

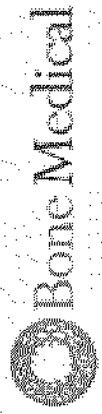
Bone Medical

Advancing the treatments for bone & joint diseases

Paul Hopper
Executive Chairman

28th November 2005

ASX: BNE



Corporate Overview

- > Publicly listed international biopharmaceutical company (ASX:BNE)
- > Focused on the discovery and development of more effective treatments for bone and joint diseases
- > Corporate headquarters in Australia, but have operations in the U.K. and U.S.
- > The Company has exclusive global rights to core technologies, which were developed by Proxima Concepts

Investment Highlights

- Balanced product development portfolio - mix of lower risk drug delivery programs and potential breakthrough future treatments
- Two lead product candidates currently in human trials
- Seasoned management team with extensive industry experience
- Targeting growing market and with unmet medical needs
- Platform technologies with broad applications
- Potential for abbreviated regulatory pathways for two lead product candidates as active ingredients of both are either approved pharmaceutical agents or commonly used GRAS excipients

Capsitonin™ (oral calcitonin)

- Product
 - Oral formulation of calcitonin
 - Calcitonin is a natural hormone that has been used to treat osteoporosis, via injection, for many years
 - Ease of administration, over injection, has potential to dramatically increase patient compliance thereby better disease management
- Lead Indication
 - Osteoporosis
- Stage of Development
 - Phase I/ IIa study: calcitonin was measured in the blood, reduction in markers of bone breakdown, and reduction in calcium levels in blood
 - Dose ranging study expected to begin in Q1 2006
 - Pre-IND meeting scheduled with the FDA in December 05

Perthoxal™ (oral parathyroid hormone)

- **Product**
 - Oral formulation of parathyroid hormone ("PTH")
 - PTH is currently available by injection only
- **Lead Indication**
 - Osteoporosis
- **Mode of Action**
 - Controlling agent for the maintenance of normal calcium levels in the blood

Regulatory Pathway

- > Potential for abbreviated regulatory pathways for two lead product candidates as active ingredients of both are either:
 - Approved pharmaceutical agents or
 - Commonly used GRAS excipients
- > 505(b)2 regulatory pathway should be possible:
 - Allows sponsors to refer to data on file for general safety and efficacy information
 - Less patients than NCE and lower costs of clinical trials

New Appointments

- **Pat Mallon - VP Operations based in San Diego (Consulting)**
- Senior executive roles in biopharma including Director- Market Development & Planning at Pfizer, and Group Director - Domestic Marketing for Roche Laboratories;
- Strong background in leading rapid growth companies;
- Hands-on business experience in capital raising, drug development and marketing.

- **Professor Kenneth Lyles-** is a Professor of Medicine at Duke University, one of the leading biomedical research institutions in the US.
- Professor Lyles' work focuses on osteoporosis, Pagets disease and other age related bone disorders.
- He joins Bone Medical as a consultant to advise the company in its approach to the FDA in the clinical development of programs for oral calcitonin and parathyroid hormone.

The Year in Review

- ✓ Successful capital raising - \$1.6m;
- ✓ ADR program in US;
- ✓ Completed Perthoxal 18 patient Phase 1 clinical trial;
- ✓ FDA pre IND meeting set for 14 December 05;
- ✓ Acquired 20% of Bone subsidiary on favourable terms;
- ✓ Engaged BIO:IB of New York to support US strategy;
- ✓ Strengthened management and advisors;
- ✓ New Directors - Perth and US