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PART I. FINANCIAL INFORMATION

PART I. FINANCIAL INFORMATION

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This report contains "forward-looking statements," as that term is defined under the Private Securities Reform Litigation 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 elsewhere in this Quarterly Report on Form 10-Q, in "Item 1A-Risk Factors" of our Annual Report on Form 10-K for the year ended December 31, 2007, and such factors as are 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.
- We will require substantial additional funding during the first half of 2009, which may not be available to us on acceptable terms, or at all.
- We are highly dependent on the success of our lead product candidate, bevasiranib, and we cannot give any assurance that it will receive regulatory approval or be successfully commercialized.
- The results of previous clinical trials may not be predictive of future results, and our current and planned clinical trials may not satisfy the requirements of the FDA or other non-United States regulatory authorities.
- 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.
- We may be unable to resolve issues relating to an FDA warning letter in a timely manner.
- Even if we receive regulatory approval to market our product candidates, the market may not be receptive to our products.
- If we fail to attract and retain key management and scientific personnel, we may be unable to successfully develop or commercialize our product candidates.
- As we evolve from a company primarily involved in development to a company also involved in commercialization, we may encounter difficulties in managing our growth and expanding our operat} oanduDpm

- We have no experience manufacturing our pharmaceutical product candidates and we therefore rely on third parties to manufacture and supply our pharmaceutical product candidates, and would need to meet various standards necessary to satisuou c

Item 1. Financial

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

	For the six months ended June 30,	
	2008	2007
Cash flows from operating activities		
Net loss	$ (21,759)	$ (260,909)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	906	8
Write-off of acquired in-process research and development	1,398	243,761
Accretion of debt discount related to notes payable	109	69
Loss from investment in OTI	-	35
Share based compensation - employees and non-employees	4,209	11,947
Changes in:		
Accounts receivable, net	558	-
Inventory	(1,015)	-
Prepaid expenses and other current assets	222	86
Other assets	(148)	(7)
Accounts payable	(812)	(577)
Accrued expenses and long-term liabilities	882	(744)
Net cash used in operating activities	(15,450)	(6,331)
Cash flows from investing activities		
Acquisition of OTI	-	(5,000)
Acquisition of businesses, net of cash	48	1,135
Capital expenditures	(239)	(21)
Net cash used in investing activities	(191)	(3,886)
Cash flows from financing activities:		
Issuance of common stock	-	16,284
Insurance financing	190	-
Proceeds from the exercise of stock options and warrants	269	-
Repayments of notes payable and capital lease obligations	(2,707)	-
Net cash (used in) provided by financing activities	(2,248)	16,284
Net (decrease) increase in cash and cash equivalents	(17,889)	6,067
Cash and cash equivalents at beginning of period	23,373	116
Cash and cash equivalents at end of period	$ 5,484	$ 6,183
SUPPLEMENTAL INFORMATION		
Interest paid	$ 98	$ 163
NON-CASH INVESTING AND FINANCING ACTIVITES		
Issuance of Capital Stock to acquire Vidus and Acuity in 2008 and 2007	$ 1,319	$ 243,623

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

Principles of consolidation: The

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During the three and six months ended June 30, 2008, we reimbursed SafeStitch Medical, Inc. (“SafeStitch”) approximately $37,000, for time SafeStitch’s personnel spent assisting us with the implementation of certain quality and control standard operating procedures at our manufacturing facility in Toronto, Ontario. Jane Hsiao, our Vice Chairman and Chief Technical Officer, serves as chairman of the board of directors for SafeStitch; and Steven Rubin, our Executive Vice President-Administration, and Richard Pfenniger, each of whom are members of our board of directors also serve on the board of directors of SafeStitch.

We have a fully utilized $12.0 million line of credit with The Frost Group, LLC, or the Frost Group, a related party. The Frost Group members include a trust controlled by Dr. Phillip Frost, who is the Company’s Chief Executive Officer and Chairman of the board of directors, Dr. Jane H. Hsiao, who is the Vice Chairman of the board of directors and Chief Technical Officer, Steven D. Rubin who is Executive Vice President - Administration and a director of the Company, and Rao Uppaluri who is the Chief Financial Officer of the Company. We are obligated to pay interest upon maturity, capitalized quarterly, on outstanding borrowings under the line of credit at a 10% annual rate, which is due July 11, 2009. The line of credit is collateralized by all of our personal property except our intellectual property.

NOTE 10 SUBSEQUENT EVENT

Pursuant to a Stock Purchase Agreement, dated as of August 8, 2008, a group of investors, which included members of The Frost Group, LLC, a private investment group controlled by Dr. Phillip Frost, M.D., Chairman and CEO of the Company, have agreed to make a $15 million investment in the Company. Under the terms of the investment, the Company will issue to investors 13,513,514 shares of the Company’s common stock, par value $.01 (the “Shares”), at $1.11 per share, representing an approximately 40% discount to the five-day average closing price of the common stock on the American Stock Exchange (the “Investment”). The Closing of the Investment and the issuance and delivery of the Shares will occur approximately twenty (20) days after the mailing of an Information Statement to stockholders, which we currently anticipate will be on or around September 10, 2008.

The Shares issued in the Investment will be restricted securities, subject to a two year lockup, and no registration rights have been granted. The issuance of the Shares will be exempt from the registration requirements under the Securities Act of 1933, as amended, pursuant to Section 4(2) thereof, because the transaction does not involve a public offering.

In addition to Frost Gamma Investments Trust, of which Phillip Frost, M.D., is the sole trustee, The Frost Group also includes Dr. Jane Hsiao, Vice Chairman and Chief Technical Officer of OPKO, Dr. Rao Uppaluri, the Company’s Chief Financial Officer, and Mr. Steven D. Rubin, the Company’s Executive Vice President-Administration.

Selling, General and Administrative Expense. Selling, general and administrative expense for the three months ended June 30, 2008 was $3.2 million compared to $5.3 million of expense for the comparable period of 2007. Selling, general and administrative expense primarily related to personnel costs, including stock-based compensation of $0.9 million and $2.6 million, for the three months ended June 30, 2008 and June 30, 2007, respectively, and professional fees. The 2007 period primarily reflects personnel costs including approximately $2.6 million of expense related to stock-based compensation and professional fees. As E o IC E

Selling, General and Administrative Expense. Selling, general and administrative expense for the six months ended June 30, 2008 was $8.6 million compared to $5.4 million of expense for the comparable period of 2007. Selling, general and administrative expense for the six months ended June 30, 2008 primarily related to personnel costs, including stock-based compensation of $2.9 million and professional fees. In addition, as a result of our acquisition of OTI on November 28, 2007, our selling expenses reflect a full six months of post acquisition activity for OTI. As we prepare to sell OTI's OCT/SLO product in the U.S., we anticipate these expenses will increase in the later part of 2008 and thereafter. We acquired Acuity on March 27, 2007 and we had limited operations prior to that, resulting in limited operating expenses during a portion of the 2007 period. The 2007 period includes approximately $2.7 million of expense related to stock-based compensation and professional fees.

