ProTalk

PROSEP INC. NEWS AND INFORMATION BULLETIN

ProSep Inc.
TOGETHER CREATING PURE OIL, GAS AND WATER

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PEMEX to Use ProSep's Desalting Technology

ProPure, a ProSep Inc., subsidiary, signed an $1.1 million (US) contract with PEMEX, Mexico's oil and gas company and the eleventh largest integrated national oil company in the world.

The ProSalt Mixer System is operating at several locations.

ProPure will provide its proprietary ProSalt Mixer System, which facilitates the separation of water and crude oil while ensuring the removal of corrosive salt content from process equipment. The ProSalt Mixer System delivers significant benefits; in addition to increased treatment capacity, the technology reduces wash water requirements as well as limiting oil in water content.

The expected deployment of the system will be at PEMEX's facilities in Dos Bocas, Mexico, by Dec. 2008.

"By offering a blend of proprietary and traditional separation technologies, ProSep is positioned to address the production requirements of new and existing clients," President and CEO Jacques L. Drouin said.

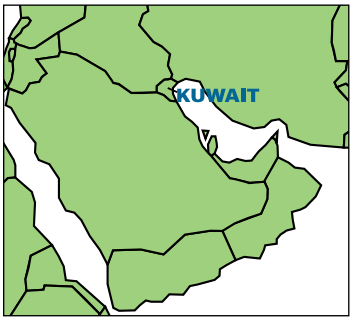
For more information, please contact Andrés Escalante, Sales Mgr. Oil & Gas, at ae@propure.com.

Kuwait's Al-Rashed Awards ProSep $11 Million Contract

ProSep Technologies, Inc., has been awarded a contract by Al-Rashed Company, a leading contractor in Kuwait, to supply a complete crude oil processing train for separation, dehydration and desalting to Kuwait Oil Company's (KOC) Ratqa and Abdali Early Production Facility (EPF) in northern Kuwait, for a total value of approximately $11 million (US).

"This contract validates ProSep's commitment to the Middle East and desire to become a preferred partner and supplier to key engineeing firms and major O&G companies."

ProSep will work directly with Al-Rashed Company and its engineering partner, Processes Unlimited, based in Bakersfield, CA. The equipment provided in this contract is expected to be delivered May 2009 and will treat 120,000 BOPD.



"This contract validates ProSep's commitment to the Middle East and desire to become a preferred partner and supplier to key engineering firms and major oil and gas companies," VP Business Development John B. Sabey said.

For more information, contact ProSep Technologies, Inc., at sales@prosep.com.

ProSep Inc., Expands Its Presence in the Middle East

To better serve our growing number of clients in the region, in May 2008 ProSep's Norwegian division, ProPure AS, opened a new office in Bahrain. We have sales representatives and process engineers on the ground, and as we grow, we will continue to staff the office with experienced engineers.

We have been in the region for more than five years now, with seven water treatment systems in Kuwait purifying 260,000 BPD of produced water. We sold the world's biggest mixer to PDO in Oman last year, and we have recently achieved outstanding results in Saudi Arabia with our new ProSalt desalting technology, which effectively removes salt content while minimizing the use of wash water and chemicals. Recently we were awarded a large project to supply a crude treatment system to North Kuwait. As an approved supplier in Kuwait, Saudi Arabia, Oman, and Qatar, we are involved in the early stages of several other very promising projects in the Middle East. To learn more, contact Bjørn Erik Sampson at bes@propure.com.

"The outlook - worldwide as well as in this region...is excellent for the near and long-range future."

The outlook – worldwide as well as in this particular region – for the implementation of our high quality products and services is excellent for the near and long-range future.

Jacques L. Drouin
President & CEO, ProSep Inc.

ProSep AP to Supply Gumusut Kakap TEG Regeneration Package

ProSep AP received an order for the Gumusut Kakap project through Malaysia Marine Heavy Engineering (MMHE) for the supply of a Tri-Ethylene Glycol (TEG) Regeneration Package. Gumusut Kakap is the first deepwater semi-submersible platform in the region on the second deepwater development in Malaysia.

Gumusut Kakap will be operated by Shell, who owns 33% of the venture. Other partners in the development are ConocoPhilips (33%), Petronas Carigali (20%) and Murphy Oil (14%). Gumusut Kakap is a world-class process facility, producing gas and water at a rate of 300 MMSCFD and 150K BOPD. The platform also has facilities for treating a 225K BWD seawater injection. MMHE is a main turnkey contractor owned by MISC, which is owned by Petronas. Petronas is planning to make Malaysia a future hub for deepwater, and ProSep is proud to be a part of this plan.

