



ABN 53 075 582 740

ASX ANNOUNCEMENT

9 June 2011

MERCK SERONO EXTENDS MULTIPLE SCLEROSIS COLLABORATION WITH BIONOMICS

- Research term extended, signalling progress in multiple sclerosis program
- Collaboration uses Bionomics' proprietary chemistry platform MultiCore® and ion channel drug discovery expertise
- Further extensions of Development and License Agreement possible beyond June 2012

9 June 2011; Adelaide, Australia: The Bionomics Limited (ASX: BNO) multiple sclerosis (MS) drug research program has been extended by at least another year with its collaboration partner Merck Serono, a division of Merck KGaA, Darmstadt, Germany.

Under the terms of the amendment to the 2008 Development and License Agreement the Initial Research Term is extended for a further year. Merck Serono and Bionomics also recognise that further extensions of the collaboration may occur beyond 13 June 2012.

Merck Serono is actively developing potential new treatments for MS and other autoimmune conditions based on compounds from the Bionomics Kv1.3 program. The R&D collaboration brings together Bionomics' expertise in Kv1.3 biology and Merck Serono's expertise in MS pharmacology, clinical development and commercialization.

Dr Deborah Rathjen CEO & Managing Director of Bionomics said the collaboration has been working well. "The extension is a clear signal of progress towards a potential new treatment for multiple sclerosis. Merck Serono is a world leader and pioneer in treatments for MS and we are pleased that our collaboration with Merck Serono continues to grow."

Under the 2008 agreement, Bionomics received an upfront payment of US\$2 million and committed research funding that has now been extended under the current amendment. Merck Serono will fund all development, including clinical development of drug candidates. For each compound that is successfully developed and commercialized as a result of the partnership, Bionomics may receive milestone payments of up to US\$47 million and will be eligible to receive undisclosed royalties on the net sales of licensed products.

The compounds licensed from Bionomics by Merck Serono target the potassium ion channel Kv1.3, a key modulator of the immune system and a target found on human immune cells which are associated with nerve cell damage in patients with MS. Inhibitors of Kv1.3 have been shown to inhibit the proliferation of these immune cells, suggesting they have application in the treatment of MS and potentially other autoimmune conditions, including arthritis.

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About Bionomics Limited

Bionomics (ASX: BNO) is a leading international biotechnology company which discovers and develops innovative therapeutics for cancer and diseases of the central nervous system. Bionomics has small molecule product development programs in the areas of cancer, anxiety, epilepsy and multiple sclerosis. BNC105, which is undergoing clinical development for the treatment of cancer, is based upon the identification of a novel compound that potently and selectively restricts blood flow within tumours. A clinical program is also underway for the treatment of anxiety disorders and depression based on BNC210 which has recently completed Phase Ib clinical trials. Both compounds offer blockbuster potential if successfully developed.

Bionomics' discovery and development activities are driven by its three technology platforms: Angene®, a drug discovery platform which incorporates a variety of genomics tools to identify and validate novel angiogenesis targets (involved in the formation of new blood vessels). MultiCore® is Bionomics' proprietary, diversity orientated chemistry platform for the discovery of small molecule drugs. ionX® is a set of novel technologies for the identification of drugs targeting ion channels for diseases of the central nervous system. These platforms underpin Bionomics' established business strategy and Bionomics is committed to securing partners for its key compounds.

For more information about Bionomics, visit 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 press release that relate to prospective events or developments 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 risks related to the clinical evaluation of either BNC105 or BNC210, our available funds or existing funding arrangements, a downturn in our customers' markets, our failure to introduce new products or technologies in a timely manner, regulatory changes, risks related to our international operations, our inability to integrate acquired businesses and technologies into our existing business and to our competitive advantages, as well as other factors. 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 press release.