



FOR IMMEDIATE RELEASE

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**IRONWOOD PHARMACEUTICALS AND BIONOMICS ANNOUNCE
COLLABORATION, RESEARCH, AND LICENSE AGREEMENT**

Companies to Collaborate on Central Nervous System Disorder Opportunity

CAMBRIDGE, Mass. and ADELAIDE, Australia January 4, 2012 — Ironwood Pharmaceuticals, Inc. (NASDAQ: IRWD) and Bionomics Limited (ASX: BNO) today announced that they entered into a collaboration, research, and licensing agreement that will enable Ironwood to develop and commercialize Bionomics' investigational anti-anxiety compound BNC210 and other related compounds. The goal of the collaboration is to evaluate the compound's potential as a novel anti-anxiety treatment. Data from several preclinical studies indicate that BNC210 has anti-anxiety activity without the sedative side effects that are typical of benzodiazepines, a class of drugs used to treat anxiety. These data are further strengthened by Phase 1 clinical studies, where pharmacodynamic markers of anti-anxiety activity without sedation were observed in healthy volunteers who took a single dose of BNC210. This collaboration furthers both companies' commitment to develop innovative treatments for patients with high unmet need.

Under the terms of the agreement, the companies will collaborate on initial research and Ironwood will be responsible for worldwide development and commercialization of all products incorporating BNC210 or other licensed compounds, including funding of clinical trials. Pending achievement of certain development and regulatory milestones, Bionomics could receive up to US\$345 million in upfront and milestone payments and research funding, as well as royalties on sales of products incorporating BNC210 and other related compounds. Over the next 24 months, Bionomics may receive up to US\$13 million in research funding and milestone payments, including an initial payment of US\$3 million.

"Partnering BNC210 has been a major objective for Bionomics, and this collaboration with Ironwood continues Bionomics' strategy to form partnerships to develop and commercialize its proprietary drug candidates," said Deborah Rathjen, Bionomics CEO and managing director. "This partnership with Ironwood furthers Bionomics' position as an innovative biotech company, advancing pioneering drug discovery and leveraging Ironwood's significant clinical expertise and

patient-centric approach to drug development to enable the further clinical development of BNC210 for the treatment of anxiety.”

“We are happy to announce this collaboration with Bionomics, a company with scientific expertise in drug discovery in the central nervous system area, and a strong team of small molecule chemists,” said Mark Currie, senior vice president, R&D and chief scientific officer of Ironwood. “We continue to add to our early development pipeline through internal efforts and external collaborations. This partnership reflects our commitment to developing and commercializing innovative treatments for patients suffering from highly symptomatic disorders.”

Further Bionomics Shareholder Communication

Bionomics will host a conference call for the investment community at 9:30 a.m. Australian Eastern Daylight Time on January 5, 2012 to discuss this agreement. Individuals interested in participating in the call should dial:

Australia	1800123296
Hong Kong	800908865
New Zealand	0800452782
Singapore	8006162288
United Kingdom	08082340757
United States	18552931544
All other locations	+ 61283148370

Quote conference ID number 39972512.

About BNC210

Data from several preclinical studies indicate that BNC210, through modulation of a novel pathway, has anti-anxiety activity and promotes neurite outgrowth *in vitro*. In a Phase 1 study that compared BNC210 with lorazepam, healthy volunteers who took BNC210 had no evidence of impaired attention when compared with when they took lorazepam. Electroencephalography (EEG) data gathered on healthy subjects dosed with BNC210 in the study provided pharmacodynamic evidence of anti-anxiety activity without sedation.

About Ironwood Pharmaceuticals

Ironwood Pharmaceuticals (NASDAQ: IRWD) is an entrepreneurial pharmaceutical company dedicated to the art and science of great drugmaking. Linaclotide, Ironwood’s GC-C agonist, is an investigational drug for the treatment of irritable bowel syndrome with constipation (IBS-C) and chronic constipation (CC). The efficacy portion of linaclotide’s development program has been completed and supports the recently submitted NDA for both indications, as well as the MAA submission in Europe for the IBS-C indication. Ironwood also has a growing pipeline of additional drug candidates in earlier stages of development. Ironwood is located in Cambridge, Mass. To learn more, visit www.ironwoodpharma.com.

About Bionomics

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 Alzheimer's disease and multiple sclerosis. Bionomics' discovery and development activities are driven by its three technology platforms: 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). 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

This press release contains forward looking statements, and investors are cautioned not to place undue reliance on such statements. Such statements include, but are not limited to, statements regarding Ironwood's rights to develop or commercialize any product incorporating Bionomics' compounds (including BNC210), the possibility that BNC210 or any other related compound enters clinical trials and Ironwood's obligations to make milestone payments and royalties if products are successfully developed or commercialized. Each forward looking statement is subject to risks and uncertainties that could cause actual results to differ materially from those expressed or implied in such statement. Applicable risks and uncertainties include the risks that the goals of the initial research collaboration are never satisfied or take longer than anticipated to achieve, that completion of the initial research takes more time or results in more expenses than anticipated, that Ironwood chooses not to develop or commercialize a product, that the program does not successfully complete preclinical or clinical development, or that either party commits a material breach of the agreement. Applicable risks also include those that are listed in Ironwood's Quarterly Report on Form 10-Q for the three months ended September 30, 2011, in addition to the risk factors that are listed from time to time in Ironwood's subsequent SEC filings. Neither party undertakes an obligation to update these forward looking statements to reflect events or circumstances occurring after this press release. These forward looking statements speak only as of the date of this press release. All forward looking statements are qualified in their entirety by this cautionary statement.

SOURCE: Ironwood Pharmaceuticals, Inc. & Bionomics Limited

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