

FOR IMMEDIATE RELEASE

Abbott and Oasmia Pharmaceutical Announce Exclusive Distribution Agreement for Paccal® Vet, a New Chemotherapeutic Agent for Dogs

*Agreement Extends Abbott's Oncology Commitment for Treatment of Companion
Animals*

ABBOTT PARK, Ill., and UPPSALA, Sweden, July 10, 2009 — Abbott and Oasmia Pharmaceutical have announced a multi-year agreement to market one of the first cancer medications for dogs. The chemotherapeutic agent, called Paccal® Vet (micellar paclitaxel), represents the first generation of treatments of its kind and is currently being studied to treat Grade II and Grade III canine mast cell tumors where curative surgery cannot be performed.

Under the terms of the agreement, Abbott will obtain exclusive rights to distribute Paccal Vet for veterinary use in the United States and Canada, and will be responsible for sales and marketing. Oasmia is responsible for clinical development, manufacturing and registration. Financial terms were not disclosed.

Paccal Vet is a new formulation of the active ingredient paclitaxel. Paclitaxel has been used in treating cancer in humans since 1993. Traditional formulations of paclitaxel were insoluble in water, thus requiring the medication to be dissolved in solvents, which led to low tolerability and severe adverse effects in dogs. Paccal Vet uses a novel, non-toxic nanoparticle formulation that overcomes those challenges and provides a high level of water solubility. If approved, Paccal Vet would be one of the first cancer treatments specifically designed for veterinary use.

The move into veterinary oncology adds a new focus area to Abbott's existing Animal Health research and product lines, which include diabetes, anesthesia, wound care, pain management and fluid therapy.

"There are significant unmet needs in this market, which is why Abbott is entering the veterinary oncology arena," said Lynn Bromstedt, divisional vice president and general manager, Abbott Animal Health. "Paccal Vet would be one the first medications of its kind, and if approved, has the potential to become an important tool for treating Grade II and Grade III mast cell tumors – both of which can be life-threatening in dogs."

- more -

“Oasmia is pleased to announce this agreement with Abbott for the largest market within veterinary medicine,” said Julian Aleksov, chief executive officer, Oasmia. “Abbott brings a well established veterinary sales organization and a long tradition in North America, and this agreement is an acknowledgement of the significant commercial potential of Paccal Vet.”

In the United States alone an estimated one million dogs are diagnosed with cancer annually. One out of every four dogs will die of cancer and it is the number one cause of death in dogs over two years of age. Mast cell tumors are among the most common skin tumors in dogs, and are often difficult to manage. Most of these dogs will be treated with surgery, but many patients may require additional or alternative treatment with radiotherapy and chemotherapy. Radiotherapy is not widely available, and where it is an option it remains complicated, expensive, and requires the patient to undergo several procedures where anesthesia is necessary.

About Paccal® Vet

With the retinoid based unique platform XR-17, Oasmia developed a water soluble formulation of paclitaxel (Paccal® Vet), that does not require premedication and abolishes Cremophor® EL related side effects. Two clinical trials have been performed in client owned dogs with tumors refractory to standard treatment. The results are very promising, both regarding tolerability and tumor response. In one clinical study of dogs with Grade II/III mast cell tumors, the overall response rate (either complete disappearance of all signs of cancer or the tumor shrinks or stops growing completely) was 69.5 percent.¹ The studies also show that the pharmacokinetic and side-effect profiles in dogs are supported by parallel trials in humans.

- more -

¹ von Euler H, Åkerlund-Denneberg N, Rivera P, Bergvall K, Kessler M, Rowe A, Willmann M, Persson G, Kastengren Fröberg G, Westberg S and Kristianson K. *Efficacy and safety in an open label single arm multi center phase III trial of a new formulation of paclitaxel (Paccal® Vet) in dogs with mast cell tumours grade II and III.* ESVONC Annual Congress March 26-29, 2009 at Hotel Silvanus, Visegrád, Budapest, Hungary

About Oasmia

Oasmia Pharmaceutical AB develops second and third generation cancer drugs based on nanotechnology for human and veterinary use. The broad portfolio is focused on oncology and contains several promising products in the clinical and pre-clinical phase. Oasmia cooperates with leading universities and other biotech companies to discover and optimize substances with a favorable safety profile and better efficacy. The company name was registered in 1999 and is based in Uppsala, Sweden.

Oasmia's news releases and other information are available on the company's website www.oasmia.com.

About Abbott Animal Health

Abbott Animal Health is dedicated to providing a better future for animals, owners and veterinary professionals. Abbott's continuing education programs, comprehensive training tools, on-call expertise and technical service set the standard in the industry. Abbott products are trusted at thousands of veterinary hospitals and clinics every day.

About Abbott

Abbott is global, broad-based health care company devoted to the discovery, development, manufacture and marketing of pharmaceuticals and medical products, including nutritionals, devices and diagnostics. The company employs more than 72,000 people and markets its products in more than 130 countries.

Abbott's news releases and other information are available on the company's Web site at www.abbott.com.

###

Media: Tracy Sorrentino, Abbott, +1-847-937-8712, tracy.sorrentino@abbott.com
Maria Lundén, Oasmia, +46 (0)18 505 440, press@oasmia.com

Investors: Tina Ventura, Abbott, 847-935-9390, tina.ventura@abbott.com