



ASX/MEDIA RELEASE

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Bone Medical Achieves Consolidation

Bone Medical Limited (**ASX: BNE**) (**BMEDY:PK**) ("Bone Medical") has today signed a Share Purchase Agreement with Proxima Concepts Limited ("Proxima") allowing Bone Medical to gain full control of Bone Limited. Bone Limited is the entity that holds the licenses to the platform technologies used by Bone Medical.

Prior to the execution of this Agreement, Bone Medical owned 80% of Bone Ltd with the remaining 20% owned by Proxima.

The key outcomes of the agreement are:

- Proxima will transfer its 20% holding in Bone Limited for no consideration. The prior agreement would have required a payment of \$5 million and 10 million common shares by Bone Medical to Proxima to purchase this holding.
- Bone Ltd will become a wholly owned subsidiary of Bone Medical.

ASX Listing Rule 10.1 applies to this agreement. Bone Medical will be seeking a waiver of Listing Rule 10.1 and will notify shareholders of the outcome of the waiver application in due course.

According to Mr Michael Redman, CEO of Bone Medical, this agreement will result in major benefits to Bone Medical and its shareholders.

"This share purchase agreement simplifies our stock structure, which should appeal to potential investors. Additionally, potential complications with the former arrangement with regard to intellectual property rights and sublicenses are now removed," he said.

Proxima's Founding Director, Mr Glen Travers, stated, "Proxima is pleased to be able to make this contribution which should serve the interests of the public shareholders well and allow the Company to move forward in developing its very exciting range of osteoporosis and arthritis projects."

Bone Medical announced on 1 August the appointment of Bio-IB Inc to provide strategic and corporate advice and to assist with a potential capital raise in the United States.

-ENDS-

For more information about Bone Medical Limited, please contact:

John Fitzgerald
Chief Operating Officer
+61 8 9355 5123

Media and Investor enquiries:
Rebecca Wilson
Buchan Consulting

(02) 9237 2800
rwilson@bcg.com.au

Or visit: www.bonemedical.com

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,

Osteoporosis

- Capsitonin™ oral calcitonin
- *Perthoxal*™ oral parathyroid hormone
- bone cell regulators BN005 & BN008

Arthritis

- TNF regulators BN006
- joint protection & collagen tolerance BN007