FOR IMMEDIATE RELEASE

Preliminary Results 30 June 2008

SYDNEY, AUSTRALIA – 25 August, 2008 – NuSep (ASX: NSP). Attached is the Appendix 4E Preliminary final report to 30 June 2008. For the yearend 30 June 2008 the company has reported a loss of $5.49m, with revenues of $1.71m. These results are inline with the company's market projections and were achieved without the budgeted revenue from new products, such as the MF10.

At the end of June 2008 NuSep received an unsolicited offer for its Gels Division. The Board is currently evaluating this and other offers and will update the forward projections at the conclusion of this process.

Preliminary Results - Management Report

The following is a more detailed analysis of the results by division.

Gels

Gels sales grew strongly during the 2nd half of the year as a result of US promotional activity. NuSep also achieved a positive gross margin during this period, which is reflective of the larger gel sales volume and the improved production pass rate. While this is a positive step, the gross margin on the Gels is significantly lower than the 80% plus obtained on the MF10 consumables.

Separation Instruments

Looking forward, regulatory approval to sell the MF10 was finally received in August 2008 and it is anticipated that US regulatory approval should be received by the end of October 2008. Manufacture of the production unit has begun with the first units due to be delivered in early September 2008. As previously noted, there has been significant interest in the MF10 which NuSep believes will drive the Company's future sales and profits

SpermGen

SpermGen is the wholly owned subsidiary that is developing the SpermSep CS10 instrument. SpermSep is used to separate sperm for use in the Artificial Reproductive Technology (ART) market including IVF. During the year NuSep successfully completed its first SpermSep clinical trial. This trial showed that the SpermSep device is as least as safe as the existing sperm isolation process. Furthermore, there were 3 live births in the SpermSep arm compared to nil in the existing technology arm of the clinical trial. NuSep will start what is expected to be the final pre market clinical trial later this year. NuSep expects sales of the SpermSep device to commence in the April quarter 2009.

NuSep Ltd
22 Rodborough Rd
Frenchs Forest NSW 2086

Postal Address
P.O. Box 6126
Frenchs Forest NSW 2086

Contact Details
Telephone +61 2 8977 9000
Facsimile +61 2 8977 9099

Email info@nusep.com
Web www.nusep.com
ABN 33 120 047 556

Expenses Commentary

There were a number of major expenses in this period which are worth commenting on. Firstly this results includes $680k of non cash expenses made up of $587k in depreciation and $93k of share option costs. Secondly, NuSep incurred $1m in rental lease costs during the year related to the Frenchs Forest site. The Company has committed to reduce this fixed cost by relocating to a smaller facility. The strengthening of the Australian dollar against the US dollar during the financial year increased the loss by over $170k. These results also include approximately $2.2m spent finalising the MF10 and the SpermSep clinical trial expenses.

About NuSep

NuSep (ASX: NSP) is a publicly listed life sciences company that sells products into the global bioseparations market. The company has offices in both Sydney, Australia and Atlanta, USA.

With a 30 year heritage in biological separations, NuSep has forged a world class reputation for its innovative yet simple biological separation techniques including the world's first IVF sperm separation device. In short NuSep has redefined the BioSeparations market through innovation and simplification.

NuSep's world renowned research team has developed an extensive portfolio of patented products. In all, NuSep currently manufactures, distributes and sells 55 products to customers in the USA, Europe, Asia and Australia.

NuSep Products:

- **Gels** – NuSep offers two precast gel ranges: iGels, innovative gels including long life gels with a 2 year shelf life: and NuBlu, high quality gels at an everyday price.
- **Separation Instruments** – NuSep has developed two unique biological separation instruments. The first instrument released in February 2008 can separate biological samples into 8 fractions for use in the proteomic market. The second instrument separates sperm for fertility treatments such as IVF and is presently undergoing clinical trials and is supported by a $2.2m AusIndustry Commercial Ready Grant.
- **Biological Products** – NuSep supplies research grade biological products manufactured using its unique separation technologies. These products include human IgG and Albumin.

