Bone Medical

ASX/MEDIA RELEASE

28 November 2005

BONE MEDICAL ANNOUNCES NEW APPOINTMENTS

Bone Medical Limited (ASX: BNE) ("Bone Medical") today announced the appointments of Mr. Patrick J. Mallon & Professor Kenneth Lyles on an executive consulting basis.

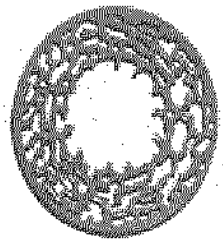
Mr. Mallon joins Bone Medical as Vice President of Operations. Mr. Mallon has held senior executive roles in biopharmaceutical companies including Director-Market Development & Planning at Pfizer, and Group Director-Domestic Marketing for Roche Laboratories.

San Diego based, Mr. Mallon brings to Bone Medical an experienced commercial & strategic visionary with a successful track record in building organizations and leading investors, employees and critics through rapid growth and market commercialization in both start-up and larger biopharmaceutical entities.

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, Paget's disease and other age related bone disorders. He joins Bone Medical as a consultant to advise the company in its approach to the FDA on our clinical development programs for oral calcitonin and parathyroid hormone.

"The Company is delighted to have both Mr. Mallon and Professor Lyles on board as we enter this exciting new phase of our development."



Bone Medical

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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,

Osteoporosis

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

Arthritis

- TNF regulators BN006
- joint protection & collagen tolerance BN007