

PROSEP SIGNS \$2.4 MILLION (US) IN NEW CONTRACTS

- High level of bidding activities and improving backlog -

MONTREAL, QUEBEC – August 24, 2010 - ProSep Inc. (TSX: PRP), dedicated to providing process solutions to the oil and gas industry, today announced that it has received new contracts in the United States, South America and Asia Pacific for a total of \$2.4 million (US).

“We are experiencing a high level of bidding activity throughout our markets. I am pleased to see that we continue to reinforce our presence in promising markets such as South America and South-East Asia. Our backlog is at its highest level since the end of the first quarter of 2010,” said Jacques L. Drouin, President & CEO.

Valued at \$1.5 million (US), ProSep will supply CO₂ gas separation membrane and hydrocarbon dew point packages for installation at an onshore gas plant in South America. A second supply agreement was recently concluded for the delivery of a nitrogen generator package valued at \$0.5 million (US) to be installed on a Floating Production Storage and Offloading facility (“FPSO”) expected to operate in the South China Sea. Valued at \$0.4 million (US), ProSep will also supply a pitless air drilling de-duster skid for a large international oil services company.

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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