



FOR IMMEDIATE RELEASE

NuSep's Quarterly Newsletter

SYDNEY, AUSTRALIA – 22 November 2007 – NuSep Ltd (ASX: NSP). Attached is NuSep's November quarterly newsletter.

About NuSep Ltd

NuSep is an Australian BioSeparations company based in Frenchs Forest, Sydney. NuSep manufactures and markets a range of products to BioSeparations customers located worldwide through distribution and sales centres located in Australia, the USA and Europe. NuSep is listed on the Australian Stock Exchange where its shares trade under the code "NSP".

NuSep currently operates across three product groups, each addressing BioSeparations customers, utilising patented technology and leveraging the company's global distribution network. The three product groups are as follows:

1. **Gels** – NuSep offers two ranges of electrophoresis pre-cast gels: **iGels**, innovative gels including long-life gels and gels with solid well dividers; and **NuBlu**, high quality gels at an competitive price together with associated consumables.
2. **Separation Instruments** – NuSep has developed two unique laboratory separation devices based on Gradiflow® technology. The first to be released in February 2008 is a proteomics instrument that can separate a biological sample into eight fractions. The second instrument will be applied to sperm separation required for fertility treatments such as IVF. Development of this product is supported by the Australian Government's Commercial Ready program.
3. **Biological Products** – NuSep will offer a range of biological research grade reagents purified from human and animal plasma. The first product release was human IgG. Further products, including albumin will be added to our range in 2008.

For more information about NuSep please visit the company's website www.NuSep.com

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**NuSep News
Nov 2007**

Redefining BioSeparations

MF10 sales launch in February 2008

On 9 February 2008, NuSep will officially launch its first separation instrument, the MF10, for sale. The global launch of the MF10 is a significant milestone in NuSep's evolution as it establishes our reputation as a company that delivers new capabilities to the BioSeparations market.

For some time, proteomics researchers have been frustrated by technology limits that impede their quest to separate and identify proteins. Of the estimated 3,000 plus proteins in blood, only about 500 have been identified and studied. Scientists are looking for new tools to help advance their discovery and analysis efforts.

NuSep's MF10 device addresses many problems in isolating proteins by allowing samples to be separated into multiple fractions on the basis of molecular size and charge. Simultaneously separating and concentrating samples enables researchers to investigate and analyse low abundance proteins to a new level.

Proteomics Market

Proteomics involves the study of protein structures and is frequently used to identify proteins that can aid and/or predict disease states. Some proteins can be difficult to detect in a sample as they occur in such low abundance. The proteomics market has been growing rapidly for some time. More recently, the importance of sample preparation techniques has been highlighted and prompted particular scientific discussion and market interest. Frost & Sullivan state that the proteomics sample prep market is ripening and is forecasted to generate \$59 million in revenue in the US for 2007. By 2011, this market is expected to reach \$103 million in the US. NuSep's MF10 addresses this market. The biggest driver of sample preparation products are biopharmaceutical companies seeking new protein biomarkers or protein targets that form the basis of new drugs and/ or diagnostic products.

The MF10 (continued)

The MF10 brings new capabilities to protein analysis

With this approach, the MF10 eliminates the “I purified my samples into non-existence” complaint. In essence, the MF10 opens up a multitude of new possibilities to proteomics researchers and represents a powerful new solution to separation bottlenecks.

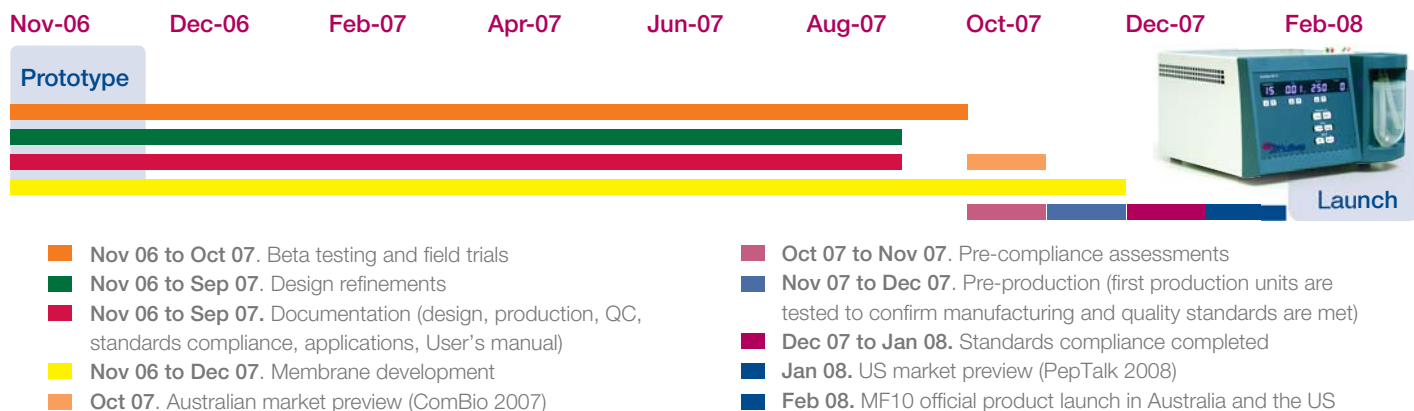
In addition, the MF10 can be used with existing analytical techniques, including our own gel products, so researchers can still pursue their current approaches both up and downstream of their sample separation. By marketing it as a pre-fractionation step, the MF10 can be sold as both an adjunct to existing proteomics techniques as well as an alternative to other more expensive and otherwise limited techniques.