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

Contact:
Prakash Patel
Chief Financial Officer & Company Secretary
+61 2 8977 9000
prakash.patel@nusep.com

Forward Looking Statements:
This press release contains forward-looking statements include all of the statements relating to NuSep's forecasted operating results and metrics for fiscal 2008/2009; statements regarding the anticipated benefits of our products, technologies, and services relative to the offerings of our competitors. These forward-looking statements involve risks and uncertainties, and actual results could vary. Important factors that could cause actual results to differ materially from those in the forward-looking statements include general economic and industry conditions, including expenditure trends for bioseparations products; risks associated with the anticipated growth in the bioseparations markets; our ability to deliver new products; competition risks, including our ability to design products that compete effectively from a price and performance perspective; risks with new product introductions; our ability to accurately forecast demand for our products; our ability to expand our direct sales operations; risks associated with international operations; our ability to successfully acquire and integrate complementary businesses and technologies; foreign currency exchange rate fluctuations; and other important factors as described in NuSep reports and documents filed from time to time with the Australian Securities Exchange. We disclaim any obligation to update information contained in these forward-looking statements whether as a result of new information, future events, or otherwise.

Appendix 4E

Preliminary final report

Name of entity

NuSep Ltd

ABN or equivalent company reference

33 120 047 556

Financial year ended ('current period')

30 JUNE 2008

For announcement to the market

				$A'000
Revenues from ordinary activities	Up	* 101%	to	1,714
Loss from ordinary activities after tax attributable to members	Up	11%	to	(5,496)
Net loss for the period attributable to members	Up	11%	to	(5,496)

Dividends (distributions)	Amount per security	Franked amount per security
Final dividend	Nil	Nil
Previous corresponding period	Nil	Nil

Record date for determining entitlements to the dividend, N/A

Brief explanation of any of the figures reported above (see Note 1) and short details of any bonus or cash issue or other item(s) of importance not previously released to the market:

Refer attached press release.

* The report details the consolidated results of NuSep Ltd for the year ended 30 June 2008. This has been the first full year of trading and the comparative figures relate to the 8 month period to 30 June 2007.

Consolidated Income Statement

		For the year ended 30 June 2008 $	For the 8 month period ended 30 June 2007 $
1.1	Revenues		
	Revenue from sales or services	1,610,892	791,054
	Interest revenue	103,383	52,043
	Proceeds on sale of assets	-	8,210
	Total revenue	1,714,275	851,307
1.2	Expenses from ordinary activities		
	Cost of sales	(1,482,987)	(1,618,335)
	Marketing	(1,010,770)	(636,183)
	General & administration	(1,932,018)	(2,606,007)
	Research & development	(2,520,465)	(906,357)
	Finance & foreign exchange	(264,225)	(31,653)
	Total Expenses	(7,210,465)	(5,798,535)
1.3	**Loss before income tax**	**(5,496,190)**	**(4,947,228)**
1.4	Income tax	-	-
1.5	**Loss after income tax from operations**	**(5,496,190)**	**(4,947,228)**
1.6	**Net loss for the period**	**(5,496,190)**	**(4,947,228)**

Consolidated retained profits

		30 June 2008 $	30 June 2007 $
1.7	Accumulated losses at the beginning of the financial period	(4,947,228)	-
1.8	Net loss attributable to members (*item 1.6*)	(5,496,190)	(4,947,228)
1.9	**Accumulated losses at end of financial period**	**(10,443,418)**	**(4,947,228)**

The report details the consolidated results of NuSep Ltd for the year ended 30 June 2008. This has been the first full year of trading and the comparative figures relate to the 8 month period to 30 June 2007.

