ABN 53 075 582 740

BIONOMICS LIMITED

ASX Results Announcement, Directors' Report and Financial Statements – 30 June 2018

Lodged with the ASX under Listing Rule 4.3A

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BIONOMICS LIMTED
Year ended 30 June 2018
(previous corresponding period: year ended 30 June 2017)

Results for Announcement to the Market

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Cash and cash equivalents as at 30 June 2018 from 30 June 2017	decreased by	41.85%	to	24,930,461
Net operating and investing cash outflows for the period	increased by	4093%%	to	20,371,547
Revenue from ordinary activities	decreased by	78.75%	to	3,953,990
Revenue and other income	decreased by	55.91%	to	12,456,446
Loss from ordinary activities after tax attributable to members	increased by	258.17%	to	24,583,423

NTA Backing

	2018	**2017**
Net tangible asset backing per ordinary share	1.99 cents	6.9 cents

Explanation of cash and cash equivalents position as at 30 June 2018:
The closing cash and cash equivalents position is in line with expectations and reflects the Company's continued investment research and development.

Explanation of net movement in operating and investing cash outflows:
The net movement reflects investment in the ongoing Phase 2 clinical trial of BNC210 in PTSD, initiation of the Phase 2 clinical trial of BNC210 in Agitation and the continued development of the product pipeline. Receipts from customers include contract services, and sales of libraries by our wholly-owned subsidiaries Neurofit and Prestwick.

Explanation of revenue from ordinary activities:
Revenue consists of payments under Bionomics' agreement with MSD, contract service revenue of Bionomics' wholly-owned subsidiaries Neurofit and Prestwick, rental and interest income received as a result of ordinary activities and other income including the government's R&D Tax Incentive in Australia and similar incentives for the subsidiaries.

Explanation of net profit from ordinary activities after tax:
The increased current year loss reflects the Company's investment in research and development activities and no licensing income in 2018 compared with licensing income of $13,073,615 in 2017. Bionomics continues to focus on cost efficiency in supporting activities, conserving cash for research and development. Administration, occupancy and compliance expenses decreased by 9% last financial year with an additional reduction of 18% in the current financial year.

Dividends/Distributions
Bionomics Limited does not propose to pay any dividend for the year ended 30 June 2018.

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ASX ANNOUNCEMENT
16 August 2018

BIONOMICS REPORTS FULL YEAR FINANCIAL RESULTS

Adelaide, Australia: Bionomics Limited (ASX:BNO, OTCQX:BNOEF), today announced its financial results for the 12 months to 30 June 2018.

Clinical Development and Operational Highlights

- BNC210 made strong progress in the clinic with completion of recruitment of a Phase 2 clinical trial in a Post-Traumatic Stress Disorder (PTSD) patient population reported in April 2018. As announced in July 2018, all patients have now completed treatment on time and on budget, and data from the trial is anticipated in late Q3, CY2018. The trial recruited 193 patients from 26 trial sites across Australia and the United States.
- In May 2018 Bionomics announced that a Phase 2 clinical trial of BNC210 had commenced in elderly patients with agitation in the hospital setting. Agitated behavioural disturbance in elderly patients is a major unmet clinical problem, occurring acutely in hospitalised patients and chronically in nursing home residents. Whilst there are no approved treatments for agitation, current options include benzodiazepines and antipsychotics which can have severe adverse effects in elderly patients including sedation, stroke and sudden death, and hence their use is heavily restricted. The trial is recruiting approximately 40 elderly patients in specialist geriatric hospital wards across Australia and results are anticipated to be available in Q1, CY2019.
- Bionomics hosted two Key Opinion Leader events focused on the potential of BNC210 to treat PTSD, in New York on April 13, 2018 and in London on April 17, 2018.
- Bionomics successfully completed its collaborative research activities with MSD (known as Merck & Co., Inc., Kenilworth NJ, USA in the US and Canada) and MSD is continuing clinical development of a therapeutic candidate for the treatment of cognitive dysfunction, currently in Phase 1. Bionomics previously received US$20 million in an upfront payment and a US$10 million payment on initiation of Phase 1 clinical trials by MSD, in addition to research payments. Bionomics is eligible to receive up to an additional US$465 million for MSD reaching pre-defined research and clinical development milestones. In addition, our agreement includes eventual undisclosed royalties on licensed product sales.
- Bionomics and MSD co-hosted for the 5th year an annual neuroscience symposium in Adelaide on October 26, 2017. The one-day event, entitled The Frontiers of Neuroscience: Feelings & Forgetting, featured presentations from world-renowned industry and clinical experts. The purpose of this event continues to focus on the importance of finding suitable treatment options for cognitive conditions and keeping participants informed of the latest advances in neuroscience research. The 6th annual symposium will again be held in October 2018 in Adelaide.

