Bionomics – Small Parcel Holder follow-up notice

Nov 27, 2024

BIONOMICS LIMITED OPT IN REMINDER for SMALL PARCEL HOLDER SALE FACILITY

If you are a Small Parcel Holder and wish to have your Scheme Consideration sold through the Sale Facility and the cash proceeds paid to you, instead of receiving shares in Neuphoria, you should return the Election Form.

As announced on 1 October 2024, Bionomics Limited, an Australian corporation (**Bionomics**), proposes to re-domicile from Australia to Delaware via a scheme of arrangement under Australian law (**Scheme**) with Neuphoria Therapeutics Inc., a Delaware corporation (**Neuphoria**). The Scheme Booklet has been made available to Bionomics Shareholders (either through email, hard copy or by a Notice of Access letter, depending on how you have elected to receive materials from the share registry) together with a Proxy Form and Election Form.

Under the Scheme, you are considered **Small Parcel Holder** if you hold fewer than 200,000 Bionomics Shares at the Record Date. As a Small Parcel Holder, you have the option to opt in to participate in the Sale Facility, which will mean that the Neuphoria Shares to which you would otherwise be entitled to receive as a Scheme Participant will be issued to the Sale Agent and sold on your behalf on Nasdaq under the Sale Facility. Your share of the sale proceeds of all the Neuphoria Shares in the Sale Facility will then be paid to you, and Bionomics will pay the brokerage and other costs of the Sale Facility.

If you would like to opt in to participate in the Sale Facility, then you will need to complete and return the Election Form, a copy of which accompanies this notice. Participation is optional, and if you do not return the Election Form then you will not participate in the Sale Facility and you will receive Neuphoria Shares as the Scheme Consideration on the same basis as all other Bionomics Shareholders (assuming the Scheme becomes Effective).

If you are a Small Parcel Holder, you are encouraged to carefully consider whether to opt in to the Sale Facility, thereby becoming an Electing Small Parcel Holder. Considerations relevant to your decision whether to opt in to the Sale Facility if you are a Small Parcel Holder include those set out in section 1.3 of the Scheme Booklet which are summarised on the next page.

Contact information for assistance

For information regarding the Small Parcel Holder opt-in election, you can call the Bionomics Shareholder Information Line on 1300 850 505 (within Australia) or +61 3 9415 4000 (outside Australia) on Monday to Friday between 8.30am and 5.00pm (Sydney time).

Rajeev Chandra
Company Secretary
Bionomics Limited

- Schedule 1: Potential considerations for a Small Parcel Holder in deciding whether to opt in to the Sale Facility

Potential reasons to opt in to the Sale Facility and to not opt in to the Sale Facility include the following.

Potential reasons to opt in to the Sale Facility (i.e. become an Electing Small Parcel Holder)	**Potential reasons to not opt in to the Sale Facility (i.e. remain a Non-Electing Small Parcel Holder)**
• **Disproportionate costs of selling a small number of shares:** If you are a Non-Electing Small Parcel Holder, you would be issued Neuphoria Shares, listed on Nasdaq. If you do not wish to sell your Neuphoria Shares but wish to simply hold them, you will not need to set up a brokerage account. If you choose to sell your Neuphoria Shares yourself, you will have to set up a brokerage account which enables selling shares in a US company (if you do not already have such an account), and potential brokerage costs for executing trades on that platform. While there are a number of Australian based online brokers that allow trading in US stocks (some of them offering discount brokerage rates – see	• **Liquidity of new investment:** The Neuphoria Shares you would receive if you choose to not opt in to the Sale Facility will be tradeable on Nasdaq (once you have a brokerage account that allows trading of shares in US companies, which is described in further detail in section 4.3(e) of the Scheme Booklet). As your Bionomics Shares are not listed on any exchange at present (unless you convert your holding of Bionomics shares into ADSs), you may consider it attractive to receive Neuphoria Shares which are quoted. • **Continued participation in Bionomics' business:** You may have a preference to stay invested in the Combined Group and benefit from any future upside,

section 4.3(e)), it may be uneconomical to pay even a small amount of brokerage to sell your Neuphoria Shares yourself relative to the value of your shareholding.

