



# ANNUAL GENERAL MEETING

21 November 2007



**Welcome by Chairman  
Nicholas Caré**

# Meeting Business

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## A. Financial Report

## B. Resolutions

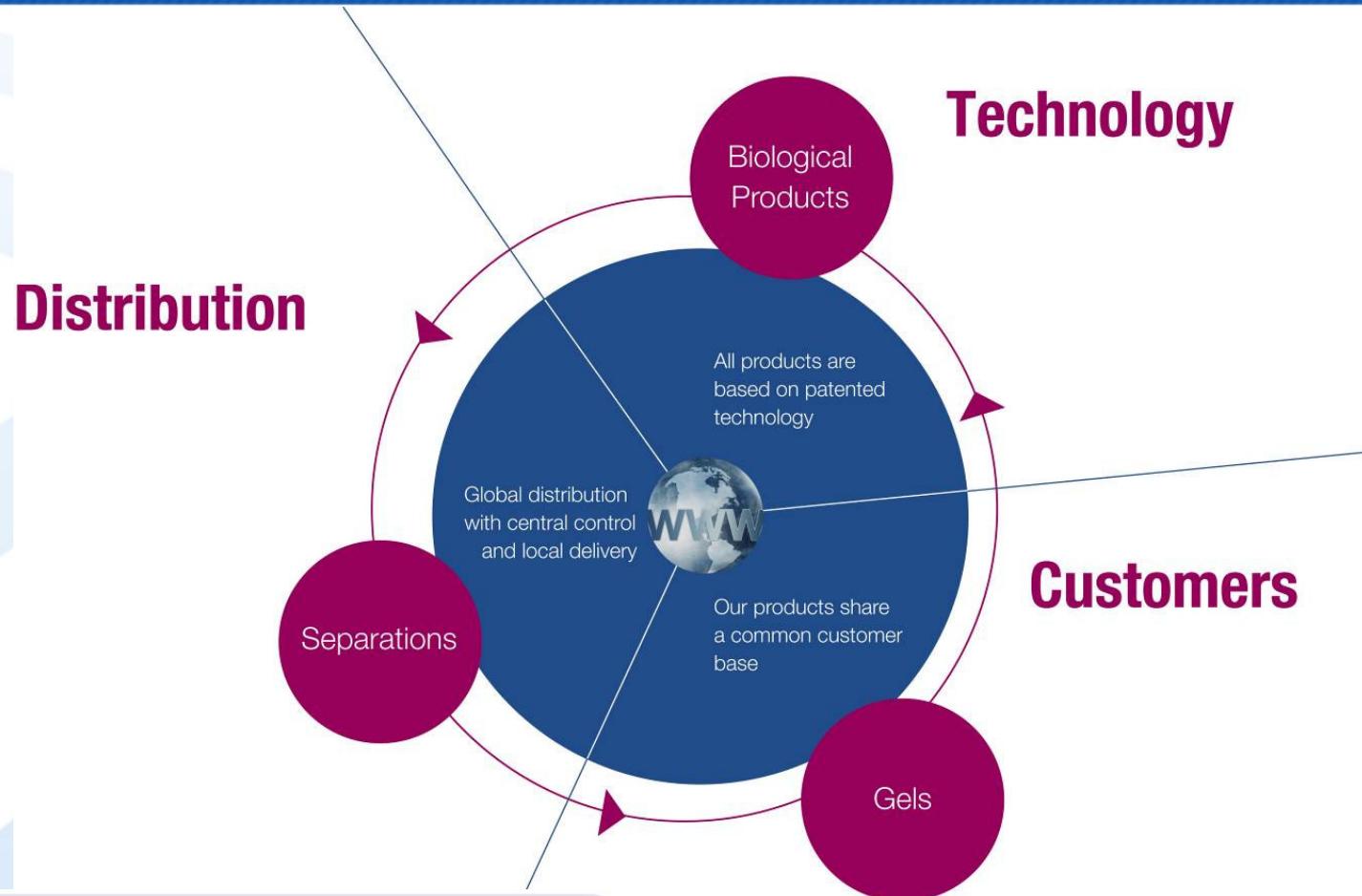
- 1) Adopt the Remuneration report
- 2a) Re-elect Mr Nicholas Caré as a Director
- 2b) Re-elect Mr John Manusu as a Director
- 3) Ratification of previous Option Issues



