



IWG ANNOUNCES FISCAL 2007 ANNUAL RESULTS

December 17, 2007

Burnaby, BC, Canada - International Water-Guard Industries Inc. is reporting revenue in fiscal 2007 of \$4,484,903, an increase of 22% above the prior year's sales of \$3,662,460. Fiscal 2007 net earnings were \$808,147 after an income tax recovery of \$427,000, compared to \$404,545 in the prior year. Earnings from operations were \$381,147 for FY2007, a reduction of 6%.

This year's net earnings provided 2.4c per share compared to 1.2c in the prior year, on both a basic and fully diluted basis. The contribution to net earnings due to income tax recovery is related to future benefits.

"This has been another strong year for IWG," said David Fox, president and CEO, "The only downside has been the significant impact of the shifting US to Canadian exchange rate. Had the U.S. dollar remained the same as in the first six months of 2007, our sales would have been nearly \$300,000 higher and earnings would have increased by about \$278,000," he added.

Looking forward to 2008, the company is working on a number of new products, projects and contract initiatives. However, there may be short term fluctuations in revenues and earnings, due to increased product development and marketing expenditures as well as other factors. "We expect to report a dip in revenue for the first quarter of fiscal 2008, as some of our customers have been realigning their supply chains and delivery timing, but this should recover as the year goes on. Medium to long term, IWG will remain focused on an aggressive growth strategy. The aviation industry, and especially the corporate aviation industry is currently very buoyant and we are taking full advantage of this"

Company sales growth over the prior year included increased equipment, parts and service sales, augmented by the sale of a Boeing Business Jet aircraft water system.

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

Certain of the information and statements contained in this news release relating to the Company's 2008 financial year constitute "forward-looking information" within the meaning of the Securities Act (Alberta) ("Forward-Looking Information"). These reflect the current views and/or expectations of IWG with respect to its performance, business and possible future events. Such statements are subject to a number of risks, uncertainties and assumptions, including those described in this news release and in IWG's Management's Discussion and Analysis for the financial year ended September 30, 2007, which may cause actual results to be materially different from those expressed or implied. Should one or more of any of the aforementioned risks and uncertainties materialize, or should underlying assumptions prove incorrect, actual results could differ materially from any conclusions, forecasts or projections in the Forward-Looking Information. Accordingly, readers are advised not to place undue reliance on Forward-Looking Information. Except as required under applicable securities legislation, the company undertakes no obligation to publicly update or revise Forward-Looking Information, whether as a result of new information, future events or otherwise..

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

TSX VENTURE: IWG

International Water-Guard Industries Inc.
Unit One - 3771 North Fraser Way, Burnaby, BC V5J 5G5 Canada
Tel: (604) 255-5555, 1-800-667-0331, Fax: (604) 255-5685
www.water.aero