

17 December 2008

Dear Option Holder

On behalf of the Directors of Bionomics Limited, I am writing to remind you that your BNOOB options, under which Option Holders are given the opportunity to convert their options into ordinary shares in Bionomics Limited at a price of \$0.22 per share, are due to expire on 31 January 2009.

The final date for exercise of the options is 31 January 2009. The last trading day of these options on the ASX is Friday 23 January 2009. Options not exercised by the final date will lapse.

In considering the exercise of these options, Bionomics Limited has achieved some major milestones during the year, including:

- Successful initiation of a Phase I clinical trial for BNC105 under a US FDA IND, with encouraging early data,
In this regard it is worth mentioning that BNC105 was chosen one of the "Top 5 Most Promising Drugs to Enter Clinical Development" by Thomson Pharma,
- Major Partnership with Pharma company Merck Serono to discover new treatments for Multiple Sclerosis, with significant potential upside, and;
- Completion of GMP manufacture of BNC210 and subsequent GLP toxicology studies paving the way for BNC210 to enter clinical trials in 2009.

In addition to achieving significant objectives in 2008 your Board believes that Bionomics has a solid foundation for further progress in 2009. Bionomics' anticipated milestones for the 2009 year include:

- Completion of the current BNC105 Phase I clinical trial and the reporting of those results,
- Commencement of BNC105 Phase II development program, and;
- Achievement of a second major partnership.

A completed option exercise form and payment must be received by the company by 31 January 2009 in order to exercise the options. All that is required is a signature on the attached exercise form and payment of the relevant amount to the Company.

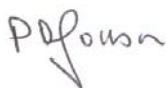
Any funds raised by Bionomics from the exercise of the BNOOB options will be used to fund the continued development of Bionomics' drug candidates including BNC105.

During the past 3 months, Bionomics share price has ranged between \$0.35 (on 19 September 2008) and \$0.18 (on 11 December 2008). The most recent sale price as at the date of this notice was \$0.23.

As announced on 16 December 2008, Bionomics has entered into an agreement with Phillip Capital Pty Ltd to manage the underwriting of the BNOOB option exercise.

With best wishes for the Festive Season and the year ahead.

Yours sincerely

A handwritten signature in black ink that reads "Peter Jonson".

Peter Jonson
Chairman

