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ASX ANNOUNCEMENT
14 November 2018

FUND RAISING UPDATE

Bionomics Limited (ASX: BNO, OTCQX:BNOEF), a global, clinical stage biopharmaceutical company, today announced the outcome of the Recapitalisation process first announced on 9 November 2018.

BVF Placement

As previously announced, BVF Partners, LP and associates ("BVF") agreed to acquire ~48 million new Bionomics shares representing c.10% of Bionomics' previous issued capital at \$0.1637 per share to raise \$7.9m on 9 November 2018 ("BVF Placement"). BVF and Bionomics entered into a placement agreement ("Placement Agreement") which will be disclosed to the market by BVF as required in due course, containing among other things rights for BVF to "top up" its holding to the 19.9% Corporations Act limit. Bionomics has now allocated the BVF Placement shares to BVF.

Institutional Placement

As also previously announced, over the past several days Bionomics, through Shaw Stockbroking and Bell Potter as joint lead managers ("JLMs"), offered up to 5% of Bionomics' issued capital to institutional investors at the same price as BVF had agreed to pay for the BVF Placement.

Dr. De Souza, Executive Chairman of Bionomics commented "We are pleased to have provided the opportunity to investors to participate at the same price as the BVF Placement. Based on feedback from the brokers of insufficient demand from institutions along with difficult market conditions over the last two days, the Board has made the decision not to proceed with the offer. Therefore, the placement component of the Recapitalisation announced on 9 November 2018 will now consist solely of shares placed to BVF".

BVF has now exercised its top-up right under the Placement Agreement to acquire additional shares up to a total holding of 19.9% of Bionomics on a post-placement basis, if available within Bionomics' placement capacity, resulting in the allocation of a further 12,072,580 shares at the same price as the BVF Placement.

The total Placement therefore consists of 60,169,738 new shares for total proceeds of \$9,849,786.

Bionomics shares resumed trading at the opening of the market this morning following completion of the placement.

Share Purchase Plan (“SPP”)

Bionomics intends to proceed with the SPP as previously announced.

Final pricing and terms for the SPP will be announced on 22 November 2018. Bionomics’ present intention is that the SPP should proceed on the same terms as announced on 9 November 2018, that is:

- Entitlement to purchase up to \$15,000 of new Bionomics shares per holder
- Price of \$0.155 per share, representing a discount of 5.3% to the price paid by BVF
- Subject to scale-back such that the overall SPP will not exceed 2.5% of the post-placement issued capital of Bionomics

Financial Overview – Post Recapitalisation

- Pro Forma \$27.1m Cash and cash equivalents as at 31 October 2018, assuming SPP is fully subscribed
- Pro Forma Cash as at 31 October 2018 increased by (maximum) \$12.0m, providing enhanced flexibility to reduce or eliminate external debt in future
- October 2018 pro forma monthly pre-financing cash burn substantially reduced as previously stated:
 - Monthly cost saving of personnel reductions (\$150k)
 - Monthly reduction in other expenditures (\$100k)
 - BNC210 R&D cost savings from ceasing activities other than agitation (\$2m)
- Net cash runway extended to mid June 2020.

Dr. De Souza commented “We are pleased to have completed this portion of the capital raising successfully with the support of a specialist world class investor in BVF. The Board is confident that with the proceeds of the financing, it is now in a position to deal with all foreseeable outcomes from near-term inflection points and to develop and implement a strategy to maximise value for all our shareholders in the future from a more stable financial base”.

FOR FURTHER INFORMATION PLEASE CONTACT:

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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, is a novel, proprietary negative allosteric modulator of the alpha-7 ($\alpha 7$) nicotinic acetylcholine receptor. Beyond BNC210, Bionomics has a strategic partnership with Merck & Co., Inc (known as MSD outside the United States and Canada) and a pipeline of pre-clinical ion channel programs targeting pain, depression, cognition and epilepsy.

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), 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.