The MF10, short for Membrane Fractionation, has been evaluated by users in Australia through extensive beta trials and has now reached the final stages of its development cycle. The first

production models will be available for testing and certification in Australia, US and Europe in December 2007.

Sales Launch

The official sales launch will occur in February 2008 at two prestigious proteomics conferences, the 13th Annual Proteomics Symposium in Lorne, Australia and the Association of Biomolecular Resource Facilities Conference in the US. These conferences will be followed by similar sales events over the following six months. From that time we expect to generate revenue from both instrument sales and consumables such as membrane cartridges and buffer kits. Our global distribution network will ensure rapid delivery of both the instrument and on-going supply of consumables.



“The MF10 has been instrumental in our research to not only define the plasma proteome but its peptidome as well”
Valerie Wasinger, Protein Biologist

Valerie Wasinger is a Senior Research Scientist at the Bioanalytical Mass Spectrometry Facility at the University of New South Wales. She has been using the MF10 for more than a year to analyse proteins in human plasma and claims that it has provided her with new capabilities in the analysis of protein expression and identification. Valerie states “When we started this work there was no technology that allowed us to adequately remove proteins present in high abundance and enrich those found in very low concentrations to a threshold suitable for mass spectrometry, both in native and denaturing form. The capability to separate proteins using

charge and mass allows for the enrichment of the peptidome (where molecule size is less than 10kDa) from the profusion of other proteins present in biological samples. The MF10 has been instrumental in our research to not only define the plasma proteome but its peptidome as well”.

Valerie and her team have written a chapter entitled “Pre-fractionation, enrichment, de-salting and depleting of low volume and low abundance proteins and peptides using the MF10” which will be included in the soon to be published book “Methods in Molecular Biology” by Humana Press. She has also written a similar article on her plasma research using the MF10 for a scientific journal. NuSep is proud to have been involved in the ground breaking work undertaken by Valerie and the BMSF and we wish her luck in her future endeavours.

NuSep 2007 / 2008 Goals

NuSep strives for profitability

NuSep is intent on achieving profitability on a monthly basis by the end of the year. Our short-term priorities are to:

- **increase gel sales;**
- **launch the MF10 for sale.**

To increase gel sales we have enlarged our sales team and launched an aggressive 2 for 1 promotional campaign to generate awareness of NuSep as a new company and the advantages of our gel products. The Australian promotion finishes on 15 November and increased Australian sales by over 50% during October. This promotion has now been extended to the US market.

In addition we have budgeted to receive sales revenue from the MF10 before the end of the financial year following its launch in February 2008. The instrument is generating considerable interest among molecular biologists and proteomics researchers. Further, there are a number of publications, including the book chapter by Valerie Wasinger, mentioning the MF10 which are due to be published in the near term. These articles will have a positive direct impact on sales as they provide third party support of the technology.

Strategy

- **Growth through acquisition and increased sales;**
- **Achieve profitability on a monthly basis by end of 08 Financial Year.**

In the medium term, NuSep will achieve growth by acquisition, either of products or companies. The company is specifically looking to acquire a product portfolio in the monoclonal antibody (mAb) field. mAbs represent significant market potential and are relevant to our BioSeparation customers and current product offering. Further, NuSep's separation technology offers an opportunity for novel products or manufacturing processes.

