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**ProSep awarded \$2.32 million (U.S.) in Venezuela
- Company's natural gas treatment solutions to support PDVSA's expansion project-**

MONTREAL, QUEBEC – October 20, 2008 - ProSep Inc. (TSX: PRP), dedicated to providing process solutions to the oil and gas industry, announced today that it has been awarded a \$2.32 million (U.S.) contract to support a new commercial initiative by PDVSA, Venezuela's state-owned energy company.

ProSep will supply separation equipment that will treat approximately 20 million standard cubic feet per day of gas at PDVSA's expansion project in Morichal, Venezuela. By efficiently treating and removing water, sulfur and carbon elements, ProSep's separation equipment will enable PDVSA to sell natural gas that would otherwise be burned or released during its oil production activities.

"This is an important contract win on many levels," said Jacques L. Drouin, President and CEO of ProSep Inc. "Not only have we entered into a significant arrangement with one of the largest energy companies, we continue to demonstrate how our separation solutions deliver compelling business advantages to upstream oil and gas companies around the world."

ProSep was awarded the contract by its local partner in South America, Skanska LatinoAmerica (LA), a major engineering and procurement contractor serving the oil and gas sector. Skanska LA, a unit of the Sweden-based Skanska Group, has 12,000 employees and more than 110 projects under construction.

ProSep expects to deliver its gas membrane separation equipment in June 2009. With this contract win, ProSep's current sales backlog totals approximately \$39.5 million (CDN).

About ProSep Inc.

ProSep Inc., formerly known as TORR Canada 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 contains forward-looking statements. Such statements inherently involve numerous risks and uncertainties. Actual future results may differ from the anticipated results expressed in the forward-looking statements contained in this press release and ProSep does not undertake to update this information. Investors are cautioned against placing undue importance on forward-looking information contained herein and should consult the final short form prospectus and the documents incorporated by reference therein, which contain a more exhaustive analysis of risks and uncertainties connected to ProSep's business

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