

ERRATUM TO
NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS
AND SPECIAL MEETING OF SECURITYHOLDERS
OF ONDINE BIOMEDICAL INC
TO BE HELD ON AUGUST 30, 2011

In the Notice of Annual General Meeting of Shareholders and Special Meeting of Securityholders (collectively the "Meeting") of ONDINE BIOMEDICAL INC. the reference to the date of the Meeting in the first paragraph of the Notice should read Tuesday, August 30, 2011 rather than Monday, August 30, 2011.

ONDINE BIOMEDICAL INC.

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NOTICE OF ANNUAL GENERAL MEETING OF SHAREHOLDERS AND SPECIAL MEETING OF SECURITYHOLDERS TO BE HELD ON AUGUST 30, 2011

NOTICE IS HEREBY GIVEN THAT the annual general meeting of the shareholders and a special meeting of the securityholders (collectively, the “**Meeting**”) of **ONDINE BIOMEDICAL INC.**, formerly ONDINE BIOPHARMA CORPORATION (the “**Company**” or “**Ondine**”), will be held at the offices of Fraser Milner Casgrain LLP, 20th Floor, 250 Howe Street, Vancouver, British Columbia, V6C 3R8, on Monday, August 30, 2011, at 10:00 a.m. (Vancouver time) for the following purposes:

1. to receive and consider the report of the directors and the consolidated financial statements of the Company together with the auditor’s report thereon for the year ended December 31, 2010;
2. to fix the number of directors at five;
3. to elect directors for the ensuing year;
4. to appoint the auditor for the ensuing year;
5. to authorize the directors to fix the remuneration to be paid to the auditor;
6. to consider, pursuant to an interim order of the Supreme Court of British Columbia dated July 27, 2011 (the “**Interim Order**”), and, if deemed advisable, to pass, with or without variation, a special resolution, the full wording of which is set out in Appendix A attached to the accompanying management information circular (the “**Information Circular**”), to approve an arrangement (the “**Arrangement**”) under the provisions of Division 5 of Part 9 of the *Business Corporations Act* (British Columbia) involving Ondine, its securityholders, and 0902337 B.C. Ltd. (the “**Purchaser**”), a company whose sole shareholder is Carolyn Cross (“**Ms. Cross**”), the Chairman and Chief Executive Officer of Ondine and pursuant to which Ms. Cross, through the Purchaser, will indirectly acquire all of the outstanding common shares of Ondine (the “**Common Shares**”) for Cdn\$0.33 in cash for each Common Share, all as more specifically set out in the Information Circular;
7. if the Arrangement is approved, to consider, and, if thought advisable, to approve, a resolution, the full wording of which is set out in Appendix B attached to the Information Circular, authorizing the Company to apply to the London Stock Exchange for the cancellation of admission of the Common Shares on the AIM market of the London Stock Exchange, all as more specifically set out in the Information Circular; and
8. to transact such further or other business as may properly come before the Meeting and any adjournments thereof.

The Information Circular, the forms of proxy and a Letter of Transmittal (printed on yellow paper) are included with this Notice of Meeting.

The Information Circular provides additional information relating to the matters to be dealt with at the Meeting and is deemed to form part of this Notice of Meeting.

The board of directors of Ondine, with Ms. Cross abstaining due to her interest in the Purchaser, unanimously recommends that holders of Common Shares (the “Shareholders”), holders of options to acquire Common Shares (the “Optionholders”) and holders of warrants to acquire Common Shares (the “Warrantholders” and,

together with the Shareholders and Optionholders, the “Securityholders”) vote in favour of the special resolution approving the Arrangement. The Securityholders of record at the close of business on July 14, 2011, the record date for the Meeting, will be entitled to notice of, and to vote at, the Meeting and any postponement(s) or adjournment(s) thereof with respect to the matters they are entitled to vote on, including the special resolution approving the Arrangement.

The full text of the agreement between the Purchaser and the Company dated as of June 28, 2011, as amended, entered into in respect of the Arrangement and the related transactions (the “**Arrangement Agreement**”), the plan of arrangement implementing the Arrangement (the “**Plan of Arrangement**”), the formal valuation and fairness opinion by Evans & Evans, Inc. prepared in relation to the Arrangement, the amending agreement made as of July 26, 2011 to the share purchase agreement made as of November 15, 2009, as amended, among Ondine, Merrill A. Biel, Leslie Hahn and Chester Sievert in connection with the Arrangement and the interim order with respect to the Arrangement (the “**Interim Order**”) are attached as Appendix C, Schedule A to Appendix C, Appendix D, Appendix H and Appendix E, respectively, to the Information Circular.

