



ABN 53 075 582 740

# **BIONOMICS LIMITED**

ASX half-year information –  
31 December 2018

Lodged with the ASX under Listing Rule 4.2A

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## BIONOMICS LIMITED

Half-year ended 31 December 2018

(Previous corresponding period: Half-year ended 31 December 2017)

### Results for announcement to the market

				\$
Cash and cash equivalents as at 31 December 2018 from 30 June 2018	increased by	9.7%	to	27,354,787
Net operating and investing cash outflows for the period	decreased by	48.8%	to	6,304,476
Revenue from ordinary activities	increased by	3.0%	to	2,424,127
Loss for the half-year before income tax expense	increased by	3.9%	to	10,986,645
Loss from ordinary activities after tax attributable to members	increased by	19.3%	to	10,555,094

### Explanation of cash and cash equivalents position as at 31 December 2018:

Closing cash and cash equivalents is in line with expectations, with funds used to continue to utilize its drug discovery platforms to identify differentiated drug candidates and progress the BNC210 Phase 2 clinical trial in Agitation in the Elderly.

### Explanation of revenue from ordinary activities:

Revenue consists of collaboration income, royalties, sales income, rental income and interest income received as a result of ordinary activities. Government grants and assistance (including the Research and Development Tax Incentive), and other sundry forms of income are classified as other income.

### Explanation of net loss from ordinary activities after tax:

The loss was in line with Directors' and Management expectations.

### Dividends/distributions:

Bionomics Limited does not propose to pay any dividends for the half-year ended 31 December 2018.

### NTA Backing

	<u>Half-year</u>	
	<u>2018</u>	<u>2017</u>
Net tangible asset backing per ordinary share	1.9 cents	5.3 cents

**ASX ANNOUNCEMENT**  
**14 February 2019**

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## **BIONOMICS' HALF-YEAR REPORT**

- **Results of the Phase 2 Post Traumatic Stress Disorder (PTSD) trial did not meet the primary endpoint of decrease in PTSD symptoms as measured by CAPS-5 at 12 weeks in a dose-response analysis; the Company is undertaking a planned review and further analysis of the results.**
- **Enrolment in the BNC210 Phase 2 trial for the treatment of Agitation in the Elderly continues.**
- **Leadership changes effected with Dr. Errol De Souza appointed as Executive Chairman and Mr Mitchell Kaye of BVF Partners L.P. appointed to the Board.**
- **An independent strategic review is underway led by Greenhill & Co.**
- **Strong cash position at 31 December 2018 of \$27.35 million**
  - **\$6,568,808 R&D Tax Incentive Refund received for the 2017/2018 financial year**
  - **\$654,000 in licensing revenue from the Cancer Therapeutics CRC (CTx).**
  - **Private Placement to BVF Partners L.P. raising \$9.8 million**

**Adelaide, Australia:** Bionomics Limited (ASX:BNO, OTCQX:BNOEF), today announced its half-year report for the six months ended 31 December 2018.

During the year Bionomics announced the results of the Phase 2 Post Traumatic Stress Disorder (PTSD) trial which did not meet the primary endpoint of decrease in PTSD symptoms as measured by CAPS-5 at 12 weeks in a dose-response analysis. The Company is conducting further analysis of the results as part of the statistical analysis plan agreed with the regulator at the time of IND submission, to improve its understanding of trial results in order to facilitate its partnering potential.

On 9 November 2018 the Company announced leadership changes and a strategic review of the options for partnering and portfolio prioritisation whilst protecting the major assets and conserving cash for the company. Greenhill & Co was appointed to conduct a thorough and independent review of the strategic options with an update expected to be announced in Q2CY2019 together with the results of the BNC210 Phase 2 clinical trial for the treatment of Agitation in the Elderly.

Dr Errol De Souza has assumed the role of Executive Chairman following Dr Deborah Rathjen resigning as Managing Director and leaving the Company on 31 January 2019. Mr Stephen Birrell was appointed Interim CFO.

The company was recapitalised by a major US-based biotechnology investor and Bionomics' largest shareholder BVF Partners L.P. raising \$9.8 million and Mr Mitchell Kaye was appointed to the Board. The Company's cash position was further enhanced with a \$6,568,808 R&D Tax Incentive Refund for the 2017/2018 financial year and \$654,000 in licensing revenue from participation in the Cancer Therapeutics CRC (CTx).

Whilst the internal focus and current R&D spend is restricted to CNS programs, Bionomics continues limited activities to maximise the value of its legacy oncology programs through divestment and/or out-licensing both BNC101 and BNC105.

