

only a few moments in history are
as special as this



BioMS Medical
2008

2.5

million people are on the verge
of another special moment →



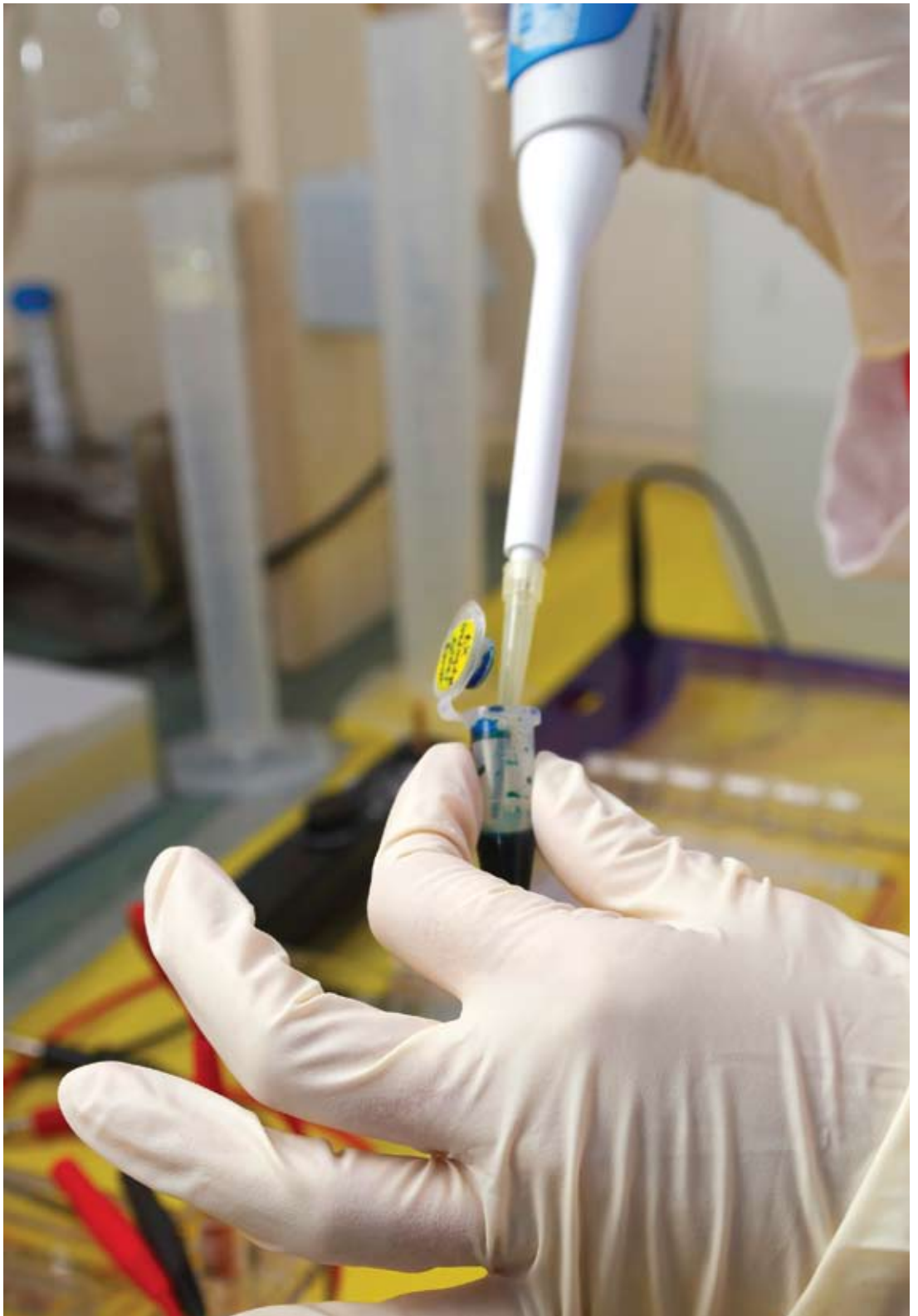
so they can keep having more
special moments →



before it becomes too hard →



development is an arduous journey →



each step a small victory →

- Long-term manufact
- Positive five-year
- Expand pivotal t
- US patent for c
- US FDA cleara
- Complete enr

however,
definitive, regulatory proof will be
our ultimate moment . . .
our work's purpose →



