



ABN 53 075 582 740

BIONOMICS LIMITED

ASX Results Announcement, Directors' Report and Financial Statements – 30 June 2012

Lodged with the ASX under Listing Rule 4.3A

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BIONOMICS LIMITED

Year ended 30 June 2012

(previous corresponding period: year ended 30 June 2011)

Results for Announcement to the Market

					\$
Cash and cash equivalents as at 30 June 2012					
from 30 June 2011	increased by	8.0%	to		17,336,609
Net operating and investing cash inflows for the period	increased by	132.9%	to		2,848,681
Revenue from ordinary activities	increased by	67.9%	to		6,834,709
Loss from ordinary activities after tax attributable to members	decreased by	66.5%	to		3,136,238

NTA Backing

	<u>2012</u>	<u>2011</u>
Net tangible asset backing per ordinary share	5.0 cents	5.7 cents

Explanation of cash and cash equivalents position as at 30 June 2012:

Closing cash and cash equivalents position includes the impact of the cash inflow from the upfront payment from Ironwood in January 2012 upon the licensing of BNC210, and ongoing collaboration income. Net proceeds of the sale of the building settled in July 2011 are included.

Explanation of net increase in operating and investing cash inflows:

The net increase in cash inflows relative to the previous year reflects the licensing of BNC210 in January 2012. Core R&D expenditure decreased relative to the prior year due to conducting clinical trials in BNC105 only, compared to trials in both BNC210 and BNC105 in the prior year.

Explanation of revenue from ordinary activities:

Revenue consists of R&D payments under Bionomics' development agreement with Merck Serono and Ironwood, royalties on licensed epilepsy diagnostic tests, contract service revenue of Bionomics' wholly-owned European subsidiary Neurofit SAS, rental income and interest income received as a result of our ordinary activities. Government grants and government assistance are separately classified under other income. The increase in revenue is mainly as a result of the Ironwood agreement.

Explanation of net loss from ordinary activities after tax:

Refer attached Directors' Report and audited Financial Statements.

Dividends/Distributions

Bionomics Limited does not propose to pay any dividend for the year ended 30 June 2012.



ASX ANNOUNCEMENT
15 August 2012

BIONOMICS REPORTS FULL YEAR FINANCIAL RESULTS

Adelaide, Australia: Bionomics Limited (ASX:BNO) (ADR:BMICY) today announced its financial results for the 12 months to 30 June 2012.

Key points – financial

- Cash at 30 June 2012 was \$17,336,609 an increase of \$1,295,205 over the 1 July 2011 balance.
- Revenue for the period excluding other income was \$6,834,709, compared with \$4,071,798 for the period to 30 June 2011.
- The operating loss after tax of the Group for the period was \$3,136,238 which was in line with expectations and reflects the Company's continued investment in research and development.

Corporate and R&D Highlights

BNC105 clinical development program

Bionomics' highly selective and potent BNC105 vascular disrupting agent (VDA) for the treatment of solid tumours reached key milestones.

- Completion of the Phase I component of the ongoing Phase II US renal cancer trial confirmed the compatibility of the BNC105/Afinitor combination:
 - o BNC105 represents a potential paradigm shift in the treatment of renal cancer
 - o 12 patients were enrolled in the Phase I component with a number of patients having received over 10 cycles of treatment with the BNC105/Afinitor combination.
 - o The results support the use of Afinitor and BNC105 at their full dose levels.
 - o Analysis of drug levels indicated no interaction between BNC105 and Afinitor, confirming the compatibility of the drug combination.
- Phase II clinical data on BNC105 in patients with mesothelioma provided valuable data supporting the therapeutic window of BNC105:
 - o Patients with malignant pleural mesothelioma with relapse following prior chemotherapy with cisplatin and Alimta were treated with BNC105
 - o 30 patients were enrolled and treated with BNC105
 - o Overall clinical benefit observed in the trial was 43.3% (13 patients with stable disease or better).
- Plans were advanced for the clinical evaluation of BNC105 in women with ovarian cancer and a randomised multicentre trial commenced in Australia and the US.

BNC210: a novel compound with potential for the treatment of anxiety disorders

- Anti-anxiety compound BNC210 was the subject of important international conferences in the first half of the year including two poster presentations in September at the 24th annual European College of Neuropsychopharmacology (ECNP) conference in Paris. Also, the BNC210 trial results reported in March 2011 were presented at the annual Society For Neuroscience conference, *Neuroscience 2011*, in Washington DC in November.
- The biggest news for Bionomics for the year was January's announced collaboration, research and licensing agreement with US-based Ironwood Pharmaceuticals Inc in which Ironwood took over the responsibility to fund, develop and commercialise BNC210 and related compounds.

The agreement outlines that both companies will collaborate on initial research and Ironwood will be responsible for funding all research and development, including all future clinical trials, and commercialisation of all products based on BNC210. Under the agreement Bionomics could receive up to US\$345 million in upfront and milestone payments and research funding, as well as royalties on sales of BNC210 and related products. Over the first 24 months Bionomics may receive up to US\$13 million in research funding and milestone payments including an initial payment of US\$3 million.

Alpha 7 Program: improvement of memory in neurodegenerative and other conditions

- Over the period Bionomics increased the resource allocation to the discovery of a well differentiated drug candidate targeting the Alpha 7 nicotinic acetylcholine receptor.
- Bionomics is on track to select a compound for clinical development.
- During the period a patent application covering compounds for the improvement of memory in Alzheimer's disease and other neurodegenerative conditions entered the international phase. Two other patent applications covering prospective drug candidates were subsequently filed.
- Compounds that modulate the function of the Alpha 7 receptor have potential utility in the treatment of Alzheimer's disease, Schizophrenia, Hyperactivity Disorder (ADHD) as well as Multiple Sclerosis and mood and anxiety disorders.

Kv1.3 program: targeting the significant immunomodulators market

- In June Bionomics announced that it had terminated its agreement with Merck Serono and as a consequence Bionomics assumed sole commercial rights to the intellectual property generated during the collaboration, including advanced drug candidates
- Bionomics has an active business development program which is seeking new partnership opportunities for the Kv1.3 drug candidates to fully exploit their broad commercial opportunity.
- The global market for immunomodulator drugs is estimated at US\$46.8 billion p.a.

Outlook

Bionomics is in a sound financial position and well placed to continue to execute its clinical trials, R&D and business strategy. Bionomics continues to seek opportunities to expand its reach into key markets, in particular the US.

It is anticipated that a number of important R&D milestones will be achieved in FY13 including:

- Completion of enrolment in the Phase I component of the BNC105 ovarian cancer trial and completion of enrolment in the BNC105 renal cancer trial.
- Identification of an Alzheimer's disease drug candidate for clinical development.
- Progress, in collaboration with the CRC for Cancer Therapeutics, in the cancer kinase program with the identification of a novel drug candidate for clinical development.

In addition, funded by our partner Ironwood, BNC210 (IW2143) is anticipated to make important progress in clinical development. Based on clinical progress, Bionomics expects to qualify for certain milestone payments.

Our licensing strategy for both the Alpha 7 and Kv1.3 programs is being implemented and Bionomics has a number of active discussions in progress.

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About Bionomics Limited

Bionomics (ASX: BNO) (ADR: BMICY) 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, Alzheimers Disease, 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. Bionomics' partner Ironwood Pharmaceuticals is developing BNC210 which exhibits anxiolytic activity without side effects associated with benzodiazepines, a drug class used to treat anxiety, in preclinical models. 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.

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, our partnership with Ironwood, 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.