Bionomics has its continuing partnership with Merck & Co (MSD) as the collaboration therapeutic candidate for the treatment of cognitive dysfunction in Alzheimer's disease and other conditions progresses through clinical development.

Bionomics has identified a potential therapeutic candidate for the treatment of pain and continues a limited research investment to progress an additional early stage ion channel discovery program targeting cognition to therapeutic candidate identification and partnering.

#### **FOR FURTHER INFORMATION, PLEASE CONTACT:**

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**Bionomics Ltd.**  
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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](http://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 and BNC101), 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.

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 announcement.

# **BIONOMICS LIMITED**

## **Half-Year Report – 31 December 2018**

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This interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2018 and any public announcements made by Bionomics Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

## **BIONOMICS LIMITED**

### **Director's Report**

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Your Directors present their report on the consolidated entity (the Group) consisting of Bionomics Limited (the Company) and the entities it controlled at the end of, or during, the half-year ended 31 December 2018. In order to comply with the provisions of the Corporations Act 2001, the Directors report as follows:

#### **DIRECTORS**

The names of the Directors of the Company during or since the end of the half-year:

- Dr Errol De Souza, Non-Executive Director and Chairman (Executive Chairman 12 November 2018)
- Dr Deborah Rathjen, Chief Executive Officer (Resigned 31 January 2019) and Managing Director (Resigned 9 November 2018)
- Mr David Wilson, Non-Executive Director
- Mr Peter Turner, Non-Executive Director
- Mr Alan Fisher, Non-Executive Director
- Mr Mitchell Kaye, Non-Executive Director (Commenced 23 November 2018)

#### **PRINCIPAL ACTIVITIES**

The principal activities of the Group during the period include the discovery and development of novel drug candidates focused on the treatment of central nervous system disorders and cancer by leveraging our proprietary platform technologies.

#### **DIVIDENDS**

The Directors' do not propose to make any recommendation for dividends for the current financial year.

#### **REVIEW OF OPERATIONS**

Cash at the end of the half-year was \$27,354,787 (\$24,930,461 at 30 June 2018) and net cash generated in the six month period was \$2,434,070, compared to net cash used of \$10,828,011 for the six month period ended 31 December 2017. Cash inflows for the current period included \$11,867,374 of customer receipts and Research and Development incentives, compared to \$3,182,779 for the six month period ended 31 December 2017.

Revenue for the period including other income was \$5,293,303, including the R&D Tax Incentive estimate for the half-year ended 31 December 2018, compared with revenue of \$7,168,539 for the period to 31 December 2017.

The operating loss after tax of the Group for the half-year ended 31 December 2018 was \$11,187,487, compared to \$8,846,833 for the prior comparable period ended 31 December 2017, which was in line with expectations and reflects the Company's continued investment in its research and development programs.

Major achievements in the period include:

- Completion of the Phase 2 clinical trial of BNC210 in patients with Post Traumatic Stress Disorder (PTSD).

Whilst the trial did not meet the primary endpoint of decrease in PTSD symptoms as measured by CAPS-5 at 12 weeks in a dose-response analysis, BNC210 was safe, well tolerated and not sedating in 193 subjects with PTSD. Bionomics continues, in line with the BNC210 PTSD Phase 2 clinical trial's predetermined statistical analysis plan and as advised by the regulator at the time of IND submission, to analyse and improve its understanding of trial results in order to facilitate its partnering potential.

- Progressed the exploratory Phase 2 Clinical Trial to Assess the Efficacy and Safety of BNC210 in Hospitalised Elderly Patients with Agitation.

The trial will evaluate the effect of BNC210 on the resolution of agitation in hospitalised elderly patients and assess the safety and tolerability of BNC210 in this patient population. It will recruit approximately 40 elderly patients in specialist geriatric hospital wards across Australia, and is a randomised, double-blind, placebo-controlled design with a 5-day treatment period. Recruitment progressed during the period.

- Continued success in the Bionomics – Merck & Co (MSD) collaboration which was celebrated with the annual Bionomics - MSD Symposium “At the Frontiers of Neuroscience: Signs & Symptoms”.

Bionomics and MSD have partnered for the last 6 years to present an annual Symposium covering new developments in neuroscience research. The well attended October 2018 Symposium covered topics spanning new advances and novel target research across memory, anxiety, PTSD and mood disorders.

- Recapitalisation of the Company by a major US-based biotechnology investor and Bionomics’ largest shareholder BVF Partners L.P.

