

Bone Medical

ASX/MEDIA RELEASE

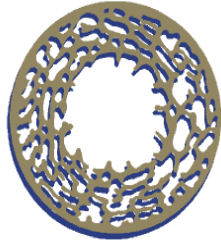
RELEASE OF SECURITIES FROM RESTRICTION ARRANGEMENTS

27 August 2009: In accordance with ASX Listing Rule 3.10A, Bone Medical Limited ("**the Company**") (ASX: BNE) advises that restriction arrangements over the following securities issued between 12 June 2009 and 29 June 2009, expire on the following dates:

- 50,000 fully paid ordinary shares, expire on 10 September 2009;
- 50,000 fully paid ordinary shares, expire on 19 September 2009;
- 50,000 fully paid ordinary shares, expire on 27 September 2009.

From the above mentioned dates, restrictions on transfers of those securities will be lifted.

- ENDS -



Bone Medical

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About Bone Medical

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
- · CaPTHymone™ oral parathyroid hormone
- · bone cell regulators BN005 & BN008

Arthritis

- · TNF regulators BN006
- · joint protection & collagen tolerance BN007