



NEWS RELEASE

TSX Venture Disclosure Pack - For Release July 22, 2003 ~ after close of markets ~

SEPROTECH REPORTS THIRD QUARTER FINANCIAL RESULTS

Seprotech announces its third quarter with a significant improvement in sales and backlog.

Third quarter results show the company has made great strides towards profitability. "The curve is definitely heading in the right direction", stated Harry Marshall, Chairman of the Board. "Our backlog and receivables are showing strong continued growth forward into the next quarter with major contracts with industry and the government."

The company has now completed its operational integration of CMS and is now operating out of the Ottawa facility, with a sales office in the greater Toronto area.

Financial Results:

Total revenues increased by 203% or \$1,248,535 to \$1,863,514 during the nine-month period ended May 31, 2003, due primarily to the increase in contract revenues in the membrane market and the acquisition of CMS Group Inc.(CMS), which occurred on September 1, 2002. The net loss for the nine-month period was \$592,749 an increase of \$8K over the loss for the same period in the previous year. The loss is attributable to higher one time costs as a result of the acquisition, and the ramp up costs for the new sales and marketing team. Sales backlog was \$2,261K , a substantial increase from last year.

FINANCIAL HIGHLIGHTS
Nine Months Ended May 31

	2003 <u>\$ 000</u>	2002 <u>\$ 000</u>
Revenue	1,864	615
Net Income (Loss)	(593)	(584)
Earnings (Loss) per share	(0.02)	(0.09)
Working Capital	(238)	(1,205)

The Company's balance sheet at May 31, 2003 indicates total assets of \$3,111,299 working capital of \$(237,711) and shareholders equity of \$1,366,042.

The weighted average number of shares outstanding is 28,605,938.

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, industrial and military marketplace using its proprietary membrane and biological technologies.

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The TSX Venture Exchange has neither approved nor disapproved of the information contained herein.