



ABN 53 075 582 740

ASX ANNOUNCEMENT
31 JULY 2019

Quarterly Cashflow Report

Bionomics Limited (ASX:BNO, OTCQX:BNOEF), a global, clinical stage biopharmaceutical company, today released its Appendix 4C - Quarterly Cashflow Report. During the quarter:

- Bionomics presented the results of the post-traumatic stress disorder (PTSD) Trial and Exposure-Response Analyses at the 74th Society of Biological Psychiatry (SOBP) Annual Scientific Conference. The presentation included encouraging data on the improved solid dose formulation of BNC210 which has the potential to overcome the food effect of the suspension formulation and is intended for use in future trials.
- The demonstration by pharmacometric exposure-response modelling conducted by Pharmetheus Pharmacokinetic Consulting Services, Uppsala Sweden of BNC210's potential to treat PTSD if blood exposure levels predicted by the modelling can be achieved resulted in Bionomics investing in a single ascending dose pharmacokinetic study in healthy volunteers to demonstrate that blood levels of BNC210 are achievable using the new solid dose formulation. The cost of this study is estimated at \$300,000 and results are anticipated to be available by early CY4Q 2019.
- If the pharmacokinetic study with the solid dose formulation confirms that the required blood levels are achievable, and the guidance from its Type C meeting with the FDA supports a second Phase 2 trial of BNC210 in PTSD, then Bionomics will consider further formulation development and preparation for a second Phase 2 trial. The feasibility of funding a second clinical trial of BNC210 is being assessed.
- The BNC375 medicinal chemistry paper was published in the scientific journal, ACS Medicinal Chemistry Letters. Bionomics' BNC375 research program initiated the exclusive Research Collaboration and License Agreement between Bionomics and Merck & Co., Inc., Kenilworth, NJ USA (known as MSD outside the United States and Canada).
- We are not able to provide an update on the next inflection point for our collaboration with Merck & Co., Inc., but note that Merck & Co., Inc., Kenilworth NJ USA continues to conduct clinical development to evaluate the collaboration asset. We plan to update the market as and when more information is available.
- We announced the top line results of the exploratory trial of BNC210 for the treatment of agitation in elderly patients in a hospital setting which indicated that BNC210 treatment did not differentiate from placebo on the primary and secondary efficacy end points. The safety of BNC210 was confirmed, but we will not be pursuing this indication.
- We announced on 29 May 2019 the formal completion and results of the independent strategic review conducted with the assistance of Greenhill & Co., Inc. The Company continues to evaluate out-licensing opportunities and potential merger candidates, but no assurance can be given that these efforts will lead to a proposal the Board can recommend to

shareholders. In the meantime, we continue to focus on advancing the pipeline, assessing the strategic options for partnering and portfolio prioritisation while cutting operating costs to extend our cash runway.

- Dr Errol De Souza's appointment as Executive Chairman of Bionomics was extended to 20 November 2019.

The Company continues to advance other pre-clinical assets in its research pipeline.

- Cash balance at 30 June 2019 was \$13.98m (31 March 2019: \$22.1m) with net operating cash outflow during the quarter ended 30 June 2019 of \$6.18m.
- Cash receipts for the quarter ending 30 June 2019 included receipts from customers totalling \$1.92m (31 March 2019: \$1.94m).
- Research & development costs increased by 33% compared with the previous quarter with the completion of the BNC210 Clinical Trial for the treatment of Agitation.

Whilst section 9 of the Appendix 4C shows the estimated cash outflows for the next quarter ending 30 September 2019, no estimated cash inflows are provided. The estimated cash outflows are reliant on the timing of various activities, including clinical trials, being conducted by Bionomics.

Upcoming Milestones:

- Bionomics solid dose formulation pharmacokinetic study results are expected early CY4Q 2019.
- Bionomics expects feedback from its Type C meeting with the FDA in early CY4Q 2019.
- Whilst the internal focus and current R&D spend is restricted to CNS programs, Bionomics continues limited activities to maximize the value of its legacy oncology programs through divestment and/or out-licensing both BNC101 and BNC105.

FOR FURTHER INFORMATION PLEASE CONTACT:

Bionomics Ltd.

Jack Moschakis
Legal Counsel & Company Secretary
+61 8 8354 6100
jmoschakis@bionomics.com.au

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).

