

Seprotech Reports Third Quarter Financial Results

Monday July 5, 2004

Seprotech Systems Inc. a leading provider of water and wastewater treatment technologies, announced today the results for its third quarter ending May 31, 2004

During the nine-month period ending May 31, 2004, revenue increased **118%** over the previous year to **\$4,068K**. This generated a net profit of **\$87K** for the year to date. For the quarter ending May 31, 2004, the Company reported revenues of \$1,439K and a profit of \$86K. Management cautions that the company remains in the early stages of a turnaround and there are still risk factors at play.

FINANCIAL HIGHLIGHTS

Period Ended May 31

	Three Months		Nine Months	
	2004	2003	2004	2003
	<u>\$ 000</u>	<u>\$ 000</u>	<u>\$ 000</u>	<u>\$ 000</u>
Revenue	1,439	1,059	4,068	1,864
Net Income (Loss)	86	(87)	87	(593)
Earnings (Loss) per share	0.00	(0.00)	0.00	(0.02)

**more detailed financial information will be available at www.seprotech.com

“We are continuing to execute very well”, said Dr. Gilles R. Turcotte, President & CEO. “Our margins in the last quarter averaged 34% which is a strong indicator that our standardization efforts combined with efficiency improvements are generating the kind of results that we need to continue to expand the business. Our core strategy is to continue to drive product improvements while at the same time expanding distribution. We remain cautiously optimistic for the future, given that we are still at the early stage of a turnaround and risk factors are still at play”.

“I am very pleased with the financial results for the quarter”, said Harry Marshall, Chairman of the Board. The company staff are working very diligently and the results of this quarter are indicative of the hard work and discipline that are characteristic of the company.”

About Seprotech

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 including the ROTORDISK® package wastewater treatment plant.

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