



For Immediate Release

Completion of Privatization of Ondine

VANCOUVER, BC, September 6, 2011 – Ondine Biomedical Inc. (the “Company” or “Ondine”, TSX: OBP; AIM: OBP) announced the completion today of the previously announced plan of arrangement (the “Arrangement”) pursuant to which 0902337 B.C. Ltd., a private company whose sole shareholder is Carolyn Cross, Chairman and Chief Executive Officer of Ondine, has acquire all of the issued and outstanding common shares of Ondine. Under the Arrangement, the shareholders of Ondine immediately prior to the effective time of the Arrangement (the “Former Shareholders”) are entitled to receive consideration of \$0.33 per common share (the “Consideration”) for each common share of Ondine previously owned by such Former Shareholder. Pursuant to the Arrangement, holders of options and warrants of Ondine immediately prior to the effective time of the Arrangement are entitled to receive \$0.001 for each such security held and the options and warrants are now deemed to have been surrendered and cancelled.

Any questions or requests for assistance in surrendering Ondine share certificates in order to receive the Consideration may be directed to the office of the depositary, Computershare Trust Company of Canada, Corporate Actions, toll free at 1 (800) 564-6253 or by email at corporateactions@computershare.com. Former Shareholders who were not a registered shareholder should contact their broker or other intermediary for details concerning receipt of the Consideration owing to such Former Shareholder.

Cancellation of the admission to trading of the common shares of the Company on the AIM market of London Stock Exchange will occur at 7:00a.m. (London time) on September 7, 2011.

Delisting of the common shares of the Company from the Toronto Stock Exchange is expected to occur shortly. In addition, the Company will apply to all applicable Canadian securities regulatory authorities in order to cease to be a reporting issuer.

Pursuant to the terms of the Arrangement, Colin Watt, Michael Crane and Margaret Shaw have resigned as directors of the Company effective September 6, 2011. Ondine appreciates the contributions these directors made to the Company during their many years of service and wishes them every success in their future endeavors.

Carolyn Cross, indirectly through the Purchaser now holds 9,661,468 Common Shares (including the 810,500 Common Shares previously beneficially held directly and indirectly by her, 183,151 Common Shares previously owned by an associate of hers and 591,090 Common Shares previously owned by the Courthill Foundation, a charitable foundation in which Ms. Cross is a director), which represents 100% of the issued and outstanding Common Shares.

Carolyn Cross and the Purchaser will file an early warning report describing the Arrangement with applicable securities regulators, copies of which will be available under the Ondine profile at www.SEDAR.com. A copy of the report may be obtained from Carolyn Cross. The Purchaser's address is Suite 1560, One Bentall Centre, 505 Burrard Street, Vancouver, British Columbia.

About Ondine Biomedical Inc.

Ondine is developing non-antibiotic therapies for the treatment of a broad spectrum of bacterial, fungal and viral infections. The Company is focused on developing leading edge products utilizing its patented light-activated technology, primarily for the healthcare-associated infection (HAI) market. Photodisinfection provides broad-spectrum antimicrobial efficacy without encouraging the formation and spread of antibiotic resistance. The Company is based in Vancouver, British Columbia, Canada, with a research and development laboratory in Bothell, Washington, USA. For additional information, please visit the Company's website at: www.ondinebio.com.

Forward-Looking Statements:

Certain statements contained in this release containing words like "believe", "intend", "may", "expect", "would" and other similar expressions, are forward-looking statements that involve a number of risks and uncertainties. The forward-looking statements contained in this release reflect the current views of Ondine with respect to future events and are necessarily based upon a number of assumptions and estimates that, while considered reasonable by Ondine, are inherently subject to various risks and uncertainties. Many factors, both known and unknown, could cause actual results, performance or achievements to be materially different from the results, performance or achievements that are or may be expressed or implied by such forward-looking information contained in this news release and Ondine has made assumptions based on or related to many of these factors. Such factors that could cause actual results to differ materially from those projected in the Company's forward-looking statements include, without limitation, the following: litigation, fluctuations in economic and equity market conditions, market acceptance of our technologies and products; our ability to obtain financing; our financial and technical resources relative to those of our competitors; our ability to keep up with rapid technological change; government regulation of our technologies; our ability to enforce our intellectual property rights and protect our proprietary technologies; the ability to obtain and develop partnership opportunities; the timing of commercial product launches; the ability to achieve key technical milestones in key products and other risk factors identified from time to time in the Company's public filings. Investors are cautioned against attributing undue certainty or reliance on forward-looking information. Although Ondine has attempted to identify important factors that could cause actual results to differ materially, there may be other factors that cause results not to be as anticipated, estimated, described or intended. Ondine does not intend, and does not assume any obligation, to update this forward-looking information to reflect changes in assumptions or changes in circumstances or any other events affecting such information, other than as required by applicable law.

The TSX Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.

For further information please contact:

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