



ASX / MEDIA RELEASE

Capital Raising Update and Results of Meeting

13 January 2014: Bone Medical Ltd (BNE:ASX) is pleased to provide an update on the Recapitalisation Agreement (Agreement) announced on 28 November 2013 with Cornerstone Corporate Pty Ltd (Cornerstone).

At the General Meeting held today, shareholders approved all resolutions put forward in the Notice of Meeting dated 12 December 2013.

The Board has been advised by Cornerstone that the response to the \$3 million capital raising has been very positive. Upon completion of the capital raise, the Company will make a further announcement in relation to the issue of securities, consolidation of capital and Board restructure pursuant to the Agreement. The amended consolidation timetable is included at Annexure A.

In accordance with ASX Listing Rule 3.13.2 and section 251AA of the Corporations Act, details of the resolutions and proxies received at today's meeting are included at Annexure B. The Chairman voted in favour of the resolution where allowed for by those open proxies provided for his discretion.

- ENDS -

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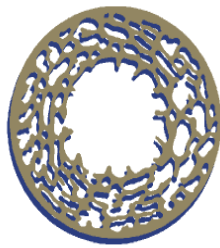
About Bone Medical Limited

Bone Medical Limited is an international biopharmaceutical company focused on developing significant new products for the growing market in the treatment of bone diseases like osteoarthritis, rheumatoid arthritis, and osteoporosis.

The Company licences its technologies and obtains its R&D support from Proxima Concepts Ltd and its subsidiary Proxima Laboratory and Research Services.

The Company's product pipeline includes:

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

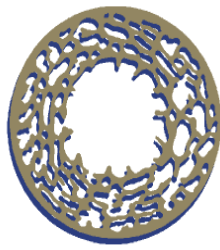


Bone Medical

Annexure A: Amended Consolidation Timetable

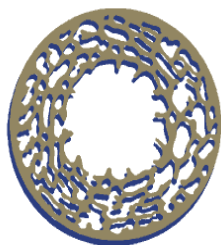
Action	Date*
Company dispatches Notice of Meeting.	13 December 2013
Company tells ASX that Shareholders have approved the Consolidation.	13 January 2014
Last day for pre-Consolidation trading.	23 January 2014
Placement Offer Settlement Date and settlement of the Converting Loans, Debt Conversion Agreements and La Jolla Settlement Agreement	24 January 2014
Post-Consolidation trading starts on a deferred settlement basis.	
Last day for Company to register transfers on a pre-Consolidation basis.	31 January 2014
First day for Company to send notice to each holder of the change in their details of holdings.	3 February 2014
First day for the Company to register Securities on a post-Consolidation basis and first day for issue of holding statements.	
Change of details of holdings date. Deferred settlement market ends.	7 February 2014
Last day for Securities to be entered into holders' Security holdings.	
Last day for the Company to send notice to each holder of the change in their details of holdings.	

* The Company may change the dates of this timetable in accordance with the ASX Listing Rules



Annexure B: Results of General Meeting

No.	Detail	For	Against	Open	Abstain
1	Issue of shares on conversion of converting Loans	34,370,137	503,750	77,295,059	500
2	Issue of debt conversion securities to PLRS	34,334,137	504,250	5,471,737	71,859,322
3	Issue of debt conversion securities to Proxima	34,334,137	504,250	5,471,737	71,859,322
4	Issue of debt conversion securities to Dr Roger New	34,334,137	504,250	5,471,737	71,859,322
5	Issue of debt conversion securities to Professor Peter Brooks	34,334,137	504,250	77,295,059	36,000
6	Issue of debt conversion securities to Leon Ivory	34,334,137	504,250	77,295,059	36,000
7	Issue of debt conversion securities to Peter Young	32,477,839	504,250	77,295,059	1,892,298
8	Issue of debt conversion securities to unrelated creditors	33,431,525	503,750	77,295,059	939,112
9	Issue of shares to La Jolla	34,870,137	4,250	77,295,059	0
10	Issue of placement shares	34,870,137	4,250	77,295,059	0
11	Grant of options to proponent	34,834,170	4,250	77,295,059	36,000



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No.	Detail	For	Against	Open	Abstain
12	Issue of CEO options to Peter Young	32,477,839	504,250	77,295,059	1,892,298
13	Issue of finder's fee to David McAuliffe	32,034,755	504,250	77,295,059	2,335,382
14	Consolidation of capital	34,870,137	3,750	77,295,059	500
15	Election of Director – Robert Towner	34,831,025	6,862	77,295,059	36,500
16	Election of Director – John Hannaford	34,831,025	6,862	77,295,059	36,500
17	Removal of Auditor	34,370,137	3,750	77,295,059	500,500
18	Appointment of Auditor	34,370,137	3,750	77,295,059	500,500

All resolutions were passed by a show of hands.