



**KELSO**  
TECHNOLOGIES  
INCORPORATED

TSXV:KLS

# NEWS RELEASE

FOR IMMEDIATE RELEASE

## **KELSO ANNOUNCES SALE & DELIVERY OF STAINLESS STEEL PRESSURE RELIEF VALVES TO TEXANA TANK CAR FOR A NEW TANK CAR BUILD**

**WEDNESDAY, JULY 16, 2008 - VANCOUVER, BC, CANADA – Kelso Technologies Inc. (TSXV:KLS) (Pink Sheets:KEOSF), a customer-driven, product-solutions company and developer of the unique JS line of pressure relief valves and Manway Securement System, (the “Company”) announced today that it has sold and delivered twelve stainless steel, low flow pressure relief valves.**

Twelve stainless steel, pressure relief valves have been shipped to Texana Tank Car & Manufacturing, Ltd. in Texas for installation on 12 new stainless steel tank cars to be delivered in the third quarter of calendar 2008 to a major US chemical producer. These special tank cars are destined for service carrying a liquid which requires a 100% stainless steel tank car. Stainless steel tank cars are used in applications where the liquid in transit will degrade standard carbon steel tank cars or must remain ultra-pure and not have any chance of contamination from contact with a carbon steel material.

The Kelso pressure relief valves provided are latest design for 165 psi-rated tank cars. The valve construction is 100% stainless steel to match the needs of the customer. The customer recognized the advantage of the Kelso valve as a completely external valve with low cost-of-ownership and included it as a specification requirement when the tank car specification was developed for bidding purposes.

This is another example of the work that Kelso has been seeding since December when Neil Gambow joined the Company. As a result of his efforts, we have seen a quicker growth in revenues from sales and expect that trend to continue. In particular, we expect 2009 to be a break-out year for Kelso as a number of initiatives that the Company has been working on should roll-out starting in the new year. The Company continues to meet face-to-face with existing and prospective customers. Just over the past three months, these meetings have taken place in the cities of St. Louis, MO, Nashville, TN, Houston, TX, Dallas, TX, Pittsburgh, PA, Chicago, IL and Newport, RI.

The Company is pleased to report that Company’s 2008 Stock Option Plan was approved by a majority of shareholders at the Annual General Meeting held May 27, 2008. Management has always stressed that this Plan, which must be renewed annually by “disinterested” shareholders, is essential to the Company’s ability to attract and reward future, high quality personnel, particularly as the Company strives to grow its sales force for North American rail markets. The 2008 Stock Option Plan is the same as the 2007 Stock Option Plan, which limits the total outstanding options to the equivalent of 10% of the Company’s issued and outstanding common shares, from time to time. All options granted under the Plan are subject to the TSX Venture Exchange’s policies on stock options, as amended from time to time.

**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](http://www.kelsotech.com) or contact Shareholder and Investor Relations at 1.866.535.7685 (604.878.7600) or by email to [kelfo@kelsotech.com](mailto:kelfo@kelsotech.com).**

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

The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this Release. The information in this news release may contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. When used in this release, words such as “estimate”, “expect”, “anticipate” and “believe” as well as similar expressions are intended to identify forward-looking statements. Such statements are used to describe management’s future plans, objects, and goals for the Company and therefore involve inherent risks and uncertainties. The reader is cautioned that actual results, performance or achievements may be materially different from those implied or expressed in such statements, which speak only as of the date the statements were made. The Company does not update forward-looking statements continually as conditions change. We seek safe harbor.