



ASX Release

NUSEP RECEIPT OF SHORT TERM LOAN AND MARKET UPDATE

Sydney, Monday 29 June 2015

NuSep Holdings Ltd (ASX: NSP) advises that it has received a short term loan of NZ \$250,000 (AUD \$221,250) from Andrew Goodall at an interest rate of 10% per annum, repayable upon receipt of the Company's R&D tax refund. The funds will be used for funding NuSep's operations.

NuSep also advises that it has received an update from PrIME Biologics Pte Ltd on the results of its initial cGMP audit from the Singapore HSA (Health Sciences Authority). According to PrIME, there were a number of non-conformances, primarily with the Water for Injection (WFI) as well as documentation for quality and batch processing. PrIME stated that whilst it is difficult and improbable to achieve a cGMP pass on first attempt, the non-conformances are addressable and PrIME has enlisted additional regulatory experts, which PrIME states significantly increases the probability of a successful second audit. PrIME stated it expects to lodge an application for another cGMP audit within the next 3 months.

PrIME also stated that it had received an advance of S\$1,999,890 from Xeraya against their 2nd investment tranche, which was an acknowledgement of the progress the Company has made towards GMP licensure, and to fund the additionally required work. PrIME had also received an earlier advance of S\$519,750 from J P Capital. This now takes NuSep's shareholding to 67.8%. NuSep's shareholding is expected to decrease to 55.1% upon PrIME receiving all funding tranches. As already advised, NuSep is in negotiations on a corporate transaction involving its shareholding in PrIME. NuSep will provide updates on its new website, www.nusep.com, on any changes to its PrIME shareholding.

In addition, NuSep advises that Alison Coutts has agreed to accept a permanent position of Executive Chairman, having been Interim Executive Chairman since 10 February 2014. The notice period is six months. The base salary including superannuation is \$268,783.00 and there is a short term annual incentive with effect from 1 July 2014 of \$27,500.00 subject to the achievement of performance targets by the Company. Ms Coutts is also eligible to participate in the Company's Employee Share and Option Plan (ESOP) based on meeting a set of Key Performance Indicators. At the Company's AGM on 19 December 2014, shareholders approved the granting of 3,600,000 share options to Ms Coutts in three equal tranches, which have a three year expiry from the vesting date and an exercise price of 10.5 cents, subject to the KPIs being met. The options start to vest in December 2015. The Company is reviewing its ESOP in the light of new legislation relating to ESOPs. Based on the advice the Company receives, Ms Coutts' options may be modified, subject to shareholder approval.

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