



## SEPROTECH SYSTEMS INC.

### NEWS RELEASE

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#### **WATER AND WASTEWATER TREATMENT COMPANIES COMBINE FORCES: SEPROTECH ANNOUNCES AGREEMENT TO PURCHASE P.J. HANNAH**

Seprotech Systems Inc. (SET:TSXV) is pleased to announce that it has entered into a letter of intent to acquire by way of asset purchase the business of P.J. Hannah Equipment Sales Corporation (“P.J. Hannah Corp.”) of Surrey, British Columbia. The purchase price consists of approximately \$250,000 cash, \$400,000 payable over four years, \$300,000 subject to an earn out based on new sales generated from existing P.J. Hannah Corp.-related sales proposals over the next three years, and \$200,000 to be satisfied by the issuance of 850,000 common shares of Seprotech, plus a work in progress revenue-sharing arrangement.

P.J. Hannah Corp, founded in 1973 by Peter Hannah, has had revenues (unaudited) ranging from approximately \$2.0 million to \$3.3 million per year over the past five years. It has experienced substantial growth this year with 2007 revenues expected to be approximately \$5 million. P.J. Hannah Corp. manufactures a range of water and wastewater treatment equipment for use in municipalities and by the resource sector. Peter Hannah will remain with the combined company as a consultant and all of P.J. Hannah Corp.’s employees will be retained.

“We are very happy that P.J. Hannah Corp. is coming together with Seprotech,” said Martin J. Hauschild, President & CEO of Seprotech. “The capabilities and talents offered through the combination of our companies are greater than the sum of their parts and we view this transaction as highly accretive on a number of levels. This acquisition will provide skilled staff and distribution - a key element in achieving rapid growth for Seprotech. This deal provides Seprotech with essential distribution and service coverage in Western Canada and expanded coverage elsewhere, particularly to clients in the mining, oil & gas and land development sectors.”

“P.J. Hannah Corp. is an excellent company with skilled staff and a very good reputation in the environmental industry,” said Justin Connidis, Seprotech Chairman, “We hope to leverage tremendous future growth from this acquisition. There are many synergies between our two companies and our people. We believe the combination will strengthen our sales and delivery capabilities in the domestic and international marketplace.”

“I believe that our coming together will vastly improve the combined companies prospects,” said Peter Hannah, President of P.J. Hannah Corp., “The international marketplace has become increasingly competitive in a high Canadian dollar and high commodity price environment. By bringing together our two companies, we are creating a Canadian company that can effectively compete worldwide by efficiently selling and delivering the most advanced environmental technologies related to water into the marketplace.”

On closing, P.J. Hannah Corp. will operate as a division of Seprotech based in Surrey, British Columbia. P.J. Hannah Corp’s and Seprotech’s Ontario sales offices will be merged. The purchase is expected to close on November 30, 2007. The transaction is subject to formal agreements being entered into and approval by the TSX Venture Exchange.

Seprotech is a provider 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.

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