



ASX/MEDIA RELEASE

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BONE MEDICAL ANNOUNCES APPOINTMENT OF NEW CHAIRMAN

Bone Medical Limited (**ASX: BNE**) ("Bone Medical") has today announced that Paul Hopper has been appointed as Chairman of the Board effective 1st July 2005.

The appointment follows the intention of the Board to follow good governance practice to have separate CEO and Chairman roles.

Michael Redman, the current CEO and Chairman, will continue in his role as CEO and as a director of the Company.

"Bone Medical's decision to have both the CEO and Chairman based in the USA is a strategic move in line with the Company's international focus in terms of capital, likely collaborators and early adopters of Bone Medical's pipeline of therapies," said CEO Mr Michael Redman. "Our recent board changes, including Mr Hopper's appointment as Chairman, will greatly enhance our efforts to expand our operations into the USA."

In April of 2005, the Company announced the addition of Wayne Fritzsche, who resides in Florida, to the Board. The Board reflects the international nature of the Company with half of the Board membership now comprised of members based in the USA, with two based in Australia (Perth and Sydney) and one situated in the United Kingdom.

Mr Hopper is an Australian based in San Diego, USA. He has 25 years' experience in public company markets in both countries, primarily in the healthcare and biotechnology sectors. His experience in Australia includes Managing Director of Alpha Healthcare Limited, which he co-founded in 1988, and ran until 1999. He is also the former Chief Executive Officer of Australian Cancer Technology Limited (now Avantogen Limited).

Mr Hopper's current international experience includes Chairman of Innovate Oncology, Inc, a US listed biotechnology company, CEO of Evolve Oncology, Inc, a Director with Biodevelop Inc, and consultant to various other international biotechnology companies.

"Australia remains important to Bone Medical and we will continue to take advantage of the exceptional research and science here. We must also think of where our future lies and where our needs will be and it's on the regulatory, capital and commercial aspects that our US base will provide the most value", said Mr Redman.

Both the CEO and Chairman will visit Australia on a regular basis.

Bone Medical is currently conducting a Phase I *Perthoxal*TM oral parathyroid hormone clinical trial at St Vincent's Hospital Clinical Trial Centre in Sydney and has additional R&D collaborations with the Institute for Bone & Joint Research in Sydney and the Institute for Molecular Biosciences in Brisbane.

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About Bone Medical Limited

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
- *Perthoxal*™ oral parathyroid hormone
- bone cell regulators BN005/BN008

Arthritis

- TNF regulators BN006
- joint protection & collagen tolerance BN007