

KALYPSYS TO PROVIDE LOS ALAMOS NATIONAL LABORATORY WITH ENABLING PROTEIN EXPRESSION AND PURIFICATION TECHNOLOGIES

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—Kalypsys Protein Technologies to be Accessed by Los Alamos to Study Bacteria—

San Diego, CA — November 30, 2004 — Kalypsys, Inc., a privately-owned drug discovery and development company, announced today a technology transfer agreement with Los Alamos National Laboratory (Los Alamos), a United States Department of Energy laboratory managed by the University of California. Kalypsys will provide Los Alamos with its automated, high throughput protein expression and purification technologies. Financial terms were not disclosed.

"We plan to use the Kalypsys technologies to gain a deeper understanding of the different processes in which bacteria are involved to address the challenges of climate stabilization, clean energy production and bioremediation. The Kalypsys protein expression and purification system will express and purify large quantities of proteins, allowing us to achieve our research milestones," stated Dr. Andrew Bradbury of Los Alamos Bioscience Division.

"We are pleased that a prestigious research organization such as Los Alamos would select our high throughput protein production technology to power its research efforts. This and other recent technology transfer partnerships provide non-dilutive funds to advance our small molecule pipeline," commented Dr. John McKearn, president and chief scientific officer of Kalypsys.

About Kalypsys

Kalypsys is a privately owned San Diego small molecule drug company that uses a suite of validated, ultra-high throughput lead discovery technologies developed initially by the Genomics Institute of the Novartis Research Foundation (GNF). Kalypsys has an integrated drug discovery infrastructure and seasoned team of scientists that are advancing its pipeline into clinical development.

Kalypsys uses its technologies and sizeable drug-like compound collection to improve the drug discovery research process and generate a robust pipeline for itself and its partners. Kalypsys' mission is to build a sustainable drug candidate pipeline from target to proof of efficacy and safety in the clinic with unmatched speed, efficiency, and success rates and currently has a pre-clinical pipeline of small molecule candidates which is advancing rapidly to clinical development. For more information on Kalypsys, please visit www.kalypsys.com.

About Los Alamos National Laboratory

Los Alamos National Laboratory is a Department of Energy (DOE) laboratory, managed by the University of California. The Laboratory is one of the largest multidisciplinary institutions in the world. Los Alamos enhances global security by ensuring the safety and reliability of the U.S. nuclear deterrent, developing technologies to reduce threats from weapons of mass destruction, and solving problems related to defense, energy, environment, infrastructure, health and national security concerns. Its staff collaborates with universities and industry in both basic and applied research to develop resources for the future. For more information on Los Alamos, please visit www.lanl.gov.