

**ASX ANNOUNCEMENT**27 July 2017

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**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 data from the positive Phase 2 trial in patients with Generalized Anxiety Disorder (GAD), supporting its potential as a therapy for anxiety disorders, conditions with co-morbid anxiety and stress and trauma related disorders.**

- On 10 May 2017, Bionomics hosted a Key Opinion Leader (KOL) meeting in London focusing on BNC210 and its potential treatment of Post-Traumatic Stress Disorder (PTSD) and Generalized Anxiety Disorder (GAD). The event was attended by shareholders, potential investors, analysts and Pharma company representatives. It followed a similar event held in New York in March 2017.
- On 18 May 2017 a poster presentation at the Society of Biological Psychiatry Annual Convention in San Diego, highlighted expanded data from the positive BNC210 Phase 2 double-blinded, placebo controlled clinical trial in patients with GAD. The new data indicated that BNC210 treatment not only reduced bi-lateral reactivity in the amygdala (the brain's emotional centre) to fearful faces relative to placebo but also reduced anxiety associated connectivity between the amygdala and the anterior cingulate cortex. In anxiety states this circuit becomes permanently 'switched-on'.
- On 15 June 2017, Bionomics participated in the invitation only summit entitled "Pathophysiology of PTSD: Rethinking Drug Targets" hosted by the US Army Medical Research and Materiel Command in West Virginia. Bionomics was selected to participate in this summit by the committee of PTSD drug treatment stakeholders as Bionomics is considered to be a key subject matter expert.

**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 reaching an important Phase 1 milestone and new preclinical BNC101 data presented at the annual American Association for Cancer Research (AACR) conference.**

- The BNC101 Phase 1 clinical trial in patients with advanced, metastatic colon cancer reached its recommended Phase 2 dose level of 15mg/kg without evidence of dose limiting toxicities or other significant safety issues. With identification of the recommended Phase 2 dose level the Company initiated enrolment of the final expansion cohort of the study.

- On 3 April 2017 Bionomics presented preclinical BNC101 data at the annual AACR conference in Washington, DC which demonstrate complementary anti-tumour activity between BNC101 and checkpoint inhibitors.

### **Appointment of International Executive as Chief Financial Officer.**

- On 24 May 2017 Bionomics was very pleased to announce the appointment of Steve Lydeamore as its new Chief Financial Officer. Mr Lydeamore, who will commence in August 2017, is a Certified Practising Accountant and brings with him 25 years of domestic and international experience working in various finance, business development and management roles within the pharmaceutical industry.

### **Strong Cash Position.**

- Cash balance at 30 June 2017 was \$42.875m (31 March 2017: \$49.978m) with net operating cash expended during the quarter ended 30 June 2017 of \$5.083m and year-to-date of \$597k.
- Cash receipts for the year included an R&D tax incentive refund of \$8.029m received in October 2016, a \$13.024m Merck milestone payment in March 2017, as well as receipts from customers totalling \$2.813m for the current quarter.
- Cash outflow reflected increased investment in the ongoing Phase 2 clinical trial of BNC210 in PTSD and the ramping up of activities to facilitate the involvement of US clinical trial sites.
- 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.

### **Upcoming Clinical Milestones.**

- BNC210 Phase 2 PTSD clinical trial – Enrolment is ongoing. We anticipate that enrolment will increase rapidly in the current quarter as all 20 US sites come online. Data from the clinical trial are anticipated in mid-2018. In parallel, Bionomics continues to progress potential partnership discussions.
- BNC101 Phase 1 clinical trial - The analysis of patient samples for biomarker evaluation is ongoing. These data are anticipated to be reported, together with the completion of the expansion cohort, towards the end of the current quarter.

### **FOR FURTHER INFORMATION PLEASE CONTACT:**

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## 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 June 2017

<b>Consolidated statement of cash flows</b>	<b>Current quarter</b>	<b>Year to date (12 months)</b>
	<b>\$A'000</b>	<b>\$A'000</b>
<b>1 Cash flows from operating activities</b>		
1.1 Receipts from customers	2,816	24,168
1.2 Payments for		
(a) research and development	(6,861)	(28,227)
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	-	-
(d) leased assets	(103)	(419)
(e) staff costs	(442)	(1,767)
(f) administration and corporate costs	(467)	(1,868)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	412	1,181
1.5 Interest and other costs of finance paid	(438)	(1,694)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	8,029
1.8 Other (provide details if material)	-	-
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(5,083)</b>	<b>(597)</b>
<b>2 Cash flows from investing activities</b>		
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)	-	-
<b>2.6 Net cash from / (used in) investing activities</b>	<b>-</b>	<b>-</b>

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

<b>Consolidated statement of cash flows</b>	<b>Current quarter</b>	<b>Year to date (12 months)</b>
	<b>\$A'000</b>	<b>\$A'000</b>
<b>3 Cash flows from financing activities</b>		
3.1 Proceeds from issues of shares	-	-
3.2 Proceeds from issue of convertible notes	-	-
3.3 Proceeds from exercise of share options	19	144
3.4 Transaction costs related to issues of shares, convertible notes or options	-	-
3.5 Proceeds from borrowings	-	-
3.6 Repayment of borrowings	(2,110)	(2,110)
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (provide details if material)	-	-
<b>3.10 Net cash from / (used in) financing activities</b>	<b>(2,091)</b>	<b>(1,966)</b>

<b>4 Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1 Cash and cash equivalents at beginning of quarter/year to date	49,978	45,450
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(5,083)	(597)
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)	(2,091)	(1,966)
4.5 Effect of movement in exchange rates on cash held	71	(12)
<b>4.6 Cash and cash equivalents at end of quarter</b>	<b>42,875</b>	<b>42,875</b>

<b>5 Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter</b>	<b>Previous quarter</b>
	<b>\$A'000</b>	<b>\$A'000</b>
5.1 Bank balances	42,875	4,354
5.2 Call deposits		45,624
5.3 Bank overdrafts		
5.4 Other (provide details)		
<b>5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>42,875</b>	<b>49,978</b>

**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

<b>Current quarter</b>
<b>\$A'000</b>
231
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*Remuneration paid to Chief Executive Officer/Managing Director and Non-Executive Directors*

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

<b>7 Payments to related entities of the entity and their associates</b>	<b>Current quarter \$A'000</b>
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	

<b>8 Financing facilities available</b>	<b>Total facility amount at quarter end</b>	<b>Amount drawn at quarter end</b>
<i>Add notes as necessary for an understanding of the position</i>	<b>\$A'000</b>	<b>\$A'000</b>
8.1 Loan facilities	17,558	17,558
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.		
<i>Silicon Valley Bank US\$13.5m, interest 8.15%, secured by substantially all of the Group's assets, other than intellectual property. Loan is revalued into Australian dollars at the prevailing rate at each reporting period, 0.7644 at 31 March 2017 v 0.7689 at 30 June 2017</i>		

<b>9 Estimated cash outflows for next quarter</b>	<b>\$A'000</b>
9.1 Research and development	3,709
9.2 Product manufacturing and operating costs	-
9.3 Advertising and marketing	-
9.4 Leased assets	65
9.5 Staff costs	420
9.6 Administration and corporate costs	489
9.7 Other (provide details if material)	-
<b>9.8 Total estimated cash outflows</b>	<b>4,683</b>

<b>10 Acquisitions and disposals of business (items 2.1(b) and 2.2(b) above)</b>	<b>Acquisitions</b>	<b>Disposals</b>
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:  Date: 27-07-17  
.....  
(Director/Company secretary)

Print name: Deborah Rathjen  
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**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.

**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).

[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 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.