



ASX/MEDIA RELEASE

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ARTHRITIS RESEARCH COLLABORATION RECEIVES CLEARANCE TO COMMENCE

Biopharmaceutical development company Bone Medical Limited (ASX: BNE) is pleased to announce that the pre-clinical tests in conjunction with the Institute of Bone & Joint Research (IBJR) at Sydney's Royal North Shore Hospital have received clearance to commence.

Bone Medical's CEO Dr Jim Phillips said the IBJR is ideally suited to collaborate with Bone Medical as they have extensive experience in musculoskeletal diseases.

Last week Bone Medical announced that its rheumatoid arthritis programme (BN006) has uncovered therapeutic agents belonging to a new class which can potentially treat and/or help prevent the disease. The new class has demonstrated the ability to restore the levels of tumour necrosis factor (TNF) production to normal in cell lines.

"There is increased need for new safe and effective products to treat arthritis after some recent setbacks for current treatments for arthritis," said Dr Phillips.

"This makes BN006 an even more important project and opportunity within our strong portfolio."

Furthermore, after receiving additional information from our research partner in London, Bone Medical would like to clarify that initial successful laboratory work that has led to the therapeutic class was on macrophage cell lines derived from mice

-ENDS-

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About Bone Medical Limited

Bone Medical Limited is an international biopharmaceutical development company positioned to exploit the growing market in the treatment of bone disease particularly in osteoporosis and arthritis. Bone has a portfolio of biopharmaceutical development projects for the treatment of bone disease including, oral calcitonin BN002, oral parathyroid hormone BN003, TNF regulators BN006, bone cell regulators BN005/BN008 and joint protection & collagen tolerance programme BN007.

Bone has been granted exclusive licenses from three owned subsidiaries of its controlling shareholder, Proxima Concepts Limited, for the intellectual property of those companies in the field of musculoskeletal therapies.

About the Institute of Bone and Joint Research (IBJR)

The IBJR was established in 1999 to provide an Institute devoted to advancing the understanding of the disorders and diseases of the musculoskeletal system, their diagnosis and treatments. The Institute is lead by Professor Philip Sambrook, the Florence & Cope Professor of Rheumatology at the University of Sydney and a member of several international Scientific Editorial Boards. Professor Sambrook has also served on the Asia Pacific League of Associations for Rheumatology (APLAR), is Vice President of the Asia Pacific Osteoporosis Foundation and a member of the Osteoporosis Australia Board.