# Managing Director's Report John Manusu

# NuSep Company Goal

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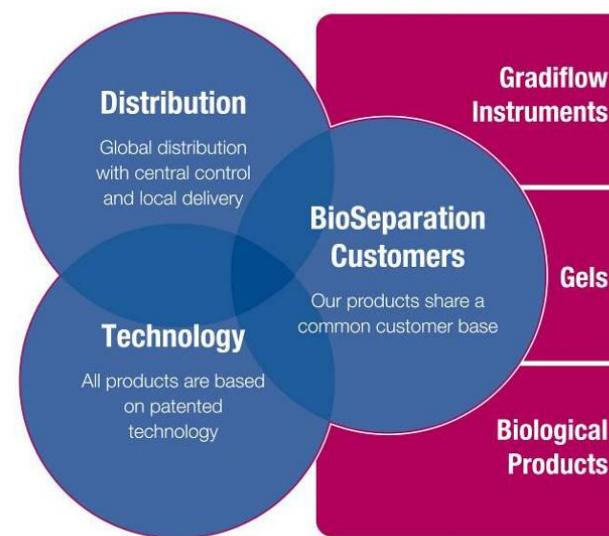


## Our Goal

To be the **leading Supplier**  
in the BioSeparations market

# Overview

- NuSep created in November 2006
  - ▶ Spin out from Life Therapeutics
- 2006/07 foundation year to establish our core competencies
  - ▶ Technology
  - ▶ Distribution
  - ▶ Customers



# 2006/07 Achievements

- In less than 12 months company has:
  - ▶ Launched NuBlu gel range and first biological product
  - ▶ Listed on the ASX



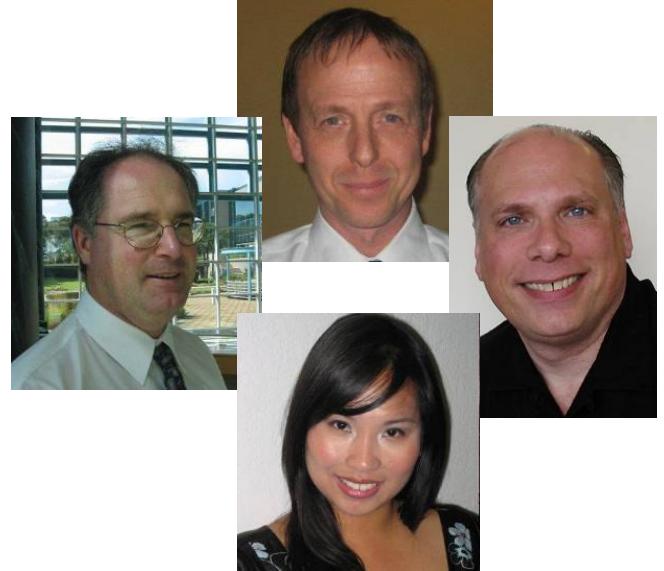
# 2006/07 Achievements Cont.

- Established a global distribution network incorporating a web based sales and fulfilment system
- Commenced clinical trials of the Sperm Sorter



## 2006/07 Achievements Cont.

- ▶ Established a US and Australian sales force



- ▶ Acquired a 16% stake in Minomic International and first right to negotiate manufacturing and marketing of a Prostate Cancer and Type 2 Diabetes diagnostic product

# 2006/07 Financial Results

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- Main 06/07 Results
  - ▶ \$0.9 million Revenue
  - ▶ \$4.9 million loss
- Incorporates one-off costs associated with:
  - ▶ Demerger from Life Therapeutics
  - ▶ ASX listing
  - ▶ Establishing global distribution network

## 2007/08 Goal

### Our Goal

**'To Achieve **breakeven** on a monthly basis by the end of this financial year and a **maiden profit** the following year'**

