



KELSO
TECHNOLOGIES
INCORPORATED

TSXV:KLS

NEWS RELEASE

FOR IMMEDIATE RELEASE

KELSO TECHNOLOGIES SECURES AGREEMENT WITH USA-BASED AMERIFACTORS TO PROVIDE EARLY STAGE GROWTH FINANCING

MONDAY, OCTOBER 20, 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 that it has successfully instituted its first financing vehicle to assist the Company in growing sales and accelerating its market penetration.

Under an agreement signed with AmeriFactors, Inc., headquartered in Florida, Kelso receives early payment on its invoices to its customers so that the Company can avoid delays in receivables that are normally paid anywhere from 30 to 90 days following invoicing. This is AmeriFactors® first ever financing of a Canadian company and the first tier of Kelso’s overall financing strategy.

The Amerifactors, Inc. agreement was facilitated by Desmond Paden, Managing Director, Total Source Financing of Silver Lake, Wisconsin. Total Source Financing continues to work with Kelso to raise additional debt and/or equity financing of approximately USD\$1.1-million to enable Kelso to roll out its strategic business plan which includes the construction of a Houston-area assembly plant.

Kelso has been very successful, through the concerted efforts of Neil Gambow, President of Kelso’s US operations, in reaching new customers and reselling to existing customers. Existing Kelso valve users have reported successes with lower cost-of-operation using Kelso’s new pressure relief valve and word is spreading within the rail shipping industry that Kelso’s valve is the valve of choice for shippers concerned with ownership costs, safety and the environment.

Founded in 1990, AmeriFactors® brings together a team of seasoned professionals who work closely with clients of all sizes to provide personalized account receivable funding programs tailored to each company’s individual needs. The company is headquartered in Celebration, Florida with offices in Jacksonville and Tampa, Florida, Atlanta, Georgia, Nashville, Tennessee, and Mobile, Alabama. For more than 15 years, AmeriFactors® has provided clients of all sizes with programs that play a significant role in business success.

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 about Kelso Technologies, please visit the Company’s website at www.kelsotech.com or contact Corporate Communications at 1.866.535.7685 ext. 3 (604.878.7600 ext 3.) (email: kelso@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.