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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 10-Q

(Mark One)

x **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended June 30, 2009.

OR

o **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _____ to _____.

Commission file number 000-27748

OPKO Health, Inc.

(Exact Name of Registrant as Specified in Its Charter)

Delaware	75-2402409
(State or Other Jurisdiction of Incorporation or Organization)	(I.R.S. Employer Identification No.)

4400 Biscayne Blvd.
Miami, FL 33137
(Address of Principal Executive Offices) (ZIP Code)

(305) 575-4100
(Registrant's Telephone Number, Including Area Code)

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. x YES o NO

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§232.405 of this Chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files).

YES o NO o

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer o
Accelerated filer x
Non-accelerated filer o (Do not check if a smaller reporting company)
Smaller reporting company o

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act):

YES o NO x

As of August 4, [illegible]

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This report contains "forward-looking statements," as that term is defined under the Private Securities Litigation Reform Act of 1995, or PSLRA, Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements include statements about our expectations, beliefs or intentions regarding our product development efforts, business, financial condition, results of operations, strategies or prospects. You can identify forward-looking statements by the fact that these statements do not relate strictly to historical or current matters. Rather, forward-looking statements relate to anticipated or expected events, activities, trends or results as of the date they are made. Because forward-looking statements relate to matters that have not yet occurred, these statements are inherently subject to risks and uncertainties that could cause our actual results to differ materially from any future results expressed or implied by the forward-looking statements. Many factors could cause our actual activities or results to differ materially from the activities and results anticipated in forward-looking statements. These factors include those described below and in "Item 1A-Risk Factors" of our Annual Report on Form 10-K for the year ended December 31, 2008, and described from time to time in our reports filed with the Securities and Exchange Commission. We do not undertake any obligation to update forward-looking statements. We intend that all forward-looking statements be subject to the safe-harbor provisions of the PSLRA. These forward-looking statements are only predictions and reflect our views as of the date they are made with respect to future events and financial performance.

Risks and uncertainties, the occurrence of which could adversely affect our business, include the following:

- We have a history of operating losses and we do not expect to become profitable in the near future.
- Our technologies are in an early stage of development and are unproven.
- Our drug research and development activities may not result in commercially viable products.
- Following the recommendation of the Independent Data Monitoring Committee, we terminated the Phase III clinical trial of bevasiranib, our most advanced product candidate. As a result, we may not continue to develop or be able to successfully commercialize bevasiranib.
- Our current and planned clinical trials may not satisfy the requirements of the FDA or other non-United States regulatory authorities.
- We will require substantial additional funding, which may not be available to us on acceptable terms, or at all.
- We expect to finance future cash needs primarily through public or private offerings, debt financings or strategic collaborations, which may dilute your stockholdings in the Company.
- If our competitors develop and market products that are more effective, safer or less expensive than our future product candidates, our commercial opportunities will be negatively impacted.
- The regulatory approval process is expensive, time consuming and uncertain and may prevent us or our collaboration partners from obtaining approvals for the commercialization of some or all of our product candidates.
- Failure to recruit and enroll patients for clinical trials may cause the development of our product candidates to be delayed.
- Even if we obtain regulatory approvals for our product candidates, the terms of approvals and ongoing regulation of our products may limit how we manufacture and market our product candidates, which could materially impair our ability to generate anticipated revenues.
- We may not meet regulatory quality standards applicable to our manufacturing and quality processes.
- Even if we receive regulatory approval to market our product candidates, the market may not be receptive to our products.

- Directors, executive officers, principal stockholders and affiliated entities own a majority of our capital stock, and they may make decisions that you do not consider to be in your best interests or in the best interests of our stockholders.
- Compliance with changing regulations concerning corporate governance and public disclosure may result in additional expenses.
- If we are unable to satisfy the requirements of Section 404 of the Sarbanes-Oxley Act of 2002, as they apply to us, or our internal controls over financial reporting are not effective, the reliability of our financial statements may be questioned and our common stock price may suffer.
- We may be unable to maintain our listing on the NYSE Amex Exchange, which could cause our stock price to fall and decrease the liquidity of our common stock.
- Future issuances of common stock may depress the trading price of our common stock.
- Provisions in our charter documents and Delaware law could discourage an acquisition of us by a third party, even if the acquisition would be favorable to you.
- We do not intend to pay cash dividends on our common stock in the foreseeable future.

PART I. FINANCIAL INFORMATION

Unless the context otherwise requires, all references in this Quarterly Report on Form 10-Q to the "Company", "OPKO", "we", "our", "ours", and "us" refers to OPKO Health, Inc., a Delaware corporation, including our wholly-owned subsidiaries.