# Steps to Profitability

- Increase gel sales
  - ▶ Expand sales force
  - ▶ Continuing manufacturing efficiency
  - ▶ Promotions to establish NuSep brand and promote sales in US, Europe and Australasia
- Global Launch of MF10
  - ▶ Sales from February 2008
- Expand biological products offering
  - ▶ Increase reagents range
  - ▶ Develop prostate cancer and Type 2 diabetes diagnostic kits
  - ▶ Acquire new products via acquisition



# Milestones

2007

Increase gel sales  
Complete safety and efficacy clinical trials  
for the prototype Sperm Sorter device in  
IVF applications



2008

Complete clinical trials for the prototype  
Sperm Sorter device in IUI applications  
Launch MF10  
Complete clinical trials of the  
production model Sperm Sorter for IVF  
and IUI applications  
Commence clinical trials for prostate  
cancer diagnostic kit  
Commence regulatory approval process  
for Sperm Sorter



2009

Launch Sperm Sorter in Australia  
Complete regulatory process for prostate  
cancer diagnostic kit  
Launch prostate cancer diagnostic kit in  
Australia



# CS10 - Sperm Sorter

- Gradiflow based device used to prepare sperm prior to fertility treatment
- Large and growing market
  - ▶ 3m babies born via art since 1978<sup>1</sup>
  - ▶ 1m ART cycles performed p.a. worldwide<sup>2</sup>
  - ▶ Australian IVF market worth \$170m pa<sup>3</sup>
  - ▶ US IVF market worth around \$3b pa<sup>4</sup>
- Potential to screen for DNA damage is unique
- Initial clinical trial for IVF to be completed Dec 2007 (prototype)
- Subsequent trials to assess impact on sperm and relevance to IUI (production model)
- Market release 2009



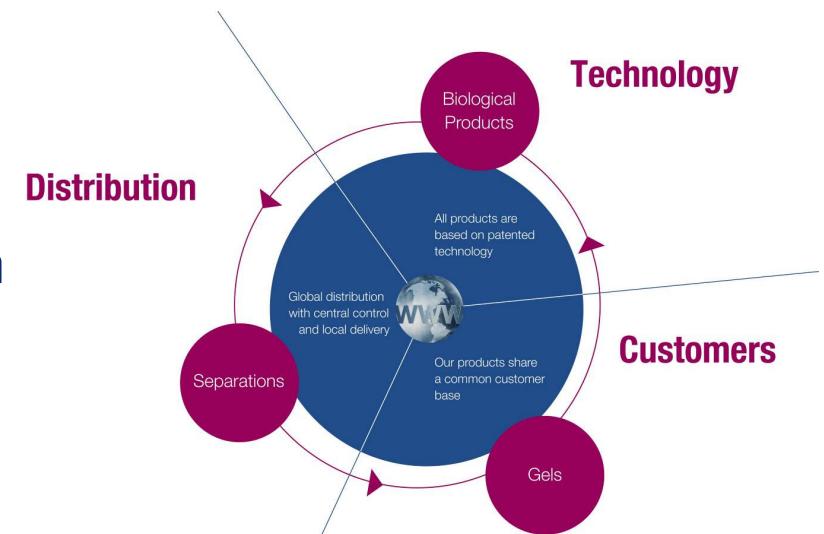
# MF10 - Membrane Fractionation for Proteomics

- **Sales launch in Australia and US Feb 2008**
- Gradiflow lab instrument to separate complex biological samples into multiple fractions
- Extensive beta trials of prototype units
- Pre-production and standards compliance completed by Dec 2007
- **Growing market**
  - ▶ US Proteomics market worth \$59m in 2007<sup>5</sup>
  - ▶ Forecasted growth approx 70% to \$103m by 2011<sup>6</sup>
- **Sales revenue from instrument and on-going consumable sales**



