



FOR IMMEDIATE RELEASE

NuSep Increases Profit Forecast to \$1m after it Acquires BioInquire and completes Placement at 30c

SYDNEY, AUSTRALIA – 9th December 2009 – The Board of Directors of NuSep (ASX: NSP) wishes to advise the market that it has signed a Letter of Intent to purchase the US based mass spectrometry software development company BioInquire, LLC (www.bioinquire.com). BioInquire is a profitable company projecting a US\$1.2m profit for the 2010 calendar year with increasing profits in the subsequent years.

Outlined below are the basic terms of the acquisition, a revised profit forecast for NuSep and details of the completed placement at 30c. The company will provide additional information on these events over the next few days.

Acquisition of BioInquire

BioInquire, LLC is a privately-held bioinformatics software company based in Athens, Georgia in the US engaged in the development and commercialization of software solutions for analyzing data generated from mass spectrometric analyses. BioInquire's *ProteoIQ*[™] software is a cross platform package which effectively provides customers with a 'Google' for proteins. To date, BioInquire has also been awarded over US\$1m in grant funding from the US National Institutes of Health and private sources, including the Georgia Research Alliance over the next two years.

Rationale for the Acquisition

The *ProteoIQ* software helps NuSep's customers identify the proteins separated using their ProteomeSep MF10 instruments. Thus the software is complimentary to the ProteomeSep and will fuel further sales of this instrument. Importantly, this acquisition will increase NuSep's 30 June 2010 earnings by 2c per share.

- The combination of BioInquire's *ProteoIQ* software will enable NuSep to provide a complete solution for NuSep's Mass Spectrometry customers. By marketing these two products together, NuSep will increase and accelerate the sales of the ProteomeSep MF10 into the Mass Spectrometry prefractionation market, valued at US\$60m.
- The expanded sales of the combined group will allow NuSep to increase its sales force and will also lead to higher direct gel sales as the NuSep brand is further developed in the BioSeparations market. The increase in the sales force will

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mean greater coverage of the US market including sales specialists covering the East, Central and West US.

- In addition, BioInquire software technicians will also be able to develop clinical software for NuSep's SpermSep IVF instrument.
- This acquisition will also generate a number of cost savings as the combined group will operate out of one facility and the sales force will have more products to sell to each customer and cover a greater geographical area.
- BioInquire is a profitable company and this acquisition will be earnings per share positive from the date of acquisition. Based on the projected profit of US\$1.2m for the 2010 calendar year, this acquisition will contribute approximately US\$500,000 to NuSep's profit for the financial year ended 30 June 2010. This will contribute an additional 2c of profit before tax per share on NuSep's expanded capital of 24m shares.

Terms of the Deal

- NuSep will acquire 100% of BioInquire assets.
- NuSep will pay BioInquire **3 times its Net Profit before tax** for the year ended 31 December 2010 based on the following **PERFORMANCE** based formula:
 - a) An initial payment of US\$1.5m will be paid upon obtaining Share holder approval. This shareholder meeting is expected to occur early in 2010.
 - b) A further US\$1m will be paid on receipt of the audited results for the period up to 31 December 2010. This payment will only be paid if BioInquire achieves agreed milestones.
 - c) On 31 December 2010 NuSep will issue BioInquire shareholders a total of US\$500,000 in NuSep stock.
 - d) A final cash payment will be made on 30 June 2011 and will be the difference between 3 times the 2010 calendar year results and the payments made in a) to c) above. The BioInquire shareholders can elect to take this final payment in all cash or up to 50% of it in shares.

"We are delighted with the BioInquire acquisition because their products will accelerate the adoption of the ProteomeSep MF10 and the acquisition will provide an additional 2c per share profit this financial year. I expect that the solutions provided by combining our two technologies will further boost sales and profits of the merged group," said Mr John Manus, Executive Chairman of NuSep.

“We are looking forward to the synergies brought about by joining the sales forces of the two companies. We strongly believe that sales for the ProteomeSep MF10 will be boosted by providing a complete solution to our Mass Spectrometry customers,” added Dr Hari Nair, Managing Director and CEO of NuSep

“This acquisition will enable BioInquire to grow very quickly and introduce innovative products into the Mass Spec and Glycomics market. We are looking forward to a long and successful partnership,” said Dr James Atwood III, CEO of BioInquire.

Revised Profit Forecast for the year ended 30 June 2010

In line with profit forecasts provided for this acquisition, NuSep has increased its guidance for the financial year ended 30 June 2010 from \$500,000 to \$1m. This profit upgrade is conditional on the successful completion of this acquisition in March 2010. This will increase the earnings per share from 2.1c to 4.1c per share on a fully diluted share capital of 24.5m shares.

Placement of NuSep Shares at 30c

NuSep is also pleased to announce that, as part of this acquisition, NuSep has placed 2.77m shares at 30¢ to raise \$830,000. The investors will also receive a free share on a 1:10 basis. This placement was taken up by sophisticated investors, the majority of whom are already NuSep shareholders. These funds will be used to bolster the Company's Balance Sheet.



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 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

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