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ASX ANNOUNCEMENT

3 September 2009

START-UP PLACEMENT

Adelaide, Australia: Bionomics Limited (ASX:BNO) today announced that it has entered into a Subscription Agreement with Start-up Australia Ventures Pty Ltd as trustee of the Start-up Australia Trust (**Start-up**) for a \$7 million placement of ordinary shares to Start-up.

Start-up has access to funding from the Australian Government's Innovation Investment Follow-on Fund for the purpose of taking up the placement.

Dr George Jessup, Managing Director of Start-up, commented "I am delighted with the continued progress of Bionomics. The company has two exciting new drugs in clinical trials and a high value partnership with a major European pharmaceutical company. They have achieved this with a very efficient use of shareholder funds. This new funding will allow the company to achieve critical value adding milestones for investors and is also important for patients who are in need of these drugs."

The placement to Start-up is conditional on:

- (a) Bionomics' shareholders resolving at a general meeting to approve, for the purposes of item 7 of section 611 of the Corporations Act, the acquisition of the placement shares by Start-up; and
- (b) Bionomics raising a further \$5 million through private placements to institutional or sophisticated investors.

Bionomics intends to undertake additional private placements as soon as possible to raise the necessary funds to satisfy the second condition above and has commissioned LINWAR Securities Pty Ltd to manage the placements.

The price of the Start-up placement shares will be determined through the course of the additional private placements, but will be no more than \$0.25 per share.

FOR FURTHER INFORMATION PLEASE CONTACT:

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About Bionomics Limited

Bionomics (ASX: BNO) 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, epilepsy and multiple sclerosis. Bionomics' most advanced program, BNC105 for the treatment of cancer, is based upon the identification of a novel compound that potently and selectively restricts blood flow within tumours. Bionomics' discovery and development activities are driven by its three technology platforms: Angene®, the company's angiogenesis target and drug discovery platform, incorporates a variety of genomics tools to identify and validate novel angiogenesis targets. MultiCore® is Bionomics' proprietary, diversity orientated chemistry platform for the discovery of small molecule drugs. ionX® is a set of novel technologies for the identification of drugs targeting ion channels for diseases of the central nervous system.

For more information about Bionomics, visit 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 press release that relate to prospective events or developments 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 the clinical evaluation of BNC105, 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, 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. 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 press release.