

PROSEP AWARDED \$2.0 MILLION (U.S.) CONTRACT FOR CANADIAN OIL SANDS MARKET

MONTREAL, QUEBEC – July 8, 2010 - ProSep Inc. (TSX: PRP), dedicated to providing process solutions to the oil and gas industry, today announced it was awarded a \$2.0 million (U.S.) contract to provide process engineering and specialized internals for crude separation. This contract was awarded through a commercial alliance with Edmonton-based engineering and manufacturing company Thermo Design (TDE) and will be installed at a super major oil and gas producer's steam-assisted gravity drainage (SAGD) facility located in Alberta's oil sands.

"We look forward to our collaboration with TDE," said Jacques L. Drouin, President and CEO. "The Canadian oil sands are one of the world's largest oil deposits, second in size only to Saudi Arabia. Oil sands are an important growth market, and we will look to continue expanding our offering in this region."

The crude separation equipment will be built using ProSep's Free Water Knock-Out (FWKO) and Treater vessel designs and internals, allowing for efficient separation of crude, natural gas, water and solids from the production stream.

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.

About TDE

Thermo Design is a Canadian engineering and manufacturing company that specializes in the design and fabrication of oil and gas production equipment; and the supply of custom engineered modularized process plants for customers located around the world.

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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