



PRESS RELEASE
IMMEDIATE DISTRIBUTION

PROSEP Announces Closing of the Amendments to the Debentures

NOT FOR DISTRIBUTION TO THE UNITED STATES NEWS WIRE SERVICES OR DISSEMINATION IN THE UNITED STATES.

MONTREAL, QUÉBEC – July 16, 2009 - ProSep Inc. (TSX: PRP) ("ProSep" or the "Company"), dedicated to providing process solutions to the oil and gas industry, today announced the closing of the previously announced amendments to the Company's existing debentures (the "Debentures") to convert \$7,845,620 of indebtedness into common shares of ProSep (the "Common Shares") by amending the terms of the Debentures (the "Amendments"). As a result of the Amendments, the Company issued 60,350,923 Common Shares and has, at the date hereof, a total of 124,794,374 Common Shares issued and outstanding.

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. 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 operates. These and other factors should be considered carefully and undue reliance should not be placed on the forward-looking statements.

-30-

Contacts

ProSep Inc.
Jacques L. Drouin
President & CEO
(514) 522-5550 ext. 226
jdrouin@prosepinc.com

Patrice Daignault
CFO & Corporate Secretary
(514) 522-5550 ext. 235
pdaignault@prosepinc.com