Consolidated Balance Sheet

		As at 30 June 2008 $	As at 30 June 2007 $
	Current assets		
2.1	Cash and cash equivalents	695,560	208,626
2.2	Trade and other receivables	444,971	166,801
2.3	Inventories	374,491	472,197
2.4	Other assets	32,886	40,385
2.5	**Total current assets**	**1,547,908**	**888,009**
	Non-current assets		
2.6	Cash and cash equivalents	867,286	1,000,000
2.7	Property, plant and equipment	1,785,590	2,274,505
2.8	Financial assets	855,000	300,000
2.9	**Total non-current assets**	**3,507,876**	**3,574,505**
2.10	**Total assets**	**5,055,784**	**4,462,514**
	Current liabilities		
2.11	Trade and other payables	2,396,673	1,464,834
2.12	Short-term provisions	154,265	150,577
2.13	**Total current liabilities**	**2,550,938**	**1,615,411**
	Non-current liabilities		
2.14	Other Liabilities	1,357,171	1,000,000
2.15	Long-term provisions	46,318	46,657
2.16	**Total non-current liabilities**	**1,403,489**	**1,046,657**
2.17	**Total liabilities**	**3,954,427**	**2,662,068**
2.18	**Net assets**	**1,101,357**	**1,800,446**
	Equity		
2.19	Issued Capital	10,602,240	6,619,971
2.20	Reserves	942,535	127,703
2.21	Retained losses	(10,443,418)	(4,947,228)
2.22	**Total equity**	**1,101,357**	**1,800,446**

Consolidated Cash Flow Statement

		As at 30 June 2008 $	As at 30 June 2007 $
	Cash flows from operating activities		
3.1	Receipts from customers	1,308,162	536,162
3.2	Payments to suppliers and employees	(5,925,484)	(3,224,812)
3.3	Government grants	555,468	211,193
3.4	Interest received	97,052	51,441
3.5	Finance costs	(33,245)	(31,653)
3.6	**Net cash flows (used in) operating activities**	**(3,998,047)**	**(2,457,669)**
	Cash flows from investing activities		
3.7	Payment for purchases of property, plant and equipment	(98,491)	(98,559)
3.8	Proceeds from sale of property, plant and equipment	-	8,210
3.9	Payment for investment	-	(300,000)
3.10	Demerger proceeds	-	321,179
3.11	Proceeds from held-to-maturity investment	132,714	-
3.12	**Net cash flows (used in) investing activities**	**34,223**	**(69,170)**
	Cash flows from financing activities		
3.13	Proceeds from issues of securities	3,965,022	2,797,693
3.14	Share issue costs	(340,818)	(65,673)
3.15	Proceeds from borrowings	954,289	-
3.16	Repayment of borrowings	(127,735)	-
3.17	**Net cash flows from financing activities**	**4,450,758**	**2,732,020**
3.18	**Net increase in cash held**	**486,934**	**205,181**
3.19	Cash at beginning of period	208,626	-
3.20	FX arising on re-translation of non-operating balances	-	3,445
3.21	**Cash and cash equivalents at end of period** *(see Reconciliation of cash)*	695,560	208,626

Consolidated Statement of Changes in Equity

4.

	Issued Capital $	Foreign currency translation Reserve $	Share options Reserve $	Asset revaluation Reserve $	Accumulated Losses $	Total Equity $
At 1 July 2007	6,619,971	50,313	77,390	-	(4,947,228)	1,800,446
Movement						
Transaction costs on share issue	(340,817)	-	-	-	-	(340,817)
Currency translation difference	-	167,045	-	-	-	167,045
Total income and expense for the period recognised directly in equity	6,279,154	217,358	77,390	-	(4,947,228)	1,626,674
Loss for the period	-	-	-	-	(5,496,190)	(5,496,190)
Total income and expense for the period	6,279,154	217,358	77,390	-	(10,443,418)	(3,869,516)
Issue of shares	4,323,086	-	-	-	-	4,323,086
Revaluation of investment	-	-	-	555,000	-	555,000
Cost of share based payment	-	-	92,787	-	-	92,787
At 30 June 2008	10,602,240	217,358	170,177	555,000	(10,443,418)	1,101,357

