net cash from / (used in) operating activities	1,842	(6,409)
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 (6 months)
	\$A'000	\$A'000
3 Cash flows from financing activities		
3.1 Proceeds from issues of shares	10,100	10,100
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	(1,256)	(1,256)
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	8,843	8,843

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	16,673	24,930
4.2 Net cash from / (used in) operating activities (item 1.9 above)	1,842	(6,409)
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)	8,843	8,843
4.5 Effect of movement in exchange rates on cash held	(4)	(10)
4.6 Cash and cash equivalents at end of quarter	27,355	27,355

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	27,355	6,673
5.2 Call deposits	-	10,000
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)	27,355	16,673

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
255
-

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

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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**

**Amount drawn at
quarter end**

\$A'000

\$A'000

19,005

19,005

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

(5,677)

9.2 Product manufacturing and operating costs

-

9.3 Advertising and marketing

-

9.4 Leased assets

(39)

9.5 Staff costs

(544)

9.6 Administration and corporate costs

(628)

9.7 Other (provide details if material)

-

9.8 Total estimated cash outflows

(6,888)

**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:
(Company Secretary)

Date: 31/01/2019

Print name: Jack Moschakis

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.