The company was recapitalised by Bionomics’ largest shareholder BVF Partners L.P. raising \$9.8m and following completion of the placement, BVF’s holding in Bionomics increased from approximately 10.02% to approximately 19.9% of issued capital. BVF were invited to nominate a director to the Board of Bionomics and Mr Mitchell Kaye, BVF’s COO, was appointed. Retail Investors participated in a limited Share Purchase Plan.

- Leadership Changes and Strategic Review Announced

Dr Errol De Souza, Bionomics’ non-executive Chairman and highly regarded US biotech executive, was appointed Executive Chairman of Bionomics from 12 November 2018 and Dr Deborah Rathjen retired as Managing Director on 9 November 2018 and as Chief Executive Officer of Bionomics on 31 January 2019. The Board acknowledged Dr Rathjen’s significant contributions to Bionomics since her commencement with the Company in 2000.

Mr Steven Lydeamore, Chief Financial Officer resigned to pursue another opportunity and Mr. Stephen Birrell was appointed interim-CFO.

Considering the results of the BNC210 Phase 2 PTSD trial, progression of our partnered therapeutic candidate with MSD for the treatment of cognitive dysfunction in Alzheimer’s disease and other conditions and feedback from shareholders, Bionomics appointed Greenhill & Co to conduct a thorough and independent review of strategic options for the company.

- Licensing Revenue and R&D Tax refund provides additional funding

The Company received \$654,000 in licensing revenue from its successful participation in the Cancer Therapeutics CRC (CTx). The CTx has licensed two targets to Pfizer Inc under a potential USD\$460M deal. In addition, the Company received a \$6,568,808 R&D Tax Incentive Refund for the 2017/2018 financial year.

## OUTLOOK

Bionomics will continue to assess its strategic options for partnering and portfolio prioritisation whilst conserving cash. An update of the strategic review will be provided in conjunction with the announcement of the BNC210 Phase 2 Agitation trial data in the second quarter of CY2019 and progress of our partnered therapeutic candidate with MSD.

Whilst the internal focus and current R&D spend is restricted to CNS programs, Bionomics continues limited activities to maximise the value of its legacy oncology programs through divestment and/or out-licensing both BNC101 and BNC105.

In addition, we are pursuing several drug discovery programs in our core areas of cognition and pain to therapeutic candidate identification and partnering.

## AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the *Corporations Act 2001* is set out on page 9.

Signed in accordance with a resolution of the directors made pursuant to section 306(3) of the *Corporations Act 2001*.

On behalf of the directors

Dated at Adelaide this 14<sup>th</sup> day of February 2018



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**Errol De Souza**  
**Executive Chairman**



14 February 2019

The Board of Directors  
Bionomics Limited  
31 Dalglish Street  
THEBARTON SA 5031

Dear Board Members

**Bionomics Limited**

In accordance with section 307C of the Corporations Act 2001, I am pleased to provide the following declaration of independence to the directors of Bionomics Limited.

As lead audit partner for the review of the financial statements of Bionomics Limited for the half-year ended 31 December 2018, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- (i) the auditor independence requirements of the Corporations Act 2001 in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.

Yours sincerely

*Deloitte Touche Tohmatsu*  
DELOITTE TOUCHE TOHMATSU



P J Woods  
Partner  
Chartered Accountants

**BIONOMICS LIMITED****Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income**  
for the half-year ended 31 December 2018

		<u>Half-year ended</u>	
	<u>Note</u>	<u>31 Dec 2018</u>	<u>31 Dec 2017</u>
		<u>\$</u>	<u>\$</u>
<b>Continuing operations</b>			
Revenue		2,424,127	2,353,473
Other income		2,869,176	4,815,066
<b>Expenses</b>			
Research and development expenses		(9,236,703)	(11,756,779)
Administration expenses		(2,964,469)	(3,871,561)
Unrealised exchange differences		(1,576,232)	(205,878)
Occupancy expenses		(818,331)	(674,881)
Compliance expenses		(408,034)	(370,689)
Finance expenses		(1,276,179)	(866,964)
<b>(Loss) before tax</b>		<b>(10,986,645)</b>	<b>(10,578,213)</b>
Income tax benefit/(expense)		(200,842)	1,731,380
<b>(Loss) after tax</b>		<b>(11,187,487)</b>	<b>(8,846,833)</b>
<b>Other comprehensive income, net of income tax</b>			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translating foreign operations		632,393	(634,778)
<b>Total comprehensive loss for the year</b>		<b>(10,555,094)</b>	<b>(9,481,611)</b>
Loss attributable to:			
Owners of the Company		(10,555,094)	(9,481,611)
Loss per share from continuing operations			
		<u>Cents</u>	<u>Cents</u>
Basic loss per share	4	(2.2)	(1.8)
Diluted loss per share	4	(2.2)	(1.8)