Research and Development Expense. Research and development expense during the six months ended June 30, 2008 was $9.8 million compared to $11.5 million for the comparable period of 2007. The 2008 period expense primarily reflects the cost of our ongoing Phase III clinical trial for bevasiranib, including costs of clinical trial sites and monitoring expenses, clinical s imarily rts (II

In December 2007, the FASB issued SFAS No. 160, "Noncontrolling Interests in Consolidated Financial Statements, an Amendment of ARB No. 51" ("SFAS No. 160"). SFAS No. 160 requires minority interests to be recharacterized as noncontrolling interests and reported as a component of equity. In addition, SFAS No. 160 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 No. 160 is effective for fiscal years beginning on or after December 15, 2008, with early adoption prohibited. We do not expect a material impact on our financial statements from the adoption of this standard.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

In the normal course of doing business, we are exposed to the risks associated with foreign currency exchange rates and changes in interest rates. We do not engage in trading market risk sensitive instruments or purchasing hedging instruments or "other than trading" instruments that are likely to expose us to significant market risk, whether interest rate, foreign currency exchange, commodity price, or equity price risk.

Our exposure to market risk relates to our cash and investments and to our borrowings. We maintain an investment portfolio of money market. The securities in our investment portfolio are not leveraged, and are, due to their very short-term nature, subject to minimal interest rate risk. We currently do not hedge interest rate exposure. Because of the short-term maturities of our investments, we do not believe that a change in market interest rates would have a significant negative impact on the value of our investment portfolio except for reduced income in a low interest rate environment. At June 30, 2008, we had cash and cash equivalents of $5.5 million. The weighted average interest rate related to our cash and cash equivalents for the year ended June 30, 2008 was 3.4%. As of June 30, 2008, the principal outstanding on our credit line was $12.0 million, which bears a weighted average interest rate of 10.0%.

The primary objective of our investment activities is to preserve principal while at the same time maximizing yields without significantly increasing risk. To achieve this objective, we invest our excess cash in debt instruments of the U.S. Government and its agencies, bank obligations, repurchase agreements and high-quality corporate issuers, and money market funds that invest in such debt instruments, and, by policy, restrict our exposure to any single corporate issuer by imposing concentration limits. To minimize the exposure due to adverse shifts in interest rates, we maintain investments at an average maturity of generally less than one month.

Item 4. Controls and Procedures

The Company's management, under the supervision and with the participation of the Company's Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO"), has evaluated the effectiveness of the Company's disclosure controls and procedures as defined in Securities and Exchange Commission ("SEC") Rule 13a-15(e) as of June 30, 2008. Based on that evaluation, management has concluded that the Company's disclosure controls and procedures are effective to ensure that information the Company is required to disclose in reports that it files or submits under the Securities Exchange Act is communicated to management, including the CEO and CFO, as appropriate, to allow timely decisions regarding required disclosure and is recorded, processed, summarized, and reported within the time periods specified in the SEC's rules and forms.

Beginning in the fourth quarter of 2007 and continuing through the first six months of 2008, we have implemented standards and procedures at OTI, upgrading and establishing controls over accounting systems, and adding employees who are trained and experienced in the preparation of financial statements in accordance with U.S. GAAP to ensure that we have in place appropriate internal control over financial reporting at OTI. Other than as set forth above with respect to OTI, there have been no changes to the Company's internal control over financial reporting that occurred during the Company's second quarter of 2008 that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II. OTHER INFORMATIS b

On April 14, 2008, OIS was granted leave to file a Second Amended Complaint to add claims for tortious interference with contractual relations and prospective business advantage and aiding and abetting against the Company and The Frost Group, LLC. The Frost Group members include a trust controlled by Dr. Phillip Frost, the Company's Chief Executive Officer and Chairman, Dr. Jane H. Hsiao, Vice Chairman of the board of directors and Chief Technical Officer, Steven D. Rubin, Executive Vice President - Administration and a director of the Company, and Rao Uppaluri, the Chief Financial Officer of the Company. OIS filed the Second Amended Complaint on April 23, 2008, claiming in excess of $7,000,000 in damages against the Company and the Frost Group for intentional interference, conspiracy and aiding and abetting, along with enhanced damages, injunctive relief and costs and attorneys' fees. The Company believes this action is without merit and is vigorously defending itself against the claims. Discovery is ongoing in this matter

Item 1A. Risk Factors

In addition to the other information set forth in this report, you should carefully consider the factors described in the "Risk Factors" section in our Annual Report on Form 10-K for the year ended December 31, 2007, which could materially affect our business, results of operations, financial condition or liquidity. The risks described in our Annual Report are not the only risk facing us. Additional risks and uncertainties not currently known to us or that we currently believe are immaterial also may materially adversely affect our business, results of operations, financial condition or liquidity. Other than as set forth below, there have been no material changes to the risks described in our Annual Report.

We do not have the cash and cash equivalents on hand at June 30, 2008 sufficient to meet our anticipated cash requirements for operations and debt service for the next 12 months, and we will require additional funding during the first half of 2009. We have based this estimate on assumptions that may prove to be wrong or subject to change, and we may be required to use our available capital resources sooner than we currently expect. Because of the numerous risks and uncertainties associated with the development and commercialization of our product candidates, we are unable to estimate the amounts of increased capital outlays and operating expenditures associated with our current and anticipated clinical trials. Our future capital requirements will depend on a number of factors, including the continued progress of our research and development of product candidates, the timing and outcome of clinical trials and regulatory approvals, the costs involved in preparing, filing, prosecuting, maintaining, defending, and enforcing patent claims and other intellectual property rights, the status of competitive products, the availability of financing, and our success in developing markets for our product candidates.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

On May 6, 2008, the Company completed the acquisition of all of the stock of Vidus Ocular, Inc. ("Vidus"), a privately-held company (the "Vidus Shares"). Pursuant to a Securities Purchase Agreement with Vidus, each of its stockholders, and the holders of convertible promissory notes issued by Vidus, the Company 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"); and (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"). Neither the Closing Shares or the Milestone Shares were registered under the Securities Act of 1933, as amended, and were offered in exchange for the Vidus Shares in reliance upon the exemption provided in Section 4(2) of the Securities Act for nonpublic offerings

Item 3. Defaults Upon Senior Securities

None.

Item 4. Submission of Matters to a Vote of Security Holders

The following matter was approved at our annual

A. The election to the Board of Directors of the following nominees:

Name of Nominee	Number of Votes Cast For	Number of Votes Withheld
Phillip Frost, M.D.	141,067,653	125,844
Jane H. Hsiao, Ph.D.	140,825,239	368,258
Steven D. Rubin	141,067,996	125,501
Robert A. Baron	141,074,546	118,951
Thomas E. Beier	141,074,796	118,701
Pascal J. Goldschmidt, M.D.	141,062,808	130,689
Richard A. Lerner, M.D.	141,069,908	123,589
John A. Paganelli	141,065,396	128,101
Richard C. Pfenniger, Jr.	140,916,694	276,803
Michael Reich	140,882,899	310,598

Item 5. Other Information

On August 5, 2008, the Audit Committee of the Board of Directors of the Company approved forms of indemnification agreements to be entered into with the directors and board-elected officers of the Company (the "Indemnification Agreements"). Pursuant to the Indemnification Agreements, the Company will indemnify the directors and board-elected officers from liability under specified circumstances, including without limitation, as a result of any claim asserted against such indemnitee, or as a resulting of any proceeding to which the indemnitee is named as a party, subject or witness, by reason of his or her serving on behalf of the Company.