10

years to get here →



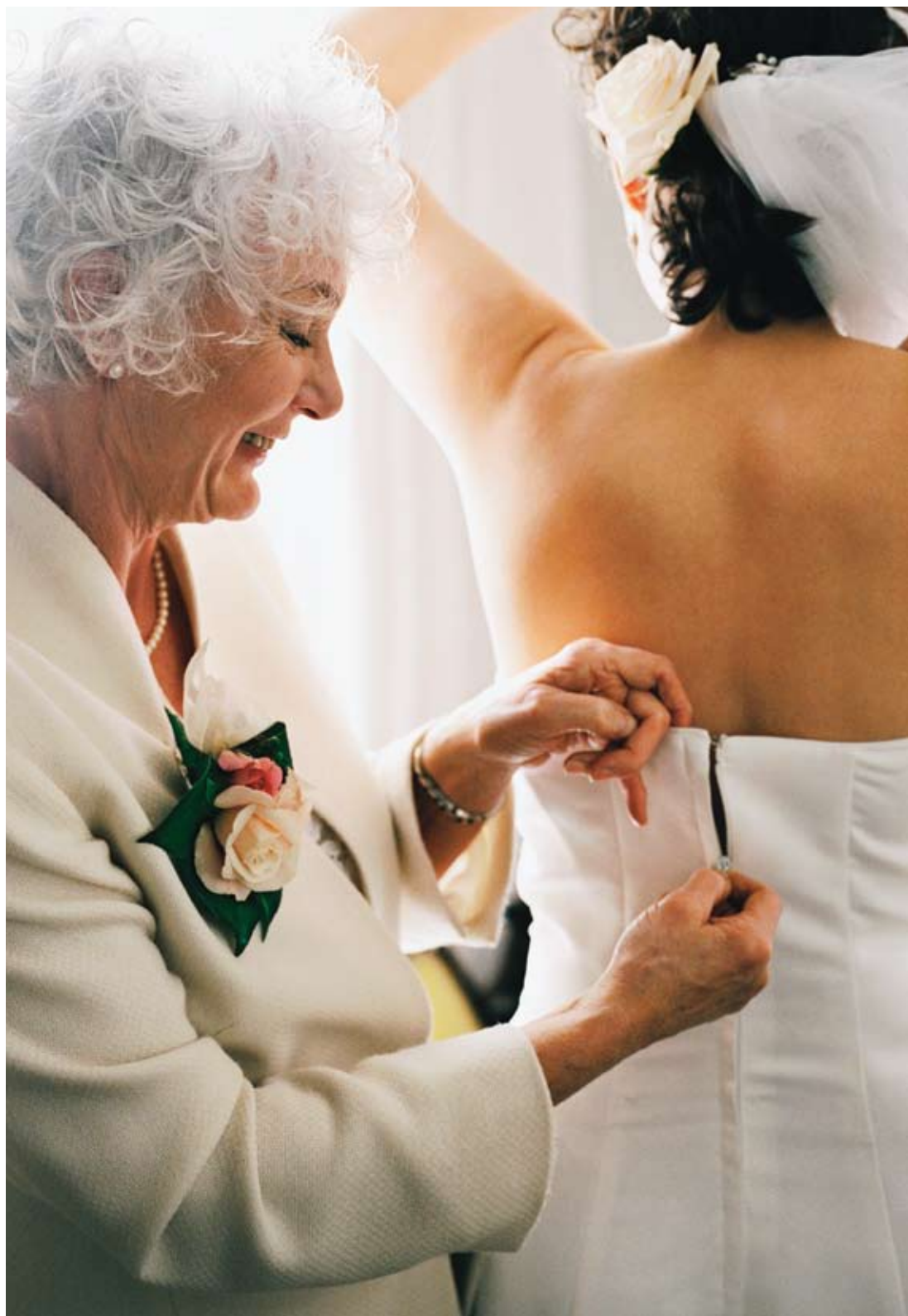
\$180

million invested →

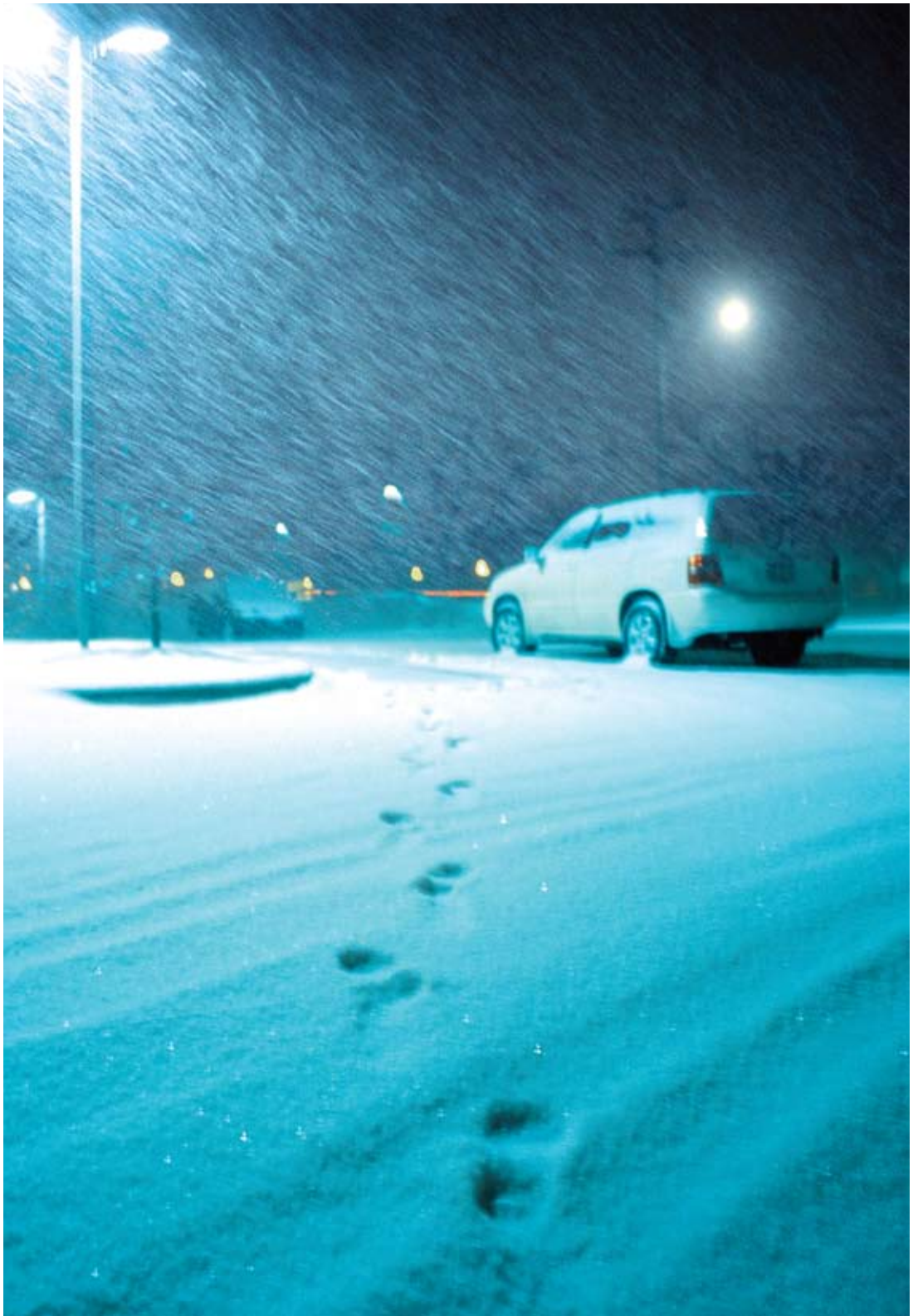


1,300

clinical trial patients →



moments when it seemed too
great a challenge →



but for the sake of all the patients
around the world ...
we stayed the course →



MBP 8298
(500 mg D-17-T for IV Injection)

Number: MBP 8298-01

For clinical trial use only.

Investigational Drug. To be used by Qualified
Persons Only.

Instructions: See Directions for Use.

Caution: New Drug - Limited by USFDA

Store vials...

Manufactured by UCS
BioMS Medical, Edmonton

2009

will hold an important moment →



for BioMS and

MS patients.



Chairman and President's Message

Dear Shareholders,

In the second half of 2009, we expect to learn the results from the first of our two pivotal phase III trials for dirucotide, MAESTRO-01 and MAESTRO-03. Currently, patients who enrolled in MAESTRO-01 are completing their follow-up assessments after being treated with our drug or placebo for two years. Our hope is that the results of this trial will confirm that dirucotide is able to significantly slow the progression of MS, specifically in patients with secondary progressive multiple sclerosis that have the HLA-DR2 and/or HLA-DR4 immune response genes that are common to approximately 70% of the MS population.

We have confidence in dirucotide because it has already demonstrated the ability to safely affect MS progression in previous trials. In 2006, the results of a phase II trial and long-term follow-up treatment were published in the *European Journal of Neurology* and showed that dirucotide delayed median time to disease progression for five years versus placebo in progressive MS patients with HLA DR2/DR4 immune response genes. Given these promising results in patients with progressive MS, we also conducted an exploratory phase II trial in patients with relapsing remitting MS. Although dirucotide had no effect on the frequency of relapses (a symptom that defines this earlier form of the disease) it was again observed that dirucotide was able to positively affect endpoints related to the progression of the disease.