Item 1. Financial Statements

OPKO Health, Inc.
CONDENSED CONSOLIDATED BALANCE SHEETS
(unaudited)
(in thousands except share data)

	June 30, 2009	December 31, 2008
ASSETS		
Current assets		
Cash and cash equivalents	$ 35,939	$ 6,678
Marketable securities	4,997	—
Accounts receivable, net	2,165	1,005
Inventory	5,151	4,063
Prepaid expenses and other current assets	1,675	1,720
Total current assets	49,927	13,466
Property and equipment, net	560	659
Intangible assets, net	5,524	6,336
Goodwill	1,097	1,097
Investment	2,262	—
Other assets	335	206
Total assets	$ 59,705	$ 21,764
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Accounts payable	$ 2,201	$ 2,221
Accrued expenses	4,014	5,394
Current portion of notes payable and capital lease obligations	86	97
Total current liabilities	6,301	7,712
Long-term liabilities and capital lease obligations	2,595	1,826
Line of credit with related party, net unamortized discount of $101 and $133, respectively	11,899	11,867
Total liabilities	20,795	21,405
Commitments and contingencies		
Shareholders' equity		
Series A Preferred stock — $0.01 par value, 4,000,000 shares authorized; 932,667 and 953,756 shares issued and outstanding (liquidation value of $2,448 and $2,384) at June 30, 2009 and December 31, 2008, respectively	9	10
Series C Preferred Stock — $0.01 par value, 500,000 shares authorized; No shares issued or outstanding	—	—
Common Stock — $0.01 par value, 500,000,000 shares authorized; 252,594,059 and 199,020,379 shares issued and outstanding at June 30, 2009 and December 31, 2008, respectively	2,526	1,991
Treasury stock - 45,154 and 18,000 shares at June 30, 2009 and December 31, 2008, respectively	(61)	(24)
Additional paid-in capital	360,341	307,498
Accumulated deficit	(323,905)	(309,116)
Total shareholders' equity	38,910	359
Total liabilities and shareholders' equity	$ 59,705	$ 21,764

The accompanying Notes to Condensed Consolidated Financial Statements are an integral part of these statements.

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OPKO Health, Inc.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(unaudited)

OPKO Health, Inc.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (unaudited)

NOTE 1. BUSINESS AND ORGANIZATION

We are a specialty healthcare company focused on the discovery, development, and commercialization of proprietary pharmac d}

Fair value. We adopted the provisions of SFAS 157, *"Fair Value Measurements,"* or SFAS 157, on January 1, 2008. SFAS 157 defines fair value, establishes a framework for measuring fair value in accordance with GAAP, and expands disclosures about fair value measurements. In accordance with the FASB Staff Position No. FAS 157-2, *"Effective Date of the FASB Statement No. 157,"* or FSP 157-2, we adopted the provisions of SFAS 157 pertaining to our nonfinancial assets and nonfinancial liabilities, except those items recognized or disclosed at fair value on an annual or more recurring basis, on January 1, 2009. Neither of the adoptions of SFAS 157 had a material impact on our fair value measurements.

SFAS 157 establishes a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value. These tiers include: Level 1, defined as observable inputs such as quoted prices in active markets; Level 2, defined as inputs other than quoted prices in active markets that are either directly or indirectly observable; and Level 3, defined as unobservable inputs in which little or no market data exists, therefore requiring an entity to develop its own assumptions.

As of June 30, 2009, we held money market funds and treasury securities, maturing September 17, 2009, that qualify as cash equivalents as well as marketable securities which were comprised of treasury securities, maturing October 22, 2009, that are required to be measured at fair value on a recurring basis. We have $10 million of treasury securities that are recorded at amortized cost, which reflects their approximate fair value. We intend to hold the treasury securities through their maturity. In addition, the Ophthalmic Technologies Inc., or ("OTI"), put options were valued at fair value utilizing the Black-Scholes valuation method. During the three and six months ended June 30, 2009, we recorded a reversal of expense of $0.1 million and $0.1 million, respectively, reflecting our stock price fluctuations. During the three and six months ended June 30, 2008, we recorded $30 thousand and $50 thousand of expense, respectively, reflecting our stock price fluctuations during that period. Refer to Note 9.

Any future fluctuation in fair value related to these instruments that is judged to be temporary, including any recoveries of previous write-downs, would be recorded in accumulated other comprehensive income or loss. If we determine that any future valuation adjustment was other-than-temporary, we would record a charge to the consolidated statement of operations as appropriate.

Our financial assets measured at fair value on a recurring basis, subject to the disclosure requirements of SFAS 157 are as follows (in thousands):

	Fair value measurements as of June 30, 2009			
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Assets:				
Money market funds	$ 30,941	$ —	$ —	$30,941
Treasury securities	9,995	—	—	9,995
OTI put option				

Recent accounting pronouncements: In December 2007, the FASB issued SFAS No. 141R, *Business Combinations*, or SFAS 141R. SFAS 141R applies to business combinations and requires, among other things, the expensing of transaction costs, including deal costs and restructuring costs as incurred, the capitalization of acquired in-process research and development assets, the recording at fair value of, certain contingent assets and liabilities including and earn-out arrangements. Changes in fair value of contingent consideration may be required to be recognized each period into earnings. In addition, material adjustments made to the initial acquisition purchase accounting will be required to be recorded back to the acquisition date. This will cause companies to revise previously reported results when reporting comparative financial information in subsequent filings. SFAS No. 141R is effective for the Company on a prospective basis for transactions occurring beginning on January 1, 2009 and earlier adoption is not permitted. We adopted SFAS No. 141R on January 1, 2009. The adoptions may have a material impact on the Company's consolidated financial position, results of operations and cash flows if we enter into material business combinations after January 1, 2009.