Reconciliation of cash

Reconciliation of cash at the end of the period (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	30 June 2008 $	30 June 2007 $
5.1 Cash on hand and at bank	695,560	208,626
5.2 Total cash at end of period *(item 3.21)*	**695,560**	**208,626**

Other notes to the condensed financial statements

Ratios	30 June 2008	30 June 2007
6.1 **Loss before tax / revenue** Consolidated loss from ordinary activities before tax (*item 1.3*) as a percentage of revenue (*item 1.1*)	(321 %)	(581 %)

Earnings per security (EPS)	30 June 2008	30 June 2007
7.1 Basic (losses) per share	(28.7) cents	(62.3) cents
7.2 Weighted Average number of ordinary shares used as the denominator in calculating basic earnings per share	19,133,747	7,941,100
7.3 Diluted (losses) per share	(28.7) cents	(62.3) cents

NTA backing	30 June 2008	30 June 2007
8.1 Net tangible asset backing per ordinary security	$0.03	$0.169

Issued and quoted securities at end of current period

Category of securities		Total number	Number quoted	Issue price per security	Amount paid up per security
9.1	**Ordinary issued securities**	**41,134,165**	41,134,165	*Refer 9.3 below*	*Refer 9.3 below*
9.2	Changes during current period (a) Increases through issues (b) Decreases through returns of capital, buybacks	 30,475,725 -	 30,475,725 -		

9.3
Ordinary issued securities

Date	Details	Number of Shares	Issue Price	$
1 July 2007	Opening balance	10,658,440		6,619,971
27 September 2007	Share issue	11,088,400	$0.25	2,772,100
30 June 2008	Share issue	19,387,325	$0.08	1,550,986
30 June 2008	Closing Balance	**41,134,165**		**10,943,057**
	Less- transaction costs arising on share issues			(340,817)
30 June 2008	Closing Balance			**10,602,240**

Segment Reporting

10.

30 June 2008	**Consumable products** $	**Separations** $	**Corporate & Shared Services** $	**Consolidated** $
Revenue from sales or services	1,310,330	300,562	-	**1,610,892**
Revenues from outside the operating activities:				
Interest	-	-	103,383	**103,383**
Total segment revenue	1,310,330	300,562	103,383	**1,714,275**
Profit/(Loss) from ordinary activities after income tax expense	(1,604,464)	(1,886,367)	(2,005,359)	**(5,496,190)**
Depreciation and amortisation expense	122,921	101,089	363,394	**587,404**
Segment assets	658,822	337,078	4,059,884	**5,055,784**
Segment liabilities	417,138	630,653	2,906,636	**3,954,427**

Matters Subsequent To The End Of The Financial Year
Since 30 June 2008 NuSep has:

a) The Company on 4 August 2008 announced that Dr Choon Lee had resigned as a Director of NuSep.

Annual General Meeting

The annual general meeting will be held as follows:

Place	22 Rodborough Rd Frenchs Forest
Date	Thursday 20th November 2008
Time	10am
Approximate date the annual report will be available	14th October 2008

Compliance statement

1 The report has been prepared in accordance with the Corporation Act 2001, Accounting Standards and Urgent Issues Group Interpretations, and complies with other requirements of the law. Accounting Standards, include Australian equivalents to International Financial Reporting Standards "AIFRS". Compliance with AIFRS ensures that the consolidated financial statements and notes of the consolidated entity comply with International Financial Reporting Standards "IFRS".

2 This report, and the accounts upon which the report is based, use the same accounting policies.

3 This report does give a true and fair view of the matters disclosed.

4 This report is based on accounts that are in the process of being audited. Details of any qualifications will follow immediately they are available.

6 The entity has a formally constituted Audit Committee.

Signed:

Name: John Manusu
CEO

Date: 25 August 2008