



ABN 53 075 582 740

BIONOMICS LIMITED

ASX Results Announcement, Directors' Report and Financial Statements – 30 June 2013

Lodged with the ASX under Listing Rule 4.3A

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BIONOMICS LIMITED

Year ended 30 June 2013

(previous corresponding period: year ended 30 June 2012)

Results for Announcement to the Market

				\$
Cash and cash equivalents as at 30 June 2013				
from 30 June 2012	increased by	30%	to	22,452,089
Net operating and investing cash inflows for the period	decreased by	277%	to	10,739,368
Net operating and investing cash inflows for the period (excluding one-off acquisition costs in current year & sale of building in previous year)	decreased by	151%	to	8,897,851
Revenue from ordinary activities	increased by	19%	to	11,825,956
Loss from ordinary activities after tax attributable to members	increased by	219%	to	10,001,350

NTA Backing

	<u>2013</u>	<u>2012</u>
Net tangible asset backing per ordinary share	5.9 cents	5.0 cents

Explanation of cash and cash equivalents position as at 30 June 2013:

The closing cash and cash equivalents position has been positively impacted by the net cash inflow of \$15.6m from the Non-Renounceable Rights Issue in April 2013.

Explanation of net movement in operating and investing cash inflows:

The previous year net movement includes the proceeds from the sale of the building of \$6.4m. The net decrease in cash inflows is due to the acquisition of Eclipse Therapeutics, Inc, with one-off payments of approximately \$1.2m and increase in core R&D expenditure on the Company's clinical program BNC105 and progression of the BNC101 cancer stem cell program.

Explanation of revenue from ordinary activities:

Revenue consists of R&D payments under Bionomics' development agreement with Ironwood, contract service revenue of Bionomics' wholly-owned European subsidiary Neurofit SAS, rental and interest income received as a result of ordinary activities and other income including government grants and assistance.

Explanation of net loss from ordinary activities after tax:

The Company incurred one-off operating costs associated with the acquisition and R&D costs have increased reflecting investment in BNC105 and BNC101. For further detail, refer to the attached Directors' Report and audited Financial Statements.

Dividends/Distributions

Bionomics Limited does not propose to pay any dividend for the year ended 30 June 2013.



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ASX ANNOUNCEMENT
15 August 2013

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 2013.

Key Points – Financial

- Cash at 30 June 2013 was \$22,452,089, an increase of \$5,115,480 over the 30 June 2012 balance.
- Revenue for the period was \$11,825,956, compared with \$9,937,546 for the period to 30 June 2012.
- The operating loss after tax of the Group for the period was \$10,001,350 which was in line with expectations and reflects the Company's continued investment in research and development.

Corporate and R&D Highlights

Bionomics' strategy to leverage core strengths in solid tumour oncology, central nervous system and immune disease therapies is delivering a valuable portfolio of drug candidates that target multi-billion dollar market opportunities across those therapeutic areas.

During the year Bionomics added to that portfolio, organically via its proprietary drug discovery platforms and development capability as well as by the acquisition of a pipeline of complementary oncology assets, through the acquisition of US-based Eclipse Therapeutics.

Particular highlights for FY13 included:

Oncology Pipeline

1. Vascular disrupting agent BNC105 reached clinical trial enrolment targets and is nearing key partnering phase:
 - Recruitment completed in a multinational, multi-centre Phase I/II clinical trial of BNC105 in combination with everolimus (Afinitor) in patients with progressive metastatic renal cell carcinoma that have previously progressed on treatment with tyrosine kinase inhibitors (DisruptOR-1 Trial). Afinitor, approved by the FDA for the treatment of renal cancer in 2009 and marketed by global pharmaceutical company Novartis, reported sales of US\$700 million in 2012.
 - Updated Phase I results of the DisruptOR-1 trial reported at ASCO were indicative of clinical benefit and sustained therapy, with patients staying on therapy for up to 18 months. The combination of BNC105 and Afinitor is well tolerated with no dose limiting toxicities or evidence of cumulative toxicity. Eight of the 12 patients achieved disease stabilization. The median treatment period across these 8 patients was 11 cycles. Dose related changes in biomarkers indicative of vascular response suggest that BNC105 reaches plasma levels of pharmacological significance.
 - Recruitment in an ovarian cancer Phase I clinical trial was also completed.