The above summary of the Indemnification Agreements is qualified in its entirety by reference to the Indemnification Agreement forms attached to this Quarterly Report on Form 10-Q as Exhibits 10.1 and 10.2.

Pursuant to a Stock Purchase Agreement, dated as of August 8, 2008, a group of investors, which included members of The Frost Group, LLC, a private investment group controlled by Dr. Phillip Frost, M.D., Chairman and CEO of the Company, have agreed to make a $15 million investment meup

Item 6.

SIGNATURES

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

Date: August 8, 2008

OPKO Health, Inc.

/s/ Adam Logal

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

EXHIBIT INDEX

2.1[+]	Securities Purchase Agreement dated May 6, 2008, among Vidus Ocular, Inc., OPKO Instrumentation, LLC, OPKO Health, Inc., and the individual sellers and noteholders named therein.
10.1	Form of Indemnification Agreement for Directors
10.2	Form of Indemnification Agreement for Officers
31.1	Certification by Phillip Frost, Chief Executive Officer, pursuant to Exchange Act Rules 13a-14 and 15d-14.
31.2	Certification by Rao Uppaluri, Chief Financial Officer, pursuant to Exchange Act Rules 13a-14 and 15d-14.
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.
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.

[+] Certain confidential material contained in the document has been omitted and filed separately with the Securities and Exchange Commission.

“AMEX” means the American Stock Exchange, LLC.

“Aquashunt” means the Company’s glaucoma drainage device, as improved and modified from time to time.

“Consideration Shares” means, collectively, the *** Shares, the *** Shares, the ’N

"Hazardous Materials" means (a) any petroleum, petroleum products, by-products or breakdown products, radioactive materials, asbestos-containing materials or polychlorinated byphenyls or (b) any chemical, material or substance defined or regulated as toxic or hazardous or as a pollutant or contaminant or waste under any applicable Environmental Law.

"Indemnifying Noteholder" means JM Medical, LLC, a Delaware limited liability company.

"Intellectual Property" means any or all of the following owned, used or controlled by the Company: (a) all inventions (whether patentable or unpatentable and whether or not reduced to practice), all improvements thereto, and all patents and patent applications, together with all reissuances, continuations, continuations-in-part, revisions, extensions, and reexaminations thereof; (b) all trademarks, service marks, trade dress, logos, trade names, and corporate names, together with all translations, adaptations, derivations, and combinations thereof and including all goodwill associated therewith, and all applications, registrations, and renewals in connection therewith; (c) all copyrightable works, all copyrights, and all applications, registrations, and renewals in connection therewith; (d) all trade secrets and confidential business information (including, to the extent such items are confidential or proprietary to the Company, databases, ideas, research and development, know-how, formulas, compositions, manufacturing and production processes and techniques, technical data, designs, drawings, specifications, customer and supplier lists, pricing and cost information, and business and marketing plans and proposals); (e) all proprietary computer programs and software (including data and source and object codes and related documentation); (f) all other proprietary rights, licenses and sublicenses granted by or to the Company that relate to any of the foregoing; and (g) all copies and tangible embodiments thereof (in whatever form or medium).

"Knowledge" means the actual knowledge of the Founders as of the date of this Agreement.

"Law" means any federal, state or local law, statute, ordinance, rule, regulation, order, writ, judgment or decree.

"Liabilities" means any liability (whether known or unknown, whether asserted or unasserted, whether absolute or contingent, whether accrued or unaccrued, whether liquidated or unliquidated and whether due or to become due), damages, claims, fines, penalties, assessments, costs or expenses.

"Liens" means any liens, claims, charges, pledges, security interests, mortgages, title defects or encumbrances.

"Material Adverse Effect" means any change in or effect on the business of at

2.2 Purchase of Notes.

(a) Purchase and Sale of Notes. Subject to the terms and conditions set forth herein, on the Closing Date, each Noteholder shall sell, assign, transfer and deliver to Buyer, and Buyer shall purchase from such Noteholder, all of such Noteholder's right, title and interest in and to the Note(s) including the aggregate indebtedness represented thereby (including the aggregate original principal amount thereof and the accrued and unpaid interest thereon) indicated next to such Noteholder's name on Schedule B.

(b) Consideration. As consideration for the sale, assignment, transfer and delivery of the Notes, on the Closing Date, Buyer shall (i) issue and deliver to each Noteholder a certificate representing the number of shares of OPKO Common Stock set forth opposite the name of such Noteholder on Schedule B under the heading *"Note Shares"* (the "Note Shares"); and (ii) issue to the Indemnifying Noteholder a certificate representing the number of shares of OPKO Common Stock set forth opposite the name of the Indemnifying Noteholder on Schedule B under the heading *"Note Indemnity Shares"* (the "Note Indemnity Shares"), and deliver such certificate to the Escrow Agent to be held in escrow pursuant to the terms of this Agreement and the Escrow Agreement; following which each of the Notes shall be deemed fully repaid, canceled and of no further effect.

2.3 Release By Escrow Agent.

(a) Release of *** Shares. Subject to Section 2.3(c) and Section 2.3(d), Buyer and the Seller Representative shall direct the Escrow Agent to immediately release the *** Shares, other than the *** shares constituting part of the Escrow Shares, to the Sellers immediately after the earlier to occur of (i) ***, as determined by OPKO in its sole discretion, of *** (defined in Section 8.1(a)), and (ii) a ***y OPKe

(d) *** Escrow Shares. Notwithstanding anything in Section 2.3(a), Section 2.3(b), or Section 2.3(c) to the contrary, none o

3.5 Validity of Share

3.10 Consent of Governmental Authorities. No consent, approval or authorization of, or registration, qualification or filing with any governmental or regulatory authority is required to be made by OPKO in connection with the execution, delivery or performance of this Agreement by OPKO or the consummation by OPKO of the transactions contemplated hereby.

3.11 Brokers. Buyer has not employed any financial advisor, broker or finder and has not 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, which would be payable by Sellers.

ARTICLE 4

Representations and Warranties of the Company

In order to induce Buyer and OPKO to enter into this Agreement and to consummate the transactions contemplated hereby, the Company hereby makes the representations and warranties set forth below to Buyer and OPKO, which are subject to the qualifications and limitations set forth in the disclosure schedules attached hereto (the "Disclosure Schedules").

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. 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 default under its Organizational Documents. The Company does not have any Subsidiaries.

4.2 Authorization; Enforceability. The Company has all requisite right, power and authority to execute and deliver the Transaction Documents and 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 hereby have been duly authorized by all requisite corporate action. The Transaction Documents have been duly executed and delivered and constitute the legal, valid and binding obligations of the Company, enforceable in accordance with their respective terms except as limited by (a) applicable bankruptcy, insolvency, reorganization, moratorium or other Laws of general application affecting enforcement of creditors' rights and (b) general principles of equity that may restrict the availability of equitable remedies.

4.3 No Violation or Conflict. Except as set forth on Schedule 4.3, the execution and delivery of the Transaction Documents by the Company and the consummation by the Company of the transactions contemplated hereby, and compliance by the Company with the provisions hereof: (a) do not and will not violate or conflict with any provision of Law or any provision of the Company's Organizational Documents; and (b) do not and will not, with or without the passage of time or the giving of notice, result in the breach of, or constitute a default, cause the acceleration of performance or require any consent under, or result in the creation of any Lien upon any property or assets of the Company pursuant to any instrument or agreement to which the Company is a party or by which the Company's properties may be bound or affected.

