



KELSO
TECHNOLOGIES
INCORPORATED

TSXV:KLS

NEWS RELEASE

FOR IMMEDIATE RELEASE

KELSO TECHNOLOGIES COMPLETES SUBSCRIPTIONS FOR PRIVATE PLACEMENT

FRIDAY, OCTOBER 23, 2009 - VANCOUVER, BC, CANADA – Kelso Technologies Inc. (TSXV:KLS and Pink Sheets:KEOSF) today announced that it has finished accepting subscriptions to its Private Placement (announced on September 29, 2009).

The Company has received funds totaling \$222,396 which is the final amount to be raised through this Private Placement. Of the participants, one is an Officer and Director of the Company and the majority is existing Kelso shareholders and supporters. Kelso is pleased to have raised \$222,396 during these unprecedented economic times.

This Private Placement, which is subject to regulatory approval, consists of 7,413,200 common shares at a price of \$0.03 per share for total proceeds of \$222,396. 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.

The proceeds of this Private Placement have or are being used to pay the costs associated with the Company's accounting expenses, audit for the 2009 year end which has been completed, for manufacturing costs for its products, for the payment of annual maintenance fees for various Patents held on Kelso's pressure relief valves worldwide, further product research and development, filing costs, partial salaries and other personnel fees, marketing and sales travel expenses. 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 also announced that it has granted stock options, for a total of 3,378,625 common shares, to directors, officers and consultants of the Company. Each option is exercisable at 10 cents per common share and is exercisable at any time until October 7, 2019.

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 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.