

Bone Therapeutics Granted EUR 2.3 Million in Non-Dilutive Funding by the Walloon Region

Walloon Government to fund further research into the applicability and the further optimization of the production of Bone Therapeutics' bone-forming cell products

Gosselies, Belgium, 6 January 2017, 7am CET – BONE THERAPEUTICS (Euronext Brussels and Paris: BOTHE), the bone cell therapy company addressing high unmet medical needs in the field of bone fracture repair and bone fracture prevention, today announces it has been granted EUR 2.3 million in non-dilutive funding¹ to support its research programs. This funding has been granted by the Walloon Region by decision of the Minister for Economy, Industry, Innovation and New Technologies, Mr Jean-Claude Marcourt.

Thomas Lienard, CEO of Bone Therapeutics commented: *"We are grateful to the Walloon Region, and in particular to the Minister for Economy Mr Jean-Claude Marcourt, for its continued support of the Company. This support allows the Company to leverage its available equity funding in order to support ongoing research initiatives designed to maximize the potential of its product candidates and further improve the quality of our cell therapy products."*

The funding will cover up to 52% of expenses related to three new research projects. The first two projects have been designed to further investigate the application of the allogeneic product ALLOB[®] for potential additional indications and patient populations. A third project aims to further optimize the production and logistics of our cellular products. The funding covers a two-year research period.

1. The non-dilutive funding is granted under the form of 'avances récupérables' to support specific research and development programs. Under the applicable conditions, the funding is reimbursable over the economic life of the project (25 years). Thirty per cent is refundable based on a fixed reimbursement schedule, while the balance is refunded under the form of royalties over the same period.

About Bone Therapeutics

Bone Therapeutics is a leading biotechnology company specializing in the development of cell therapy products intended for bone fracture repair and fracture prevention. The current standard of care in this field involves major surgeries and long recovery periods. To overcome these problems, Bone Therapeutics is developing a range of innovative regenerative products containing osteoblastic/bone-forming cells, administrable via a minimally invasive percutaneous technique; a unique proposition in the market.

PREOB[®], Bone Therapeutics' autologous bone cell product, is currently in pivotal Phase IIB/III clinical studies for two indications: osteonecrosis and non-union fractures, and in Phase II for severe osteoporosis. ALLOB[®], its allogeneic "off-the-shelf" bone cell product, is in Phase II for the treatment of delayed-union fractures and lumbar fusion for degenerative disease of the spine, including a minimally invasive therapy for failed spinal fusions. The Company also runs preclinical research programs and develops novel product candidates.

Founded in 2006, Bone Therapeutics is headquartered in Gosselies (South of Brussels, Belgium). Bone Therapeutics' regenerative products are manufactured to the highest GMP standards and are protected by a rich IP estate covering 11 patent families. Further information is available at: www.bonetherapeutics.com.

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