(k) apply any of its assets to the direct or indirect payment, discharge, satisfaction or reduction of any amount payable directly or indirectly by, to or for the benefit of any Seller or any Affiliate thereof or to the prepayment of any such amounts

(iii) Each Plan and Welfare Plan has been administered in accordance with its terms and applicable Law. With respect to the Plans, (A) no event has occurred and there exists no condition, facts or circumstances which would reasonably be expected to give rise to any Liability of the Company under the terms of such Plans or any Law governing such Plans (other than Liabilities for benefits under such Plans in the ordinary course), (B) the Company has paid or accrued in accordance with its normal accounting practices all amounts required under applicable Law and any Plan to be paid as a contribution to each Plan through the date hereof, (C) the Company has set aside adequate reserves to meet contributions which are not yet due under any Plan, (D) the fair market value of the assets of each funded Plan, the liability of each insurer for any Plan funded through insurance or the book reserve established for any Plan, together with accrued contributions, is sufficient

(a) each partnership, joint venture or similar agreement of the Company with another Person;

(b) each contract or agreement under which the Company has created, incurred, assumed or guaranteed (or may create, incur, assume or guarantee) indebtedness in any amount or under which the Company has imposed (or may impose) a Lien on any of their respective assets, whether tangible or intangible securing indebtedness;

(c) each contract or agreement which involves an aggregate payment or commitment per contract or agreement on the part of the Company of more than US $5,000 per year;

(d) all leases and subleases from any third person to the Company, in each case requiring annual lease payments in excess of US $5,000;

(e) each contract or agreement to which the Company or any of its Affiliates is a party limiting the right of the Company or any of its Affiliates (i) to engage in, or to compete with any person in, any business, including each contract or agreement containing exclusivity provisions restricting the geographical area in which, or the method by which, any business may be conducted by the Company or any of its Affiliates or (ii) to solicit any customer or client;

(f) all licenses, licensing agreements and other agreements providing in whole or part for the use of any Intellectual Property by any third party; and

(g) each contract or agreement which contain anti-assignment, change of control or notice of assignment provisions.

Schedule 4.21 further identifies each Contract which would require that the Company give notice to, or obtain the consent of, another party to such Contract as a result of transactions contemplated by this Agreement. The Contracts are each in full force and effect and are the valid and legally binding obligations of the Company and, to the Company's Knowledge, are valid and binding obligations of the other parties thereto (in each case, except as limited by (a) applicable bankruptcy, insolvency, reorganization, moratorium or other Laws of general application affecting enforcement of creditors' rights and (b) general principles of equity that may restrict the availability of equitable remedies). The Company has not received written notice of default by the Company under any of the Contracts, and the Company is not in default under any Contract, and no event has occurred which with the giving of notice or lapse of time or both would constitute such a default. The Company has previously delivered or will deliver prior to the Closing Date to Buyer true, complete and correct copies of all contracts listed on Schedule 4.21.

None of the Contracts was entered into outside the ordinary course of business of the Company and none contains any provisions that would reasonably be expected to impair or adversely affect in any material way the operations of the Company, or would reasonably be expected to be performed at a material loss.

4.22 Related Parties. To the Knowledge of the Company, no current officer or director of the Company (a) owns, directly or indirectly, any interest in, or is a director, officer, employee, consultant or agent of, any Person which is a competitor of the Company; (b) owns, directly or indirectly, in whole or in part, any property, asset or right, real, personal or mixed, tangible or intangible, including any Intellectual Property, used in the conduct of the Company's business; (c) has an interest in or is, directly or indirectly, a party to any Contract; or (d) has any cause of action or claim whatsoever against, or is indebted to the Company on account of borrowed money.

5.3 **No Consent, Violation or Conflict**. With respect to such Seller, the execution and delivery of the Transaction Documents by such Seller and the consummation by such Seller of the transactions contemplated hereby, and compliance by the Seller with the provisions hereof, (a) do not require any prior governmental or regulatory consent, approval, or notice of any kind, (b) do not and will not violate or, if applicable, conflict with any provision of Law, and (c) do not and will not, with or without the passage of time or the giving of notice, result in the breach of, or constitute a default, cause the acceleration of performance or require any consent under, or result in the creation of any Lien upon any property or assets of such Seller pursuant to any instrument or agreement to which such Seller is a party or by which such Seller or such Seller's properties may be bound or affected.

5.4 **Litigation**. There are no suits or proceedings pending or, to the knowledge of such Seller, threatened, before any court or by or before any governmental or regulatory authority, commission, bureau or agency or public regulatory body against such Seller which, if adversely determined, would interfere with Seller's ability to consummate the transactions contemplated hereby.

5.5 **Related Parties**. Such Seller does not own, directly or indirectly, any significant interest in, or is a director, officer, employe

5.8 **Company Representations and Warranties.** Such Seller has read the representations and warranties

6.5 **Related Parties**. Such Noteholder does not own, directly or indirectly, any significant interest in, or is a director, officer, employee, consultant or agent of, any Person which is a competitor of the Company; (b) owns, directly or indirectly, in whole or in part, any property, asset or right, real, personal or mixed, tangible or intangible that is material to the business, financial condition, prospects or results of operations of the Company taken as a whole; or (c) has an interest in or is, directly or indirectly, a party to any Contract (other than as an employee, consultant or lender to the Company).

6.6 **Investment Intent; Securities Documents**. Such Noteholder understands and acknowledges that the Note Shares are being offered for exchange in reliance upon the exemption provided in Section 4(2) of the Securities Act for nonpublic offerings. Such Noteholder represents that it is acquiring the Note Shares hereunder for its own account, for investment and not with a view to, or for the sale in connection with, any distribution of any of the Note Shares, except in compliance with applicable state and federal securities laws. Such Noteholder has had the opportunity to obtain such information pertaining to Buyer and OPKO as has been requested, including but not limited to filings made by OPKO with the SEC under the Exchange Act. Such Noteholder represents that it is an "accredited investor" within the meaning of Regulation D promulgated under the Securities Act, and has such knowledge and experience in business or financial matters that it is capable of evaluating the merits and risks of an investment in the Note Shares.

6.7 **Restrictions on Resale**. Such Noteholder understands and acknowledges that the Note Shares and the Note Indemnity Shares have not been registered with the SEC under the Securities Act and the certificates representing the Note Shares and the Note Indemnity Shares shall bear an appropriate restrictive legend. Such Noteholder further understands and acknowledges that any sale, transfer or disposition by them of any of the Notes Shares or the Note Indemnity Shares may, under current law, be made only in accordance with Rule 144 of the Securities Act or another exception to the Securities Act.

ARTICLE 7

Closing; Closing Deliverables

7.1 **Closing.** The closing of the transactions contemplated by, and the transfers and deliveries to be made pursuant to, this Agreement (the "Closing") shall take place by electronic exchange of signature pages simultaneously with the execution of this Agreement (the "Closing Date"). All proceedings to be taken and all documents to be executed at the Closing shall be deemed to have been taken, delivered and executed simultaneously, and no proceeding shall be deemed taken nor documents deemed executed or delivered until all have been taken, delivered and executed.