2. Successful acquisition of Biogen-Idec spin-out, Eclipse Therapeutics:
 - Acquisition provides Bionomics with world-class cancer stem cell technology and antibody drug candidates in addition to an important strategic base in the US, the world's largest pharmaceutical market.
 - Cancer stem cell targeting antibody BNC101 has been advanced into IND enabling studies reflecting good progress since the acquisition towards the goal of initiating human clinical trials in 2014.
3. Collaboration with the CRC for Cancer Therapeutics yielded first potential drug candidate for the treatment of melanoma and breast cancer:
 - CTx-0357927, a compound from the collaborative program, has suppressed cancer progression as indicated by tumour growth inhibition and number of identified metastases in an animal model of melanoma. This model of human melanoma forms primary melanoma lesions that metastasize to the regional lymph nodes and enables the evaluation of a compound's ability to suppress both primary tumour growth and lymph node metastasis.

Central Nervous System Pipeline

4. Ironwood partnership progressed BNC210:
 - IND application for IW-2143 (BNC210) submitted to the FDA and subsequently a US Phase I clinical trial was commenced by Ironwood. A US\$2million milestone payment to Bionomics by Ironwood could be triggered through progression of the Phase I program.
5. BNC375 drug candidate identified from Alpha 7 program; leveraging Pharma interest in Alzheimers Disease:
 - BNC375 is a potential treatment for cognitive impairment in Alzheimers disease, Parkinson's disease and other conditions where memory loss occurs.
 - Data presented at international and Australian scientific conferences demonstrates potency of BNC375 in restoring memory in the absence of side-effects in preclinical models. The animal model data indicates that BNC375 enhances both episodic memory and working memory and that it has equivalent performance compared to Donepezil, a Pfizer product marketed as Aricept with reported US\$2.5 billion sales in 2011.
 - In 2010 the estimated worldwide costs of dementia, including direct and indirect costs of care, was US\$604 billion with an estimated 35.6 million people worldwide affected by dementia. This is expected to double every 20 years reaching 65.7 million in 2030 and 115.4 million in 2050. In the US alone an estimated 5.3 million people have Alzheimer's disease including 14% of people over 71 years of age. (Source: *Business Insights, May 2011, Advances in Alzheimer's Disease Drug Discovery: Innovations, challenges, and future directions*)
6. Partnership with Merck on pain program announced on 31 July 2013:
 - Bionomics may earn up to US\$172 million in option fees and clinical and development milestones plus royalties on product sales.
 - With this latest partnership Bionomics is continuing to deliver on its business model of strategic partnering for the development and commercialisation of selected programs within its pipeline.
 - The global pain treatment market recorded sales of US\$22 billion in 2010. However, as patent expiries loom, the global market value is anticipated by some analysts to contract to US\$18.7 billion by 2016. Within the global pain market the neuropathic pain market is expected to grow from US\$2.4 billion in 2010 to reach US\$3.6 billion by 2020. (Source: *The Pain Outlook to 2013, Scrip Business Insights 2011*)

Immune Diseases Pipeline

7. Kv1.3 program driving towards partnership
- Data package expanded beyond Multiple Sclerosis to capture the broader market opportunity for immunomodulators (estimated at US\$46.8 billion in 2010). (Source: *The Immunomodulators Market Outlook to 2016, Scripps Business Insights*)
 - Intellectual property position on key compounds strengthened, including drug candidate BNC164.

Outlook

It is anticipated that a number of important R&D milestones will be achieved in FY14 including release of the Phase II results of the clinical trial of BNC105 in metastatic renal cancer, a key ingredient in our partnership strategy for this drug candidate, and the progression of the cancer stem targeting antibody BNC101 towards its first clinical trial in cancer patients. Bionomics will continue to focus on the execution of its partnership strategy across its pipeline of drug candidates with BNC375, for the treatment of cognitive impairment in Alzheimers disease and Parkinson's disease, and BNC164 from the Kv1.3 autoimmune diseases program, the subject of ongoing discussions.

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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, central nervous system and immune diseases. Bionomics has small molecule product development programs in the areas of cancer, anxiety, Alzheimers Disease, pain, 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 (IW-2143) 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. The CSCRx platform is utilized in the discovery and characterisation of compounds which target cancer stem cells.

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 announcement that relate to prospective events or developments, including, without limitation, statements made regarding Bionomics' development candidates BNC105, IW-2143 (BNC210), BNC101 and BNC375, 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 announcement.