Innovative BioMedical Devices
bioMD Limited ABN 35 088 221 078

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www.biomd.co

ANNOUNCEMENT TO THE AUSTRALIAN STOCK EXCHANGE

15 January 2008

Company Announcements Office
Australian Stock Exchange Limited
10th Floor, 20 Bond Street
SYDNEY NSW 2000

Dear Sir/Madam,

Re: Appendix 4C - Quarterly Report

Enclosed please find the quarterly report for the period ended 31 December 2007 for the Company.

Please refer to the 'Appendix 4C' attached for details.

Yours faithfully

C. Bentley.

Caroline L Bentley
Company Secretary

Rule 4.7B

QUARTERLY REPORT

3 MONTHS ENDED 31 DECEMBER

2007

bioMD LIMITED

15 January 2008

BOD

QUARTER HIGHLIGHTS

- Agreement signed for manufacturing facilities with Ray & Bill Dobney Cell and Tissue Therapies WA, Royal Perth Hospital;
- Issue of 1,566,119 BOD Shares and 6,264,476 BODO Options raising $313,224;
- Completion of Pre-Clinical Animal Trials of bovine peritoneum and kangaroo tendons.

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MANAGING DIRECTOR'S REPORT

During the quarter, the Company was pleased to finalise an agreement with the Ray & Bill Dobney Cell and Tissue Therapies WA manufacturing unit at Royal Perth Hospital. This is a Department of Therapeutic Goods Administration (TGA) approved facility and will be used to manufacture the CardioCel patches for the human clinical trial in South Africa.

Work has continued on the implementation of a Quality Management System to ISO13485, which sets out specific requirements for the design, development and manufacture of our patches treated with ADAPT TPT.

TGA CERTIFICATE

A Certificate of Free Sale was received from TGA for the export of perciardial patches to South Africa for the Phase II human clinical trial.

PHASE II HUMAN CLINICAL TRIAL OF ADAPT TREATED CARDIOVASCULAR PATCHES

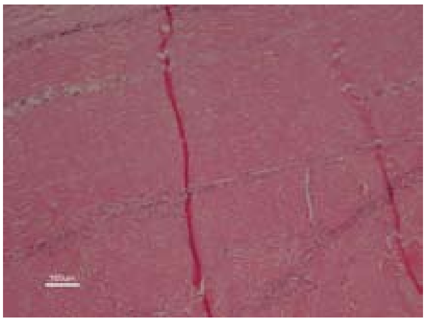
During the quarter work has concentrated on equipping the tissue production facility and complying with Royal Perth Hospital's TGA/QA systems so that production of the CardioCel pericardial patches for the Phase II human clinical trial can commence in early 2008.

Work has also been completed on the packaging and labelling of the patches.

PRE-CLINICAL ANIMAL TRIAL OF BOVINE PERITONEUM

In vitro research into the crosslink stability of bovine peritoneum (which is a thicker tissue than pericardium) was undertaken.

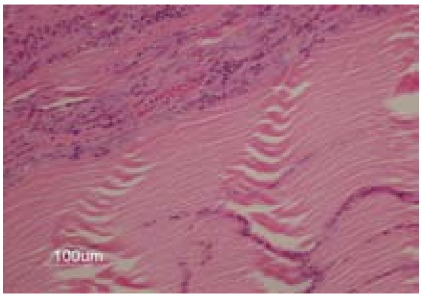
The bovine peritoneum was explanted from the rat model at 8 weeks and 3 months.



The 3 months rat model explant of ADAPT TPT bovine peritoneum showed the formation of new capillaries with no inidcation of calcification.

PRE-CLINICAL ANIMAL TRIAL OF KANGAROO TAIL TENDONS

A pre-clinical trial was conducted using kangaroo tail tendons in a rat model for periods of 8 weeks and 3 months to assess the calcification potential of this tendon tissue for use in orthopaedic disciplines.



The ADAPT TPT tendons indicated the presence of evenly distributed host fibroblasts.

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OFFER OF NEW SHARES AND ATTACHING NEW OPTIONS

On 22 August 2007 bioMD issued a Prospectus offering new shares and attaching new options to eligible holders of options expiring at 30 August 2007. The offer closed on 3 December 2007.

The offer to optionholders was on the basis of 1 new share, at a price of 20 cents per new share, for every 10 expiring options held by optionholders at 30 August 2007. For every 1 new share allotted, the applicant received 4 new options. Each new option issued gives the holder the right to subscribe for 1 fully paid ordinary share in bioMD at an exercise price of 25 cents at any time up to and including 30 August 2010.

bioMD issued 1,566,119 new fully paid Ordinary Shares and 6,264,476 new Options, which raised $313,224 which is to be applied to working capital.

