FOR IMMEDIATE RELEASE

NxGen Acquisition Update

SYDNEY, AUSTRALIA – 2ND December 2008 – Further to the previous announcement from NuSep Ltd (**NuSep** or **Company**) on 1 December 2008 in relation to the proposed acquisition of NxGen Pharmaceuticals Pty Ltd (**NxGen Acquisition**), the Company provides the following additional information.

Change to Activities

If the NxGen Acquisition proceeds, NuSep will pursue a new direction and provide the pharmaceutical products currently offered by NxGen Pharmaceuticals Pty Ltd to the Australian sexual dysfunction, anti-aging medicine and addiction markets.

The change that will result to NuSep's business activities as a result of the NxGen Acquisition is subject to the approval of NuSep's shareholders at a meeting which is to be called in January 2009 (**Meeting**). NuSep will also seek shareholder approval at the Meeting to consolidate the Company's share capital on a 1 for 10 basis.

ASX Requirements

As a result of the NxGen Acquisition, NuSep will be required to satisfy the requirements that ASX imposes on admission to the official list of ASX and quotation of NuSep's shares as set out in Chapters 1 and 2 of the ASX Listing Rules, as if NuSep was applying for admission to the official list. This will include the issue of a prospectus to all shareholders by mid December 2008.

If NuSep's shareholders approve the change to the Company's business activities at the Meeting, the directors of NuSep will seek to voluntarily suspend the trading of the Company's shares until such time as NuSep satisfies Chapters 1 and 2 of the ASX Listing Rules.

NuSep's shares will only be reinstated when NuSep can satisfy Chapters 1 and 2 of the ASX Listing Rules.

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 manufactures and sells precast gels including the innovative iGels, with a 2 year shelf life.
- **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.
- **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