



Nephros, Inc.
41 Grand Ave
River Edge, NJ 07661
T: 201. 343. 5202
F: 201. 343. 5207
www.nephros.com

Nephros Receives Approval to Market Dual Stage Ultrafilters in Canada

RIVER EDGE, NJ – May 11, 2011 - Nephros, Inc. (OTC Bulletin Board: NEPH), a medical device company developing and marketing filtration products for therapeutic applications, infection control, and water purification, today announced that on May 10, 2011 the Company received approval from the Therapeutic Products Directorate of Health Canada, the Canadian health regulatory agency, to market its Dual Stage Ultrafilters (DSU) in Canada to filter out biological contaminants from water and bicarbonate solution used in hemodialysis procedures.

“Nephros is pleased to have received approval from the Therapeutic Products Directorate to market its Dual Stage Ultrafilters in Canada,” said Dr. Paul Mieyal, Acting CEO of Nephros, Inc. “Recent data have shown that the Nephros DSU, when used as part of the water purification system for dialysis systems, may reduce the required dosage of erythropoietin stimulating agents, which we believe will provide a unique benefit to patients. We are proud to have the opportunity to introduce this important product to dialysis patients in Canada.”

According to the Canadian Organ Replacement Registry (CORR), in 2009 there were approximately 38,000 patients with End-Stage Renal Disease in Canada.

About Dual Stage Ultrafilters

The Nephros DSU is an FDA cleared device for the filtration of biological contaminants from water and bicarbonate concentrate used in hemodialysis procedures. Within the U.S., there are approximately 4,500 clinics providing over 50 million dialysis treatments to 350,000 patients annually. To perform hemodialysis, ultrapure water is crucial to the production of dialysate. Dialysis clinics have water purification systems; however, microbial contaminants can originate from the water treatment system, the water distribution loop, or the dialysate concentrates. The Nephros DSU filters out substances down to the 0.005 micron level and addresses dialysate contamination at crucial points: after the reverse osmosis module and at the dialysis machine entrance from the water distribution loop. The DSU filter can be used as the last step in the water purification process to ensure that ultrapure water is used for dialysis procedures. Regular use of

Nephros Dual Stage Ultrafilters offers an affordable safety measure when utilized with modern water treatment systems and optimally maintained hemodialysis machines.

About Nephros, Inc.

Nephros, Inc., headquartered in River Edge, New Jersey, is a medical device company developing and marketing filtration products for therapeutic applications, infection control, and water purification.

The Nephros hemodiafiltration (HDF) system is designed to improve the quality of life for the End-Stage Renal Disease (ESRD) patient while addressing the critical financial and clinical needs of the care provider. ESRD is a disease state characterized by the irreversible loss of kidney function. The Nephros HDF system removes a range of harmful substances more effectively, and with greater capacity, than existing ESRD treatment methods, particularly with respect to substances known collectively as "middle molecules." These molecules have been found to contribute to such conditions as dialysis-related amyloidosis, carpal tunnel syndrome, degenerative bone disease and, ultimately, mortality in the ESRD patient. Nephros ESRD products are sold and distributed throughout Europe.

The Nephros Dual Stage Ultrafilter (DSU) is the basis for the Nephros line of water filtration products. The patented dual stage cold sterilization ultrafilter has the capability to filter out bacteria and, due to its exceptional filtration levels, filter out many viruses, parasites and biotoxins. Nephros's DSUs are being evaluated at several major U.S. medical centers for infection control. The DSU has also been selected for further development by the U.S. Marine Corps for purification of drinking water by soldiers in the field.

For more information about Nephros, please visit the company's website at www.nephros.com.

Forward-Looking Statements

Statements in this news release that are not historical facts constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 (the "PSLRA"). Such statements may be preceded by words such as "may," "plans," "expects," "believes," "hopes," "potential" or similar words. For such statements, Nephros claims the protection of the PSLRA.

Forward-looking statements are not guarantees of future performance, are based on assumptions and are subject to various known and unknown risks and uncertainties, many of which are beyond Nephros' control. Actual results may differ materially from the expectations contained in the forward-looking statements. Factors that may cause such differences include the risks that Nephros may not be able: (i) to continue as a going concern; (ii) to obtain additional funding when needed or on favorable terms; (iii) to obtain appropriate or necessary governmental approvals to achieve its business plan or

effectively market its products; (iv) to have its technologies and products accepted in current or future target markets; (v) to demonstrate in pre-clinical or clinical trials the anticipated efficacy, safety or cost savings of products that appeared promising to Nephros in research or clinical trials; or (vi) to secure or enforce adequate legal protection, including patent protection, for its products. More detailed information about Nephros and the risk factors that may affect the realization of forward-looking statements is set forth in Nephros' filings with the SEC. Investors and security holders are encouraged to read these documents on the SEC's website at <http://www.sec.gov/>. Nephros does not undertake to publicly update or revise its forward-looking statements as a result of new information, future events or otherwise except as required by law.