



QLT Inc.

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news release

**QLT ANNOUNCES CLOSING OF US \$172.5 MILLION
U.S. PRIVATE CONVERTIBLE SENIOR NOTE FINANCING**

For Immediate Release

August 15, 2003

VANCOUVER, CANADA—QLT Inc. (NASDAQ: QLTI; TSX: QLT) today completed its previously announced offering of US \$172.5 million aggregate principal amount of 3.0% convertible notes due 2023 (including the US \$22.5 million initial purchaser's option which was fully exercised on August 13, 2003).

QLT intends to use the net proceeds from this offering for working capital and other general corporate purposes, including potential acquisitions or investment in businesses, products or technologies. In addition, QLT intends to use a portion of the net proceeds to repurchase its common shares on the open market in connection with the share repurchase program announced earlier this week.

The convertible senior notes and common shares issuable upon conversion of the notes have not been registered under the U.S. Securities Act of 1933, as amended, or under any state securities laws, and may not be offered or sold in the United States absent registration or an applicable exemption from registration requirements. These notes are being offered only to qualified institutional buyers (as defined in Rule 144A under the U.S. Securities Act). The convertible senior notes and the shares issuable upon conversion are not being qualified for sale under the securities laws of any province or territory of Canada and are not being offered for sale in Canada or to any resident of Canada, or to or for the account of any resident of Canada.

This press release is published as a matter of record only and does not constitute an offer to sell or a solicitation of an offer to buy any of the convertible senior notes, nor shall there be any sale of these notes in any state or jurisdiction in which such an offer, solicitation or sale would be unlawful prior to the registration or qualification under the securities laws of any such state or jurisdiction.

QLT Inc. is a global biopharmaceutical company specializing in the discovery, development and commercialization of innovative therapies to treat eye diseases, cancer and in other niche areas for which treatments can be marketed by a specialty sales force.

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QLT Inc. is listed on The Nasdaq Stock Market under the trading symbol “QLTI” and on The Toronto Stock Exchange under the trading symbol “QLT.”

Certain statements in this press release constitute “forward-looking statements” of QLT within the meaning of the Private Securities Litigation Reform Act of 1995, which involve known and unknown risks, uncertainties and other factors that may cause our actual results to be materially different from any future results, performance or achievements expressed or implied by such statements. Forward-looking statements include, but are not limited to, our expectations as to the use of proceeds from the offering, including our success in completing any acquisitions or investments in businesses, products or technologies and our success in repurchasing our common shares sought to be acquired under our share repurchase program. These statements are only expectations and actual events or results may differ materially. Factors that could cause such actual events or results expressed or implied by such forward-looking statements to differ materially from any future results expressed or implied by such statements include, but are not limited to, due to fluctuations in our operating results, our failure to maintain the cash necessary to fund potential acquisitions or investments in businesses, products or technologies or to fund share repurchases pursuant to the share repurchase program and other factors described in detail in QLT’s Annual Information Form on Form 10-K, quarterly reports on Form 10-Q and other filings with the U.S. Securities and Exchange Commission and Canadian securities regulatory authorities. Forward-looking statements are based on our current expectations and QLT is not obligated to update such information to reflect later events or developments.