



ABN 53 075 582 740

ASX ANNOUNCEMENT

26 April 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 built a globally competitive business with integrated drug discovery and development expertise to support strategic partnerships and clinical development of its drug candidates.

On 3 February 2017, Bionomics announced the triggering of the first milestone in its ongoing collaboration with MSD (known as Merck & Co., Inc., Kenilworth NJ, USA in the US and Canada) to develop novel candidates for treatment of cognitive dysfunction associated with Alzheimer's disease. As part of a research collaboration and license agreement announced in June 2014, the first administration of a candidate therapy in a clinical trial triggered a US\$10 million milestone payment to Bionomics, which was received during the quarter ended 31 March 2017, net of royalty withholding taxes. Under the 2014 agreement, MSD funds all early-stage and clinical development of any candidate within the collaboration and is responsible for worldwide commercialization.

The cash balance at 31 March 2017 was \$49.978m (31 December 2016: \$43.122m). The net operating cash generated during the quarter ended 31 March 2017 was \$6.934m and year-to-date \$4.485m. Cash receipts included an R&D tax incentive refund of \$8.029m received in October 2016 and other receipts from customers totaling \$21.353m for the period. Other receipts from customers include the contract services revenue of the business units in France. 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 continues to execute its research and development programs in line with its strategic objectives. Bionomics lead candidate BNC210 is currently in a Phase 2 clinical trial in Post-Traumatic Stress Disorder (PTSD). The BNC101 Phase 1 clinical trial in colon cancer is anticipated to provide data readouts in Q3 of calendar year 2017. In February 2017, Bionomics announced a new BNC105 clinical trial in combination with Keytruda to be conducted by the Peter MacCallum Cancer Centre, in a collaboration with the Olivia Newton-John Cancer Wellness & Research Centre, with funding by the Victorian Government through the Victoria Cancer Agency. Bionomics will continue to invest in its pipeline programs, positioning them for partnering at the appropriate time, in line with its business strategy.

FOR FURTHER INFORMATION PLEASE CONTACT:

Australia

Bionomics
Deborah Rathjen
+61 8 8354 6101
drathjen@bionomics.com.au

Monsoon Communications
Rudi Michelson
+61 3 9620 3333
rudim@monsoon.com.au

US

Stern IR, Inc.
Beth Del Giacco
+1 212 362 1200
beth@sternir.com

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) in pain and cognition.

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.

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 announcement.

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 March 2017

Consolidated statement of cash flows	Current quarter	Year to date (9 months)
	\$A'000	\$A'000
1 Cash flows from operating activities		
1.1 Receipts from customers	14,606	21,353
1.2 Payments for		
(a) research and development	(6,452)	(21,369)
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	-	-
(d) leased assets	(102)	(315)
(e) staff costs	(415)	(1,325)
(f) administration and corporate costs	(419)	(1,401)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	139	769
1.5 Interest and other costs of finance paid	(423)	(1,256)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	8,029
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	6,934	4,485
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 (9 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	1	125
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	1	125

4 Net increase / (decrease) in cash and cash equivalents		
4.1 Cash and cash equivalents at beginning of quarter/year to date	43,122	45,450
4.2 Net cash from / (used in) operating activities (item 1.9 above)	6,934	4,485
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)	1	125
4.5 Effect of movement in exchange rates on cash held	(79)	(82)
4.6 Cash and cash equivalents at end of quarter	49,978	49,978

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	4,354	29,688
5.2 Call deposits	45,624	13,434
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)	49,978	43,122

6 Payments to directors of the entity and their associates

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	

Current quarter
\$A'000
231
-

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

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

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 \$A'000	Amount drawn at quarter end \$A'000
<i>Add notes as necessary for an understanding of the position</i>		
8.1 Loan facilities	19,623	19,623
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\$15m, 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, 0.7236 at 31 December 2016 (A\$20.730m) v 0.7644 at 31 March 2017.</i>		

9 Estimated cash outflows for next quarter	\$A'000
9.1 Research and development	9,025
9.2 Product manufacturing and operating costs	-
9.3 Advertising and marketing	-
9.4 Leased assets	107
9.5 Staff costs	420
9.6 Administration and corporate costs	420
9.7 Other (provide details if material)	-
9.8 Total estimated cash outflows	9,972

10 Acquisitions and disposals of business (items 2.1(b) and 2.2(b) above)	Acquisitions	Disposals
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: 26-Apr-2017
(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.