In December 2007, the FASB issued SFAS No. 160, *Noncontrolling Interests in Consolidated Financial Statements, an Amendment of ARB No. 51*, or SFAS 160. SFAS 160 requires minority interests to be recharacterized as noncontrolling interests and reported as a component of equity. In addition, SFAS160 requires that purchases or sales of equity interests that do not result in a change in control be accounted for as equity transactions and, upon a loss of control, requires the interests sold, as well as any interests retained, to be recorded at fair value with any gain or loss recognized in earnings. SFAS 160 is effective for fiscal years beginning on or after December 15, 2008, with early adoption prohibited. We adopted SFAS No. 160 on January 1, 2009. The adoption of SFAS No. 160 did not have a material impact on our condensed consolidated financial statements.

In April 2009, the FASB issued FSP FAS 107-1 and APB 28-1, *Interim Disclosures about Fair Value of Financial Instruments*. FSP FAS 107-1 and APB 28-1 enhance consistency in financial reporting by increasing the frequency of fair value disclosures. FSP FAS 107-1 and APB 28-1 relate to fair value disclosures for any financial instruments that are not currently reflected on the balance sheet of companies at fair value. Prior to issuing this FSP, fair values for these assets and liabilities were disclosed only once a year. The FSP now requires these disclosures to be made on a quarterly basis, providing qualitative and quantitative information about fair value estimates for all those financial instruments not measured on the balance sheet at fair value. FSP FAS 107-1 and APB 28-1 are effective for interim and annual periods ending after June 15, 2009. We adopted FSP FAS 107-1 and APB 28-1 in the second quarter of fiscal 2009. The adoption of FSP FAS 107-1 and APB 28-1 did not have a material impact on our condensed consolidated financial statements.

In April 2009, the FASB issued FSP No. 115-2 and FAS 124-2, *Recognition and Presentation of Other-Than-Temporary Impairments*. This FSP amends the other-than-temporary impairment guidance in U.S. GAAP for debt securities to make the guidance more operational and to improve the presentation and disclosure of the other-than-temporary impairments on debt and equity securities in the financial statements. The FSP is effective for interim and annual reporting periods ending after June 15, 2009. We adopted FSP No. 115-2 and FAS 124-2 in the second quarter of fiscal 2009. The adoption of FSP No. 115-2 and FAS 124-2 did not have a material impact on our condensed consolidated financial statements.

In April 2009, the FASB issued FASB Staff Position, or FSP, FAS 157-4, *D*

On February 23, 2009, we entered into a Stock Purchase Agreement with Frost Gamma Investments Trust (the "Gamma Trust"), of which Phillip Frost, M.D., our Chairman and CEO, is the sole trustee, pursuant to which the Gamma Trust agreed to make a $20.0 million cash investment in the Company in exchange for 20,000,000 shares of our common stock, par value $.01 (the "Shares"), at $1.00 per share, representing an approximately 20% discount to the average closing price of our common stock on the NYSE Amex Exchange for the five trading days immediately preceding the effective date of Audit Committee and stockholder approval of the transaction. We issued the Shares and received the proceeds on April 27, 2009.

NOTE 6. PROMISSORY NOTE

On March 4, 2009, the Gamma Trust advanced $3.0 million to us pursuant to a Promissory Note we issued to the Gamma Trust (the "Note"). The entire amount of this advance and all accrued interest thereon was due and payable on the earlier of May 4, 2009, or such earlier date following the closing of the Stock Purchase Transaction with the Gamma Trust discussed in Note 5. The Note bears interest at a rate equal to 11% per annum and may be prepaid in whole or in part without penalty or premium. We repaid the Note and $48 thousand of interest on April 27, 2009.

NOTE 7. INVESTMENT IN BIOTECHNOLOGY COMPANY

On June 10, 2009, we entered into a stock purchase agreement with Sorrento Therapeutics, Inc. ("Sorrento"), a privately held ct Inc.

NOTE 9. COMMITMENTS AND CONTINGENCIES

On May 7, 2007, Ophthalmic Imaging Systems, or OIS, sued Steven Verdooner, its former president and our then Executive Vice President, Instrumentation, in California Superior Court for the County of Sacramento. OIS later amended its complaint to add claims against the Company and The Frost Group, LLC alleging breach of fiduciary duty, intentional interference with contract and intentional interference with prospective economic advantage. Trial in the matter was scheduled to commence on April 28, 2009. In order to avoid the expense and uncertainty of litigation, and without making any admission of wrongdoing or liability, we entered into a settlement agreement to fully and finally resolve the lawsuit on May 4, 2009. The impact of the settlement was not material to the Company.

We are a party to other litigation in the ordinary course of business. We do not believe that any such litigation will have a material adverse effect on our business, financial condition, or results of operations.

We intend to invest $2.5 million in Cocrystal on or about September 18, 2009. Refer to Note 8.

In the event of a termination of an existing employee of OTI, we would become obligated at such employee's sole option to acquire up to 10% of the shares issued to the employee in connection with the acquisition of OTI at a price of $3.55 per share. In connection with the potential obligation, we have recorded approximately $0.2 million in accrued expenses as of June 30, 2009, based on the estimated fair value of the unexercised put option.

