



FOR IMMEDIATE RELEASE

Qualyst announces award of Collaborative Funding Grant and the addition of Senior Director Business Development to support current and growing customer base

RESEARCH TRIANGLE PARK, N.C., U.S.A. (December 4, 2003)

Qualyst, Inc. announced today the award of a Grant from the North Carolina Biotechnology Center and The Kenan Institute to conduct collaborative research in partnership with the University of North Carolina-Chapel Hill. The Grant will fund research in the laboratories of Dr. Dhiren R. Thakker, School of Pharmacy, University of North Carolina-Chapel Hill, toward continued development and refinement of novel technologies for high throughput screening of drug candidates to assess metabolic stability. Total funding for this two year award will amount to \$160,000.

Qualyst also announced the appointment of Dr. Ian Mehr as its Senior Director of Business Development.

Dr. Mehr has more than a decade of experience in the life sciences industry, spanning both research and business development. He was previously Director of Business Development for Paradigm Genetics, Inc. Dr. Mehr received his Ph.D. at Northwestern University Medical Center, and his M.B.A. from Cornell University's Johnson Graduate School of Management.

"Ian brings to the Qualyst team demonstrated life sciences business development expertise for building our current customer relationships and significantly expanding the market penetration for our existing and soon-to-be-released Qualyst technologies," said Qualyst, Inc. President and Chief Executive Officer Scott Neuville.

Qualyst is a North Carolina-based company developing innovative technologies for the drug discovery and development marketplace. The company's products allow researchers to predict with greater accuracy the disposition of a particular drug within the human body.

About Qualyst, Inc.

Qualyst commercializes novel and proprietary ADMET products for drug discovery and development. Qualyst's products allow pharmaceutical and biotechnology researchers to make faster, better decisions regarding drug candidate compounds, saving valuable time and research dollars in the process. Qualyst, Inc. was founded on discoveries from breakthrough research at the University of North Carolina at Chapel Hill in 2001. For additional information, please refer to the company's web site at www.Qualyst.com or call 919-313-6500.

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