



ABN 53 075 582 740

ASX ANNOUNCEMENT

29 October 2021

Quarterly Activities and Cashflow Report

Bionomics Limited (ASX:BNO, OTCQB:BNOEF), ("Bionomics" or "the Company") a global, clinical stage biopharmaceutical company, today released its Appendix 4C - Quarterly Cashflow Report. Highlights during the quarter ended 30 September 2021 ("Quarter") and up to the date of this announcement include:

- On 1 July 2021, the appointment of Mr Miles Davies as a Non-Executive Director to the Board of Bionomics Limited, replacing Dr. Srinivas Rao as the second Board nominee of Apeiron Investment Group Ltd under the Subscription Agreement dated 1 June 2020 between the Company and Apeiron.
- On 6 July 2021, the Company announced that it had initiated a Phase 2b trial ("the ATTUNE Study") to evaluate the tablet formulation of BNC210 in patients with Post-Traumatic Stress Disorder ("PTSD") with topline results expected in 1H 2023.

The ATTUNE Study is a randomised, double-blind, placebo-controlled, multi-centre Phase 2b clinical trial with a 12-week treatment period conducted at around 25 clinical sites in the U.S., recruiting approximately 200 patients with PTSD. The primary objective is to compare BNC210 (900 mg twice daily) to placebo on the improvement in PTSD symptom severity as measured by the Clinician Administered PTSD scale for DSM-5 following 12 weeks of treatment.

- On 2 August 2021, the Company announced that it plans to conduct a registered initial public offering of American Depositary Shares ("ADSs") in the United States and a concurrent listing of ADSs on Nasdaq. It was announced that the proposed offering is expected to commence after the U.S. Securities and Exchange Commission completes its review process of a registration statement relating to the proposed offering (the "Registration Statement") that the company intends to file, and subject to market and other conditions, including the effectiveness of the Registration Statement and shareholder approval under Australian Securities Exchange ("ASX") Listing Rule 7.1. Each ADS would represent a certain number of fully paid ordinary shares in Bionomics.

No final decision has been made in respect of the Nasdaq listing and there can be no assurance as to the occurrence, timing or completion of such a listing. Following any Nasdaq listing Bionomics shares would continue to trade on ASX.

- On 2 August 2021, the Company also announced that it expected to propose, in connection with and prior any proposed U.S. offering, to make a capital distribution representing an economic interest in any net after tax royalty payments received by Bionomics under its exclusive Research Collaboration and License Agreement with MSD (known as Merck in the U.S. and Canada) relating to BNC375 and related compounds. The precise form of the financial asset was yet to be determined and there was no certainty that the distribution would

take place.

- On 25 August 2021, the Company released its financial results, Statutory Accounts and Directors Report for the year ended 30 June 2021.
- On 20 September 2021, the Company announced that, as part of its broader pipeline expansion strategy and based on anti-anxiety signals in Generalised Anxiety Disorder patients, it had decided to proceed with evaluating its lead clinical compound, BNC210, as an acute treatment of Social Anxiety Disorder ("SAD") with a planned commencement of a clinical trial by the end 2021 and expected reporting of topline data from the trials in late 2022.

The Phase 2 SAD trial protocol has been developed with input from Bionomics' Clinical Advisory Board members and will compare BNC210 to placebo on anxiety levels using the Subjective Units of Distress Scale during an anxiety-provoking behavioural task following a single dose treatment with the study drug. Drug product has already been manufactured and study start-up activities are underway. It is anticipated that approximately 15 sites in the U.S. will be involved in the trial, recruiting approximately 150 patients suffering with SAD. An Investigational New Drug (IND) application was submitted to the U.S. FDA in early October and needs to go into effect in time for the commencement of the study by the end of 2021.

- The Company's cash balance at 30 September 2021 was \$22.17 million (30 June 2021: \$28.50 million).
- Research & development expenditure for the Quarter increased to \$3.27 million from \$1.53 million compared with the previous Quarter, that is, an increase of 113.7%, primarily associated with the the ATTUNE Study. The ATTUNE Study is evaluating the oral tablet formulation of BNC210 compared to placebo in approximately 200 PTSD patients in the U.S. An Investigator Meeting was held in early August 2021, and currently there are 22 clinical sites open and recruiting patients for the trial.

For the purpose of Listing Rule 4.7C.3, the Executive Chairman was paid during the Quarter \$181,000 in consulting fees and \$8,000 for reimbursement of health benefit insurance in accordance with the consulting agreement and the other Directors were paid during the Quarter \$120,000 in directors fees.