On May 6, 2008, we completed the acquisition of Vidus Ocular, Inc., or Vidus. Pursuant to a Securities Purchase Agreement with Vidus, each of its stockholders, and the holders of convertible promissory notes issued by Vidus, we acquired all of the outstanding stock and convertible debt of Vidus in exchange for (i) the issuance and delivery at closing of 658,080 shares of our common stock (the "Closing Shares"); (ii) the issuance of 488,420 shares of our common stock to be held in escrow pending the occurrence of certain development milestones (the "Milestone Shares"); and (iii) the issuance of options to acquire 200,000 shares of our common stock. Additionally, in the event that the stock price for our common stock at the time of receipt of approval or clearance by the U.S. Food & Drug Administration of a pre-market notification 510(k) relating to the Aquashunt is not at or above a specified price, we will be obligated to issue an additional 413,850 shares of our common stock.

We expect to incur losses from operations for the foreseeable future. We expect to incur substantial research and development expenses, including expenses related to the hiring of personnel and additional clinical trials. We expect that selling, general and administrative expenses will also increase as we expand our sales, marketing and administrative staff and add infrastructure. We intend to finance additional research and development projects, clinical trials and our future operations with a combination of private placements, payments from potential strategic research and development, licensing and/or marketing arrangements, public offerings, debt financing and revenues from future product sales, if any. There can be no assurance, however, that additional capital will be available to us on acceptable terms, or at all.

NOTE 10. SUBSEQUENT EVENTS

Pursuant to FAS 165, we have reviewed all subsequent events and transactions that occurred after our June 30, 2009 unaudited condensed consolidated balance sheet dated as of August 7, 2009, our issue date.

Research and development expense. Research and development expense during the three months ended June 30, 2009, was $2.5 million compared to $5.5 million for the comparable period of 2008. The decrease for the three months ended June 30, 2009, primarily reflects the decision in March 2009 to terminate the Phase III clinical trial for bevasiranib. All site close-out activities were completed during the first half of the second quarter of 2009 and we anticipate that all activities for the Phase III trial will be complete during the third quarter of 2009. The decrease in research and development expense in the 2009 period as a result of the clinical trial shut down was partially offset by increased costs relating to the Aquashunt™ clinical trial which began in the first quarter of 2009 and ongoing development costs for our ophthalmic instrumentation business, which are primarily personnel related expenses. The 2008 period primarily reflects the cost of our Phase III clinical trial for bevasiranib, including costs of clinical trial site and monitoring expenses, personnel costs and outside professional fees. The amount for the three months ended June 30, 2009, includes equity-based compensation expense of $0.4 million, compared to the 2008 period which includes $0.6 million of equity-based compensation expense.

Write-off of Acquired In-Process Research and Development. On May 6, 2008, we acquired Vidus Ocular, Inc. ("Vidus"), a privately held company that is developing Aquashunt™, for the treatment of glaucoma, in a stock for stock transaction. We recorded the assets and liabilities at fair value, and as a result, we recorded acquired in-process research and development expense and recorded a charge of $1.4 million. We did not have any such activity during the three months ended June 30, 2009.

Other operating expenses. Other operating expenses primarily include amortization of our intangible assets acquired from OTI.

Other income and expenses. Other expense was $0.5 million for the first three months of 2009 compared to $0.2 million, net of $0.1 million of interest income for the comparable 2008 period. Other income primarily consists of interest earned on our cash and cash equivalents and interest expense reflects the interest incurred on our line of credit. As a result of reduced interest rates during the three months ended June 30, 2009, interest earned decreased significantly.

Income taxes. Income tax benefit for the three months ended June 30, 2009 and 2008, reflects the Canadian provincial tax credit that is refundable once we file our tax return. This credit relates to research and development expenses incurred at our OTI locations.

FOR THE SIX MONTHS ENDED JUNE 30, 2009 AND 2008

Revenue. Revenue for the six months ended June 30, 2009, was $4.6 million, compared to $3.7 million for the comparable 2008 period. The increase in revenue for the six months ended June 30, 2009, as compared to the first six months of 2008 is a result of our decision in the second quarter of 2008 to ship only a limited number of OCT/SLO products internationally while we addressed the FDA warning letter received for our Toronto manufacturing facility. We believe revenue for the six months ended June 30, 2009, was also impacted by our limited participation at tradeshows during 2008 while we focused on enhancing the product and our manufacturing processes. We began marketing and selling our OCT/SLO product in the U.S. at the beginning of 2009. We anticipate demand in both the U.S. market and international markets will increase during the remainder of 2009 as we begin to actively promote the OCT/SLO product at tradeshows in the U.S. and internationally.

Gross margin (deficit). Gross margin for the six months ended June 30, 2009, was $1.3 million compared to a gross deficit of ($0.7) million for the comparable period of 2008. Gross margin for the six months ended June 30, 2009, improved as a result of the cost reduction initiatives we began implementing in 2008 to reduce our costs associated with the OCT/SLO product. During the first half of 2008, we changed a number of suppliers and processes related to our OCT/SLO product which resulted in lower manufacturing costs, resulting in higher gross margins on that product during the second half of 2008 and the first six months of 2009. During the three months ended June 30, 2008, we incurred approximately $0.9 million in expense related to production development including bringing a portion of the manufacturing process for our OCT/SLO product in-house.

