LYNX AND SOLEXA JOINTLY ACQUIRE DNA TECHNOLOGY ASSETS

HAYWARD, CALIFORNIA, USA and ESSEX, UNITED KINGDOM – March 25, 2004 – Lynx Therapeutics, Inc. (Nasdaq: LYNX) and UK-based Solexa Ltd today announced the joint acquisition from Swiss-based Manteia SA (Manteia) of the rights to proprietary technology assets for DNA colony generation.

The acquired technology assets feature a process to enable parallel amplification of millions of DNA fragments, each from a single DNA molecule, to create DNA colonies or “clusters.” The clusters are dense collections of DNA molecules on a surface, which should enable fast and simplified preparation of the biological sample for analysis and allow reduced reagent consumption as a result of the highly parallel nature of the analysis.

For Lynx, the planar cluster technology, when fully developed, will replace its Megaclone technology, a process that transforms a sample containing millions of DNA molecules into one made up of millions of micro-beads coated with DNA.

Kevin Corcoran, Lynx’s president and chief executive officer, noted, “Today, our Massively Parallel Signature Sequencing technology services assist researchers worldwide in a broad range of life sciences applications by providing a level of information that is not otherwise achievable. We believe the replacement of Megaclone micro-beads with DNA clusters should provide us with the opportunity to deliver our technology and associated instrumentation directly to our customers, allowing them to generate high quality data in their own facilities.”

For Solexa, the DNA cluster technology will be combined with its novel base-at-a-time sequencing biochemistry to complement the systems already in development, based on single molecule arrays, for the comprehensive and economical analysis of individual genomes.

Commenting on the opportunities it creates, Nick McCooke, Solexa’s chief executive officer, said, “This technology gives us the opportunity to introduce an earlier-launch product into our pipeline and broadens our technology base. Applications for sequencing are expanding rapidly as scientists wish to explore variation between individual genomes, both in academic research and in drug discovery and development.”

Lynx and Solexa anticipate that there may be opportunities for additional collaborations with this technology as each company’s development programs move forward.

Terms of the transaction were not disclosed.
About Solexa
Solexa Ltd is a private company, based near Cambridge, UK, developing systems for the comprehensive and economical analysis of individual genomes. The ability to read individual genomes quickly and economically will be a fundamental tool in the development of the biological and medical sciences in the 21st century. Solexa’s ultimate goal is to develop systems capable of achieving the so called “$1,000 genome.” For more information, visit Solexa’s Web site at [www.solexa.com](http://www.solexa.com).

About Lynx
Lynx is a leader in the development and application of novel genomics analysis solutions. Lynx’s MPSS™ instruments analyze millions DNA molecules in parallel enabling genome structure characterization at an unprecedented level of resolution. As applied to gene expression analysis, MPSS™ provides comprehensive and quantitative digital information important to modern systems biology research in the pharmaceutical, biotechnology and agricultural industries. For more information, visit Lynx’s Web site at [www.lynxgen.com](http://www.lynxgen.com).

This press release contains "forward-looking" statements, including statements related to the expected use of the proceeds from this financing, the potential success under existing customer, collaboration and license arrangements, and the expansion and success of Lynx’s commercial applications of its genomics technologies. Any statements contained in this press release that are not statements of historical fact may be deemed to be forward-looking statements. Words such as "believes," "feels," "anticipates," "plans," "predicts," "expects," "estimates," "intends," "will," "continue," "may," "should" and similar expressions are intended to identify forward-looking statements. There are a number of important factors that could cause the results of Lynx to differ materially from those indicated by these forward-looking statements, including, among others, risks detailed from time to time in Lynx’s SEC reports, including its Quarterly Report on Form 10-Q for the quarter ended September 30, 2003 and its Annual Report on Form 10-K for the year ended December 31, 2002, as amended. Lynx does not undertake any obligation to update forward-looking statements.

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