



MARKET RELEASE

21 August 2013

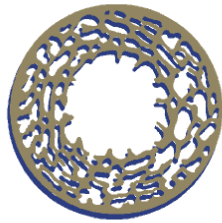
Bone Medical Limited

TRADING HALT

The securities of Bone Medical Limited (the "Company") will be placed in Trading Halt Session State at the request of the Company, pending the release of an announcement by the Company. Unless ASX decides otherwise, the securities will remain in Trading Halt Session State until the earlier of the commencement of normal trading on Friday, 23 August 2013 or when the announcement is released to the market.

Security Code: BNE

Jill Hewitt
Senior Adviser, Listings Compliance (Perth)



Bone Medical

21 August 2013

Ms Fiona Murphy
Adviser, Listings (Perth)
ASX Compliance Pty Limited
Level 8, Exchange Plaza
2 The Esplanade
PERTH WA 6000

Dear Ms Murphy,

REQUEST FOR TRADING HALT

Bone Medical Limited (ASX:BNE) requests that a trading halt be placed on the Company's securities effective immediately pending a review of the status of funding arrangements with La Jolla Cove Investors Inc. and an announcement regarding those arrangements.

The Company requests that the trading halt continue until the commencement of normal trading on the second trading day after the trading halt is imposed, or until the announcement is made.

The Company is not aware of any reason why the trading halt should not be granted.

Yours sincerely,

Peter Young
CEO and Managing Director