Selling, general and administrative expense. Selling, general and administrative expense for the six months ended June 30, 2009, was $6.2 million compared to $8.6 million of expense for the comparable period of 2008. Selling, general and administrative expenses during the first six months of 2009 and 2008, primarily include personnel expenses, including equity-based compensation expense of $1.5 million and $2.9 million, respectively, and professional fees. The decrease in selling, general and administrative expenses primarily reflects decreased personnel costs, including severance and approximately $1.4 million related to the acceleration of vesting for stock options in connection with the termination of certain employees in 2008. In addition, there were decreased sales commissions to our international distributors in the six months of 2009. Partially offsetting these decreases was an increase in professional fees during the six months ended June 30, 2009, as compared to the 2008 period. We anticipate selling, general and administrative expenses will increase during the remainder of 2009 while we increase our sales and marketing activities to promote and support our OCT/SLO product, including the launch costs in the U.S. and participation in additional tradeshows in the U.S. and internationally.

In December 2007, the FASB issued SFAS No. 160, *Noncontrolling Interests in Consolidated Financial Statements, an Amendment of ARB No. 51*,or SFAS 160. SFAS 160 requires minority interests to be recharacterized as noncontrolling interests and reported as a component of equity. In addition, SFAS 160 requires that purchases or sales of equity interests that do not result in a change in control be accounte qpz

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Date: August 7, 2009

OPKO Health, Inc.

/s/ Adam Logal
Adam Logal
Executive Director of Finance, Chief Accounting Officer and Treasurer

Exhibit Index

Exhibit Number	Description
Exhibit 10.1	Form of Stock Purchase Agreement for transactions between the Company and Nora Real Estate SA., Vector Group Ltd., Oracle Partners LP, Oracle Institutional Partners, LP., Chung Chia Company Limited, Gold Sino Assets Limited and Grandtime Associates Limited.
Exhibit 10.2	Stock Purchase Agreement dated June 10, 2009, among Sorrento Therapeutics, Inc. and the Company.
Exhibit 31.1	Certification by Phillip Frost, Chief Executive Officer, pursuant to Rule 13a-14(a) and 15d-14(a) of the Securities and Exchange Act of 1934 as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 for the quarterly period ended June 30, 2009.
Exhibit 31.2	Certification by Rao Uppaluri, Chief Financial Officer, pursuant to Rule 13a-14(a) and 15d-14(a) of the Securities and Exchange Act of 1934 as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 for the quarterly period ended June 30, 2009.
Exhibit 32.1	Certification by Phillip Frost, Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 for the quarterly period ended June 30, 2009.
Exhibit 32.2	Certification by Rao Uppaluri, Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 for the quarterly period ended June 30, 2009.

Exhibit 10.1

FORM OF STOCK PURCHASE AGREEMENT

This Stock Purchase Agreement is dated as of ***, 2009 (this "Agreement"), between OPKO Health, Inc., a Delaware corporation (the "Company"), and *** (the "Purchaser").

WHEREAS, the Company desires to sell to Purchaser, and Purchaser desires to purchase from the Company, shares of the Company's common stock, par value $.01 per share (the "Common Stock"), on the terms and subject to the conditions set forth in this Agreement (the "Transaction").

NOW, THEREFORE, in consideration of the premises and the mutual covenants contained in this Agreement and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound, the parties agree as follows:

Article 1
Purchase and Sale of Common Stock

1.1 Purchase and Sale. Purchaser hereby agrees to purchase, and the Company hereby agrees to sell and issue to Purchaser, *** shares of Common Stock (the "Shares") at a price per share equal to $*** (the "Purchase Price"), for an aggregate purchase price of $*** (the "Aggregate Purchase Price").

THIS STOCK HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR ANY STATE SECURITIES LAWS. THIS STOCK MAY NOT BE OFFERED OR TRANSFERRED BY SALE, ASSIGNMENT, PLEDGE OR OTHERWISE UNLESS (A) A REGISTRATION STATEMENT FOR THE STOCK UNDER THE SECURITIES ACT IS IN EFFECT OR (B) THE COMPANY HAS RECEIVED AN OPINION OF COUNSEL, WHICH OPINION IS SATISFACTORY TO THE COMPANY, TO THE EFFECT THAT SUCH REGISTRATION IS NOT REQUIRED UNDER THE SECURITIES ACT OR THE RELEVANT STATE SECURITIES LAWS.

5.2 Brokerage. Each

5.7 Counterparts. This Agreement may be executed in two or more counterparts (including facsimiles), each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

5.8 Amendments and Waivers. This Agreement may be amended or modified, and provisions hereof may be waived, only with the written consent of the Company and the Purchaser.

5.9 Severability. If any provision of this Agreement shall be declared

Exhibit 10.2

STOCK PURCHASE AGREEMENT

This Stock Purchase Agreement is entered into as of June 10, 2009 (this "Agreement"), among Sorrento Therapeutics, Inc., a California corporation (the "Company"), and OPKO Health, Inc. ("Buyer").

Preliminary Statements

A. The Company is engaged in the business of d(Ů

3.5 Purchase Entirely for Own Account. The Purchased Shares to be acquired by the Buyer will be acquired for investment for the Buyer's own account, not as a nominee or agent, and not with a view to the resale or distribution of any part thereof, and the Buyer has no present intention of selling, granting any participation in, or otherwise distributing the same. By executing this Agreement, the Buyer further represents that the Buyer does not presently have any contract, undertaking, agreement, or arrangement with any person or entity to sell, transfer or grant participations to such person or entity or to any third person or entity, with respect to any of the Purchased Shares.

