



ABN 53 075 582 740

ASX ANNOUNCEMENT
31 October 2017

Quarterly Cashflow Report

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 Cashflow Report.

Bionomics has continued to progress its development pipeline of innovative therapies during the quarter.

BNC210 presentations in the quarter highlighted the ongoing Phase 2 trial of BNC210 in patients with Post-Traumatic Stress Disorder (PTSD) and data from the positive Phase 2 trial in patients with Generalised Anxiety Disorder (GAD), supporting its potential as a therapy for anxiety disorders, conditions with co-morbid anxiety and stress and trauma related disorders.

- On 3 September 2017, a Brainstorming session was held at the 30th ECNP Congress in Paris, France on the topic of the $\alpha 7$ nicotinic acetylcholine receptor ($\alpha 7$ nAChR) negative allosteric modulators as next generation anxiolytics. BNC210 featured as it is the first clinical example of an anxiolytic small molecule drug with this mechanism of action.
- On 11 September 2017, Bionomics presented a corporate overview at the Rodman & Renshaw Annual Healthcare Conference.
- On 12 October 2017, Bionomics presented a corporate overview at the ASX Spotlight Investor Conference in New York, USA. A copy of this presentation can be accessed on Bionomics' website, www.bionomics.com.au or by copying the following to your web browser: <http://www.bionomics.com.au/upload/investors/presentations/CORPORATE-PRESENTATION-Spotlight-October-2017-.pdf>.
- On 24 October 2017, Bionomics presented a corporate overview at Australia Biotech Invest in Melbourne, Australia.
- On 26 October 2017, Bionomics co-hosted its annual neuroscience symposium with Merck Sharp & Dohme. A live audio webcast can be accessed on Bionomics' website, www.bionomics.com.au or by copying the following to your web browser: <http://bionomics.streaming.net.au/>. An archived copy of the webcast will be available for 30 days after conclusion of this live event.

Whilst BNC210, Bionomics' proprietary ionX drug discovery platform and our important relationship with Merck & Co., (known as MSD outside the US and Canada) are the primary focus of the Company, Bionomics clinical stage oncology assets continued to make progress during the quarter, with BNC101 demonstrating co-localisation with its target LGR5 in patient tumour biopsy material and also providing first evidence confirming the mechanism of action of BNC101 in colon cancer patients.

- Gene expression changes within Wnt signalling, immuno-oncology and cell adhesion pathways relevant to the mechanism of action of BNC101 have been correlated with the level of LGR5 expression in patient biopsies.
- Bionomics has commenced discussions with potential partners to monetize "off strategy" clinical stage oncology assets.

Strong Cash Position.

- Cash balance at 30 September 2017 was \$38.111m (30 June 2017: \$42.875m) with net operating cash expended during the quarter ended 30 September 2017 of \$3.927m (30 June 2017: \$5.083m).
- Cash receipts for the year included receipts from customers totalling \$1.754m for the current quarter (30 June 2017: \$2.816m) which were lower due to timing of receipts.
- Cash outflow reflected continued investment in the ongoing Phase 2 clinical trial of BNC210 in PTSD.
- Whilst section 9 of the Appendix 4C shows the estimated cash outflows for the next quarter, 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.
- Bionomics expects to receive an R&D Tax Incentive refund of approximately \$6.8m in the next quarter.

Upcoming Clinical Milestones.

- BNC210 Phase 2 PTSD clinical trial, <https://restorerresearchstudy.com/> – Enrolment is ongoing. As anticipated, enrolment increased rapidly in the current quarter as all 20 US sites came online. Data from the clinical trial are anticipated early second half 2018. In parallel, Bionomics continues to progress potential partnership discussions.
- BNC101 Phase 1 clinical trial - is now fully recruited and initial pharmacodynamic marker data is now available as discussed above. The analysis of patient samples for biomarker evaluation is continuing.

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 humanised 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 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 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.

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 2017

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	1,754	1,754
1.2	Payments for		
	(a) research and development	(4,275)	(4,275)
	(b) product manufacturing and operating costs	-	-
	(c) advertising and marketing	-	-
	(d) leased assets	(82)	(82)
	(e) staff costs	(560)	(560)
	(f) administration and corporate costs	(534)	(534)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	190	190
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	(3,927)	(3,927)
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	(138)	(138)
3.4 Transaction costs related to issues of shares, convertible notes or options	-	-
3.5 Proceeds from borrowings	-	-
3.6 Repayment of borrowings	(627)	(627)
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	(765)	(765)

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	42,875	42,875
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(3,927)	(3,927)
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)	(765)	(765)
4.5 Effect of movement in exchange rates on cash held	(72)	(72)
4.6 Cash and cash equivalents at end of quarter	38,111	38,111

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	16,373	42,875
5.2 Call deposits	21,738	-
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)	38,111	42,875

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
231
-

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
19,659	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	(4,927)
9.2	Product manufacturing and operating costs	-
9.3	Advertising and marketing	-
9.4	Leased assets	(78)
9.5	Staff costs	(433)
9.6	Administration and corporate costs	(762)
9.7	Other (provide details if material)	-
9.8	Total estimated cash outflows	(6,200)

**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:
(Director/~~Company secretary~~)

Date: 31/10/2017

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.