



Bone Medical

ASX/MEDIA RELEASE

Axcess IV Patent Received in Russia

5 June 2012: Bone Medical Ltd (BNE: ASX), an international biopharmaceutical company focused on the development of important new medicines for the treatment of musculoskeletal diseases like osteoporosis and arthritis, is pleased to announce that it has received notice that its Axcess IV oral peptide formulation technology patent has been granted in Russia.

Dr. Roger New, Chairman and Chief Scientific Officer, and the inventor of the Axcess technology, commented, "It is very gratifying to receive this grant of patent in Russia. It is estimated that some 34 million Russians are at high risk of bone fracture due to osteoporosis or osteopenia, making this a population with perhaps one of the most significant disease burdens from these illnesses anywhere in the world.¹ Axcess IV provides patent protection for our proprietary oral peptide product CaPTHymone, oral parathyroid hormone for osteoporosis."

"Both of these products offer significant potential advantages over the current leading therapies for these diseases," said Dr. New. Russia is actively seeking to build a strong and competitive biopharmaceutical industry that can also leverage improved medical care for its citizens, so the grant of the Axcess IV patent is particularly welcome in that market."

The Russian patent is the third issued patent for Axcess IV, following New Zealand, and extends the global proprietary position Bone Medical is pursuing for CaPTHymone in Russia, one of the increasingly important so-called "BRIC" markets.

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Enquiries:

Dr Roger New
Chairman
Office: +44 207 794 1512

Peter Young
CEO
Mobile: +1 201 841 9681

Leon Ivory
Director
Mobile: +61 419 428 264

or visit: www.bonemedical.com

¹http://www.iofbonehealth.org/sites/default/files/media/Eastern_European_Central_Asian_Audit_2010.pdf



About Bone Medical Limited

Bone Medical Limited is an international biopharmaceutical company focused on developing significant new products for the growing market in the treatment of bone disease, especially osteoporosis and arthritis. The Company's product pipeline includes:

- Phase II clinical-stage programs for the oral delivery of two well-established peptides which have historically been limited to nasal or injectable delivery
 - o Capsitonin™ (oral calcitonin)
 - Osteoporosis
 - Osteoarthritis
 - o CaPTHymone™ (oral parathyroid hormone) for osteoporosis
- Novel, potential breakthrough preclinical-stage compounds
 - o BN006 – oral TNF-alpha inhibitor for rheumatoid arthritis (RA)
 - o BN007 – collagen tolerance & joint protection agent for RA
 - o BN005 & BN008 – bone cell regulation for osteoporosis

The Company has an exclusive world-wide license to the underlying technologies used in all these products in its target disease fields from Proxima Concepts Ltd.