3.6 Disclosure of Information. The Buyer has had an opportunity to discuss the Company's business, management, financial affairs, and the terms and conditions of the offering of the Purchased Shares with the Company's management. The foregoing, however, does not limit or modify the representations and warranties of the Company in Article 4 of this Agreement or the right of the Buyer to rely thereon.

3.7 Restricted Securities. The Buyer understands that the Purchased Shares have not been, and will not be, registered under the Securities Act, by reason of a specific exemption from the registration provisions of the Securities Act which depends upon, among other things, the bona fide nature of the investment intent and the accuracy of the Buyer's representations as expressed herein. The Buyer understands that the Purchased Shares are "restricted securities" under applicable U.S. federal and state securities laws and that, pursuant to these laws, the Buyer must hold the Purchased Shares indefinitely unless they are registered with the SEC and qualified by state authorities, or an exemption from such registration and qualification requirements is available. The Buyer acknowledges that the Company has no obligation to register or qualify the Purchased Shares.

3.8 Legends. The Buyer understands that the Purchased Shares and any securities issued in respect of or exchange for the Purchased Shares, may bear the following legends:

THE SHARES REPRESENTED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AND HAVE BEEN ACQUIRED FOR INVESTMENT AND NOT WITH A VIEW TO, OR IN CONNECTION WITH, THE SALE OR DISTRIBUTION THEREOF. NO SUCH TRANSFER MAY BE EFFECTED WITHOUT AN EFFECTIVE REGISTRATION STATEMENT RELATED THERETO OR AN OPINION OF COUNSEL IN A FORM SATISFACTORY TO THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR THE COMPANY OTHERWISE SATISFIES ITSELF THAT SUCH TRANSACTION IS EXEMPT FROM REGISTRATION.

Notwithstanding the foregoing, the legend referred to in this Section 3.8 shall be removed and the Company shall issue a certificate without such legend to the holder of the Purchased Shares if such Purchased Shares are registered under the Securities Act, or if such holder provides the Company with an opinion of counsel (which may be counsel for the Company) reasonably acceptable to the Company to the effect that a public sale or transfer of such Purchased Shares may be made without registration under the Securities Act.

3.9 Accredited Investor. The Buyer is an "accredited investor" as defined in Rule 501(a) of Regulation D promulgated under the Securities Act.

ARTICLE 4

REPRESENTATIONS AND WARRANTIES OF THE COMPANY

In order to induce Buyer to enter into this Agreement and to consummate the transactions contemplated hereby, the Company makes the representations and warranties set forth below to Buyer as of the date hereof.

4.1 Organization. The Company has been duly organized and is validly existing and in good standing under the Laws of the jurisdiction of its incorporation or organization, as the case may be. The Company is duly qualified or licensed to do business, and is in good standing, in each jurisdiction where the character of the properties owned, leased or operated by it or the nature of its business makes such qualification or licensing necessary. The Company has all requisite right, power and authority to (a) own or lease and operate its properties, (b) conduct its business as presently conducted and (c) engage in and consummate the transactions contemplated hereby. The Company is not in violation of any provision of its Organizational Documents.

4.2 Authorization; Enforceability. The Company has all necessary corporate power and authority to execute and deliver the Transaction Documents, to carry out its obligations thereunder, and to consummate the transactions contemplated thereby. The execution and delivery of the Transaction Documents by the Company and the consummation by it of the transactions contemplated thereby have been duly and validly authorized by all requisite corporate action. This Agreement has been, and upon execution the other Transaction Documents shall have been, duly and validly executed and delivered by the Company and constitutes, and upon execution the other Transaction Documents shall constitute, the legal, valid and binding obligations of the Company, enforceable in accordance with their respective terms.

4.3 No Violation or Conflict. The execution and delivery of the Transaction Documents by the Company, the consummation by the Company of the transactions contemplated thereby, and compliance by the Company with the provisions thereof, do not and will not: (a) violate or conflict with any provision of the Company's Organizational Documents; (b) violate or conflict with any Law

4.5 Organizational Documents and Corporate Records. A true and complete copy of (a) the Organizational Documents of the Company, as amended, and (b) the minute books of the Company have been delivered to Buyer. Such minute books contain complete and accurate records of all meetings and other corporate actions of the board of directors, committees of the board of directors, and shareholders of the Company from the date of its incorporation to the date hereof. All matters requiring the authorization or approval of the board of directors, a committee of the board of directors, or the shareholders of the Company have been duly and validly authorized and approved by them.

4.6 Subsidiaries. The Company does not currently own or control, directly or indirectly, any interest in any other corporation, partnership, trust, joint venture, limited liability company, association or other business entity. The Company is not a participant in any joint venture, partnership or similar arrangement.

4.7 Capitalization. Schedule 4.7 describes the equity capitalization of the Company immediately prior to, and after, Closing, including without limitation, the number of authorized shares of capital stock, the number of outstanding shares, the names of the holders thereof and the amount of shares held by each such holder. All of the issued and outstanding shares of capital stock (i) have been duly authorized and validly issued and are fully paid and non-assessable and (ii) were issued in compliance with all applicable laws concerning the issuance of the securities. None of the issued and outstanding shares of capital stock were issued in violation of any Law, preemptive rights or rights of first refusal or other agreement or rights. No written or oral agreement or understanding with respect to the disposition of the Company's shares of capital stock or any rights therein, other as may be contained in the Transaction Documents, exists.