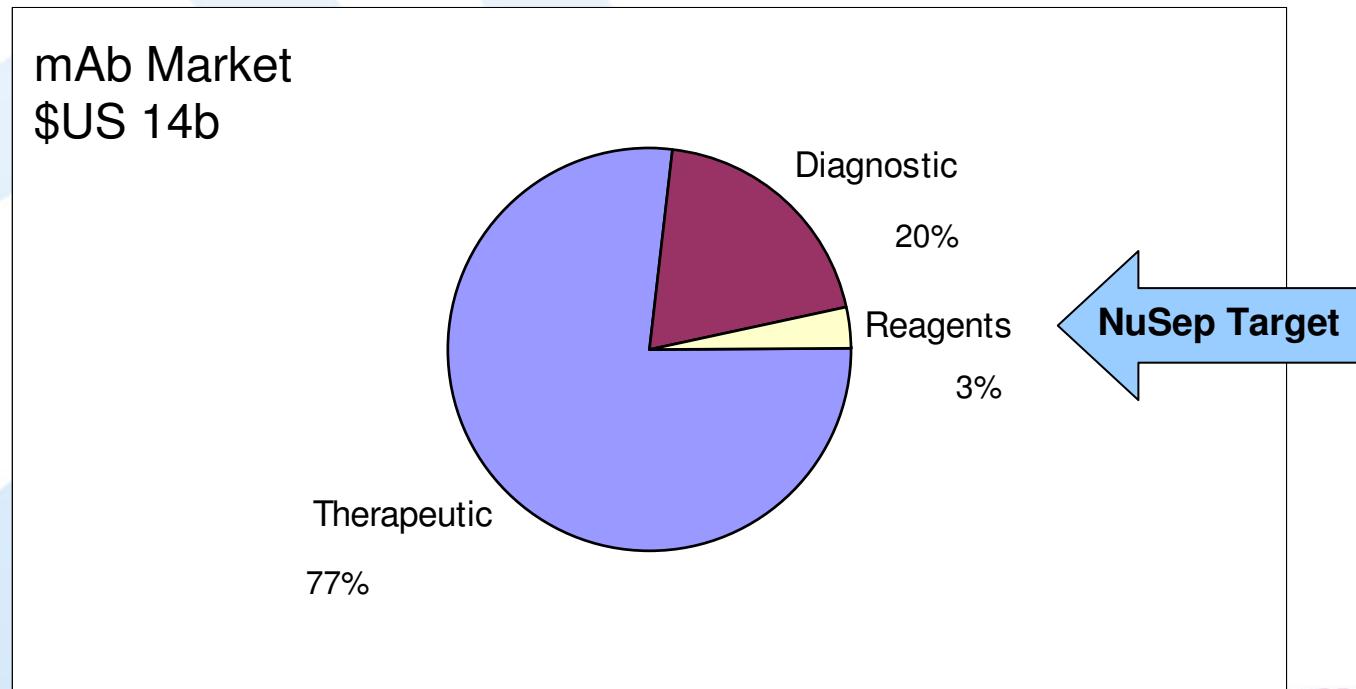
# Growth Strategy

- Seeking growth through acquisition of products and/or companies
- Acquisition must fit with present business model:
  - ▶ Relevant to BioSeparations market
  - ▶ Compliment NuSep technology and capabilities
  - ▶ Compatible with distribution system
  - ▶ Offer revenue growth
- Target - Monoclonal Antibodies products and companies



# Why Monoclonal Antibodies?

- Rapidly growing market – set to double in next 5 years
- Aggregate sales \$US14b in 2005
- NuSep to target reagent and diagnostic markets

