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Ondine Announces Agreement to Acquire Advanced Photodynamic Technologies, Inc.

Vancouver, BC, and Minneapolis, MN, November 16, 2009 – Ondine Biopharma Corporation (the “Company” or “Ondine”, TSX: OBP; AIM: OBP) and Advanced Photodynamic Technologies, Inc. (APT) are pleased to announce that Ondine and the owners of APT have signed a binding definitive agreement pursuant to which Ondine will acquire APT in exchange for common shares of Ondine. APT is a privately-held leader in research and development of photodynamic drugs and devices for antimicrobial and oncotherapeutic applications. Closing of the acquisition is expected to occur on or about November 30th, 2009 and is subject to certain conditions, including receipt of regulatory approvals and completion of due diligence to the satisfaction of Ondine.

“The acquisition of Advanced Photodynamic Technologies represents an ideal strategic fit as it significantly expands our portfolio of photodynamic medical products and intellectual property,” said Carolyn Cross, Ondine’s CEO and Chairman. “Working together with Dr. Biel and colleagues, we intend to leverage our broad photodynamic and clinical expertise into new indications with large unmet medical needs, including disinfection of endotracheal tubes; treatment of chronic sinusitis; and local treatment of head and neck cancers without systemic side-effects. The endotracheal tube disinfection product, for example, is designed to suppress the development of Ventilator-Associated Pneumonia, the second-most common hospital acquired infection in North America.”

“This is an exciting milestone for Advanced Photodynamic Technologies, and we are very pleased to become part of Ondine,” said Dr. Merrill Biel, APT’s CEO and Chairman. “Ondine’s proven product development capabilities and leadership position in antimicrobial photodynamic therapy strongly leverage APT’s broad product portfolio. We are looking forward to working together to collectively develop the next generation of PDT products that will significantly enhance patient outcomes at greatly reduced costs.”

About the Proposed Transaction

Under the terms of the definitive agreement, Ondine would issue 8,856,458 common shares to acquire a 100% equity interest in APT on closing. The shareholders of APT would also be entitled to receive contingent share consideration of up to an additional 11,187,105 common shares as described below and 5% of the net proceeds received by Ondine from future third party transactions for the commercialization or acquisition of certain of APT’s intellectual property. The contingent share consideration ranges from 932,259 to 1,864,517 shares per milestone based on the achievement within defined time frames of nine intellectual property development



milestones, consisting of additional patent grants, successful clinical outcomes and receipt of United States regulatory approvals.

Dr. Biel is also the President, CEO and a director of PhotoBiologix, Inc. (“PhotoBiologix”). Upon closing the acquisition, Ondine will enter into an agreement with PhotoBiologix, a company established in Minnesota to provide grant writing services, research and development and clinical trial support for early-stage Ondine products. Ondine will issue 466,130 common shares and fund certain operating costs of PhotoBiologix as consideration.

Dr. Merrill Abraham Biel, age 53, will be appointed to Ondine’s Board of Directors upon closing of the acquisition and he will become Principal Investigator of several planned clinical studies. In addition, pursuant to the terms of a services contract, Dr. Biel will provide consulting services to the Company consisting principally of chairing Ondine’s Clinical Advisory Board and consulting in connection with the development of the Company’s photodynamic products. There are no other matters which are required to be announced with regard to this appointment pursuant to Schedule 2 paragraph (g) of the AIM Rules for Companies.

About Advanced Photodynamic Technologies, Inc.

APT is a 13-year old, privately-held research and development company based in Minneapolis, Minnesota, developing antimicrobial and oncotherapeutic products based on photodynamic therapy. Dr. Merrill Biel is the Founder and the CEO, Chairman and a director of APT. Dr. Biel has been recognized as one of the world’s leading experts in the clinical use of photodynamic therapy for cancer treatment and antimicrobial applications. He is a pioneer in the field of photodynamic therapy and a world-renowned researcher and Principal Investigator in the treatment of head and neck cancers using this modality. Dr. Biel is a practicing Otolaryngologist and a partner specializing in Head and Neck Surgical Oncology at Ear, Nose and Throat SpecialtyCare of Minnesota. He is an Adjunct Professor of Otolaryngology, Surgery and Family Practice at the University of Minnesota and the Medical Director of Head and Neck Oncology at the Virginia Piper Cancer Institute at Abbott-Northwestern Hospital in Minneapolis, where he and his team have successfully treated hundreds of cancer patients using PDT. APT has developed, among other products, a completely new approach to in-situ disinfection of endotracheal tubes and other patient interface devices, providing a non-antibiotic approach to reduction of ventilator-associated pneumonia (VAP), a major contributor to hospital mortality rates worldwide.

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**About Ondine Biopharma Corporation**

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. 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.ondinebiopharma.com.

Forward-Looking Statements:

Certain statements contained in this release containing words like "believe", "intend", "may", "expect" and other similar expressions, are forward-looking statements that involve a number of risks and uncertainties. Factors that could cause actual results to differ materially from those projected in the Company's forward-looking statements include the following: 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; and 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.

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

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