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TEG is a commonly used chemical in gas processing to remove water vapor from natural gas streams. The wet gas is brought into contact with lean TEG in the absorber/contactor, where the water vapor is absorbed by TEG. The rich TEG then flows back to the regenerator. TEG regeneration is a process where the rich TEG from the absorber / contactor is pre-heated (via a heat exchanger), and entrained water is separated and fractionated in the still column and reboiler by heating and boiling off the absorbed water. The lean glycol is then cooled and pumped back into the absorber / contactor.

For more information, please contact General Manager Matthew Rummer at matthew.rummer@prosep-ap.com.

Saudi Aramco Qualifies ProSalt Mixer System

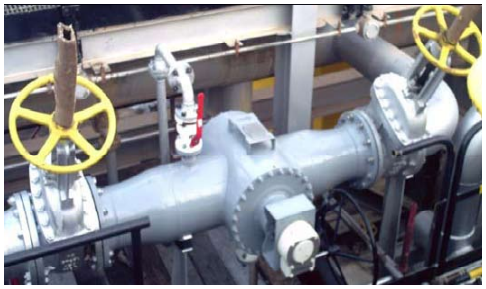
ProPure is proud to announce excellent performance results from its ProSalt Mixer System field trial at Saudi Aramco's Shedgum GOSP-4.

In the test completion report ProPure received from Saudi Aramco, performance results shown exceed even ProPure's expectations:

- Pressure drop across the ProPure mixer decreased by 60%
- Wash water consumption reduced by 40%
- Oil in water content reduced by 40%
- Salt removal on spec

The testing team believes that ProPure mixing technology can be implemented within Saudi Aramco's crude processing facilities and downstream plants when it comes to optimizing desalting efficiency. Future Saudi Aramco projects will benefit from the outcome of this successful trial test and the prospective benefits of the technology.

Mixing crude with fresh water as part of the desalting process using conventional static mixers often results in high quantities of wash water and chemicals with low mixing efficiency. This tested mixing technology optimizes the process by providing efficiencies while maintaining specifications for salt content and BS&W. Decreased pressure drop, wash water rate, and oil in water content and benefits in design, costs, capacity, and maintenance make the mixing technology the logical choice for implementation at crude processing facilities and downstream plants.



ProPure Presents CTour at INTSOK

ProPure was invited to give a presentation at the 5th Annual Mexico-Norway Seminar on Offshore Petroleum Production, focusing on "HSE Regulations, Operations and Equipment Selection" June 25-26.

VP Product Development Dr. Harald Linga (hl@propure.com) presented on the operation of the CTour process for produced water treatment in the North Sea. Given PEMEX's recent focus on offshore production in deep waters, CTour can be a cost-efficient and environmentally sound alternative to water reinjection, since the oil-in-water concentration at the outlet of the CTour process is typically 2-3 ppm.

INTSOK
Norwegian Oil and Gas Partners

ProSep AP To Provide Equipment Packages to Sawan Gas Field

ABB Italy recently awarded ProSep AP the design and fabrication of two packages – air compressor and nitrogen generator skids for the OMV (Pakistan) Exploration G.m.b.H–operated Sawan Gas Field Project, located in the Thar Desert, 80 km to the southeast of Sukkur city, in the Sindh province of Pakistan.

Sawan Gas Field wells feed raw gas through dedicated flow lines to the existing Central Processing Plant (CPP). The plant consists of two trains designed for gas treatment by mainly gas sweetening and water / hydrocarbon dewpointing systems to achieve sales gas quality.

Declining reservoir pressure necessitates the installation of compression facilities, and in this case, the generated nitrogen gas is used as seal gas for gas turbine-driven compressors. Very dry nitrogen gas (dewpoint temperature < -20°C) can have adverse effects on carbon seals; therefore, ProSep AP has strategically designed the package to mix nitrogen gas with small doses of moist air at the outlet stream in order to achieve the desired dewpoint temperature while keeping the oxygen content below 5%.

Sawan Gas Field Development Project Phase I & II

The air compressor package will consist of rotary screw compressors directly coupled to the electric motor. Nitrogen will be separated from compressed air by hollow fiber membranes located in the nitrogen generator skid.

Both packages are scheduled to be delivered to Pakistan mid-January 2009.

Project Update: Pan American Energy Valle Hermoso Project Ships Mid-July

ProSep's custom CO_2 gas membrane separation equipment for the Pan American Energy Valle Hermoso Gas Plant shipped in Mid-July, and commissioning is expected Q4 08. The equipment will bring 1.100 MMSCMD with 20% CO_2 down to less than 2%.

