DIAMEDICA INC.

NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS
TO BE HELD ON DECEMBER 16, 2013

TO THE SHAREHOLDERS

NOTICE IS HEREBY GIVEN that an Annual and Special Meeting (the "**Meeting**") of the holders of voting common shares (the "**Common Shares**") of DiaMedica Inc. (the "**Corporation**") will be held at Suite 1700-360 Main St, Winnipeg, MB R3C 3Z3, on December 16, 2013, at 9:00 a.m. (Central Standard time) for the following purposes:

1. to receive the audited financial statements of the Corporation for the year ended December 31, 2012, together with the report of the auditors thereon;
2. to elect directors of the Corporation for the ensuing year;
3. to appoint auditors of the Corporation for the ensuing year and to authorize the directors to fix the auditors' remuneration;
4. to consider, and if thought appropriate, to pass a special resolution as more particularly set forth in the Management Information Circular accompanying this Notice to amend the articles of incorporation, to provide the Directors the power by resolution to subdivide or consolidate the Company's share capital; and
5. to transact such other business as may properly be brought before the Meeting or any adjournment or adjournments thereof.

Shareholders are referred to the accompanying Management Information Circular for more detailed information with respect to the matters to be considered at the Meeting.

Record Date

The Board of Directors have fixed November 13, 2013 as the Record Date for the Meeting. Holders of Common Shares of record at the close of business on November 13, 2013 are entitled to receive Notice of the Meeting and to vote thereat or at any adjournment(s) thereof.

Delivery of Proxy
Shareholders who do not expect to attend the Meeting in person are requested to date and sign the enclosed Instrument of Proxy (defined below) and return it in the envelope provided for that purpose. All proxies to be used at the Meeting must be received by the Corporation's transfer agent, Proxy Dept., CST Trust Company., P.O. Box 721, Agincourt, Ontario, M1S 0A1, by facsimile to 416-368-2502 (Toll Free:1-866-781-3111 Canada & US Only) or by email at proxy@canstockta.com, not less than 48 hours (excluding Saturdays, Sundays and holidays) before the time set for the holding of the Meeting or any adjournment thereof. A proxy is valid only at the meeting in respect of which it is given or any adjournment(s) of that meeting.

BY ORDER OF THE BOARD OF DIRECTORS

(signed) "Rick Pauls"

Rick Pauls
Chairman

November 6, 2013