Released on authority of the Board.

This press release is being made pursuant to and in accordance with Rule 135 under the U.S. Securities Act of 1933, as amended. This press release does not constitute an offer to sell or the solicitation of an offer to buy securities, and shall not constitute an offer, solicitation or sale in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of that jurisdiction.

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About Bionomics Limited

Bionomics (ASX:BNO, OTCQB:BNOEF) is a clinical-stage biopharmaceutical company developing novel, allosteric ion channel modulators designed to transform the lives of patients suffering from serious central nervous system ("CNS") disorders with high unmet medical need. Bionomics is advancing its lead drug candidate, BNC210, an oral, proprietary, selective negative allosteric modulator of the $\alpha 7$ nicotinic acetylcholine receptor, for the acute treatment of Social Anxiety Disorder (SAD) and chronic treatment of Post-Traumatic Stress Disorder (PTSD). Beyond BNC210, Bionomics has a strategic partnership with Merck & Co., Inc (known as MSD outside the United States and Canada) with two drugs in early-stage clinical trials for the treatment of cognitive deficits in Alzheimer's disease and other central nervous system conditions.

www.bionomics.com.au

Factors Affecting Future Performance

This announcement contains "forward-looking" statements, including those 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 regarding plans to conduct a registered initial public offering in the United States and the timing of the proposed offering, a capital distribution, 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 cash flow report for entities subject to Listing Rule 4.7B

1.1 Name of entity

Bionomics Limited

1.2 ABN

53 075 582 740

1.3 1.4 Quarter ended ("current quarter")

30 September 2021

1.5 Consolidated statement of cash flows	Current quarter \$A'000	Year to date (3 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers		
1.2 Payments for		
(a) research and development	(3,272)	(3,272)
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	-	-
(d) leased assets		
(e) staff costs	(490)	(490)
(f) administration and corporate costs	(1,506)	(1,506)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	4	4
1.5 Interest and other costs of finance paid	(14)	(14)
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)		
(a) Rent received	7	7
(b) Payments for contract services	-	-
1.9 Net cash from / (used in) operating activities	(5,271)	(5,271)

2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	175	175
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other non-current assets	-	-
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) 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)	-	
	Net cash outflow from disposal of French operations		
	(a) payment of costs	-	-
	(b) cash balance disposed of	-	-
2.6	Net cash from / (used in) investing activities	175	175

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	27	27
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options		
3.4	(a) Transaction costs related to issues of equity securities or convertible debt securities	(8)	(8)
	(b) Transaction costs related to proposed issues of equity securities or convertible debt securities	(1,165)	(1,165)
3.5	Proceeds from borrowings	-	-
3.6	Principal element of lease payments	(62)	(62)
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	(1,208)	(1,208)
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	28,499	28,499
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(5,271)	(5,271)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	175	175
4.4	Net cash from / (used in) financing activities (item 3.10 above)	(1,208)	(1,208)
4.5	Effect of movement in exchange rates on cash held	(23)	(23)
4.6	Cash and cash equivalents at end of period	22,172	22,172

5.	1.6 Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	22,172	28,499
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)	22,172	28,499

1.6.1

6.	1.7 Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1(a)	Aggregate amount of payments to related parties and their associates included in item 1 (<i>Director fees</i>)	120
6.1(b)	Aggregate amount of payments to related parties and their associates included in item 1 (<i>Executive chairman consulting fee and reimbursement of medical benefit insurance as per the Employment Agreement with the Executive Chairman</i>)	189
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-
<i>Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.</i>		

7.	1.8 Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
	1.9 Add notes as necessary for an understanding of the sources of finance available to the entity.		
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	-	-
7.5	Unused financing facilities available at quarter end		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

8.	1.10 Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(5,271)
8.2	Cash and cash equivalents at quarter end (item 4.6)	22,172
8.3	Unused finance facilities available at quarter end (item 7.5)	
8.4	Total available funding (item 8.2 + item 8.3)	22,172
8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1)	4.21
<i>Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.</i>		
8.6	If item 8.5 is less than 2 quarters, please provide answers to the following questions:	
8.6.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	Answer:	
8.6.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	Answer:	
8.6.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
	Answer:	
<i>Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.</i>		

1.10.1

1.11 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.

Date: 29 October 2021

Authorised by: ...The Board.....
(Name of body or officer authorising release – see note 4)

1.12 Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow 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 cash flow 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.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.