



SEPROTECH SYSTEMS INCORPORATED

NEWS RELEASE

TSX Disclosure Pack – For Release October 26th, 2009

SEPROTECH ENTERS INTO DEBT FOR SHARES AGREEMENTS WITH CREDITORS

Seprotech Systems Incorporated (TSX-V: SET; “Seprotech”) has reached agreements (the “Settlement Agreements”) for the satisfaction of debts owed to external creditors (“Creditors”) in the aggregate amount of \$233,394.71. Pursuant to the terms of the Settlement Agreements, Seprotech and the Creditors have agreed to convert debts owed by Seprotech into common shares resulting in the issuance of an aggregate 3,111,929 common shares to the Creditors.

“This measure amongst others reflects Management’s priority to strengthen Seprotech’s balance sheet and sets a solid foundation for renewed growth in anticipation of a rebound in the global economy,” said Martin Hauschild, President & CEO of Seprotech. “The creditors who have exchanged shares for debt have longstanding relationships with Seprotech and this will further strengthen our business associations as we move forward.”

The debts being converted have all been previously accrued and reported on the financial statements of Seprotech. Completion of the transaction contemplated by the Settlement Agreements, at the rate of one common share for each \$0.075 of debt converted, is subject to the execution of the legal documentation and receipt of regulatory approval.

Seprotech is a provider 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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