On the acquisition front, we have been actively evaluating opportunities over the last six months during which time we have screened a number of companies according to their strategic fit with our present business and their ability to accelerate our sales growth. Some of these negotiations are quite advanced and we will advise shareholders of the outcome once a definitive agreement is concluded. Any acquisition that occurs will be cashflow positive from the date of acquisition.

NuSep Gels at ComBio Conference

ComBio is the premier and most well attended conference in Australia for molecular biologists. It was a prime event for promoting our gels to researchers in Australia and New Zealand. We also took the opportunity to preview our MF10 instrument which will be officially launched for sale in February 2008.

The sales booth was frequented by many of the 700 conference participants who use pre-cast gels allowing our sales reps to build awareness of the NuSep brand and promote the technical features of our gel ranges. The conference generated a number of positive sales leads. The MF10 instrument also prompted considerable interest among conference goers.



NuSep Annual Report Now Available. Download it from our website or request a copy by calling us on (02) 8977 9000.

NuSep Investments & Launches

NuSep invests in diagnostics for cancer and diabetes

Through its investment in Minomic International, NuSep has acquired the right to negotiate a manufacturing and marketing agreement for two important diagnostic products, one for the detection of prostate cancer and, the second for detection of Type 2 diabetes. Both tests are urine based monoclonal antibody assays. Each offers significant advantages over the conventional screening methods currently used for these prolific diseases.

Prostate Cancer Test Kit

Prostate cancer is the most common male cancer with 1 out of 10 Australian men developing the disease. The current blood test for prostate cancer measures levels of prostate-specific antigen (PSA). The draw back with PSA is that it has a high false positive rate (up to 75%) causing a high rate of unnecessary biopsies. The diagnostic kit being developed will be more specific and it will only require a urine sample. Because of the higher specificity, this new test will reduce unnecessary invasive surgical biopsies. The worldwide market for traditional PSA testing is estimated at more than 60 million tests per year (American Cancer Society) which would exceed a market value of US\$1 billion annually.

Type 2 Diabetes Test Kit

Every day in Australia approximately 275 adults develop diabetes. Currently 15% of 55-65 year olds have Type 2 diabetes. It is believed that approximately 50% of the diabetes population is undiagnosed due to the reluctance to undergo an oral glucose tolerance test (OGTT). This is a 2 hour procedure that includes prior fasting and blood sampling. Once developed, the Minomic test will be a non-invasive, simple urine based test and ultimately could be sold over the counter for home diagnosis. The Diabetes Care segment of the In Vitro Diagnostics market was estimated to be \$US6 billion in 2004 (Source: Roche Diagnostics) which includes significant sales associated with glucose monitoring products. This new Type 2 diabetes kit would address a small proportion of this market.

NuSep Raises \$2.7m via Share Purchase Offer

The Company was pleased with the number of small shareholders who took up the recent Share Purchase Offer. This allowed a number of small shareholders to increase their shareholding to a marketable level. As part of this process, the Company was also able to reduce the number of small and dormant shareholders by organising the buy back of their shares. Following this buyback,

NuSep now has over 2,000 active shareholders. Funds raised under the SPO totalled \$2.7 million and will be used to accelerate the Gels marketing and fund the Sperm Sorter clinical trials.

Tony Abbott officially opens NuSep

On 23 August 2007, the Minister for Health & Ageing, the Hon. Tony Abbott, MHR, was the guest of honour at a NuSep function to celebrate the company's ASX listing and achievements since its inception. The cocktail function was well attended by NuSep's shareholders and invited guests who enjoyed the opportunity to meet company directors, executives and staff. The Minister was introduced to a number of guests and gave a brief address before unveiling a ceremonial plaque. Later, shareholders were invited to attend formal presentations which covered NuSep's growth plans as well as a talk by Prof John Aitken on the Sperm Sorter project and Minomic's diagnostic kit developments.

All three presentations can be viewed in the 'Company Announcements' section of our website.



NuSep Company Briefings

On Wednesday 12 December 2007 NuSep will hold its first biannual company briefing. These regular briefing events aim to provide shareholders with an opportunity to gain information and ask questions on company activities and significant project outcomes. Shareholders interested in attending these functions are asked to register by emailing info@nusep.com or calling us on (02) 8977 9000.

NuSep AGM

NuSep's Annual General Meeting will be held at the company's corporate headquarters at 22 Rodborough Road, Frenchs Forest, Sydney on Wednesday 21 November 2007 at 10am. All shareholders are encouraged to attend in order to meet Board members and receive a review of the year's activities and future plans.