7.2 **OPKO Deliverables**. At or before the Closing, OPKO shall deliver or cause to be delivered:

(a) to the Company and the Seller's Representative:

(i) a true and complete copy, certified by the Secretary or Assistant Secretary of OPKO, of the resolutions duly and validly adopted unanimously by the Board of Directors of OPKO evidencing its authorization of the execution and delivery of the Transaction Documents and the consummation of the transactions contemplated thereby;

(ii) a certificate of OPKO, executed by a duly authorized officer of OPKO, that (i) the representations and warranties of OPKO contained in this Agreement are true and correct in all material respects (except for those representations and warranties which are by their terms qualified by materiality or Material Adverse Effect, which shall be true and correct in all respects, and except to the extent such representations and warranties are as of another date, in which case as of such date), and (ii) the covenants and agreements of OPKO contained in this Agreement to be performed or complied with on or prior to the Closing Date shall have been duly performed or complied with in all material respects;

(iii) all filings, consents, approvals, permits and authorizations required to be obtained by OPKO in connection with this Agreement or the transactions contemplated thereby;

(iv) such other documents and instruments as the Company or the Seller's Representative may reasonably request (other than opinions of counsel); and

(b) to the Escrow Agent:

(i) an executed counterpart of the Escrow Agreement; and

(ii) certificates representing the *** Shares, the *** Shares, the Note Indemnity Shares and 25% of the Yale Shares;

(c) to the Noteholders:

(i) certificates representing the Note Shares;

(d) to Yale:

(i) a certificate representing 24,810 shares of OPKO Common Stock;

(e) to the Founders:

(i) a grant of Stock Options having the Option Terms described herein;

(f) to Ben R. Bronstein:

(i) an offer letter for employment with Buyer post-Closing in the form attached hereto as Schedule F-1;

7.5 **Noteholder Deliverables**. At or before the Closing, each Noteholder shall deliver or cause to be delivered to Buyer (a) the Noteholder's Notes; and (b) such other documents and instruments as Buyer may reasonably request (other than opinions of counsel).

ARTICLE 8

Additional Agreements

8.1 **OPKO Covenants and Commitments; Transfer of Core IP Assets**.

(a) As additional consideration for the sale of the Securities pursuant to this Agreement, OPKO agrees (i) to use commercially reasonable efforts to ***, (ii) to use commercially reasonable efforts to complete the same on or before *** (the "*** Completion Date"), and (iii) to use commercially reasonable efforts to ***, provided that each of the *** Date and the *** Date shall be extended *** Representative in the event OPKO determines in good faith it is unable to meet either deadline despite utilizing commercially reasonable efforts. OPKO shall make a determination, in its sole discretion, *** after the *** Completion Date, as amended (the "Determination Date") and immediately notify the Seller Representative of the same.

(b) In the event that (i) *** on or before the *** (as extended, if applicable), (ii) OPKO determines, in its sole discretion, ***. In the event of a ***, each of the Founders acknowledges and agrees that all unexercised Stock Options ***, and the Founders shall each represent and warrant, among other things, as to their ability to consummate the ***, ***, and that such shares ***, will be ***. OPKO, Buyer and the Company shall represent and warrant as to their ability to consummate the *** and that ***. Upon ***, (i) OPKO, Buyer and the Company, and (ii) the Founders (or their designee), shall execute mutual general releases in favor of the other. For the avoidance of doubt, (A) nothing in this Agreement shall operate to amend, modify or waive any of the terms of the Yale License as in effect on the date hereof, and (B) nothing in this Agreement shall operate or be interpreted as a consent by Yale to any assignment or purported assignment (or any license or sub-license to the rights and licenses granted thereunder) by the Company, Buyer or OPKO after the Closing.

8.2 **Investigation.** The representations, warranties and covenants set forth in this Agreement shall not be affected or diminished in any way by any investigation (or failure to investigate) at any time by or on behalf of the party for whose benefit such representations, warranties and covenants were made.

8.3 **Survival of the Representations and Warranties.** The representations and warranties of Buyer, OPKO, the Sellers, the Noteholders and the Company set forth in this Agreement shall survive the Closing Date for a period of one year.

8.4 **General Release.**

(a) As additional consideration for the sale of the Securities pursuant to this Agreement, each of the Sellers and the Noteholders hereby unconditionally and irrevocably releases and forever discharges, effective as of the Closing Date, each of the Company and its officers, directors, employees and agents (each, a "Seller Releasee"), from any [illegible] obligations, liabilities and damages, whether accrued or unaccrued, asserted or unasserted, and whether known or unknown, relating to the Company which ever existed, now exist, or may hereafter exist, by reason of any tort, breach of contract, violation of law or other act or failure to act which shall have occurred at or prior to the Closing Date, but excluding claims for breach by a Seller Releasee of any provision of this Agreement or any document or agreement executed and/or delivered pursuant hereto. Except as provided i [illegible]

(f) Pro Rata Share. Any set-off against the Escrow Shares in satisfaction of an undisputed or otherwise resolved Claim for indemnification pursuant to this Agreement shall be made on a pro rata basis among the Sellers and the Indemnifying Noteholder, calculated by dividing (i) the number of Escrow Shares indicated next to such Seller's or Indemnifying Noteholder's name on Schedule D under the heading *"Escrow Shares"* , by (ii) the total number of Escrow Shares (each Seller's and the Indemnifying Noteholder's respective "Pro Rata Share"); *provided*, *however*, that (A) any Claim arising from, in connection with, or incident to any breach or violation of any of the representations and warranties of a Seller contained in Article 5 shall be made by set-off only against such Seller's Escrow Shares, and (B) any Claim arising from, in connection with, or incident to any breach or violation of any of the representations and warranties of any of the Noteholders contained in Article 6 shall be made by set-off only against the Indemnifying Noteholder's Escrow Shares.

(g) Exclusive Remedy. Other than with respect to Claims for fraud, the indemnification provided in this Section 8.5 will be the exclusive remedy for the Buyer Indemnified Parties with respect to Claims against the Sellers, the Noteholders, the Seller Representative or the Company with respect to any provision of this Agreement and the transactions contemplated hereby.

(h) Binding Effect. Buyer shall administer the requirements and provisions of this Agreement including the defense and/or settlement of any Claims for which the Buyer Indemnified Parties may be indemnified. All decisions and actions by Buyer, including the defense or settlement of any Claims for which the Buyer Indemnified Parties may be indemnified, shall be binding upon all of the Buyer Indemnified Parties, and no Buyer Indemnified Party shall have the right to object, dissent, protest or otherwise contest the same. The Seller Representative shall be able to rely conclusively on the instructions and decisions of Buyer as to the settlement of any Claims for indemnification of the Buyer Indemnified Parties or any other actions required to be taken by the Buyer Indemnified Parties hereunder.

8.6 Seller Representative.

(a) Appointment. In order to administer efficiently the requirements and provisions of this Agreement including the defense and/or settlement of any Claims for which the Buyer Indemnified Parties may be indemnified, the Sellers and the Indemnifying Noteholder irrevocably appoint the Seller Representative as their agent, attorney-in-fact and representative (with full power of substitution in the premises), and, by its execution hereof, the Seller Representative hereby accepts such appointment.

