

News Release



IWG ANNOUNCES CORPORATE RESTRUCTURING – IWG TECHNOLOGIES INC. TO BE NEW PUBLIC HOLDING COMPANY

March 24, 2011

Burnaby, BC, Canada - International Water-Guard Industries Inc. (IWG) announced today that it has entered into an agreement with respect to a proposed internal reorganization of IWG's corporate structure pursuant to a plan of arrangement. Under the plan of arrangement IWG is proposed to become a wholly owned private subsidiary of a new public holding company, IWG Technologies Inc. All current security holders of IWG will have their holdings transferred on a one to one basis for securities in the new company, which will have the same share structure and same number and class of outstanding securities as IWG currently has.

In connection with the proposed plan of arrangement IWG is making an application to the Supreme Court of British Columbia for an interim order to authorize a meeting of IWG's shareholders to consider the proposal. The application is expected to be heard March 25, 2011. Once the interim order has been granted by the court, the plan of arrangement will be voted on by the shareholders at IWG's upcoming annual general meeting scheduled for April 26, 2011.

"The plan of arrangement and the creation of IWG Technologies to be the future holding company of IWG is an important step in building our future", said David Fox, IWG's president & CEO. "What we are effectively doing is proposing to split the operating business, International Water-Guard Industries, from the public entity, which will be named IWG Technologies Inc. This provides for flexibility in separation of the operating business with its related regulatory certifications and permits for aviation equipment from the public holding company and will facilitate future business combinations including business unit acquisitions and dispositions. It also provides for independence of future financings from specific business units in the event the business expands and gives delineation and greater visibility of business segment performance.

"This transaction will be transparent to current shareholders, who will end up with exactly the same position in IWG Technologies as they had in International Water-Guard," Fox said.

Full details of the plan of arrangement will be found in the shareholders' proxy information package, to be mailed to shareholders at the end of March 2011 and filed concurrently on SEDAR and in the arrangement agreement, which has been filed on SEDAR as a material contract.

Completion of the proposed transaction is subject to approval of the shareholders of IWG, the Supreme Court of British Columbia and the TSX-Venture Exchange.

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International Water-Guard is a Canadian aerospace company focusing on aircraft potable water treatment and full water system solutions. IWG has expertise in all aspects of water treatment, and has the products and know-how to provide high quality water for passengers and crew, and light weight, space saving solutions for the aircraft operator.

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

“David C. Fox”
President and CEO

This news release contains certain forward looking statements that reflect the current views and/ or expectations of IWG with respect to its performance, business and future events including, without limitation, statements with respect to the timing of the proposed reorganization and steps in connection therewith. Such statements are subject to a number of risks, uncertainties and assumptions, which may cause actual results to be materially different from those expressed or implied. Except as required by applicable securities law, IWG assumes no future obligation to update these forward looking statements.

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

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