



KELSO
TECHNOLOGIES
INCORPORATED

TSXV:KLS

NEWS RELEASE

FOR IMMEDIATE RELEASE

KELSO TECHNOLOGIES SIGNS AGREEMENT WITH MEXICAN FIRM TO PROMOTE KELSO VALVES & PROVIDE REGIONAL SOURCING OF BUSINESS OPPORTUNITIES THROUGHOUT CENTRAL & SOUTH AMERICA

WEDNESDAY, OCTOBER 10, 2007 - VANCOUVER, BC, CANADA – Kelso Technologies Inc. (TSXV:KLS) (Pink Sheets: KEOSF), developer of the unique JS line of pressure relief valves, (the "Company") is pleased to announce that it has signed an Agreement with *Bufete Jurídico Guadarrama y Asociados, S.C.*, of Mexico City.

Bufete Jurídico Guadarrama y Asociados, S.C. ("Bufete") is a Mexico City firm founded in 1982 which provides expert business and legal consulting services to a range of internationally recognized companies doing business in Mexico.

Kelso is very pleased to have established this relationship as it sees Bufete as a very qualified consultant to enable Kelso to obtain the most advantageous business relationship in an area where Kelso has limited access.

The Company's client base is primarily internationally-recognized business and corporate groups which include PeopleMovers Incorporated, (Switzerland), Alfa Group (México), Dupont Inc. (México - USA), Grinbank Group (Argentina), MASSEYS LLP, Global Marine Systems Limited (UK), Avery Denison Retail Information Services (USA), Banamex, S.A. (México), City Bank (USA), Alcatel Europe (México & France), Z.F. Sachs (Germany), American Textile (a Guilford Mills Inc. Company - USA), Cooper Industries (USA) and Beticino de México, S.A. (México - Italy) among others. Areas of law include, amongst others, Corporate, Legal Audits, Foreign Investment, Tax, Antitrust, Foreign Trade, Civil & Commercial, Copyright & Industrial Property, Environmental and Agrarian. The firm has working agreements with other partners worldwide in the United Kingdom., the Netherlands, Turkey, USA, France, Spain, Austria, Canada, Germany, Venezuela, Argentina, Brazil, Peru and China.

As Kelso roles out its plan to have world-wide representation of its product base, it is seeking access to little-known markets requiring local relationships. Bufete will fulfill this need for Kelso in vetting potential joint venture suitors which may be collectively identified. As part of Kelso's international growth plan, it will continue to seek geographically-appropriate relationships like the one with Bufete in order to establish itself prominently in the global marketplace.

Bufete will assist Kelso in identifying a joint venture partner to serve the Latin American market and other geographical regions, to aid in identifying development and investment capital for the joint venture, developing relationships with potential manufacturing groups to serve Latin America, ensure that any joint venture partners fulfill all requirements of the Association of American Railroads as it pertains to manufacturing and distribution of Kelso's products to Latin America, ensure that the naming and product tagging of Kelso's products be consistent and bear the Kelso names.

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The scope of work contemplated under the agreement with Bufete will include manufacturing and reseller agreements around the world in territories outside of Canada, the USA and Mexico. Specifically, under the current agreement, Bufete will be entitled to establish reseller agreements in Mexico and manufacturing and reseller agreements in all countries within Central and South America. Kelso's has charged Bufete with establishing manufacturing contracts with appropriate joint venture partners such as the North American contract Kelso enjoys with McKenzie Valve & Machining Company, which manufactures Kelso products for Canada, USA and Mexico. Bufete also has substantial business relationships in Spain.

"When I was first introduced to Kelso's technology and management, I recognized the great need that exists in Latin America for Kelso's unique and environmentally progressive technology. We are pleased to access the business relationships we have built over the past 25 years to assist Kelso with identifying and negotiating lucrative opportunities for expansion of its sales throughout Latin America," stated Luis Manuel Guadarrama Diaz, Principal of Bufete Jurídico Guadarrama y Asociados, S.C.

"We are delighted to be partnered with Luis and his team of experienced professionals to further our goals of sales and revenue growth internationally. This key alliance has been carefully negotiated over many, many months and the relationship we have built together and the confidence both parties have in each other will surely result in growing Kelso's market and increasing our worldwide sales. This new joint venture relationship has enabled Kelso to develop a model for expanding representation internationally," stated John L. Carswell, Kelso's President & CEO.

Kelso Technologies Inc. is a public Company that trades on the TSX Venture Exchange under the symbol KLS and is quoted in the United States on the Pink Sheets under the symbol KEOSF.

For further information: please visit Kelso Technologies' website at www.kelsotech.com or contact Shareholder and Investor Relations at 1.866.535.7685 (604.878.7600) (kelso@kelsotech.com).

*Issued on behalf of the Board of Directors of
Kelso Technologies Inc.,
"John L. Carswell"
John L. Carswell
President & CEO*