



News Release

IWG OFFERS PRIVATE PLACEMENT, COMPLETES FINANCIAL RESTRUCTURING.

March 23, 2005

Burnaby, BC, Canada - - International Water-Guard Industries Inc. is pleased to announce a non-brokered private placement for up to 15 million shares at a price of \$0.08 per share. The private placement forms part of IWG's financial restructuring activities designed to strengthen the company's financial position. A cash finder's fee and finders warrants related to this placement will be paid. Some IWG insiders will participate in this placement.

As previously disclosed, the company has sold its industrial/ commercial water treatment assets to Violetta Industries of Vancouver. The unadjusted sale price was \$300,000. Funds from this divestiture were used to pay down creditors in negotiated settlements for payables and notes outstanding. In addition, a settlement has been reached with the holder of a promissory note for a cash payment and the issuance of 225,000 shares.

"The full impact of these negotiated settlements will be indicated in our upcoming second quarter financial results," said David Fox, IWG's President and CEO. "For now, I think it's important to point out that this is a major step in our restructuring plan, and coupled with the private placement, puts us in an excellent position to capitalize on our market lead in aircraft water treatment."

International Water-Guard Industries Inc. 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, while saving weight and space for the aircraft operator.

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

"D. C. Fox"

D.C.Fox
President & CEO

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

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