



SEPROTECH SYSTEMS INCORPORATED

NEWS RELEASE

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SEPROTECH ANNOUNCES FIRST QUARTER FINANCIAL RESULTS Break Even Quarter with 43% Increase in Revenue Over Same Period Last Year

Ottawa, Canada: Seprotech Systems Incorporated (SET-X; “Seprotech”) announces the following unaudited results for the first quarter FY for the period 01 September to 30 November 2008.

	Three Months Ended November 30	
	2008 (unaudited)	2007 (unaudited)
	<u>\$ 000</u>	<u>\$ 000</u>
Revenue	2,369	1,654
Net Income (Loss)	10	(154)
Earnings (Loss) per share	0.00	(0.00)

“Despite the very challenging economic environment Seprotech has delivered improved results for the First Quarter”, said Martin Hauschild, President & CEO of Seprotech. “Revenues were up over 43 percent compared to the same period last year and our margins continue to improve as we begin to fully leverage the acquisition of P J Hannah Equipment Sales Corporation and monetize the benefits of the cost savings activities that we implemented.”

During the First Quarter, management continued to work towards building a water utility. Seprotech today announced the acquisition of an experienced water and wastewater treatment plant operations company, with historical annual revenues of approximately \$2M CAD. Management believes that it can achieve growing consistent revenues through the utility business and increased growth through the water technology systems business.

“The company remains committed to technology investments. We continue to invest in R&D activities that include patent filings for wastewater treatment and water-recycling through California ‘Title 22’ Certification for CrystalBlue,” continued Hauschild, “When the global economy and particularly US economy turns, Seprotech will be well positioned with its strong IP base to address the growing demand for water. We see CrystalBlue™ water recycling technology as the Company’s primary growth driver in the future.”

Seprotech is a provider and operator of pre-engineered water and wastewater treatment plants to the land development, resource sector and military market place, including CrystalBlue™ membrane-based water recycling systems and the ROTORDISK® wastewater treatment systems.

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