

## **“NEWS RELEASE”**

**FOR RELEASE: Immediately, February 27, 2014, Rockville, MD**  
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### **BIOQUAL, INC., ANNOUNCES COMPLETION OF THE PURCHASE OF ABL’S IN-VIVO ANIMAL MODEL SERVICES RELATED ASSETS BY BIOQUAL AND ENTRY INTO STRATEGIC TEAMING AGREEMENT.**

BIOQUAL, Inc. (BIOQUAL), announced today that it has completed its acquisition of ABL, Inc.’s (ABL) in-vivo animal model services-related assets. BIOQUAL and ABL will jointly market BIOQUAL’s animal model services and ABL’s in-vitro laboratory services under a three-year Strategic Teaming Agreement.

BIOQUAL is fully accredited by the Association for the Assessment and Accreditation of Laboratory Animal Care International (AAALAC). It has a long history of providing state-of-the-art facilities and trained, experienced research scientists, veterinarians and animal care personnel for clients involved in infectious disease investigations, cancer research, and a wide variety of other in-vivo and in-vitro studies including those requiring Good Laboratory Practice (GLP) documentation and conditions.

As a result of the transaction, BIOQUAL assumed the lease for and has taken over the operation of ABL’s USDA-registered 35,000 square-foot animal laboratory facility, which is also fully accredited by AAALAC. The laboratory performs vital animal model studies for government and commercial clients. BIOQUAL also acquired ABL’s animal laboratory related assets, assumed certain contracts, and will be performing additional animal model services as a subcontractor to ABL. BIOQUAL paid \$3,500,000 in cash at the closing, of which \$1,500,000 was financed through a term note from M&T Bank. In addition to the cash paid at closing, BIOQUAL may pay ABL incremental amounts up to a maximum of \$4,000,000 in cash contingent on calendar years 2014, 2015, and 2016 sales.

At the closing, BIOQUAL also obtained a \$1,500,000 increase in its line of credit, to a total of \$2,000,000. The increase will provide capital resources in the event additional working capital is required during the transition period while BIOQUAL assumes financial responsibility for the acquired business.

BIOQUAL, Inc. (BIOQ (Pinksheets)), based in Rockville, Maryland, is committed to providing quality research, development, consulting, and testing/assay services to commercial clients and Government laboratories. For more information about BIOQUAL, please visit its website at [www.bioqual.com](http://www.bioqual.com).

Statements herein that are not descriptions of historical facts are forward-looking and subject to risk and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors including the operative results of the subject transaction; risks relating to the ability to continue to extend current government contracts and obtain new contracts; the actual cost incurred in performing its contracts; uncertainties relating to pre-clinical trials; dependence on third parties; and future capital needs.