

Amiad Filtration Systems Ltd.

(the "Company")

Form of Proxy

Annual General Meeting

Before completing this form, please read the explanatory notes below.

I/Weappoint the chairman of the meeting or (see Note 2) as my/our proxy to attend and vote on my/our behalf at the Annual General Meeting of the Company to be held at 11.00 am (London time) on Thursday, 1 September 2011 at the offices of Speechly Bircham LLP, 6 New Street Square, London EC4A 3LX, England and at any adjournment of the meeting.

I/We instruct my/our proxy to vote on the resolutions to be proposed at the meeting as indicated below (unless otherwise instructed, the proxy may vote or abstain from voting as he or she sees fit in relation to any business to be considered at the meeting):

Before completing this form, please read the explanatory notes below.

Resolutions	Do you have a personal interest in the matter		For	Against	Abstain
	Yes	No			
1 To receive the financial statements of the Company for the year ended 31 December 2010 and the reports of the directors and auditors in relation thereto.					
2 To re-appoint Kesselman & Kesselman, a member firm of PricewaterhouseCoopers International Limited, as auditors of the Company and to authorise the directors of the Company to fix their remuneration.					
3 To re-elect Mr Tal Yeshua as a director of the Company.					
4 To re-elect Mr Dan Falk as a director of the Company.					
5 To re-elect Mr Zeev Holender as a director of the Company.					
6 To re-elect Mr Harel Beit-On as a director of the Company.					
7 To re-elect Mr Izhar Ben-Shlomo as a director of the Company.					
8 To re-elect Ms Osnat Ronen as a director of the Company.					
9 To re-elect Mr Arie Dayan as a director of the Company.					
10 To re-elect Mr Amos Shalev as a director of the Company.					
11 To appoint Mr Shmuel Dudai as a director of the Company.					
12 To approve the terms of appointment and remuneration of Mr Shmuel Dudai as a director of the Company.					
13 To approve the entering into of an indemnification agreement between the Company and Mr Shmuel Dudai.					
14 To approve and ratify the sub-lease agreement by and between the Company and Kibbutz Amiad – Cooperative Agricultural Society ("Kibbutz Amiad") dated 30 June 1998, as amended by an addendum dated 24 November 2005 (the " Amiad Lease Agreement "), and to approve certain amendments to the Amiad Lease Agreement.					

15	To approve and ratify the services agreement by and between the Company and Kibbutz Amiad dated June 1998, as amended by an addendum dated 24 November 2005 (the " Amiad Services Agreement "), and to approve an amendment to the Amiad Services Agreement.				
16	To approve and ratify the sub-lease agreement by and between the Company's subsidiary, Arkal Filtration Systems Cooperative Agricultural Society ("Arkal") and subsidiaries of Kibbutz Beit Zera ("Beit Zera") dated 28 April 2010 (the " Beit Zera Lease Agreement "), and to approve certain amendments to the Beit Zera Lease Agreement.				
17	To approve and ratify the services agreement by and between Arkal and Beit Zera dated 28 April 2010 (the " Beit Zera Services Agreement "), and to approve an amendment to the Beit Zera Services Agreement.				
18	To approve and ratify the human resources services agreement by and between Arkal and Kibbutz Beit-Zera dated 28 April 2010 (the " Beit Zera HR Agreement ").				
19	To approve a bonus of NIS 169,000 for Mr Tal Yeshua in respect of the year 2010.				
20	To approve the entering into of a service agreement between the Company and Mr Tal Yeshua.				
21	To approve an increase in the monthly gross remuneration (not including social benefits) of Mr Arie Dayan, director and CEO of the Company, from NIS 65,000 to NIS 75,000 with effect as of 1 April 2011, and to approve the entering into of a service agreement between the Company and Mr Arie Dayan.				
22	To approve a bonus of NIS 231,000 for Mr Arie Dayan in respect of the year 2010.				
23	To approve the terms of Mr Arie Dayan's Bonus Scheme for 2011.				
24	To approve a bonus of NIS 284,800 for Kibbutz Beit Zera, in respect of the year 2010, and such bonus shall include the proportion of the bonus pool payable to employees of Kibbutz Beit Zera under the approved Company's staff bonus and in accordance with the terms of the Beit Zera HR Agreement.				
25	To approve the participation of Kibbutz Beit Zera in the Company's 2011 bonus scheme.				
26	To change the Company's name from: "Amiad Filtration Systems Ltd." to "Amiad Water Systems Ltd."				
27	To authorize the Company to extend its directors' and officers' liability insurance policy for an additional 12 month period ending on 31 July 2012, in the current level of expenses.				

Signature(s) : Date:2011

NOTES:

- To be effective, a completed and signed form of proxy must be delivered to the Company's transfer agent, Capita Registrars Limited, PXS, 34 Beckenham Road, Beckenham, Kent BR3 4TU, England, together with any power of attorney or other authority under which it is signed, not later than 24 hours before the time fixed for the meeting or any adjourned meeting. Completion and return of this form of proxy will not preclude a shareholder from attending and voting at the meeting in person.
- If you wish to appoint a proxy other than the chairman of the meeting, please delete the words "the chairman of the meeting or", insert in block letters in the space provided the name of your proxy and initial the alteration.
- A member who is entitled to attend and vote at the meeting may appoint one or more proxies to attend and vote on his or her behalf, provided that only one proxy may be appointed by a member in respect of a particular share held by him/her. A proxy need not be a member of the Company.
- In the case of a corporation, this form of proxy must be given under its seal or signed on its behalf by an attorney or duly authorised officer.
- In the case of joint holders, the vote of the senior holder shall be accepted to the exclusion of the votes of the other joint holder(s). For this purpose, seniority will be determined by the order in which the names appear in the Company's register of members (or the Company's Registrars' records) in respect of the joint holding.
- Any alterations to this form of proxy must be initialled by you.