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**ASX ANNOUNCEMENT
15 January 2013**

BIONOMICS R&D TAX INCENTIVE FOR FY2012

Bionomics Limited (ASX: BNO) (ADR: BMICY) has lodged its FY2012 tax return and registered with AusIndustry (on behalf of Innovation Australia) for the Australian R&D tax incentive. Bionomics anticipates that it will receive a R&D tax incentive cash refund of \$4.2 million for R&D expenses incurred in FY2012.

Further in 2012, Bionomics made submissions for advance findings for overseas expenditure to be eligible for the 45% R&D tax incentive. Bionomics has now received favourable findings from AusIndustry in relation to this overseas expenditure. The advance findings, for \$8.9 million in overseas expenditure over the 3 year period from 1 July 2011, are in relation to investment in BNC105 cancer drug clinical trials being conducted in Australia, USA, Singapore and New Zealand and to R&D activities associated with its Alzheimers disease drug candidate BNC375.

Bionomics had previously reported in its 2012 Annual Report an estimated R&D tax incentive refund of \$3.1 million for the year.

"Funds from the R&D tax incentive are welcome as they enable Bionomics to undertake the development of its innovative drug candidates in cancer and Alzheimer's disease internationally with great efficiency, enhancing our global competitiveness" commented Dr Deborah Rathjen, Bionomics' CEO and MD.

Bionomics anticipates that further submissions will be made in FY2013 covering overseas investments in R&D across the Company's entire portfolio of drug candidates including BNC101 that targets cancer stem cells in solid tumours such as breast, colon and pancreatic cancers and which is being prepared for clinical trials in 2014.

FOR FURTHER INFORMATION PLEASE CONTACT:

Bionomics Limited

Dr Deborah Rathjen
CEO & Managing Director
+618 8354 6101 /
0418 160 425
drathjen@bionomics.com.au

Monsoon Communications

Rudi Michelson
+613 9620 3333
rudim@monsoon.com.au

The Trout Group

Lauren Glaser
+1 646 378 2972
lglaser@troutgroup.com

About Bionomics Limited

Bionomics (ASX: BNO) is an Australian based 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, memory loss and autoimmune disorders, several of which are in or approaching clinical development stage. Its oncology approach includes cancer stem cell therapeutics as well as vascular disruption in solid tumours.

BNC105, which is undergoing Phase II clinical development for the treatment in a range of solid tumour types, is based upon the identification of a novel compound that potently and selectively restricts blood flow within tumours. BNC105 offers blockbuster potential if successfully developed. A clinical program is also underway for the treatment of anxiety disorders and depression based on IW-2143(BNC210), a novel compound which stimulates neurite outgrowth. IW-2143 is partnered with Ironwood Pharmaceuticals.

Bionomics' discovery and development activities are driven by its four proprietary 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®, a diversity orientated chemistry platform for the discovery of small molecule drugs; ionX®, a set of novel technologies for the identification of drugs targeting ion channels for diseases of the central nervous system; and CSC Rx Discovery™, which identifies antibody and small molecule therapeutics that inhibit the growth of cancer stem cells. These platforms drive Bionomics' pipeline and underpin its established business strategy of securing partners for its key compounds.

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 presentation that relate to prospective events or developments, including, without limitation, statements made regarding Bionomics' development candidates BNC105, IW-2143(BNC210), our acquisition of Eclipse Therapeutics and ability to develop products from their platform, its licensing deal with Ironwood Pharmaceuticals, drug discovery programs and pending patent applications 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 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, Ironwood's decisions to continue or not continue development of IW-2143, 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. Results of studies performed on competitors products 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 presentation.