



SEPROTECH SYSTEMS INCORPORATED

NEWS RELEASE

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SEPROTECH ANNOUNCES AUDITED YEAR END RESULTS: RESULTS REFLECT GROWTH OVER PREVIOUS YEAR AND MARKET ACCEPTANCE OF INNOVATIVE POLLUTION CONTROL TECHNOLOGIES

Seprotech Systems Incorporated (SET-X; “Seprotech”) announces the following audited results for the 2005 fiscal year end.

FINANCIAL HIGHLIGHTS

	2005 \$ 000	2004 \$ 000
Revenue	5,448	4,465
Net Income (Loss)	(137)	(546)
Earnings (Loss) per share	(0.00)	(0.02)

The weighted average number of shares outstanding is 32,308,255.

The financial results reflect a revenue growth of 22% on an essentially break-even year. 2005 is the third straight year of growth for Seprotech, which has been named the second-fastest growing company over a two-year period by the Ottawa Business Journal. “We’re quite happy with our results for the year”, said Martin J. Hauschild, President & CEO, “this year was not only about continuing our pattern of growth, but equally importantly, we have been spending time, money and effort on the standardization of our product range, intellectual property and in our people.”

Seprotech made gains in the previous year in positioning itself in the marketplace as an Environmental Technology Company. The environmental solutions that were implemented are gaining recognition by municipalities, consultants and regulators in the markets we serve. During the 2004/05 fiscal year, Seprotech was successful in demonstrating new technologies for significantly reducing water pollution on several full-scale treatment plants. “Our company is beginning to gain recognition as a leader in developing advanced pollution control technologies”, added Mr. Hauschild, “over the next two years we intend to find innovative ways in which we can quickly get these technologies into the marketplace. We are looking keenly towards developing partnerships and customer relationships that will help us gain more traction quickly.”

“There is a growing recognition by decision-makers across North America of the importance of managing our water resources better,” added Justin Connidis, Seprotech Chairman, “Seprotech has developed some superb water pollution control technologies and we believe that this company is in the right place at the right time. There is a good marketplace, Seprotech has a good product line and we have a very strong management team in place. We believe that we have the ingredients for a sustainable, long-term business and that is beginning to be reflected in the results.”

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.

For Further Information, please contact:

Mr. Robert J. Searle, CFO

Investor Relations

Tel: (613) 523-1641

Tax: (613) 731-0851

rsearle@seprotech.com

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Ottawa Head Office: 2378 Holly Lane, Ottawa, Ontario, K1V 7P1, Telephone: (613) 523-1641, Fax: (613) 731-0851
Toronto Office: 509-3100 Steeles Avenue West, Vaughan, Ontario, L4K 4Y4, Telephone: (905) 660-7580, Fax: (905) 660-0243
www.seprotech.com