

**ASX Release**

**MARKET UPDATE**

---

**Sydney, Australia Wednesday 8 October 2014**

**Issue of Convertible Note, Subject to Shareholder Approval**

NuSep Holdings Limited (ASX:NSP) is pleased to advise that it has received funds of A\$1,248,794.80 through the issue of a Convertible Note with face value of NZ\$1,400,000. The conversion of the Note into shares will be subject to Shareholder approval at the forthcoming Annual General Meeting. This funding has been provided by Mr. Andrew Goodall, a non-executive director and strong supporter of the Company.

The key terms of the Convertible Note are all subject to Shareholder approval and proposed as follows:

- The exchange rate was AUD0.90 as at 29 September 2014. This exchange rate will remain for all conversions to shares throughout the term of the note;
- The expiry date is 2 October 2017;
- The interest rate is 14% per annum which will be converted to fully paid ordinary Shares at the Conversion Price;
- The Conversion Price is \$0.0645 per Share being a 10% discount to the 5 day VWAP of \$0.07167 prior to execution of the Convertible Note Agreement;
- Mr Goodall will have the right at his discretion to convert all or part of his Convertible Note into shares;
- Mr. Andrew Goodall and/or his nominee will receive a one off fee of A\$40,950, to be paid in Shares at the Conversion Price together with 3.5 million unlisted Options which shall have an exercise price of 11.2 cents. Two million of these Options will have an expiry date of 1 November 2016 and the remaining 1.5 million Options will expire on 1 November 2017. Should Shareholders not vote in favour of granting these Options, Mr. Andrew Goodall may negotiate fully paid Shares to be allocated to him to the same value as the Options;
- NuSep will reimburse Mr. Andrew Goodall for legal fees and other costs incurred in arranging this finance immediately upon receiving the funds;
- The issue of all Shares and Options are subject to Shareholder approval including approval under Chapter 6 of the *Corporations Act*, being an exception to the takeover provisions.

Funds will be used to pay down debts and to further the Company's development of its IP, in particular to progress the SpermSep project.

### **Alison Chang Loan**

Further to the announcement made on 24 January advising a change to the terms of the loan received from Ms Chang Seow Ying Alison (Alison Chang), full amended terms of the Loan are provided here for clarity:

- Alison Chang was a related party at the time of providing the Loan. She is the spouse of Clifford Eu who resigned as a director on 29 November 2013;
- The Principal Amount is SGD350,000;
- The commencement date was 22 July 2013 and the expiry date is 31 July 2015;
- A one-off fee in the sum of \$20,000 is payable together with the issue of 1 million Options at an exercise price of 11.2 cents expiring 20 January 2015, subject to Shareholder approval;
- The interest rate is 14% per annum.

### **Guarantee on Singapore Plasma Processing cGMP facility**

As previously disclosed in NuSep's market announcement of 5 June, Mr Andrew Goodall offered to guarantee the debt on the Singapore Plasma Processing cGMP facility which is due to be repaid from March 2016. As advised in the announcement on 19 June 2014, final documentation on this agreement was delayed due to the First Completion of the PRIME Biologics investment transaction. There have been further delays and now Mr Goodall, after discussion with the other members of the NuSep Board, has agreed to not guarantee the payment of this debt at this stage. The Board believes that there is sufficient time for NuSep to determine its strategy in meeting this funding requirement for the cGMP facility and it does not require the guarantee from Mr Goodall at present.

### **For further information please contact:**

Alison Coutts  
Executive Chairman  
+61 2 8415 7300  
alison.coutts@nusep.com