



# News Release

## FISCAL 2001 RESULTS ANNOUNCED

January 23, 2002

Burnaby, BC, Canada -

International Water-Guard Industries Inc. (IWG) reports its earnings for the fiscal year ended September 30, 2001 of \$205,423 on sales of \$3,874,604. This fiscal year's results compare to a loss in the prior year ended September 30, 2000 of \$573,002 on sales of \$2,385,684. The fiscal year 2001 earnings of \$0.03 per share compares to the fiscal 2000 loss of \$0.10 per share, on both a basic and fully diluted basis.

The \$778,425 improvement in operating results over the prior year was primarily due to a 62% increase in sales. Net expenses were held to a 7% increase year over year. The increase in sales resulted from higher product unit deliveries in both the aviation and industrial/commercial sectors. New product variants developed during the last two years, enabled IWG to expand its sales base and benefit from the market and product development efforts undertaken.

Included in fiscal 2001 results is the delivery of the Company's first aircraft circulating potable water system, installed on a Bombardier Global Express aircraft. The Global Express potable water system design was certified by both Transport Canada and the U.S. Federal Aviation Administration during the summer of 2001.

The Company has invested \$1,049,082 in model-specific aircraft circulating potable water system design and certification costs as it prepares to make complete, certified, water system 'kits' available to business aircraft manufacturers, completion centres, and owners in fiscal 2002 and beyond. Financing for this investment was provided by the issuance of common shares for net proceeds of \$1,153,555.

International Water-Guard Industries Inc. is a Canadian water treatment company providing total water treatment solutions to aviation, industrial/commercial, and residential customers throughout the world. Services include water treatment needs analysis, system design/assembly, and ongoing support. IWG has expertise in all aspects of water treatment, including advanced filtration, ultraviolet disinfection, reverse osmosis, deionization, etc.

On behalf of the Board of Directors  
International Water-Guard Industries Inc.

"C.W. Coote"  
President & CEO

*The Canadian Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.*

**CDNX: IWG**

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