(b) Authorization. The Sellers and the Indemnifying Noteholder hereby authorize the Seller Representative (i) to take all action necessary in connection with the defense and/or settlement of any Claims for which the Buyer Indemnified Parties may be indemnified and (ii) to give and receive all notices

(c) Replacement. In the event that the Seller Representative dies, becomes unable to perform his responsibilities hereunder or resigns from such position, the remaining Sellers shall, by election of the Sellers (or, if applicable, their respective heirs, legal representatives, successors and assigns) who held a majority of the voting power represented by the Securities issued and outstanding immediately prior to the Closing, select another representative to fill such vacancy and such substituted representative shall be deemed to be the Seller Representative for all purposes of this Agreement.

(d) Binding Effect. All decisions and actions by the Seller Representative, including the defense or settlement of any Claims for which the Buyer Indemnified Parties may be indemnified, shall be binding upon all of the Sellers and the Indemnifying Noteholder, and no Seller or the Indemnifying Noteholder has the right to object, dissent, protest or otherwise contest the same. The Sellers and the Indemnifying Noteholder agree that

(i) Buyer shall be able to rely conclusively on the instructions and decisions of the Seller Representative as to the settlement of any Claims for indemnification of the Buyer Indemnified Parties or any other actions required to be taken by the Seller Representative hereunder;

(ii) all actions, decisions and instructions of the Seller Representative shall be conclusive and binding upon all of the Sellers and the Indemnifying Noteholder and no Seller or the Indemnifying Noteholder shall have any cause of action against the Seller Representative for any action taken or not taken, decision made or instruction given by the Seller Representative under this Agreement, except for fraud, gross negligence, willful misconduct or bad faith by the Seller Representative;

(iii) each of the Sellers and the Indemnifying Noteholder shall indemnify and hold harmless, pro rata based upon and up to an amount not to exceed the respective amounts of Consideration Shares to which such Seller or the Indemnifying Noteholder is entitled after satisfaction of any Claims, the Seller Representative from all loss, liability or expense (including the reasonable fees and expenses of counsel) arising out of or in connection with the Seller's execution and performance of this Agreement and the Escrow Agreement, except for fraud, gross negligence, willful misconduct or bad faith by the Seller Representative;

(iv) the provisions of this Section 8.6 are independent and severable, are irrevocable and coupled with an interest and shall be enforceable notwithstanding any rights or remedies that any Seller may have in connection with the transactions contemplated by this Agreement; and

(v) the provisions of this Section 8.6 shall be binding upon the heirs, legal representatives, successors and assigns of each Seller and the Indemnifying Noteholder, and any references in this Agreement to a Seller or the Sellers or the Indemnifying Noteholder shall mean and include the successors to the rights of the Sellers and the Indemnifying Noteholder, hereunder, whether pursuant to testamentary disposition, the laws of descent and distribution or otherwise

(e) Escrow Agreement. The Seller Representative is authorized to enter into the Escrow Agreement on the behalf of the Sellers which agreement may require the Sellers and the Indemnifying Noteholder to indemnify the Escrow Agent for certain fees, expenses and other liabilities.

8.7 Confidentiality. The Sellers acknowledge that the Intellectual Property and all other confidential or proprietary information with respect to the business and operations of the Company are valuable, special and unique. Except as required by law or in connection with the defense, dispute or resolution of a Claim involving the Company, OPKO, Buyer or any other Buyer Indemnified Party, the Sellers shall not, at any time after the Closing Date, disclose, directly or indirectly, to any Person, or use or purport to authorize any Person to use any Intellectual Property, confidential or proprietary information with respect to the Company, Buyer or OPKO, whether or not for a Seller's own benefit, without the prior written consent of Buyer, including without limitation, information as to the financial condition, results of operations, customers, suppliers, products, products under development, inventions, sources, leads or methods of obtaining new products or business, Intellectual Property, pricing methods or formulas, cost of supplies, marketing strategies or any other information relating to the Company or Buyer which could reasonably be regarded as confidential, but not including information which is or shall become generally available to the public other than as a result of an unauthorized disclosure by a Seller or a Person to whom a Seller has provided such information. The Sellers acknowledge that Buyer would not enter into this Agreement without the assurance that all such confidential and proprietary information will be used for the exclusive benefit of the Company.

8.8 Dissolution. If the Company, Buyer or OPKO shall liquidate, dissolve or wind up or experience a Triggering Event at any time before OPKO and Buyer shall have satisfied in full all of their respective obligations under this Agreement, whether fixed or contingent (including, without limitation, the issuance and delivery and release by the Escrow Agent of all of the Note Shares, the Note Indemnity Shares and the Consideration Shares), Buyer shall notify the Seller Representative of the same as soon as possible under the circumstances and, in any event at least ten days before the consummation of the event giving rise to the notice.

8.9 Right of First Offer. The Company hereby waives its rights under Section 4(c) of each of the restricted stock purchase agreements between the Company and each Founder, dated as of January 30, 2007, with respect to the right of first offer in favor of the Company set forth therein, and consents to the sale of the Securities by the Founders to Buyer on the terms set forth herein.

ARTICLE 9

Miscellaneous

9.1 Further Assurances. Each party agrees (a) to furnish upon request to each other party such further information, (b) to execute and deliver to each other party such other documents, and (c) to do such other acts and things, all as another party may reasonably request for the purpose of carrying out the intent of this Agreement and the transactions contemplated by this Agreement.

9.14 **Injunctive Relief.** It

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

OPKO HEALTH, INC.

By:_____
Name:
Title:

4400 Biscayne Boulevard, Suite 1180
Miami, Florida 33137
Attn: Kate Inman, Deputy General Counsel

OPKO INSTRUMENTATION, LLC

By:_____
Name:
Title:

4400 Biscayne Boulevard, Suite 1180
Miami, Florida 33137
Attn: Kate Inman, Deputy General Counsel

VIDUS OCULAR, INC.

By:_____
Name:
Title:

SCHEDULE A

Sellers

Seller	Securities Owned *(Shares of Company Common Stock)*	Yale Shares	*** Shares	*** Shares	True-Up Shares
Ben R. Bronstein	***	***	***	***	***
James R. McNab, Jr.	***	***	***	***	***
Milton Bruce Shields	***	***	***	***	***
Nicholas Fish Warner	***	***	***	***	***
Yale University	***	***	***	***	***
Total	3,710,769	33,080	227,670	260,750	413,850

*Other Schedules are omitted as permitted in accordance with Item 601 of Regulation S-K.

DIRECTOR INDEMNIFICATION AGREEMENT

This Agreement, dated as of __, is entered into between OPKO Health, Inc., a corporation organized under the laws of the State of Delaware (the "Company"), and «name» (the "Director").

Recitals

A. Highly competent persons are becoming more reluctant to serve publicly-held corporations as directors or as executive officers unless they are provided with adequate protection through insurance or adequate indemnification against inordinate risks of claims and actions against them arising out of their service to, and activities on behalf of, the corporation.

B. The current impracticability of obtaining adequate insurance and the uncertainties relating to indemnification have increased the difficulty of attracting and retaining such persons.

C. The Bylaws of the Company presently provide, among other things, that the Company shall indemnify its directors and officers to the full extent permitted by law.