4.8 Rights, Warrants, Options. The Company has reserved 10,000,000 shares of Company Common Stock for issuance to officers, directors, employees and consultants of the Company pursuant to its 2009 Equity Incentive Plan, which has been duly adopted by the Company's board of directors and shareholders (the "Stock Plan"). Of such reserved shares of Company Common Stock, no options to purchase shares have been granted or are currently outstanding. The Company has furnished Buyer complete and accurate copies of the Stock Plan and forms of agreement approved for use thereunder. Other than as may be contained in the Transaction Documents or as described in Schedule 4.7, there are no equity interests, stock options, warrants, notes, convertible securities, rights of first refusal, preemptive rights, subscription rights, stock appreciation, phantom stock or other rights, arrangements or commitments of any character outstanding to which the Company is a party or by which the Company is bound or relating to the Company's issued or unissued capital stock, or equity interests of the Company or obligating the Company to issue, sell, or redeem any capital stock or other equity interests in the Company. Except for the Transaction Documents, there are no voting trusts, shareholder agreements, proxies or other agreements or understandings in effect with respect to the Company's capital stock. There are no outstanding contractual obligations of the Company to provide funds to, or make any investment (in the form of a loan, capital contribution or otherwise) in any other Person.

(c) The Company Intellectual Property and the Licensed Intellectual Property have not been adjudged invalid or unenforceable in whole or in part, and are valid and enforceable. There have been no claims made or, to the Company's Knowledge, threatened against Company or the Founders, or to its Knowledge, any third party owner of Licensed Intellectual Property asserting any grounds of invalidity, abuse, misuse or unenforceability of any Company Intellectual Property or Licensed Intellectual Property and no grounds for any such claims exist.

(d) To the Knowledge of the Company, the conduct of the Company's business as currently conducted or proposed to be conducted does not infringe, violate or misappropriate the Intellectual Property of any third party, and no Action alleging any of the foregoing are pending, and no Action has been asserted or, to the Company's Knowledge, threatened against any Founder or the Company alleging any of the foregoing.

(e) The Company, or any third party owner of Licensed Intellectual Property, has not made any claim of any infringement, violation or misappropriation by others of the Company Intellectual Property or the Licensed Intellectual Property or interests therein and no grounds for any such claims exist.

(f) Except as contemplated by the License Agreement, no interest in any of the Company's Intellectual Property has been assigned, transferred, licensed or sublicensed by the Company to any Person.

(g) There have been no claims made or threatened against the Company or any third party owner challenging the complete and exclusive ownership of or the right to use the Company Intellectual Property or Licensed Intellectual Property, or suggesting that any other Person has any claim of legal or beneficial ownership with respect thereto.

(h) The Company is currently in compliance in all material respects with all applicable legal requirements (including timely payment of filing, examination, maintenance and legal fees) necessary to protect the Company Intellectual Property or Licensed Intellectual Property.

(i) The Company has not been and will not be required, for the conduct of its business as currently conducted and as currently proposed to be conducted, to utilize any inventions or other intellectual or other property of any Founders, employees, agents or independent contractors of the Company made prior to their employment or other engagement by the Company or other than as part of such employment or engagement for and on behalf of the Company. To the Company's Knowledge, at no time during the conception, reduction to practice or development of any of the Company Intellectual Property (whether prior to or during the employment or engagement of any such person by the Company) was any developer, inventor or other contributor to such Company Intellectual Property (1) operating under any grants from any governmental entity or agency, hospital, academic institution or private or other source (any of the above or sub-division or sub-entity thereof, an "Institution"), performing research sponsored by any Institution or subject to any employment, consulting, staff or faculty member or other engagement agreement or arrangement (whether full-time or part-time) or invention assignment or nondisclosure agreement or other obligation with any third party that would adversely affect the Company's rights in such Company Intellectual Property, (2) using any facilities of any Institution in connection with any such conception or development of any such Company Intellectual Property, or utilizing in connection therewith any time which his relationship or engagement with any Institution warranted to be devoted to such Institution or to his activities therein or for which he was receiving compensation from such Institution, (3) researching, developing, teaching, using or otherwise being involved, in connection with his relationship or engagement with any Institution, in any matter that relates to any such Company Intellectual Property, or (4) otherwise engaging in any activity in connection with his relationship or engagement with any Institution that might serve as a basis for any claim by any Institution with respect to any rights in any such Company Intellectual Property. Without derogating in any manner from any other representation or warranty made herein, no Institution has any rights of any kind in any of the Company Intellectual Property.

(j) None of the Founders or the Company's employees are obligated under any cont oh any Ibl h lationship r tutushrt rel ement t s

4.24 Legal Proceedings. There is no Action, mediation or out-of-court settlement negotiation by or against the Company or affecting any of the Assets or business of the Company or pending, or to the Knowledge of the Company, threatened. No person who is or was a director or officer of the Company is a party to any pending or threatened Action, mediation or out-of-court settlement negotiation in their capacity as directors or officers of the Company. Neither the Company, nor any Asset is subject to any Governmental Order, nor is any Governmental Order threatened or pending.

4.25 Brokers. The Company has not employed any financial advisor, broker or finder or incurred and will not incur any broker's, finder's, investment banking or similar fees, commissions or expenses in connection with the transactions contemplated by this Agreement.