The above condensed consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

**BIONOMICS LIMITED****Condensed Consolidated Statement of Financial Position**

as at 31 December 2018

	Note	31 Dec 2018 \$	30 June 2018 \$
<b>CURRENT ASSETS</b>			
Cash and cash equivalents		27,354,787	24,930,461
Trade and other receivables		1,114,372	712,643
Other financial assets		550,000	550,000
Inventories		523,900	490,090
Research and development incentives receivable		3,213,022	8,269,118
Other assets		540,769	968,011
<b>TOTAL CURRENT ASSETS</b>		<b>33,296,850</b>	<b>35,920,323</b>
<b>NON-CURRENT ASSETS</b>			
Property, plant and equipment		2,731,692	2,744,155
Goodwill		12,750,988	12,469,535
Other intangible assets		13,526,326	13,547,816
Other financial assets		384,000	384,000
<b>TOTAL NON-CURRENT ASSETS</b>		<b>29,393,006</b>	<b>29,145,506</b>
<b>TOTAL ASSETS</b>		<b>62,689,856</b>	<b>65,065,829</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables		3,416,847	5,859,857
Borrowings	8	8,531,628	5,696,255
Provisions		1,381,288	1,503,562
Other financial liabilities		104	137,600
Other liabilities		38,048	87,351
<b>TOTAL CURRENT LIABILITIES</b>		<b>13,367,915</b>	<b>13,284,625</b>
<b>NON-CURRENT LIABILITIES</b>			
Other payables		374,045	363,636
Borrowings	8	12,538,924	15,736,333
Provisions		44,355	37,882
Deferred tax liabilities		3,036,178	3,003,389
Contingent consideration		16,664,202	15,682,109
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>32,657,704</b>	<b>34,823,349</b>
<b>TOTAL LIABILITIES</b>		<b>46,025,619</b>	<b>48,107,974</b>
<b>NET ASSETS</b>		<b>16,664,237</b>	<b>16,957,855</b>
<b>EQUITY</b>			
Issued capital		145,364,602	135,211,955
Reserves		13,660,616	13,098,497
Accumulated losses		(142,360,981)	(131,352,597)
Equity attributable to owners of the Company		<b>16,664,237</b>	<b>16,957,855</b>

The above condensed consolidated statement of financial position should be read in conjunction with the accompanying notes.

**BIONOMICS LIMITED****Condensed Consolidated Statement of Changes in Equity**

for the half-year ended 31 December 2018

<b><u>Consolidated</u></b>	<b><u>Capital</u></b>	<b><u>Foreign currency translation reserve</u></b>	<b><u>Share- based payments reserve</u></b>	<b><u>Accumulated losses</u></b>	<b><u>Total</u></b>
	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>	<b>\$</b>
Balance at 1 July 2017	134,536,428	5,060,539	9,052,338	(108,195,732)	40,453,573
Loss for the period				(8,846,833)	(8,846,833)
Exchange differences on translation of foreign operations	-	(634,778)	-	-	(634,778)
Total comprehensive income for the period	-	(634,778)	-	(8,846,833)	(9,481,611)
Recognition of Share-based payments	-	-	254,234		254,234
Issue of ordinary shares & warrants, net of transaction costs	-	-	-	-	-
Issue of ordinary shares under Employee Share Option Plan (note 3)	283,339	-	-	-	283,339
Balance at 31 December 2017	134,819,767	4,425,761	9,306,572	(117,042,565)	31,509,535
<b>Balance at 1 July 2018</b>	<b>135,211,955</b>	<b>5,562,680</b>	<b>7,535,817</b>	<b>(131,352,597)</b>	<b>16,957,855</b>
Loss for the period	-	-	-	(11,187,487)	(11,187,487)
Exchange differences on translation of foreign operations	-	632,393	-	-	632,393
Total comprehensive income for the period	-	632,393	-	(11,187,487)	(10,555,094)
Recognition of Share-based payments	-	-	108,829	-	108,829
Recognition of cancelled options	-	-	(179,103)	179,103	-
Issue of ordinary shares & warrants, net of transaction costs	10,152,647	-	-	-	10,152,647
<b>Balance at 31 December 2018</b>	<b>145,364,602</b>	<b>6,195,073</b>	<b>7,465,543</b>	<b>(142,360,981)</b>	<b>16,664,237</b>

