



KELSO
TECHNOLOGIES
INCORPORATED

TSXV:KLS

NEWS RELEASE

FOR IMMEDIATE RELEASE

KELSO ARRANGING BRIDGE FINANCING

TUESDAY, SEPTEMBER 29, 2008 - VANCOUVER, BC, CANADA – Kelso Technologies Inc. (TSXV:KLS and Pink Sheets:KEOSF) announced today that it is arranging a private placement of up to \$250,000 as a bridge financing leading to a larger financing which is currently being negotiated.

This Private Placement will consist of up to 8,333,333 common shares at a price of \$0.03 per share for total proceeds of up to \$250,000. The investors will also be granted one non-transferable warrant for every share purchased. Each warrant will be exercisable at a price of \$0.05 for a period of one year following which the price will increase to \$0.10 for the second year, \$0.15 for the third year, \$0.30 for the fourth year, and \$0.75 for the fifth year following the closing of the Private Placement.

This Private Placement has been priced and announced in accordance with the temporary relief measures of the TSX Venture Exchange, which expire at the end of business on September 30, 2009. The Company hopes to close subscriptions by mid October 2009. Any excess subscriptions, if not contemplated and announced by September 30th, will be subject to the usual minimum price of \$0.05 per share.

The Company requires bridge funds to continue operating at an optimal level while it continues serious discussions with a group which is interested in making significant investments into Kelso. The Company's goal is to raise \$1,000,000 to \$2,000,000 to execute its current business plan and it is very pleased to date with progress made in its negotiations.

This Private 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 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*

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts 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.