



News Release

IWG ANNOUNCES FIRST QUARTER RESULTS – FISCAL 2004

February 2, 2004

Burnaby, BC, Canada - International Water-Guard Industries Inc. announces a 55% increase in sales for the first quarter of Fiscal 2004. Sales were \$1,163,447 for the quarter, yielding net earnings of \$90,846. Results for the same period in Fiscal 2003 were sales of \$750,412 and a loss of \$125,420. Earnings for the first quarter of \$0.01 per share compares to the prior year's first quarter loss of \$(0.01) per share on both a basic and fully diluted basis.

The principal increase in sales was attributed to the delivery in the first quarter of three aircraft circulating potable water system kits (C-PWS™) for the Airbus A310 aircraft as a portion of a five shipset design, certification and supply contract. Some improvement in industrial sales also contributed to increased sales.

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

TSX VENTURE: IWG

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