*The above condensed consolidated statement of changes in equity should be read in conjunction with the accompanying notes*

**BIONOMICS LIMITED****Condensed Consolidated Statement of Cash Flows**

for the half-year ended 31 December 2018

	<b>Half-year ended</b>	
	<b><u>31 December 2018</u></b>	<b><u>31 December 2017</u></b>
	<b>\$</b>	<b>\$</b>
<b>Cash flows from operating activities</b>		
Research and development incentives received	7,284,694	946,801
Receipts from customers	4,582,680	2,235,978
Payments to suppliers and employees	(17,593,937)	(14,751,280)
Interest paid	(1,021,308)	(866,964)
<b>Net cash (used in) operating activities</b>	<b>(6,477,871)</b>	<b>(12,435,465)</b>
<b>Cash flows from investing activities</b>		
Interest received	173,395	127,289
Payments for purchases of property, plant and equipment	-	-
<b>Net cash generated by investing activities</b>	<b>173,395</b>	<b>127,289</b>
<b>Cash flows from financing activities</b>		
Net proceeds from share issues	10,099,797	283,339
Proceeds from borrowings	-	1,847,106
Repayment of borrowings	(1,361,251)	(650,280)
<b>Net cash generated by financing activities</b>	<b>8,738,546</b>	<b>1,480,165</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>2,434,070</b>	<b>(10,828,011)</b>
<b>Cash and cash equivalents at the beginning of the half-year</b>	<b>24,930,461</b>	<b>42,873,656</b>
Effects of exchange rate changes on the balance of cash held in foreign currencies	(9,744)	(24,468)
<b>Cash and cash equivalents at the end of the half-year</b>	<b>27,354,787</b>	<b>32,021,177</b>

*The above condensed consolidated statement of cash flows should be read in conjunction with the accompanying notes.*

## BIONOMICS LIMITED

### Notes to the Condensed Consolidated Financial Statements for the half-year ended 31 December 2018

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#### NOTE 1: Summary of significant accounting policies

##### Statement of compliance

The half-year financial report is a general purpose financial report prepared in accordance with the *Corporations Act 2001* and AASB 134 'Interim Financial Reporting'. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'. The half-year report does not include notes of the type normally included in an annual financial report and shall be read in conjunction with the most recent annual financial report and any public announcements made by Bionomics Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

##### Basis of preparation

The condensed consolidated financial statements have been prepared on the basis of historical cost, except for the revaluation of certain non-current assets and financial instruments. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

The accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the Company's 2018 annual financial report for the financial year ended 30 June 2018 except for the impact of the Standards and Interpretations described below. These accounting policies are consistent with Australian Accounting Standards (AAS) and with International Financial Reporting Standards (IFRS).

##### Amendments to Accounting Standards that are mandatorily effective for the current reporting period

The Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to their operations and effective for the current reporting period. The adoption of these new and revised Standards and Interpretations has resulted in no significant changes to the consolidated entity's accounting policies.

#### NOTE 2: Segment information

Information reported to the chief operating decision maker for the purposes of resource allocation and assessment of segment performance focuses on the nature of work processes performed. The Group's reportable segments under AASB 8 (IFRS 8) are:

- Drug discovery and development is the discovery, development and commercialisation of compounds to match a target product profile; and
- Contract services is the provision of scientific services on a fee for service basis to both external and internal customers.

Information regarding these segments is presented below.

##### a) Segment Revenues and Results

The following is an analysis of the Group's revenue and results by reportable operating segment for the periods under review:

	<u>Segment revenue</u> <u>Half-year ended</u>		<u>Segment result</u> <u>Half-year ended</u>	
	<u>31 Dec 2018</u>	<u>31 Dec 2017</u>	<u>31 Dec 2018</u>	<u>31 Dec 2017</u>
	\$	\$	\$	\$
Drug discovery and development	540,396	1,514,262	(8,233,516)	(6,446,570)
Contract services	4,093,844	3,325,537	932,885	(335,226)
	4,634,240	4,838,799	(7,300,631)	(6,781,796)
Less:				
Intercompany revenue included in				
Contract services	(2,312,538)	(2,330,257)	-	-
Corporate	102,425	(155,069)	102,425	(155,069)
	2,424,127	2,353,473	(7,198,206)	(6,936,865)
Interest income			173,395	275,518
Corporate financing expenses			(1,010,167)	(866,964)
Corporate administration expenses			(2,951,667)	(3,049,902)
Loss before income tax (continuing operations)			(10,986,645)	(10,578,213)

Revenue reported above for Contract services includes intersegment sales. There were no intersegment sales for the other reportable segment.