D. The Board has determined that the difficulty in attracting and retaining highly competent persons is detrimental to the best interests of the Company's stockholders and that the Company should act to assure such persons that there will be increased certainty of protection against risks of such claims and actions against them in the future.

E. It is reasonable, prudent, and necessary for the Company contractually to obligate itself to indemnify such persons to the fullest extent permitted by applicable law so that they will serve or continue to serve the Company free from undue concern that they will not be so indemnified.

F. The Director is willing to serve or continue to serve as a director of the Company on the condition that the Director be so indemnified.

Agreement

In consideration of the recitals and the covenants contained herein, the Company and the Director covenant and agree as follows:

1. Definitions. As used in this Agreement the following terms shall have the meanings indicated below:

(a) "Related Party" shall refer to (i) any other corporation in which the Company has an equity interest of at least fifty percent (50%) and (ii) any other corporation or any limited liability company, partnership, joint venture, trust, employee benefit plan or any other enterprise or association in which the Director has served in any Indemnified Position, at the request of the Company or for the convenience of the Company or to represent the Company's interest.

(b) "Indemnified Position" shall refer to any position held by the Director, or pursuant to which the Director acts, as an officer, director, employee, partner, trustee, fiduciary, administrator or agent of the Company or a Related Party.

(c) "Indemnified Event" shall mtpathMr a6666666666

(h) "Indemnify" or "Indemnification" shall refer to the obligation of the Company herein to pay Expenses or Indemnification Amounts.

(i) "Change of Control" shall be deemed to have occurred if (A) any "Person" (as that term

4. Payment of Expenses. The Company shall advance all Expenses within thirty (30) days after the receipt by the Company of a statement or statements from the Director requesting such advance payment or payments from time to time. Such statement or statements shall identify the nature and amount of the Expenses to be advanced with reasonable specificity. The Director shall also agree to undertake to repay any Expenses advanced if it shall ultimately be determined (which shall only be made after the Final Disposition of the Proceeding related to an Indemnified Event, as hereinafter provided) that the Director was not entitled to reimbursement of Expenses in connection with the Indemnified Event for which such Expenses were made.

5. Interval Protection. During the interval between the Company's receipt of the Director's request for indemnification or advances and the latest to occur of (a) payment in full to the Director of the indemnification or advances to which he or she is entitled hereunder, or (b) a final adjudication that the Director is not entitled to indemnification hereunder, the Company shall provide "Interval Protection" which, for purposes of this Agreement, shall mean the taking of the necessary steps (whether or not such steps require expenditures to be made by the Company at that time) to stay, pending a final determination of the Director's entitlement to indemnification (and, if the Director is so entitled, the payment thereof), the execution, enforcement or collection of any Indemnified Amount or Expenses or any other amounts for which the Director may be liable (and as to which the Director has requested indemnification hereunder) in order

8. Presumptions and Effect of Certain Proceedings.

(a) The Director shall be presumed entitled to Indemnification hereunder unless clearly not entitled to such Indemnification by clear and convincing proof that such payment shall be unlawful.

(b) If the Company shall not have responded to the Director's request for Indemnification pursuant to Section 7 hereof within thirty (30) days after receipt by the Company of such request therefor, the Director shall be deemed to be entitled to such Indemnification.

(c) The termination of any Proceeding relating to an Indemnified Event or of any claim, issue, or matter therein by judgment, order, settlement, or conviction, or upon a plea of nolo contendere or its equivalent, shall not of itself adversely affect the right of the Director to Indemnification or create a presumption that the Director did not meet any applicable standard of conduct.

(d) Notwithstanding any other provision of this Agreement, the Director shall in no event be required to repay any Expense payments advanced to the Director and no defense can or shall be raised by the Company to a request for Indemnification pursuant to Section 7 to the extent the Director has been successful on the merits or otherwise in defense of any Proceeding related to an Indemnified Event, or in defense of any claim, issue or matter involved in any Indemnified Event therein, whether as a result of the initial adjudication or on appeal or the abandonment thereof by a party.

9. Non-Exclusivity: Duration of Agreement; Insurance; Subrogation.

(a) The rights of Indemnification and to receive advancement of Expenses as provided by this Agreement shall not be deemed exclusive of any other rights to which the Director may at any time be entitled under applicable law, the Certificate of Incorporation, the By-laws, any other agreement, or any vote or consent of directors or stockholders or otherwise.

(b) This Agreement shall continue until and terminate upon the later of: (i) ten (10) years after the date that the Director shall have ceased to serve in any Indemnified Position; or (ii) the Final Disposition of all Indemnified Events.

(c) This Agreement shall be binding upon the Company and its successors and assigns and shall inure to the benefit of the Director and his or her heirs, devisees, executors, and administrators or other legal representatives.

(d) To the extent that the Company maintains an

10. Proceedings.

(a) The parties hereto agree that except as otherwise provided for herein, any disputes arising with respect to the

11. Severability. If any provision or provisions of this Agreement shall be held to be invalid, illegal, or unenforceable for any reason whatsoever: (a) the validity, legality, and enforceability of the remaining provisions of this Agreement (including without limitation, each portion of any Section, paragraph or clause of this Agreement containing any such provision held to be invalid, illegal, or unenforceable, that is not itself invalid, illegal, or unenforceable) shall not in any way be affected or impaired thereby; and (b) to the fullest extent possible, the provisions of this Agreement (including, without limitation, each portion of any Section, paragraph or clause of this Agreement containing any such provision held to be invalid, illegal, or unenforceable, that is not itself invalid, illegal, or unenforceable) shall be deemed revised, and shall be construed, so as to give effect to the intent manifested by this Agreement (including the provision held invalid, illegal, or unenforceable).

12. Merger or Consolidation of the Company. In the event that the Company shall be a constituent corporation in a consolidation or merger, whether or not the Company is the resulting or surviving corporation, the Director shall stand in the same position under this Agreement with respect to the Company if its separate existence had continued.

13. Enforcement.

(a) Th

18. Entire Agreement. All prior and contemporaneous agreements and understandings between the parties with respect to the

OFFICER INDEMNIFICATION AGREEMENT

This Agreement, dated as of __, is entered into between OPKO Health, Inc., a corporation organized under the laws of the State of Delaware (the "Company"), and «name» (the "Officer").

Recitals

A. Highly competent persons are becoming more reluctant to serve publicly-held corporations as directors or as executive officers unless they are provided with adequate protection through insurance or indemnification against the risks of claims and actions against them arising out of their service to and activities on behalf of the corporation;

(b) "Indemnified Position" shall refer to any position held by the Officer, or pursuant to which the Officer acts, as an officer, director, employee, partner, trustee, fiduciary, administrator or agent of the Company or a Related Party.

(c) "Indemnified Event" shall mean any claim asserted against the Officer, whether civil, criminal, administrative or investigative in nature, for monetary or other relief; or any Proceeding to which the Officer is named as a party or is a subject of or witness in, or with respect to which he or she is threatened to be named as a party, subject or witness, brought against the Officer by reason of his or her serving or acting in any Indemnified Position or arising or allegedly arising directly or indirectly out of, or otherwise relating to, any action, omission, occurrence or event involving the Officer in any Indemnified Position, including any Proceeding, formal or informal or otherwise, conducted or brought by the Securities and Exchange Commission or other governmental agency, or The National Association of Securities Dealers, Inc., a national stock exchange or similar organization.

