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PRESS RELEASE

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Oasmia's rights issue fully subscribed

The interest in the share issue with preferential rights for existing shareholders (the "Rights Issue"), which was closed on 24 August 2009, was great and exceeded the total issue volume. The result of the Rights Issue was that 2 392 858 shares has been allotted and subscribed for whereby Oasmia is provided with SEK 59.8 million before deduction of issue related costs. Approximately 88.5 percent of the Rights Issue has been subscribed for through the exercise of subscription rights and approximately 11.5 percent without the exercise of subscription rights. The board of directors has resolved on the allotment of those shares subscribed for without the exercise of subscription rights in accordance with the terms described in the issue prospectus.

The shares that Oasmia's principal owner, Oasmia S.A., subscribed for in the Rights Issue have been paid for in part through set-off against existing loans in the amount of SEK 28.7 million. Oasmia's debt to Oasmia S.A. has thus been re-paid in full.

The Rights Issue will increase the share capital in Oasmia by SEK 239,285.80. After the completion of the Rights Issue, the total number of shares outstanding will be 35,892,858 and the share capital will be SEK 3,589,285.80. Paid-up subscribed shares (*Sw. betalda tecknade aktier, BTA*) will be replaced with new shares as soon as the increase in the share capital has been registered by the Swedish Companies Registration Office (*Sw. Bolagsverket*).

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 clinical and pre-clinical phase. Oasmia cooperates with leading universities and other biotech companies to discover and optimize substances with a favourable safety profile and better efficacy. The company name was registered in 1999 and is based in Uppsala, Sweden.

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