



News Release

IWG ANNOUNCES PRIVATE PLACEMENT

March 26, 2002

Burnaby, BC, Canada - International Water-Guard Industries Inc. (IWG) announces that, subject to regulatory approval, a brokered private placement of up to 2,000,000 units at \$0.60 per unit, for total proceeds of up to \$1,200,000. Each unit will consist of one share and one non-transferable share purchase warrant. Each share purchase warrant will entitle the holder to purchase one additional share for a period of twenty-four months at \$0.75 per share.

In the event the Company's shares trade at \$1.00 per share or greater for a period of twenty consecutive trading days at anytime following four months from Closing, the Company may, at its election, force early termination of the share purchase warrants by providing written notice to the warrant holders, which notice will provide that the warrant holders have thirty days from the date of the notice to exercise their warrants at \$0.75 per share, after which period the warrants will expire.

The Company has agreed to pay a cash commission of 8.5% of gross proceeds and agent's warrants of 12% exercisable at a price of \$0.60 for a period of 18 months. The proceeds of the private placement will be used to continue with engineering design and for working capital.

IWG also announces that the Company and certain of its shareholders have entered into an arrangement with Haywood Securities Inc. for the sale of 784,000 previously issued common shares of the Company at \$0.60 per share. Under the arrangement, these common shares will be sold by Haywood, through the facilities of the Canadian Venture Exchange. One Company insider sold 165,000 shares as part of the sale and will subsequently reinvest the proceeds into the above private placement.

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

International Water-Guard Industries Inc.
3133 Sumner Avenue, Burnaby, BC V5G 3E3 Canada
Tel: (604) 255-5555 , 1-800-667-0331, Fax: (604) 255-5685
www.waterknowledge.com