- In FY18 the decision was made to divest our clinical stage oncology drugs BNC105 and BNC101. BNC101 and BNC105 are undergoing a formal monetisation process.
- On October 31, 2017 Bionomics announced that the BNC101 Phase 1 clinical trial in patients with metastatic colon cancer was fully recruited. BNC101 is an anti-LGR5 humanised monoclonal antibody being developed to treat solid cancers. It aims to prevent or delay tumour recurrence by targeting LGR5, a cancer stem cell marker that is over-expressed in metastatic colorectal cancers and other solid tumour types. LGR5 is also thought to regulate cancer cell adhesion. Bionomics was also able to indicate that the recommended Phase 2 dose level of 15 mg/kg was confirmed.
- Other new data delivered during the period from both clinical stage oncology programs provided evidence supportive of the divestment process, with results presented to the American Association for Cancer Research (AACR) in Chicago on 16 and 17 April 2018. In the case of BNC101, Bionomics reported evidence of target engagement and pharmacodynamic markers of activity in patients enrolled in the Phase 1 clinical trial. New preclinical data generated through a grant funded collaboration with scientists at the University of South Australia demonstrate that BNC105 is more potent than competing products in development, for the treatment of acute myeloid leukaemia a potential new indication for BNC105.

Key Points – Financial

- Cash at 30 June 2018 was $24,930,461, a decrease of $17,943,195 over the 30 June 2017 balance.
- Revenue and other income for the period was $12,456,446, compared with $28,251,857 for the period to 30 June 2017
- The increased operating loss after tax of the Group for the period was $24,583,423 and reflects the Company's continued execution of its business plan.
- Net operating and investments cash outflow increased to $20,371,547 reflecting investment in the ongoing Phase 2 clinical trial of BNC210 in PTSD, initiation of the Phase 2 clinical trial of BNC210 in Agitation and the continued development of the product pipeline with preclinical programs targeting pain, cognition, depression, PTSD and epilepsy.
- Bionomics continues to focus on cost efficiency in supporting activities, conserving cash for research and development. Administration, occupancy and compliance expenses decreased by 9% last financial year with an additional reduction of 18% in the current financial year.

Outlook

Bionomics continues to progress its development of BNC210 in PTSD and Agitation, and to focus on its important relationship with MSD. Anticipated forthcoming milestones include:

- BNC210 Phase 2 PTSD clinical trial data are anticipated in late third quarter CY2018.
- BNC210 Phase 2 Agitation in the hospitalised elderly clinical trial data are anticipated in the first quarter of CY2019.
- In addition to evaluating BNC210 partnering, we continue to evaluate opportunities to broaden the development of BNC210.
- Bionomics has an ongoing process to monetise its oncology programs, BNC101 and BNC105, as the company completes its transition to a focused Central Nervous System (CNS) disorders company.
- Bionomics also continues to progress a number of early stage ion channel programs targeting pain, depression, cognition, PTSD and epilepsy, with

identification of a potential therapeutic candidate anticipated in the second half of CY2018.

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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. Bionomics' lead drug candidate BNC210, currently in Phase 2 for the treatment of agitation and for post-traumatic stress disorder, is a novel, proprietary negative allosteric modulator of the alpha-7 (α7) nicotinic acetylcholine receptor. Beyond BNC210, Bionomics has a strategic partnership with Merck & Co., Inc (known as MSD outside the United States and Canada).

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, BNC101 and BNC105), 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.