



ASX ANNOUNCEMENT
24 June 2014

DETAILS FOR 10:30AM AEST WEBCAST BELOW

BIONOMICS AND MERCK ENTER NEW RESEARCH COLLABORATION

Agreement to fund development of compounds for cognitive impairment associated with Alzheimer's disease and other conditions of the central nervous system

Bionomics Limited (ASX:BNO, ADR:BMICY) announces that it has entered into an exclusive Research Collaboration and License Agreement with Merck, known as MSD outside the United States and Canada, for its BNC375 research program targeting cognitive dysfunction associated with Alzheimer's disease and other central nervous system conditions.

Under the agreement, Merck will fund all research and development, including clinical development, and will be responsible for worldwide commercialisation of any products from the collaboration. Bionomics will receive upfront payments totalling US\$20 million and is eligible to receive up to US\$506 million for achievement of certain research and clinical development milestones and undisclosed royalties on any product sales.

"We are very excited to work with Merck to progress new therapies for cognitive impairment in conditions such as Alzheimer's disease," said Dr Deborah Rathjen, CEO & Managing Director of Bionomics. "We believe that the combination of Bionomics' innovative approach and technologies, within its ionX platform, has the potential to rapidly advance new treatments."

"Bionomics continues to deliver on its business model that focuses on strategic partnering for the development and commercialisation of selected programs within its pipeline," Dr Rathjen added. "This significant agreement, our second with Merck, further validates our drug discovery platforms."

"Merck is pleased to add a new scientific collaboration with Bionomics," said Dr Rupert Vessey, head of Early Development and Discovery Sciences at Merck Research Laboratories. "Bionomics' capabilities and overall expertise in discovery and characterization of small molecules for this neuroscience target class is impressive."

In July 2013, Bionomics announced an option and license agreement with Merck to discover and develop novel small molecule candidates for the treatment of chronic pain, including neuropathic pain. Under the terms of that agreement, Merck has the option to exclusively license a compound from Bionomics for development and commercialisation.

BNC375 is a key compound from the Bionomics research program licensed to Merck under this latest agreement. BNC375 and related compounds have displayed potent efficacy in animal cognitive impairment models.

Alzheimer's is the most common type of dementia and thought to be caused by damage to nerve cells in the brain. Symptoms are characterised by a decline in memory or other thinking skills; it affects a person's everyday activities and is fatal. 1 in 9 Americans older than 65 years has Alzheimer's disease (5 million people). It is the 6th leading cause of death in the United States. By 2025 the number of Americans aged 65 and older with Alzheimer's is forecast to rise 40% to 7.1 million (*2014 Alzheimer's disease*, Alzheimer's Association). More than 332,000 Australians suffer from Alzheimer's disease.

BIONOMICS: WEBCAST TUESDAY 24 JUNE
10:30AM AEST (VIC/NSW/QLD)
10:00AM ACST (SA)
8:30AM AWST (WA)

Please login at: http://www.media-server.com/m/go/Bionomics_June2014; and

Dial in on: Australia Toll Free – 1800 558 698
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Who Bionomics Limited (ASX: BNO) CEO and Managing Director Dr Deborah Rathjen and VP Neuroscience Research Dr Sue O'Connor

What Announcement on license deal with Merck & Co for Bionomics program targeting treatments for Alzheimer's disease, Schizophrenia, ADHD and Parkinson's disease with an opportunity for questions

FOR FURTHER INFORMATION PLEASE CONTACT:

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About Bionomics Limited

Bionomics (ASX: BNO) is biopharmaceutical company which discovers and develops innovative therapeutics for cancer and diseases of the central nervous system. Bionomics has small molecule product development programs in the areas of cancer, anxiety, memory loss and pain. Its oncology approach includes cancer stem cell therapeutics as well as vascular disruption in solid tumours. Bionomics partners include Merck & Co and Ironwood Pharmaceuticals.

Bionomics' discovery and development activities are driven by its four proprietary technology platforms: MultiCore®, a diversity orientated chemistry platform for the discovery of small molecule drugs; ionX®, a set of novel technologies for the identification of drugs targeting ion channels for diseases of the central nervous system; Angene®, a drug discovery platform which incorporates a variety of genomics tools to identify and validate novel angiogenesis targets (involved in the formation of new blood vessels); and CSC Rx Discovery™, which identifies antibody and small molecule therapeutics that inhibit the growth of cancer stem cells. These platforms drive Bionomics' pipeline and underpin its established business

strategy of securing partners for its key compounds. Bionomics partners include Merck & Co and Ironwood Pharmaceuticals.

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 presentation that relate to prospective events or developments, including, without limitation, statements made regarding Bionomics' development candidates BNC105, IW-2143 (BNC210), BNC101 and BNC375, our acquisition of Eclipse Therapeutics and ability to develop products from their platform, its licensing deals with Merck & Co and Ironwood Pharmaceuticals, drug discovery programs and pending patent applications 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 risks related to our available funds or existing funding arrangements, a downturn in our customers' markets, our failure to introduce new products or technologies in a timely manner, Ironwood's decisions to continue or not continue development of IW-2143, Merck's decisions to continue or not to continue development of partnered compounds, regulatory changes, risks related to our international operations, our inability to integrate acquired businesses and technologies into our existing business and to our competitive advantages, as well as other factors. Results of studies performed on competitors products may vary from those reported when tested in different settings.

Subject to the requirements of any applicable legislation or the listing rules of any stock exchange on which our securities are quoted, we disclaim any intention or obligation to update any forward-looking statements as a result of developments occurring after the date of this presentation.