

Bone Medical

ASX/MEDIA RELEASE

Bone receives Notice of Allowance for Access[®] I patent in US

Important first patent securing future developments

19 November 2007: Bone Medical Limited (ASX:BNE) today announced that The US Patent Office has provided notice of allowance for Bone Medical Limited's (ASX:BNE) in-licensed oral drug delivery technology Access[®] I.

Bone's chief scientific officer Dr Roger New said "This is a significant milestone for Bone. In addition to verifying that Access[®] technology is unique it also blocks other companies from formulating oral drug delivery using the same GRAS pharmacopoeial excipients.

"We are very pleased with this notice of allowance which follows the European Patent Office's approval in 2000. It demonstrates that our strategy of working with known pharmaceutical excipients not only provides us with a simplified regulatory pathway to launch, but is also capable of generating sound and patentable intellectual property."

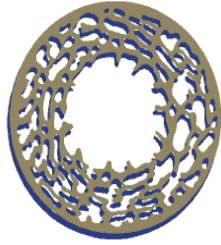
Updated versions of the Access[®] oral drug delivery (for which patent applications have also been filed) have been used in a successfully completed Phase II clinical trial for Bone's oral calcitonin (Capsitonin[®]) and for Diabetology Ltd's oral insulin (Capsulin[®]). Both products are pending meetings with the US FDA to initiate pivotal clinical trials.

Bone's managing director Troels Jordansen said "Working with Access[®] technology is a great advantage for Bone as the regulatory pathway is short and less risky. This is due to the usage of known raw materials (excipients) which over many years of usage has been proven to be safe."

This is one of the main reasons for Bone being able to progress calcitonin and PTH through the clinical pathway in such a short time and for relatively little money."

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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