



Seprotech Awarded Canadian Army Water Systems Contract

OTTAWA, ONTARIO, 23 March 2004. Seprotech Systems Inc., a leading Canadian water and wastewater treatment systems manufacturer, has received a contract awarded by the Department of National Defence (DND) for the repair and overhaul of its fleet of Reverse Osmosis Water Purification Units (ROWPU's). The contract is effective for an initial period of one year and is valued at \$1.0M with an option to extend the contract for a subsequent year for a further \$1.0M.

This contract is for the repair and overhaul of equipment for the Army, which is in addition to the Canadian Forces Navy contract which has been in place for almost two years. "We are continuing to obtain work from the Canadian Forces and repeat orders are always a pretty good indicator that customers have confidence in our ability to do good work", said Dr. Gilles Turcotte, President and CEO of Seprotech. "We have built an excellent capability to do work for DND and we are going to continue investing effort and resources in the military/emergency response market."

The ROWPU is a packaged water treatment system that provides Canadian Forces personnel with clean drinking water from virtually any raw water source. These systems have been deployed to military operations worldwide and periodically require refurbishment to ensure that they are working optimally. This is a technically complex system that utilizes membranes to separate contaminants from water including Nuclear, Biological and Chemical agents.

"This contract once again demonstrates Seprotech's position as the leading Canadian supplier of package plant water and wastewater treatment systems," said Harry Marshall, Chairman of Seprotech. "Our products and services are in demand and we are delighted to have been selected by the Canadian Forces to complete this important contract."

Seprotech is listed on the TSX Venture Exchange under the ticker symbol SET. The Company is a provider of environmental solutions in water and wastewater to the land development, municipal, industrial and military marketplace using its proprietary membrane and biological technologies.

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