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**Press Release
For Immediate Distribution**

PROSEP AWARDED \$4.1 MILLION GAS TREATMENT CONTRACT

MONTREAL, QUEBEC – March 31, 2011 – ProSep Inc. (TSX: PRP) (“ProSep” or “the Company”), dedicated to providing process solutions to the oil and gas industry, announces it was awarded a \$4.1 million contract to provide a gas membrane system to a large independent North-American customer. This system will be used for enhanced oil recovery activities for a repeat customer’s operation in Texas. Delivery is scheduled for the first half of 2012.

“With this new award, the total value of our first quarter bookings is already equivalent to the value of all contracts concluded during the previous twelve months, said Jacques L. Drouin, President & CEO. For the last two years, we’ve invested in developing our offering and improving our operations worldwide. We are now very well positioned to benefit from the recovery, higher commodity prices and increasing production challenges.”

This membrane equipment, designed to reduce high levels of CO₂ content in natural gas, will produce an upgraded CO₂ stream for use in CO₂ flooding associated with enhanced oil recovery (EOR) activities. It is designed to provide treatment capacity of approximately 60 MMscfd of natural gas. ProSep’s membrane technology is an environmentally friendly, cost-effective alternative to solvent-based treatment systems used for gas conditioning and enhanced oil recovery operations.

About ProSep

ProSep is a technology-focused process solutions provider to the upstream oil and gas industry. ProSep designs, develops, manufactures and commercializes technologies to separate oil, water and gas generated by oil and gas production. For more information, please visit www.prosep.com.

Caution concerning forward-looking statements

This press release may contain forward-looking statements, including statements regarding the business and anticipated financial performance of ProSep Inc. These statements are based, among others, on the Company’s current assumptions, expectations, estimates, objectives, plans and intentions regarding projected revenues and expenses, the economic and industry environments in which the Company operates or which could affect its activities, the Company’s ability to attract new clients and consumers as well as its operating costs, raw materials and energy supplies which are subject to a number of risks and uncertainties. Forward-looking statements can generally be identified by the use of the conditional tense, the words “may”, “should”, “would”, “believe”, “plan”, “expect”, “intend”, “anticipate”, “estimate”, “foresee”, “objective” or “continue” or the negative of these terms or variations of them or words and expressions of similar nature. Actual results could differ materially from the conclusion, forecast or projection stated in such forward-looking information. These statements are subject to a number of risks and uncertainties that may cause actual results to differ materially from those contemplated by the forward-looking statements. Some of the factors that could cause such differences include but are not limited to the Company’s ability to develop, manufacture, and successfully commercialize value added equipments and services, the availability of funds and resources to continue its operations and pursue its projects, legislative or regulatory developments, competition, technological change, changes in government and economic policy, inflation and general economic conditions in geographic areas where ProSep Inc. operates. These and other factors should be considered carefully and undue reliance should not be placed on the forward-looking statements.

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