



SEPROTECH SYSTEMS INCORPORATED

NEWS RELEASE

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Seprotech and Valsi Complete Production and Distribution Agreements

OTTAWA, ONTARIO--(Marketwire – November 01, 2007) - Seprotech Systems Inc. (TSX-V:SET) of Ottawa, Ontario Canada and Valsi Corporativo of Guadalajara Mexico, have signed final agreements in regards to the production of Seprotech technologies in Mexico for the North American market and for the distribution of Seprotech technologies in Mexico. This agreement is a key element in Seprotech's overall strategy to significantly expand capacity while significantly improving competitiveness and improving margins.

A formal signing ceremony between the company CEO's, and witnessed by officials of the Canadian and Mexican governments, will be held on Friday, 02 November in Guadalajara Mexico.

Seprotech is a public company on the Toronto Ventures Exchange under ticker SET and Valsi Corporativo is a major Mexican private corporation having over 400 offices and manufacturing sites throughout Mexico. The agreement provides for the manufacturing of Seprotech technologies under license for the Mexican market and for the manufacturing of the technologies in Mexico for Seprotech's markets outside Mexico.

"This is an important deal for Seprotech", said Martin J. Hauschild, President & CEO of Seprotech, "This agreement is an important cornerstone that together with recent announcements in regards to the development of CrystalBlue technology, the acquisition of P.J. Hannah Equipment Sales Corporation and an OEM agreement with Toray of Japan, positions the company for future growth." Mr. Hauschild added, "We have been closely with Valsi for several months and the timing of this deal is very good because it will largely offset the impact of a much higher Canadian Dollar and higher North American materials costs. Our international competitiveness has the potential to improve markedly."

"Valsi and Seprotech have been working together for several months now on a multitude of opportunities and we are seeing strong interest in the Seprotech technologies in the marketplace", said Jorge Valdez, CEO of Valsi Corporation, "We were contracted on 29 October to build a multi-phase plant at Aguascalientes City, for which the first phase is about \$USD 750K, and this is in addition to the demonstration facility currently under construction in Guadalajara. We recognize that by working together with Seprotech, the whole is greater than the sum of its parts and that this partnership will thereby serve the interests of Mexico, Canada our customers and our shareholders."

The agreement between the parties takes effect immediately. The construction of the necessary infrastructure and procurement of equipment by Valsi is underway.

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