For example, using the US$0.20 closing price of a Bionomics ADS on the Last Practicable Date and applying the Exchange Ratio to get a theoretical price of US$2.40 for a Neuphoria Share, if your current holding of Bionomics shares is:

- Fewer than 3,240 then you will receive 1 Neuphoria Share (due to rounding). This would theoretically be worth US$2.40.
- Just under 200,000 then you will receive 93 Neuphoria Shares (due to rounding). This would theoretically be worth US$223.20.

Using US$5.00 as indicative brokerage to sell your Neuphoria Shares (which is the amount charged by a popular Australian online broker, although other brokers charge a range of different fees), for a very small number of Neuphoria Shares the brokerage could exceed the sale proceeds. You should compare the number and theoretical value of the Neuphoria Shares which you will receive if the Scheme is implemented with the minimum brokerage fees charged by your broker (if you have one already) or by others in the market, to work out if it is economical to sell those shares yourself.

- **No brokerage costs payable to participate in the Sale Facility:** Bionomics will pay all brokerage and related costs, levies or fees associated with the sale of Neuphoria Shares through the Sale Facility.

- **Possible small value of Neuphoria Shares as an investment:** By definition, as a Small Parcel Holder you hold fewer than 200,000 Bionomics Shares on the Record Date. As the Scheme Consideration involves the exchange of 2,160 Bionomics Shares for 1 Neuphoria Share, the number of Neuphoria Shares you would receive if you do not elect to opt in to the Sale Facility would be one-2,160th of the number of Bionomics Shares you own at the Record Date (subject to rounding).

If you will hold only a small number of Neuphoria Shares as a result of this exchange ratio, and potentially as few as one Neuphoria Share (if you currently hold fewer than 3,240 Bionomics Shares due to the rounding of fractional entitlements), you should consider whether the small value of such Neuphoria Shares is worthwhile holding as an investment. As an indicative example, based on the last sale price of Bionomics ADSs at the Last Practicable Date as defined in the Scheme Booklet and applying the Exchange Ratio, one Neuphoria Share would be worth approximately US$2.40. This is an indicative figure only, and the actual future trading prices of Neuphoria Shares are likely to be different. As referred to in paragraph (1) above, the brokerage costs of selling a small number of Neuphoria Shares may be disproportionate to the value of your potential shareholding in Neuphoria.

- **Change of legal jurisdiction:** If you are a Non-Electing Small Parcel Holder, you would hold shares in Neuphoria, a company incorporated in Delaware, United States, which is subject to securities and other laws and including capital growth or income generated by the Combined Group. If you participate in the Sale Facility then you will not benefit from such future upside.

- **Base for future increase in investment:** You may wish to purchase additional shares in Neuphoria in the future in order to build a more sizeable investment, and therefore retain your Neuphoria Share entitlement in the Scheme in order to build on its value.
- **Future share price of Neuphoria Shares:** You may wish to see how your Neuphoria Shares perform on Nasdaq following implementation of the Scheme before making a decision to sell them.

- **Price realised for the sale of Neuphoria Shares under the Sale Facility:** There is no guarantee as to the price that will be realised for the sale of Neuphoria Shares under the Sale Facility. It will be dependent on matters including available liquidity and the willingness of buyers to acquire shares in Neuphoria (and the price such buyers are willing to pay).

regulations of the United States instead of Australian laws and regulations as is the case with your investment in Bionomics. Small Parcel Holders may not be familiar with the laws and regulations applicable in Delaware and the United States, and the need to familiarise yourself with such laws and regulations may not be worthwhile in the context of a small value of Neuphoria Shares.	