



FOR IMMEDIATE RELEASE

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Contact:
Erin Koch
Gable PR
619-261-0762 (cell)
erin@gablepr.com

**SeQual Courts Independent Providers,
Comes to Terms With the VGM Group**

*Agreement Allows Oxygen Systems Maker to Tap Into Market Of Over
2,000 Medical Equipment Providers in More than 3,500 Locations*

SAN DIEGO - SeQual Technologies Inc., which develops oxygen systems known worldwide for their reliability, quality, revolutionary design and economy, announced today that it has signed on as a vendor to VGM Group, the largest network of independent home medical equipment (HME) dealers in the U.S. The relationship will allow SeQual a stronger relationship with VGM members through marketing support and educational seminars while VGM members gain access to SeQual's products under network-negotiated pricing.

Stu Novitz, SeQual's North American sales manager, said this new relationship with one of the HME industry's preeminent buying groups will be of great benefit to both SeQual and the HME business as a whole.

"We feel the VGM network of independent providers is a perfect fit for us," said Novitz. "Whenever you have a chance to unite superior technology with a powerful and influential distribution channel, you have a great opportunity to benefit not just the manufacturers and providers – but the over 1 million oxygen patients across this country who are looking for the best service out there."

In August of 2006, SeQual launched its Eclipse Oxygen System into the home healthcare market. The Eclipse is the most powerful portable oxygen concentrator (POC) available and is the only option available that offers the patient both pulse and continuous flow of oxygen on AC, DC and battery power. Other POCs rely solely only on pulse dose oxygen, a mode not traditionally recognized by the clinical community for 24/7 use.

The Eclipse and SeQual's Integra E-Z series of stationary oxygen concentrators will both be offered to VGM's members under the announced agreement.

Tom Pontzius, president of VGM's Nationwide Respiratory division, said SeQual's involvement with VGM is an important occasion for their network of providers. "It's quite simple, SeQual's single-source oxygen technology allows our providers to cut costs they otherwise would have spent on gasoline, truck maintenance and man-hours delivering oxygen to their customers," said Pontzius.

SeQual's products are available to the VGM network at a negotiated rate, effective immediately.

SeQual Technologies Inc.

Founded in 1991, SeQual offers a family of innovative products ranging from the 3 LPM (liter-per-minute) continuous flow portable Eclipse to its popular, compact, easy-to-use bedside Integra 10 LPM unit. SeQual's air separation systems are used for industrial applications such as water purification, oxygenation for aquaculture, producing feed gas for ozone generators, or for any other processes needing high-purity, dry oxygen or nitrogen on site. SeQual is a private company based in San Diego. For more information, see www.sequal.com.

Contacts:

SeQual Technologies Inc.: 858-202-3144

Pamela Jackson

pjackson@sequal.com

Cell: 760-805-9000

VGM: 877-233-3079

Tom Pontzius

Tom.pontzius@vgm.com

Phone: 319-274-8406

Gable PR: 877-251-3888

Erin Koch

erin@gablepr.com

Cell: 619-261-0762

Tom Gable

tom@gablepr.com

Cell: 619-251-3881

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