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For Immediate Release

DEEPFLEX INC. ANNOUNCES SUCCESSFUL DEPLOYMENT AND OPERATION OF DEEPWATER DOWNLINE SOLUTION

Downline Deployment Heralds New Era For Composites in Deepwater Pipeline Commissioning

HOUSTON (PR Newswire) August 25, 2010 - DeepFlex today announced one of its all-composite flexible pipes has been used by Saipem S.p.A. to commission a deepwater export line offshore Brazil for Petrobras. The Saipem vessel *Normand Cutter* deployed the DeepFlex downline in 1500 meters of water to prepare the 174 kilometer, 18 inch Urugua export pipeline for operation in the Santos basin.

The DeepFlex pipe is substantially lighter weight than alternative solutions resulting in lower deployment costs and reduced operational risk. The three-inch internal diameter downline was connected to a subsea commissioning structure and deployed in harsh conditions for over 30 days with ocean swells of five to seven meters.

Michael C. Kearney, DeepFlex President and CEO said, "This application highlights the importance of composite solutions as the industry moves into deeper water. The ability to rapidly deploy lightweight pipe with our proprietary design allowed Saipem to utilize less costly installation equipment while successfully meeting project objectives. We believe our downline solution will become the standard for future deepwater pipeline commissioning."

About DeepFlex Inc.

Headquartered in Houston, DeepFlex designs, manufactures and deploys premium composite flexible pipe used in the global subsea oil and gas production environment. As the world's only manufacturer of unbonded non-metallic pipe for deepwater applications, the patented DeepFlex products are lighter, less costly to install, and do not suffer the corrosive effects of harsh environment service. The Company's principal investors include Energy Ventures; Chevron Technology Ventures, a unit of Chevron

Corporation; Altira Group; Nomura Clean Technology Ventures, a unit of Nomura International; Heico Holding; Promon International and Robeco Alternative Investments, a unit of Rabobank.

For more information on the products and services provided by DeepFlex, visit the company's web site at www.deepflex.com.

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