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.

Appendix 4C

Quarterly report for entities subject to Listing Rule 4.7B

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10, 01/09/16

Name of entity

Bionomics Limited

ABN

53 075 582 740

Quarter ended ("current quarter")

30 June 2019

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
1	Cash flows from operating activities		
1.1	Receipts from customers	1,920	8,725
1.2	Payments for		
	(a) research and development	(5,113)	(23,474)
	(b) product manufacturing and operating costs	-	-
	(c) advertising and marketing	-	-
	(d) leased assets	(6)	(59)
	(e) staff costs	(789)	(2,660)
	(f) administration and corporate costs	(1,840)	(4,120)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	65	280
1.5	Interest and other costs of finance paid	(425)	(2,052)
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	7,438
1.8	Other (provide details if material)	-	-
1.9	Net cash from / (used in) operating activities	(6,188)	(15,922)
2	Cash flows from investing activities		
2.1	Payments to acquire:		
	(a) property, plant and equipment	-	-
	(b) businesses (see item 10)	-	-
	(c) investments	-	-
	(d) intellectual property	-	-
	(e) other non-current assets	-	-
2.2	Proceeds from disposal of:		
	(a) property, plant and equipment	-	-
	(b) businesses (see item 10)	-	-
	(c) investments	-	-
	(d) intellectual property	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	-	-

Appendix 4C
Quarterly report for entities subject to Listing Rule 4.7B

Consolidated statement of cash flows	Current quarter	Year to date (12 months)
	\$A'000	\$A'000
3 Cash flows from financing activities		
3.1 Proceeds from issues of shares	-	10,100
3.2 Proceeds from issue of convertible notes	-	-
3.3 Proceeds from exercise of share options	-	-
3.4 Transaction costs related to issues of shares, convertible notes or options	-	-
3.5 Proceeds from borrowings	-	-
3.6 Repayment of borrowings	(1,944)	(5,113)
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (provide details if material)	-	-
3.10 Net cash from / (used in) financing activities	(1,944)	4,987

4 Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of quarter/year to date	22,118	24,930
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(6,188)	(15,922)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	-	-
4.4 Net cash from / (used in) financing activities (item 3.10 above)	(1,944)	4,987
4.5 Effect of movement in exchange rates on cash held	-	(9)
4.6 Cash and cash equivalents at end of quarter	13,986	13,986

5 Reconciliation of cash and cash equivalents	Current quarter	Previous quarter
at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	\$A'000	\$A'000
5.1 Bank balances	13,986	22,118
5.2 Call deposits	-	-
5.3 Bank overdrafts		
5.4 Other (provide details)		
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	13,986	22,118

6 Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

Current quarter
\$A'000
205
-

Remuneration paid to Chief Executive Officer/Managing Director and Non-Executive Directors

7 Payments to related entities of the entity and their associates

**Current quarter
\$A'000**

7.1 Aggregate amount of payments to these parties included in item 1.2

7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3

7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

8 Financing facilities available

Add notes as necessary for an understanding of the position

8.1 Loan facilities

8.2 Credit standby arrangements

8.3 Other (please specify)

**Total facility amount at
quarter end**

**Amount drawn at
quarter end**

\$A'000

\$A'000

16,161

16,161

8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.

Silicon Valley Bank initial loan US\$7.5m and Oxford Finance LLC initial loan US\$7.5m, effective interest 9.75%, secured by substantially all of the Group's assets, other than intellectual property.

9 Estimated cash outflows for next quarter

\$A'000

9.1 Research and development

2,150

9.2 Product manufacturing and operating costs

-

9.3 Advertising and marketing

-

9.4 Leased assets

5

9.5 Staff costs

540

9.6 Administration and corporate costs

1,950

9.7 Other (provide details if material)

-

9.8 Total estimated cash outflows

4,645

**10 Acquisitions and disposals of business
(items 2.1(b) and 2.2(b) above)**

Acquisitions

Disposals

10.1 Name of entity

10.2 Place of incorporation or registration

10.3 Consideration for acquisition or disposal

10.4 Total net assets

10.5 Nature of business

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here:
(Company Secretary)

Date: 31/07/2019

Print name: Jack Moschakis

Notes

- 1 The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
- 2 If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
- 3 Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.