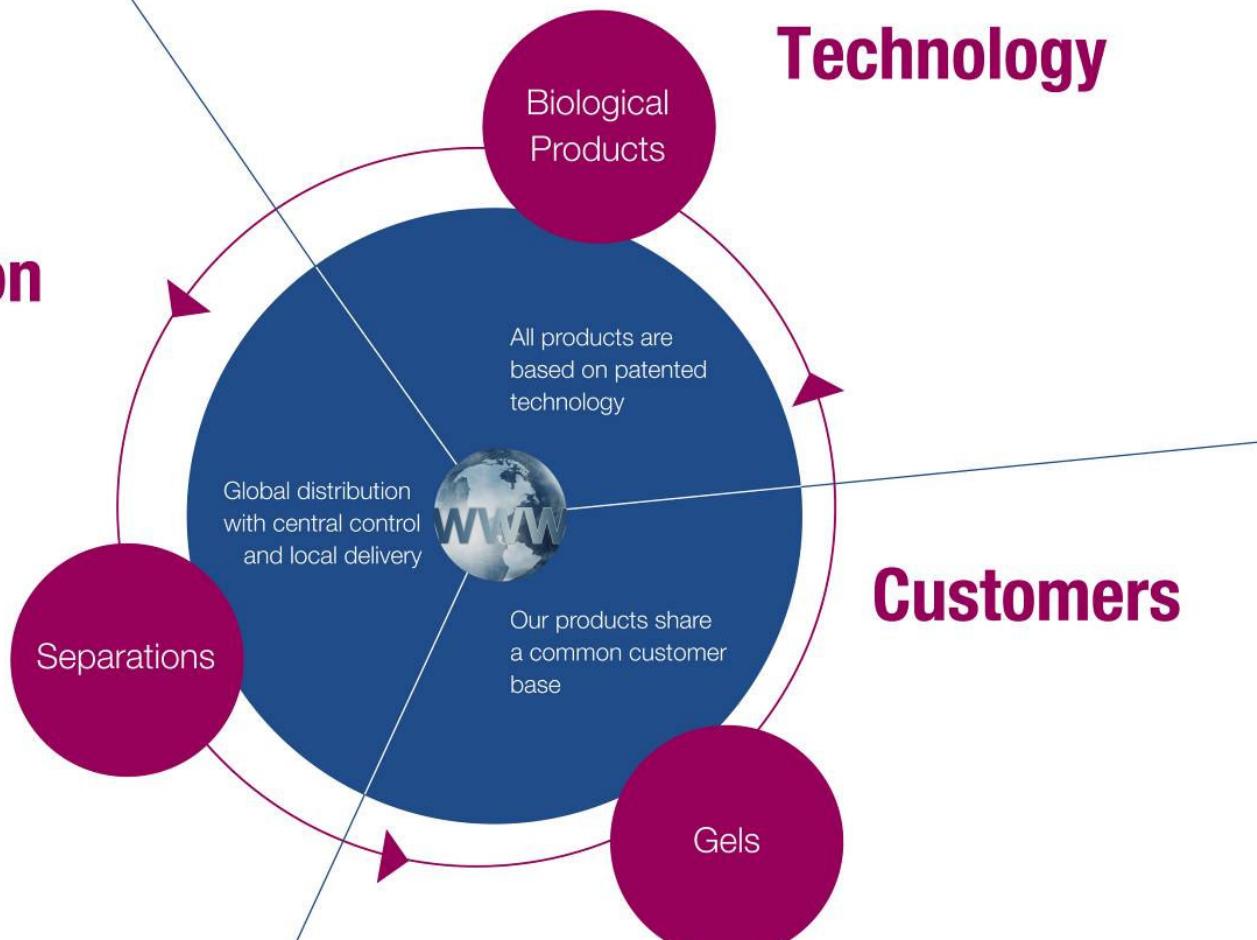


# Questions

**Distribution**

**Technology**

**Customers**



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# References

1. International Committee for Monitoring Assisted Reproductive Technologies (ICMART), data presented to the European Society of Human Reproduction and Embryology 2006 Annual Conference as quoted in BioNews, 28 June 2006.
2. As above
3. AIHW National Perinatal Statistics Unit, Report "Assisted Reproduction in Australia and New Zealand 2004" and news article from The Age, May 6 2005.
4. Review by Nancy Green of Deborah Spar's book, "The Baby Business", Harvard Business School Press, USA, 2006.
5. Jonathon Witonsky, 'Proteomics Sample-Prep Market is Ripening', Genetic Engineering & Biotechnology News, 15 Sept 2007, p 18.
6. As above