Pursuant to the Interim Order and the Plan of Arrangement, registered Shareholders have been granted the right to dissent in respect of the Arrangement and be paid the fair value of their Common Shares. This dissent right, and the conditions and procedures for its exercise, are described in the Information Circular under the heading “Rights of Dissent”, in the Interim Order and in Appendix G attached to the Information Circular. Only registered Shareholders are entitled to exercise rights of dissent. **Failure to strictly comply with the dissent procedures described in the Information Circular and the Plan of Arrangement will result in the loss or unavailability of any right of dissent.**

Whether or not you plan to attend the Meeting in person, please submit your vote by proxy for use at the Meeting in accordance with one of the methods set out in the accompanying Information Circular. To be used at the Meeting, proxies completed by registered Shareholders must be received by Ondine’s transfer agent and registrar, Computershare Trust Company of Canada, at 100 University Avenue, 9th Floor, Toronto, Ontario, M5J 2Y1, before 10:00 a.m. (Vancouver time) on August 26, 2011 (or not later than 48 hours (excluding Saturdays, Sundays and holidays) prior to the date and time to which the Meeting has been rescheduled if the Meeting has been adjourned or postponed), unless the Chairman of the Meeting elects to exercise his discretion to accept proxies received subsequently. To be used at the Meeting, proxies completed by Optionholders or by Warranholders must be received by Computershare Trust Company of Canada at 100 University Avenue, 9th Floor, Toronto, Ontario, M5J 2Y1, in each case before 10:00 a.m. (Vancouver time) on August 26, 2011 (or not later than 48 hours (excluding Saturdays, Sundays and holidays) prior to the date and time to which the Meeting has been rescheduled if the Meeting has been adjourned or postponed), unless the Chairman of the Meeting elects to exercise his discretion to accept proxies received subsequently.

You are a “Beneficial Shareholder” if the Common Shares you own are held on your behalf but are registered either: (a) in the name of an intermediary (the “**Intermediary**”) that you deal with in respect of the Common Shares (Intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFs, and similar plans); or (b) in the name of a clearing agency (such as CDS) of which the Intermediary is a participant.

If you are a Beneficial Shareholder and have not objected to your Intermediary disclosing certain ownership information about you to the Company, you are referred to as a “**NOBO**”. If you are a Beneficial Shareholder who has objected to your Intermediary disclosing ownership information about you to the Company, you are referred to as an “**OBO**”.

In accordance with the requirements of National Instrument 54-101 of the Canadian Securities Administrators, the Company has elected to send this Notice of Meeting, the accompanying Information Circular and a request for voting instructions (a “**VIF**”) directly to the NOBO’s. If you are a Beneficial Shareholder, and the Company or its agent has sent these materials directly to you, your name and address and information about your holdings of securities, have been obtained in accordance with applicable securities regulatory requirements from the Intermediary holding on your behalf.

By choosing to send these materials to you directly, the Company (and not the Intermediary holding on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in your request for voting instruction form.

The Company will send this Notice, the Information Circular and the proxy to the Intermediaries. The Intermediaries (or their service companies) are responsible for forwarding this Notice, the Information Circular and their voting instruction form to each OBO, unless the OBO has waived the right to receive them.

This Notice and the Information Circular sent to Beneficial Shareholders who have not waived the right to receive this Notice and the Information Circular are accompanied by a VIF. This form is used instead of a proxy. By returning the VIF in accordance with the instructions noted on it a Beneficial Shareholder is able to direct the voting of the Common Shares which they beneficially own. VIFs, whether provided by the Company or by an Intermediary, should be completed and returned in accordance with the specific instructions noted on the VIF.

If a Beneficial Shareholder wishes to attend and vote at the Meeting or wishes to appoint another person or company other than management's designee acting as proxyholder to attend and vote at the Meeting, the Beneficial Shareholder may request a legal proxy as set forth in the VIF, which will grant the Beneficial Shareholder or his/her nominee the right to attend and vote at the Meeting. **Beneficial Shareholders should carefully follow the instructions set out in the VIF including those regarding when and where the VIF is to be delivered.**

If you or your nominee do not attend the meeting, or if you do not deposit your proxy or VIF, as applicable, in accordance with the instructions contained therein, you will not be considered present in person or represented by proxy for the purpose of approving the special resolution approving the Arrangement.

You may revoke a proxy by depositing an instrument in writing executed by you or your attorney authorized in writing that is received:

- at Computershare Trust Company of Canada at 100 University Avenue, 9th Floor, Toronto, Ontario, M5J 2Y1 at any time up to and including the last business day preceding the date of the Meeting, or adjournment thereof; or
- with the chairman of the Meeting on the day of the Meeting,

or in any other manner permitted by law. Attendance at the Meeting without voting will not itself revoke a proxy.

In order to receive the consideration to which a Shareholder (other than a dissenting Shareholder, if any) is entitled immediately after the completion of the Arrangement, the registered Shareholder must fill out and sign the attached Letter of Transmittal (printed on yellow paper) and return it, together with the Shareholder's share certificates and any other required documents to Computershare Trust Company of Canada in accordance with the procedure indicated in the accompanying Letter of Transmittal. If the Arrangement is not completed, the said share certificates will be returned to the Shareholder. Beneficial Shareholders whose Common Shares are registered in the name of a broker, investment dealer, bank, trust company or other intermediary should communicate with the broker or such other intermediary to obtain instructions and assistance in delivering the certificates representing those shares.

DATED at Vancouver, this 27th day of July, 2011.

BY ORDER OF THE BOARD OF DIRECTORS

"Colin Watt"

Colin Watt
Director