ARTICLE 5

ADDITIONAL COVENANTS AND AGREEMENTS

5.1 Board Observer. At all times when Buyer is a shareholder of the Company and is not otherwise represented on the Company's board of directors, the Company shall invite a representative of Buyer to attend all meetings of the Company's board of directors (and committees thereof) in a nonvoting observer capacity and, in this respect, shall give such representative copies of all notices, minutes, consents, and other materials that it provides to its directors at the same time that such materials are given to such directors; provided, [illegible]

(ii) If the Company elects not to assume the defense of such Claim or, having assumed the defense and settlement of such Claim, fails reasonably to contest such Claim in good faith, the Buyer Indemnified Party, without waiving its right to indemnification shall assume the defense and settlement of such Claim at the Company's expense, provided, however, that (A) the Company shall cooperate with the Buyer Indemnified Party in the defense and settlement of such Claim in any manner reasonably requested by the Buyer Indemnified Party, and (B) the Buyer Indemnified Party shall not settle such Claim without the written consent of the Company, which consent shall not be unreasonably withheld or delayed.

(c) Except in the case of fraud, the indemnification rights of the Buyer Indemnified Parties pursuant to this Agreement shall constitute the sole and exclusive remedy of the Buyer Indemnified Parties for breaches of the representations or warranties of the Company set forth in this Agreement.

ARTICLE 7

CLOSING

7.1 Closing.

(a) The closing of the purchase, sale and issuance of the Purchased Shares pursuant to this Agreement (the "Closing") shall take place at the offices of the Company at 11:00 a.m. Pacific Time on the date of this Agreement.

(b) At the Closing, the Company shall deliver to Buyer (i) certificates representing the Purchased Shares; (ii) an executed counterpart of the Purchase Agreement and the License Agreement; (iii) the Shareholders' Agreement executed by each shareholder of the Company; and (iv) evidence of the assignment to the Company by Dr. Ji of all of his right, title and interest in those patents and patent applications set forth in Schedule 7.1(b).

(c) At the Closing, Buyer shall (i) deliver the Cash Consideration pursuant to Section 2.2; and (ii) an executed counterpart of the Purchase Agreement, the License Agreement, and the Shareholders' Agreement.

ARTICLE 8

MISCELLANEOUS

8.1 Notices. Any notice to B to the other communication under this Agreement shall be in writing and shall be delivered personally or sent by certified mail, return receipt requested, postage prepaid, or sent by facsimile or prepaid overnight courier to the parties at the addresses set forth below their names on the signature pages of this Agreement (or at such other addresses as shall be specified by the parties by like notice). Such notices, dema' a' ay or a the

8.2 Entire Agreement. This Agreement, the License Agreement and the Shareholdeo g”T””””” Ie (‖ A

8.8 Headings. The section and other headings contained in this Agreement are for reference purposes only and shall not affect the meaning or interpretation of any provisions of this Agreement.

8.9 Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

8.10 Litigation; Prevailing Party. In the event of any litigation with regard to this Agreement, the prevailing party shall be entitled to receive from the non prevailing party and the non prevailing party shall pay upon demand all reasonable fees and expenses of counsel for the prevailing party8mזת

IN WITNESS WHEREOF, the parties hereto have each executed and delivered this Agreement as of the day and year first above written.

Buyer:

OPKO HEALTH, INC.,

By: /s/
Name:
Title:

4400 Biscayne Boulevard
Miami, Florida 33137
USA
Attn: Jane Hsiao, Chief Technical Officer

Company:

SORRENTO THERAPEUTICS, INC.

By: /s/
Name:
Title:

Address:

Attn:

[SIGNATURE PAGE TO STOCK PURCHASE AGREEMENT]

Exhibit 31.1

CERTIFICATIONS

I, Phillip Frost, certify that:

(1) I have reviewed this Quarterly Report on Form 10-Q of OPKO Health, Inc.;

(2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

(3) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

(4) The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

(5) The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

Exhibit 31.2

CERTIFICATIONS

I, Rao Uppaluri, certify that:

(1) I have reviewed this Quarterly Report on Form 10-Q of OPKO Health, Inc.;

(2) Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

(3) Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

(4) The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

(5) The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 7, 2009

/s/ Rao Uppaluri
Rao Uppaluri
Chief Financial Officer

Exhibit 32.1

Certification Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
(Subsections (a) and (b) of Section 1350, Chapter 73 of Title 18, United States Code)

Pursuant to 18 U.S.C. Section 1350, as adopted pursuant section 906 of the Sarbanes-Oxley Act of 2002, I, Phillip Frost, Chief Executive Officer of OPKO Health, Inc. (the "Company"), hereby certify that:

The Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2009 (the "Form 10-Q") of the Company fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, and the information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 7, 2009

/s/ Phillip Frost
Phillip Frost
Chief Executive Officer

Exhibit 32.2

Certification Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
(Subsections (a) and (b) of Section 1350, Chapter 73 of Title 18, United States Code)

Pursuant to 18 U.S.C. Section 1350, as adopted pursuant section 906 of the Sarbanes-Oxley Act of 2002, I, Rao Uppaluri, Chief Financial Officer of OPKO Health, Inc. (the "Company"), hereby certify that:

The Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2009 (the "Form 10-Q") of the Company fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, and the information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 7, 2009

/s/ Rao Uppaluri
Rao Uppaluri
Chief Financial Officer