ANNUAL GENERAL MEETING

The Company's 4th Annual General Meeting was held on Tuesday 13th November.

At the meeting, Mr Robert Scott was re-elected as a director.

CORPORATE OVERVIEW

- bioMD's market capitalisation at the end of the reported period was $8.6 million, based on a closing price of 10 cents.
- The consolidated group has $1.9 million in cash reserves and an average burn rate of $97,000 per month for the 6 months to 31 December 2007.
- A total of 1,566,119 BOD Shares and 6,264,476 BODO Options were issued.

Appendix 4C

Quarterly report
for entities admitted
on the basis of commitments

Introduced 31/3/2000. Amended 30/9/2001

Name of entity

bioMD Limited

ABN	Quarter ended ("current quarter")
36 088 221 078	31 December 2007

Consolidated statement of cash flows

Cash flows related to operating activities			Current quarter $A'000	Year to date (6 months) $A'000
1.1	Receipts from customers		-	-
1.2	Payments for	(a) staff costs	(17)	(29)
		(b) advertising and marketing	-	-
		(c) research and development	(59)	(215)
		(d) leased assets	-	-
		(e) other working capital	(330)	(652)
1.3	Dividends received		-	-
1.4	Interest and other items of a similar nature received		14	37
1.5	Interest and other costs of finance paid		-	-
1.6	Income taxes paid		-	-
1.7	Other - ATO refunds		23	280
	Net operating cash flows		**(369)**	**(579)**

		Current quarter $A'000	Year to date (6 months) $A'000
1.8	Net operating cash flows (carried forward)	**(369)**	**(579)**
	Cash flows related to investing activities		
1.9	Payment for acquisition of:		
	(a) businesses (item 5)	-	-
	(b) equity investments	-	-
	(c) intellectual property	-	-
	(d) physical non-current assets	-	(5)
	(e) other non-current assets	-	-
1.10	Proceeds from disposal of:		
	(a) businesses (item 5)	-	-
	(b) equity investments	-	-
	(c) intellectual property	-	-
	(d) physical non-current assets	-	-
	(e) other non-current assets	-	-
1.11	Loans to other entities	-	-
1.12	Loans repaid by other entities	-	-
1.13	Other (provide details if material)	-	-
	Net investing cash flows	**-**	**(5)**
1.14	**Total operating and investing cash flows**	**(369)**	**(584)**
	Cash flows related to financing activities		
1.15	Proceeds from issues of shares, options, etc.	297	320
1.16	Proceeds from sale of forfeited shares	-	-
1.17	Proceeds from borrowings	-	-
1.18	Repayment of borrowings	-	-
1.19	Dividends paid	-	-
1.20	Other - option issue costs	-	-
	Net financing cash flows	**297**	**320**
	Net increase (decrease) in cash held	(72)	(264)
1.21	Cash at beginning of quarter/year to date	1,955	2,147
1.22	Exchange rate adjustments to item 1.20	-	-
1.23	**Cash at end of quarter**	**1,883**	**1,883**

Payments to directors of the entity and associates of the directors

Payments to related entities of the entity and associates of the related entities

		Current quarter $A'000
1.24	Aggregate amount of payments to the parties included in item 1.2	146
1.25	Aggregate amount of loans to the parties included in item 1.11	-

1.26 Explanation necessary for an understanding of the transactions

Consultancy services and superannuation contributions.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

N/A

2.2 Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest

N/A

Financing facilities available

Add notes as necessary for an understanding of the position. (See AASB 1026 paragraph 12.2).

		Amount available $A'000	Amount used $A'000
3.1	Loan facilities	-	-
3.2	Credit standby arrangements	-	-

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		Current quarter $A'000	Previous quarter $A'000
4.1	Cash on hand and at bank	672	744
4.2	Deposits at call	1,211	1,211
4.3	Bank overdraft	-	-
4.4	Other (provide details)	-	-
	Total: cash at end of quarter (item 1.23)	**1,883**	**1,955**

Acquisitions and disposals of business entities

		Acquisitions *(Item 1.9(a))*	Disposals *(Item 1.10(a))*
5.1	Name of entity		
5.2	Place of incorporation or registration		
5.3	Consideration for acquisition or disposal		
5.4	Total net assets		
5.5	Nature of business		

Compliance statement

1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act (except to the extent that information is not required because of note 2) or other standards acceptable to ASX.

2 This statement does /~~does not*~~ *(delete one)* give a true and fair view of the matters disclosed.

Sign here: C. Bentley .... Date: 15 January 2008

(Company Secretary)

Print name: Caroline L Bentley