(d) "Proceeding" shall mean any pending, threatened or completed action, suit or

(h) "Indemnify" or "Indemnification" shall refer to the obligation of the Company herein to pay Expenses or Indemnification Amounts.

(i) "Change of Control" shall be deemed to have occurred if (A) any "Person" (as that term is used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, a s amended), but excluding the Company and any of its wholly-owned subsidiaries, is or becomes (except in a transa

4. Payment of Expenses. The Company shall advance all Expenses within thirty (30) days after the receipt by the Company of a statement or statements from the Officer requesting such advance payment or payments from time to time. Such statement or statements shall identify the nature and amount of the Expenses to be advanced with reasonable specificity. The Officer shall also agree to undertake to repay any Expenses advanced if it shall ultimately be determined (which shall only be made after the Final Disposition of the Proceeding related to an Indemnified Event, as hereinafter provided) that the Officer was not entitled to reimbursement of Expenses in connection with the Indemnified Event for which such Expenses were made.

5. Interval Protection. During the interval between the Company's receipt of the Officer's request for indemnification or advances and the latest to occur of (a) payment in full to the Officer of the indemnification or advances to which he or she is entitled hereunder, or (b) a final adjudication that the Officer is not entitled to indemnification hereunder, the Company shall provide "Interval Protection" which, for purposes of this Agreement, shall mean the taking of the necessary steps (whether or not such steps require expenditures to be made by the Company at that time) to stay, pending a final determination of the Officer's entitlement to indemnification (and, if the Officer is so entitled, the payment thereof), the execution, enforcement or collection of any Indemnified Amount or Expenses or any other amounts for which the Officer may be liable (and as to which the Officer has requested indemnification hereunder) in order to avoid the Officer's being or becoming in default with respect to any such amounts.

6. Indemnification by Court. Notwithstanding any other provision of this Agreement including without limitation the fourth sentence of Section 7, indemnification and advances shall also be made to the extent a court of competent jurisdiction, or the court in which a Proceeding was brought, shall determine that the Officer, in view of all the circumstances of the case, is fairly and reasonably entitled to indemnification and/or advances for such Expenses as such court shall deem proper.

7. Indemnification Procedure. Any Indemnification or advance under this Agreement (other than Interval Protection) shall be made promptly and in any event within thirty (30) days upon the written request of the Officer delivered to the Company. The right to Indemnification or advances as granted under this Agreement shall be enforceable by the Officer in any court of competent jurisdiction if the Company denies such request, in whole or in part, or if no disposition thereof is made within thirty (30) days. The Officer's costs and expenses incurred in connection with successfully establishing his or her right to indemnification or advances, in whole or in part, in any such action shall also be indemnified by the Company. It shall be a defense to any such action that there has been a judgment or other final adjudication adverse to the Officer which established that the Officer failed to meet the standard otnd s and sebe en ee

8. Presumptions and Effect of Certain Proceedings.

(a) The Officer shall be presumed entitled to Indemnification hereunder unless clearly not entitled to such Indemnification by clear and convincing proof that such payment shall be unlawful.

(b) If the Company shall not have responded to the

10. Proceedings.

(a) The parties hereto agree that except as otherwise provided for herein, any disputes arising with respect to the interpretation or enforcement of any provision hereof shall be submitted, at the sole election of the Officer, either to arbitration or to judicial determination. Any arbitration shall be conducted in the City of Miami, Florida in accordance with the then existing rules of the American Arbitration Association ("AAA"). In any arbitration pursuant to this Agreement, the award or decision shall be rendered by a majority of the members of an arbitration panel consisting of three members chosen in accordance with the then existing rules of the AAA. The award or decision of the arbitration panel pursuant to this Section 10 shall be binding and conclusive on the parties, provided that enforcement of such award or decision may be obtained in any court having jurisdiction over the party against whom such enforcement is sought. The Company hereby agrees to bear all fees, costs and expenses imposed by the AAA, in connection with the arbitration, irrespective of the determination thereof. The provisions of Section 10(c) shall govern with respect to the proceedings referred to therein.

(b) In the event that, for any reason, the Company fails to pay any Indemnification or advance demanded, or the Company requests repayment of any Expenses advanced, the Officer shall nevertheless be entitled, at his or her sole option, to a final judicial determination or may seek arbitration of his or her entitlement to Indemnification

11. Severability. If any provision or provisions of this Agreement shall be held to be invalid, illegal, or unenforceable for any reason whatsoever: (a) the validity, legality, and enforceability of the remaining provisions of this Agreement (including without limitation, each portion of any Section, paragraph or clause of this Agreement containing any such provision held to be invalid, illegal, or unenforceable, that is not itself invalid, illegal, or unenforceable) shall not in any way be affected or impaired thereby; and (b) to the fullest extent possible, the provisions of this Agreement (including, without limitation, each portion of any Section, paragraph or clause of this Agreement containing any such provision held to be invalid, illegal, or unenforceable, that is not itself invalid, illegal, or unenforceable) shall be deemed revised, and shall be construed, so as to give effect to the intent manifested by this Agreement (including the provision held invalid, illegal, or unenforceable).

12. Merger or Consolidation of the Company. In the event that the Company shall be a constituent corporation in a consolidation or merger, whether or not the Company is the resulting or surviving corporation, the Officer shall stand in the same position under this Agreement with respect to the Company if its separate existence had continued.

13. Enforcement.

(a) The Company unconditionally and irrevocably stipulates and agrees that its execution of this Agreement shall also constitute a stipulation by which it shall be bound in any court or arbitration in which a proceeding by the Officer for enforcement of his or her rights shall have been commenced, continued or appealed, that the obligations of the Company set forth herein are unique and special, and that failure of the Company to comply with the provisions of this Agreement will cause irreparable and irremediable injury to the Officer, for which a remedy at law will be inadequate. As a result, in addition to any other right or remedy he or she may have at law or in equity with respect to a violation of this Agreement, the Officer shall be entitled to injunctive or mandatory relief directing specific performance by the Company of its obligations under this Agreement.

(b) In the event that the Officer is subject to or intervenes in any legal action in which the validity or enforceability of this Agreement is at issue or institutes any legal action, for specific performance or otherwise, to enforce his or her rights under, or to recover damages for breach of, this Agreement, the Officer shall, within thirty (30) days t or

14. Notification

18. Entire Agreement. All prior and contemporaneous agreements and understandings between the parties with respect to the subject matter of this Agreement are superseded by this Agreement, and this Agreement constitutes the entire understanding between the parties. This Agreement may not be modified, amended, changed or discharged except by a writing signed by the parties hereto, and then only to the extent therein set forth.

19. Nonassignment. This Agreement may not be assigned by either of the parties hereto.

20. Governing Law. This Agreement, including its validity, interpretation and effect, and the relationship of the parties shall be governed by, and construed in accordance with, the laws of the State of Florida.

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

OPKO HEALTH, INC.

By: _____

OFFICER

By: _____

«name»

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

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 withhe nnheĎnĎeĎ Ğ

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, Phi pyr

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, 2008 (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 8, 2008

/s/ Rao Uppaluri
Rao Uppaluri
Chief Financial Officer

A signed original of this written statement has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.