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PRESS RELEASE
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PROSEP TO SUPPLY \$3.5 MILLION (U.S.) GAS MEMBRANE SYSTEM

- System designed to facilitate enhanced oil recovery activities -

MONTREAL, QUEBEC – January 18, 2010 - ProSep Inc. (TSX: PRP), dedicated to providing process solutions to the oil and gas industry, announced it was awarded a \$3.5 million (U.S.) contract to provide gas membrane equipment to a large independent North-American oil and gas company. This system will be used for enhanced oil recovery (EOR) in Texas.

“We expect the market for our gas membrane systems to continue growing as efforts are ongoing to expand crude oil supply via the use of EOR activities,” said Jacques L. Drouin, President and CEO of ProSep Inc. “Our Houston team’s expertise in designing and delivering highly efficient gas processing solutions has been key to our success. ProSep’s modular membrane design allows us to seamlessly increase capacity of existing gas processing trains, an ideal offering for enhanced oil recovery projects.”

This membrane equipment, designed to reduce CO₂ content in natural gas from 94% to below 10%, will produce an upgraded CO₂ stream for use in CO₂ flooding associated with enhanced oil recovery (EOR) activities. Delivery is scheduled for the third quarter of 2010.

About ProSep Inc.

ProSep Inc. is dedicated to providing process solutions to the 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.prosepinc.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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