



**KELSO**  
TECHNOLOGIES  
INCORPORATED

TSXV:KLS

# NEWS RELEASE

FOR IMMEDIATE RELEASE

## KELSO TECHNOLOGIES INCREASES CURRENT PRIVATE PLACEMENT

WEDNESDAY, JANUARY 7, 2009 - VANCOUVER, BC, CANADA – **Kelso Technologies Inc. (TSXV:KLS and Pink Sheets:KEOSF) today re-announced its Private Placement (previously announced on December 22, 2008) and increased the amount being raised from \$90,000 to \$160,000 due to higher than expected levels of interest shown by individual investors. The Company is actively communicating with a number of qualified investors and is still accepting new subscriptions for a limited time.**

To date, the Company has deposited subscription funds totaling \$87,182 and has issued subscription forms to serious potential investors for an additional \$31,250 and awaits receipt of same. In addition, the Company has confirmed interest to place an additional \$35,000 bringing the total funds identified thus far to approximately \$153,432. Of the participants, two are Directors of the Company.

This Private Placement, which is subject to regulatory approval, has been increased to 6,400,000 common shares at a price of \$0.025 per share for total proceeds of up to \$160,000. The investors will also be granted one full non-transferable warrant for every share purchased. Each warrant will be exercisable at a price of \$0.10 for a period of two years following the closing of the Private Placement. The anticipated closing date is February 16, 2006 although the Company wishes to close the Private Placement at the earliest possible date.

The proceeds of this Private Placement will be used to pay the costs associated with the Company's accounting expenses, audit for the 2008 year end, for the payment of annual maintenance fees for various Patents held on Kelso's pressure relief valves worldwide and further product research and development. In addition, the Company will pay various expenses associated with the ongoing business of the Company including but not limited to payments to the Transfer Agent, legal advisors to the Company and other expenses incurred in the routine operation of the business.

The Company reserves the right to over-subscribe the private placement up to 48 hours prior to the closing. This placement is subject to regulatory approval.

**Kelso is a customer-driven, product-solutions company and developer of the unique JS line of pressure relief valves, Manway Securement System and other rail tank car products for the rail industry.**

**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](http://www.kelsotech.com) or contact Corporate Communications at 1.866.535.7685 ext. 3 (604.878.7600 ext 3) (email: [kelso@kelsotech.com](mailto: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.