ASX Release

RESULTS OF *IN-VITRO* CLINICAL EVALUATION AT MONASH IVF

Sydney, Monday 4 April 2016

NuSep Holdings Limited (**ASX:NSP**) ("**NuSep**" or "**the Company**") advises that an *in-vitro* clinical evaluation of the performance of its current SpermSep device at Monash IVF in Melbourne is now concluded and that the evaluation results were positive.

Professor Rob McLachlan, Consultant Andrologist at the Monash IVF Group and Professor John Aitken, Pro Vice-Chancellor of the Faculty of Health and Medicine, Newcastle University and Chairman of NuSep's Scientific Advisory Committee, jointly developed the evaluation protocols. This was the first time that the device had been tested in a busy IVF laboratory setting.

The study tested 68 samples and compared NuSep's device with standard current sperm preparative methods: the Density Gradient Centrifugation (DGC) and the Swim Up method. Both of the standard methods involve multiple, time consuming steps in the laboratory and require the sperm to be reasonably motile (have the ability to swim). The separation method used by SpermSep, using gentle electrical forces and a porous polymer membrane, enables quick and accurate separation of the sperm and can deal with zero or low motility, such as those from testicular biopsies. The traditional process of extracting such sperm is particularly difficult and can take up to 4 hours whereas the SpermSep device for such a procedure takes around 10 minutes.

Study results confirmed that the SpermSep device was able to efficiently select sperm with significantly lower levels of DNA damage and higher motility than those in the raw samples. These results indicate that the device was able to select sperm cells with the potential to enhance embryonic development. Direct testing against sperm recovered from Swim Up and DGC methods was not done as the centre required all of the sperm that they processed. The Monash team said that the recovered sperm would be suitable for use in both ICSI (direct injection of a single sperm into the egg) and standard insemination and were keen to continue to work with NuSep as the Company develops its next generation device.

Professor John Aitken stated that he was pleased that the study not only ratifies his own test results but also confirms the clinical utility of the device.

NuSep is positioning its SpermSep device to become the gold standard for IVF clinics for processing spermatozoa. NuSep is in final internal design stages for developing a smaller, simpler next generation SpermSep device with novel features that enable the global rollout business plan. The Company will be able to provide more detail on the new technology and the business plan in the near term once its current IP prosecution plan is completed. In the first instance it intends to make 50 of these first model devices over the next 9-12 months and provide them to identified global key opinion leaders who will use the device principally in their own IVF clinics as well as in various research institutes. NuSep expects that this initial "proof of uptake" program will further prove the utility of the device over current methods and validate the plan for a global rollout of the technology.

NuSep Holdings Ltd
30 Richmond Rd
Homebush NSW 2140

Postal Address
P.O. Box 2202
Homebush West NSW 2140

Contact Details
Telephone +61 2 8415 7300
Facsimile +61 2 8415 7399

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

For further information please contact:

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