



KELSO
TECHNOLOGIES
INCORPORATED

TSXV:KLS

NEWS RELEASE

FOR IMMEDIATE RELEASE

KELSO TECHNOLOGIES' SHIPS FIRST SAFETY VALVE ORDER FROM NEW HOUSTON-AREA ASSEMBLY PLANT

MONDAY AUGUST 17, 2009 - VANCOUVER, BC, CANADA – Kelso Technologies Inc. (TSXV:KLS and Pink Sheets:KEOSF) today announced that it has shipped its first order for Pressure Relief Valves from its new assembly facility located near Houston, Texas. AVS Tank Car Valve Services, based in LaPorte, Texas, assembles, tests and ships Kelso pressure relief valves to the tank car market in North America.

This first shipment marks a paradigm shift in Kelso's evolution. The Company undertook major changes to its supply chain in order to achieve four main objectives:

1. Provide a shipping point close to its major customer base which is the Gulf Coast area of the US;
2. Accelerate the pace at which it could deliver products to its customers (Kelso now can ship products within one week of receipt of the customer order – beating the competition by 3-5 weeks);
3. Control costs in order to achieve greater competitiveness in the market place; and,
4. Increase gross margins to increase profitability.

Kelso is pleased to have achieved these four objectives and expects increased sales revenues and profit to be the resulting benefit.

This first shipment continues to fill a standing order resulting from the second major Purchase Order for an additional 100 valves from one of its chemical company customers. There are 70 valves remaining to be shipped on this current purchase order and more are scheduled for delivery to the customer this month. This order is the second installment on a 450 tank car project with this customer. When completed, this would be the largest customer retrofit to date for Kelso pressure relief valves.

Orders for retrofits and repair purposes continue to be very promising. The drumbeat in the rail industry indicates that new car builds, another important segment of Kelso's target market, is expected to begin to recover early in 2010 as U.S. the economy returns to normal conditions.

Kelso's prestigious customer list includes, among others, such companies as American Railcar Industries, BASF Corporation, DuPont, Eastman Chemical, Exxon-Mobil, Millennium Rail Industries, Olin Chlor Alkali Products, Occidental Chemical Corporation, PotashCorp/GATX, Rescar Industries, Southwest Rail, Terra Nitrogen, Texana Tank Car, and the three major tank car building companies.

Kelso is a customer-driven, product-solutions company and developer of the unique JS line of pressure relief valves, the Manway Securement System (allowing access to the top of the tank car utilizing a one band fastening system resulting in reduced maintenance) and other unique 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, 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

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