

Security Class

Holder Account Number

Fold

Form of Proxy - Annual General Meeting of Shareholders and Special Meeting of Securityholders of Ondine Biomedical Inc. (the "Company") to be held on August 30, 2011

This Form of Proxy is solicited by and on behalf of Management.

Notes to proxy

1. A holder who is not able to attend the meeting in person but wishes to vote on the resolutions, may (a) appoint one of the management designees named on the Proxy by leaving the wording and appointing a nominee as is. Where no choice is specified by a holder with respect to a matter set out in the Proxy, a management designee acting as proxyholder will vote in favour of each matter identified in the Proxy; OR (b) appoint another proxyholder who need not be a registered shareholder of the Company, to vote according to the holder's instructions, by inserting the name of the person you wish to represent you at the meeting in the space provided. If no choice is specified, such proxyholder has discretionary authority to vote as the proxyholder sees fit.
2. If the securities are registered in the name of more than one owner (for example, joint ownership, trustees, executors, etc.), then all those registered should sign this proxy. If you are voting on behalf of a corporation or another individual you must sign this proxy with signing capacity stated, and you may be required to provide documentation evidencing your power to sign this proxy.
3. This proxy should be signed in the exact manner as the name(s) appear(s) on the proxy.
4. If this proxy is not dated, it will be deemed to bear the date on which it is mailed by Management to the holder.
5. **The securities represented by this proxy will be voted in favour or withheld from voting or voted against each of the matters described herein, as applicable, in accordance with the instructions of the holder, on any ballot that may be called for and, if the holder has specified a choice with respect to any matter to be acted on, the securities will be voted accordingly.**
6. This proxy confers discretionary authority in respect of amendments or variations to matters identified in the Notice of Meeting or other matters that may properly come before the meeting or any adjournment or postponement thereof.
7. This proxy should be read in conjunction with the accompanying documentation provided by Management.
8. To vote by FAX, please dial the number 1-866-249-7775 (for faxes sent from Canada or the United States) or 1-416-263-9524 (for faxes sent from other locations).

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Proxies submitted must be received by 10:00 am, Pacific Time, on August 26, 2011.

VOTE USING THE TELEPHONE OR INTERNET 24 HOURS A DAY 7 DAYS A WEEK!



To Vote Using the Telephone

- Call the number listed BELOW from a touch tone telephone.

1-866-732-VOTE (8683) Toll Free



To Vote Using the Internet

- Go to the following web site:
www.investorvote.com

If you vote by telephone or the Internet, DO NOT mail back this proxy.

Voting by mail may be the only method for securities held in the name of a corporation or securities being voted on behalf of another individual. **Voting by mail or by Internet** are the only methods by which a holder may appoint a person as proxyholder other than the Management nominees named on the reverse of this proxy. Instead of mailing this proxy, you may choose one of the two voting methods outlined above to vote this proxy.

To vote by telephone or the Internet, you will need to provide your CONTROL NUMBER listed below.

CONTROL NUMBER



Appointment of Proxyholder

I/We, being holder(s) of Ondine Biomedical Inc. hereby appoint:
Colin Watt, or failing him, William Harper,

OR

Print the name of the person you are appointing if this person is someone other than Colin Watt or William Harper (see Note #1 on reverse).

as my/our proxyholder with full power of substitution and to attend, act and to vote for and on behalf of the shareholder in accordance with the following direction (or if no directions have been given, as the proxyholder sees fit) and all other matters that may properly come before the Annual General Meeting of Shareholders and Special Meeting of Securityholders of Ondine Biomedical Inc. to be held at 20th Floor, 250 Howe Street, Vancouver, British Columbia, V6C 3R8, on August 30, 2011 at 10:00 AM Pacific Time, and at any adjournment or postponement thereof.

VOTING RECOMMENDATIONS ARE INDICATED BY **HIGHLIGHTED TEXT** OVER THE BOXES.

For **Against**

1. Number of Directors

To set the number of Directors at five (5).

2. Election of Directors

For Withhold

For Withhold

For Withhold

01. Carolyn Cross

02. Colin Watt

03. Michael Crane

04. Margaret Shaw

05. Merrill Biel

For **Withhold**

3. Appointment of Auditors

Appointment of Ernst & Young LLP as Auditors of the Company for the ensuing year.

For **Against**

4. Remuneration of Auditors

To authorize the directors to fix the Auditors' remuneration for the ensuing year.

For **Against**

5. Arrangement

To approve an arrangement under the provisions of Division 5 of Part 9 of the Business Corporations Act (British Columbia) involving the Company, its securityholders, and 0902337 B.C. Ltd., as more fully set out in the accompanying Information Circular.

For **Against**

6. AIM Delisting

To authorize the Company to apply to cancel the admission of the Company's common shares on the AIM market of the London Stock Exchange, as more fully set out in the accompanying Information Circular.

Authorized Signature(s) – This section must be completed for your instructions to be executed.

I/We authorize you to act in accordance with my/our instructions set out above. I/We hereby revoke any proxy for common shares previously given with respect to the Meeting. **If no voting instructions are indicated above, this Proxy will be voted as recommended by Management by the management designee if appointed as proxyholder.**

Signature(s)

Date

DD / MM / YY

Interim Financial Statements – Mark this box if you would like to receive Interim Financial Statements and accompanying Management's Discussion and Analysis by mail.

Annual Financial Statements – Mark this box if you would like to receive the Annual Financial Statements and accompanying Management's Discussion and Analysis by mail.

If you are not mailing back your proxy, you may register online to receive the above financial report(s) by mail at www.computershare.com/maillinglist.



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