We are certainly not alone in our enthusiasm for dirucotide. We kicked off 2008 by entering into one of the largest drug development deals in Canadian history, partnering with Eli Lilly and Company to complete development of dirucotide and bring the drug to market globally. From this agreement, BioMS received an upfront payment of US\$87 million and, in September 2008, Lilly awarded BioMS a further US\$10 million milestone payment based on a positive review of the scheduled interim analysis of the MAESTRO-01 trial by the independent Data Safety Monitoring Board. Looking forward, BioMS is eligible for additional potential development and sales milestones of up to US\$400 million as well as escalating royalties on future sales of dirucotide.

MS affects more than 2.5 million patients worldwide and is the most common neurological disease in Canada. BioMS was founded with the mission to deliver an effective and safe treatment to people with MS. It is clear to us that we couldn't be more fortunate to have secured Lilly as partner – they are as dedicated as we are to bring new hope to patients with MS.

We are excited and optimistic that 2009 will hold that special moment for progressive MS patients around the globe. We remain driven by our belief that every human being deserves a life filled with promise and opportunity. A life unimpeded by pain and fear. A life fully lived.

Sincerely,



Clifford Giese

Chairman of the Board



Kevin Giese

President and Chief Executive Officer

Dirucotide

Dirucotide was developed for progressive MS patients:

- Developed specifically for the treatment of MS and based on more than 26 years of research.
- A synthetic peptide identical to the portion of human myelin basic protein (MBP), a key component of the nervous system, that is one potential target of the autoimmune attack in most MS patients.
- More than 100 patents, including eight U.S. patents.
- More than 1,300 combined years of patient treatment experience with no safety concerns to date.
- Fast track designation in the U.S.
- The results of a phase II trial and long-term follow-up treatment, published in 2006 in the *European Journal of Neurology* (EJN), showed that dirucotide delayed median time to disease progression for five years versus placebo in progressive MS patients with HLA-DR2 and/or HLA-DR4 immune response genes.

Global Phase III trials

BioMS is conducting several ongoing pivotal clinical trials evaluating the ability of dirucotide to affect disease progression in patients with secondary progressive MS:

- MAESTRO-01: This Canadian/European pivotal phase III trial has completed full recruitment of 611 patients at 47 trial sites in ten countries. To date, there have been nine positive safety reviews from the Data Safety Monitoring Board (DSMB).
- MAESTRO-02: Eligible patients who have successfully completed MAESTRO-01 may choose to receive dirucotide on an un-blinded basis in this open-label follow-on study. Approximately 95 percent of patients who successfully completed MAESTRO-01 have entered the follow-on study.
- MAESTRO-03: A pivotal U.S. phase III trial fully recruited with approximately 510 patients enrolled at 68 sites across the U.S. To date, the DSMB has conducted three reviews of the data from this trial and has recommended it continue.

MAESTRO-01 pivotal trial results
expected in second half of 2009.

corporate information

board of directors

Clifford Giese
Chairman

Kevin Giese
President & Chief Executive Officer

Dr. Kjell Stenberg
Chief Operating Officer

Laine Woollard
Lead Director

Dr. John Wetherell
Director

W.D. Grace
Director

Gordon Politeski
Director

officers & corporate management

Clifford Giese
Chairman

Kevin Giese
President & Chief Executive Officer

Dr. Kjell Stenberg
Chief Operating Officer

Don Kimak
Chief Financial Officer

Tony Hesby
Executive Vice President

Dr. Leopold Arfors
Vice President Clinical Affairs

Richard Brown
Vice President Commercial Development

Dr. Tony Verco
Vice President Drug Development

Mark Krantz, Ph.D.
Vice President Scientific Affairs

Randy Stroud
Vice President Regulatory Affairs

L.Z. Ferenczi
Vice President Biostatistics

Ryan Giese
Vice President Corporate Communications

Michael Kennedy
Secretary

legal counsel

Anfield Sujir Kennedy & Durno
Bennett Jones

auditors

PricewaterhouseCoopers LLP

registrar and transfer agent

Computershare Trust Company
of Canada

exchange and symbol

BioMS is listed on the Toronto Stock
Exchange (TSX) under the symbol "MS".

corporate office

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annual general meeting

Date: May 27, 2009
Time: 2:00 p.m.

Location: Delta Edmonton South
Hotel and Conference Centre
4404 Gateway Boulevard
Edmonton, Alberta, Canada
T6H 5C2
T: 780.434.6415

for more information

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This Annual Report may contain certain forward-looking statements that reflect the current views and/or expectations of BioMS Medical Corp. with respect to its performance, business and future events. Such statements are subject to a number of risks, uncertainties and assumptions. Actual results and events may vary significantly.

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