



Seprotech Closes Acquisition of Water Operations Business and Establishes Water Utility Division

NEWS RELEASE

Canadian Timely Disclosure Pack – For Release January 28, 2009 –prior to open of markets

Seprotech Systems Inc. (TSX VENTURE:SET) (“Seprotech”) is pleased to announce that it has closed the purchase of Envirosearch Operations Incorporated (“Envirosearch”), a private company located in Milton, Ontario. Envirosearch has historic annual revenues (unaudited) of approximately \$2,000,000 and is an operator of water and wastewater treatment plants in Ontario. The purchase price for Envirosearch consists of 400,000 common shares of Seprotech and \$500,000 payable over approximately five years. In addition, the agreement includes a provision for the founder of Envirosearch to be paid a commission for improved performance of Envirosearch’s historical business.

On October 21, 2008, Seprotech announced the establishment of a division focused on operating and servicing water and wastewater treatment systems. Seprotech is merging this division with the business of Envirosearch to establish a separate water utility division. This allows Seprotech to provide total water solutions for its clients. Seprotech’s core strategy is to generate consistent growing revenues from the utility business and growth from the water technology systems business. Management believes that this approach will provide for more consistent financial results moving forward. Seprotech is targeting achieving an even split between revenues from its water utility business and its water treatment systems sales business over the next two years.

“The acquisition of Envirosearch is consistent with our core strategy for growing Seprotech into an integrated water treatment solutions provider,” said Martin J. Hauschild, President & CEO. “This transaction is highly accretive and Envirosearch is an excellent fit for our plans to build a substantial utility business. There are large technical and regulatory barriers to entry in the water utility business, which this acquisition allows us to quickly pass,” concluded Hauschild.

Seprotech has a large installed base of systems and its utility division will be seeking operating contracts from past as well as future clients. Management believes that as the original systems manufacturer, Seprotech will be able to provide a more cost-effective operating alternative through our utility business compared to other suppliers.

Seprotech is a provider and operator of pre-engineered water and wastewater treatment plants to the land development, industrial and military market place, including membrane-based water treatment systems and the ROTORDISK® biological wastewater treatment systems. The Envirosearch subsidiary of Seprotech is a utility that operates services and optimizes water and wastewater treatment plants.



For Further Information, please contact:

Mr. Robert J. Searle, CFO

Investor Relations

Tel: (613) 523-1641

Tax: (613) 731-0851

rsearle@seprotech.com

The TSX Venture Exchange has neither approved nor disapproved of the information contained herein. Some of the statements in this press release, including those relating to the Company's strategies and other statements that are predictive in nature, that depend upon or refer to future events or conditions, or that include words such as "expects", "anticipates", "intends", "plans", "believes", "estimates" or similar expressions, are forward-looking statements within the meaning of securities laws. Forward-looking statements include, without limitation, the information concerning possible or assumed future results of operations of the Company. These statements are not historical facts but instead represent only the Company's expectations, estimates and projections regarding future events. The Company does not undertake any obligation to update or release any revisions to these forward-looking statements to reflect events or circumstances after the date of this presentation or to reflect the occurrence of unanticipated events, except as required by law.

C:\Documents and Settings\jconnidis\Desktop\JAC Comments Envirosearch Press Release 27.01.09 FINAL.doc