Segment result represents the profit/(loss) for each segment without allocation of central administration expenses and investment and other revenue.

### Segment Assets

The following is an analysis of the Group's assets by reportable operating segment:

<b>ASSETS</b>	<u>31 Dec 2018</u>	<u>30 June 2018</u>
	\$	\$
Drug discovery and development	16,226,479	20,636,193
Contract services	8,331,857	7,469,574
	24,558,336	28,105,767
Corporate	38,131,520	36,960,062
Total assets	62,689,856	65,065,829

**NOTE 3: Equity securities issued**

	<u>Half-year</u>		<u>Half-year</u>	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
	<u>Number of</u>	<u>Number of</u>	<u>\$</u>	<u>\$</u>
<b>Ordinary shares</b>	<b>shares</b>	<b>shares</b>		
Balance at the beginning of the half-year	482,791,436	481,456,441	135,211,955	134,536,428
Share issue – ESOP/EEP	111,756	922,500	52,854	283,339
Placements (net of warrants)	61,782,680	-	10,099,793	-
Balance at the end of the half-year	544,685,872	482,378,941	145,364,602	134,819,767
<b>Treasury Stock</b>				
Balance at the beginning of the half-year	38,125	38,125	-	-
Share issue - Employee Share Plan Loan Agreements	-	-	-	-
Balance at the end of the half-year	38,125	38,125	-	-
<b>Total Issued Capital</b>	<b>544,723,997</b>	<b>482,417,066</b>	<b>145,364,602</b>	<b>134,819,767</b>

**NOTE 4: (Loss) per share**

	<u>Half-year</u>	
	<u>2018</u>	<u>2017</u>
Basic loss per share	(\$0.022) (2.2 cents)	(\$0.018) (1.8 cents)
Diluted loss per share	(\$0.022) (2.2 cents)	(\$0.018) (1.8 cents)

**Weighted average number of shares used as the denominator**

	<u>2018</u>	<u>2017</u>
	<u>Number</u>	<u>Number</u>
Weighted average number of ordinary shares used as the denominator in calculating basic loss per share	498,162,923	481,970,700

**NOTE 5: Change in accounting estimates**

There has been no change in the basis of accounting estimates since the last annual reporting date.

**NOTE 6: Contingencies and commitments**

There has been no change in contingent liabilities and commitments since the last annual reporting date.

**NOTE 7: Key Management Personnel**

Remuneration arrangements of key management personnel are disclosed in the annual financial report.

**NOTE 8: Borrowings**

In August 2017, the Company refinanced its USD borrowings from Principal and Interest to Interest only. Principal and Interest payments commenced in November 2018.

**NOTE 9: Subsequent events**

No matter or circumstance has arisen since 31 December 2018 that has significantly affected or may affect the consolidated entity's operations, the results of those operations or the state of affairs in future financial years.



**BIONOMICS LIMITED**  
**Directors' Declaration**

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The Directors declare that:

- (a) in the Directors' opinion, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable; and
- (b) in the Directors' opinion, the attached financial statements and notes thereto are in accordance with the *Corporations Act 2001*, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the consolidated entity.

Signed in accordance with a resolution of the Directors made pursuant to section 303(5) of the *Corporations Act 2001*.

On behalf of the Directors



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**Errol De Souza**  
**Executive Chairman**

Adelaide, 14 February 2019

## Independent Auditor's Review Report to the members of Bionomics Limited

We have reviewed the accompanying half-year financial report of Bionomics Limited, which comprises the condensed consolidated statement of financial position as at 31 December 2018, and the condensed consolidated statement of comprehensive income, the condensed consolidated statement of cash flows and the condensed consolidated statement of changes in equity for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information and, the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the end of the half-year or from time to time during the half-year as set out on pages 10 to 17.

### *Directors' Responsibility for the Half-Year Financial Report*

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

### *Auditor's Responsibility*

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2018 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Bionomics Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### *Auditor's Independence Declaration*

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Bionomics Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.

## Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Bionomics Limited is not in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2018 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Deloitte Touche Tohmatsu

DELOITTE TOUCHE TOHMATSU



P J Woods  
Partner  
Chartered Accountants  
Adelaide, 14 February 2019