Aggressive delivery dates for this critical project called for expediting a 34-36 week ARO schedule. With its in-house fabrication and packaging capabilities, ProSep completed some skids for early delivery and met delivery for the rest of the project with its characteristic uncompromising attention to high quality.

Projects I&E Manager Steve Keown with finished electrical equipment

"The customer is extremely happy with the quality and delivery."

"We were able to both deliver on this fast-track project and exceed the customer's expectation of quality because of our project and production team who worked diligently to achieve aggressive delivery targets," VP Engineering Operations Parag Jhonsa said. "The customer is extremely happy with the quality and delivery."

For more information, please contact ProSep Technologies, Inc., at sales@prosep.com.

DNV Issues ProSep AP's ISO Certification

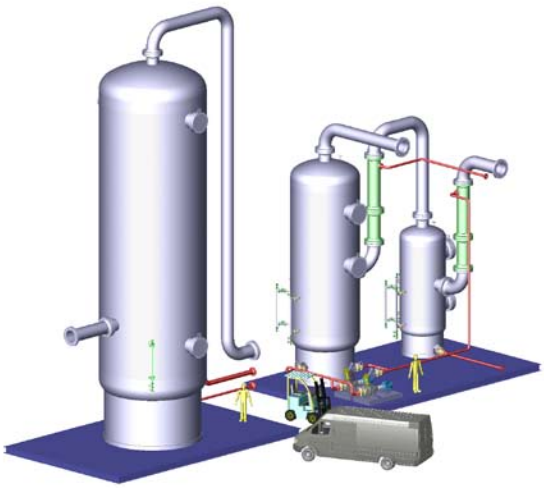
On July 1, 2008, Det Norske Veritas (DNV) performed an "Initial Audit" on ProSep AP, to confirm that ProSep AP's quality management system is in accordance with the ISO 9001:2000 standard.

ProSep AP is pleased to announce that the audit was successful, and DNV will issue ISO certification this quarter. Obtaining certification demonstrates our company's commitment to quality. As a relatively new company, achieving the third-party ISO certification will help to "cement" our position in the market as a trusted and quality supplier for process equipment.

For more information, contact General Manager Matthew Rummer at matthew.rummer@prosep-ap.com.

ProPure Technology Receives Nomination for ONS 2008 Innovation Award

ProPure's selective H_2S-removal technology ProCAP was listed among the top 15 technologies for the Innovation Award at the Offshore Northern Seas Exhibition (ONS) in Stavanger, Norway, August 26-29.



ONS 2008 INNOVATOR

ONS 2008 energy for one world

This major event for the oil and gas industry strongly focuses on trends and new technology, and the prestigious nature of the ONS Innovation Award recognizes the crucial importance of cutting-edge products and solutions. First presented in 1982, the awards reflect ONS's long-standing commitment to presenting and promoting innovative ideas.

For 2008, ProCAP, ProPure's novel technology for selective H_2S-removal from natural gas, has been nominated for the Innovation Award for small- and medium-sized enterprises. Developed and qualified through JIP with StatoilHydro, Total, ConocoPhillips and Gaz de France, ProCAP has the capability to reduce the size, weight and solvent circulation rate of the H_2S removal process.

Middle East Office Up and Running

To better serve clients and elevate its presence in the Middle East, ProSep Inc., opened its Bahrain office in May 2008 with sales representatives and process engineers.

"It is great to be here," said Bjørn Erik Sampson, Senior Manager Sales. "Already we see the effect of setting up a permanent operation in the Middle East. We are now certainly a 'player' in this very interesting and promising market. Customers all over the region are acknowledging our presence."

Besides Sampson, two senior engineer / product specialists have joined and are part of the ProPure ME team.

For more information, contact Bjørn Erik Sampson at bes@propure.com.

ProPure ME
A PROSEP INC. COMPANY

Experience First-Class Treatment at SPE ATCE in Denver

ProSep has always allowed customers to relax through its superior client focus, and the theme will be no different at Booth #225 at the Society of Petroleum Engineers's Annual Technical Conference and Exhibition in Denver, CO, Sept. 21-24. Show attendees will experience a taste of the first-class service existing clients have come to expect from ProSep.

The booth experience will feature a hot towel service, snacks, premium seating in recliners, a ProSepardy game show, and a daily prize giveaway of Bose noise-cancelling headphones. Of course, all attendees will have the opportunity to have both casual and more serious discussions about their particular separations needs.

The brand new 20x20 booth will feature several multimedia kiosks, a new custom configuration animation, a theater area, a semi-private conference area, and overhead elements conveying the ProSep brand image.

Upgrade your ticket to the show by planning to visit with ProSep.

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