

Press Release, February 10, 2011

Diamyd Phase II study in cancer pain posted on ClinicalTrials.gov

Diamyd Medical's US Phase II clinical trial, evaluating the ability of the candidate drug NP2 Enkephalin to reduce cancer pain, is posted on the ClinicalTrials.gov website.

Diamyd's Phase II multi-center, randomized, double-blind, placebo controlled clinical trial with the candidate drug NP2 Enkephalin is recruiting approximately 32 subjects with severe cancer pain. The study is designed to provide an evaluation of the safety and effect of NP2 Enkephalin with regards to pain relief, other pain medication usage and quality of life. The trial has a four week double-blind main study period and an open label study extension wherein all patients will be offered up to two additional doses of active NP2 Enkephalin.

The trial finalization date has preliminary been set to one year from start date on ClinicalTrials.gov. Diamyd will give a more detailed prognosis for finalization as soon as this can be better estimated from the ongoing recruitment.

NTDDS (Nerve Targeting Drug Delivery System) represents a new class of pharmaceutical products that delivers gene-based drugs directly to nerve cells, providing a direct effect in the cells targeted by the treatment. The drug candidate NP2 Enkephalin has been engineered to deliver the human Enkephalin gene, which naturally produces opioid peptides involved in pain control, directly to the site of pain in the nervous system.

The ClinicalTrials.gov website is a registry of federally and privately supported clinical trials conducted in the United States and around the world. The site is developed by the U.S. National Institutes of Health (NIH), through its National Library of Medicine (NLM), in collaboration with the Food and Drug Administration (FDA). Read more at http://clinicaltrials.gov.

For more information, please contact:

Elisabeth Lindner, President and CEO Diamyd Medical AB (publ.)

Phone: +46 8 661 0026

For pictures and press material, please contact:

Andreas Ericsson, Diamyd Medical AB (publ.) andreas.ericsson@diamyd.com

Phone: +46 8 661 0026

About Diamyd Medical

Diamyd Medical is a Swedish pharmaceutical company focusing on the development of pharmaceuticals for the treatment of autoimmune diabetes and pain. The Diabetes business area consists of the antigen-based drug candidate Diamyd® for the treatment and prevention of autoimmune diabetes. Phase III studies of Diamyd® are currently in progress in Europe and the US. In 2010 the Company signed an agreement with Ortho-McNeil-Janssen Pharmaceuticals, Inc., for the development and commercialization of Diamyd®. The Pain business area consists of development projects that use the Company's proprietary NTDDS (Nerve Targeting Drug Delivery System) platform to administer drugs directly to the nervous system to treat chronic pain. A Phase II study of the candidate drug NP2 Enkephalin for cancer pain is ongoing in the US.

Diamyd Medical has offices in Sweden and in the US. Shares are listed on Nasdaq OMX in Stockholm (ticker: DIAM B) and on OTCQX in the US (ticker: DMYDY) administered by the Pink OTC Markets and the Bank of New York Mellon (PAL). Further information is available on the company's website: www.diamyd.com.

This information is disclosed in accordance with the Swedish Securities Markets Act, the Swedish Financial Instruments Trading Act, or the requirements stated in the listing agreements.

Diamyd Medical AB (publ.)

Karlavägen 108, SE-115 26 Stockholm, Sweden. Tel: +46 (0)8 6610026, Fax: +46 (0)8 661 63 68 E-mail: info@diamyd.com. VAT no: SE556530-142001.