

# News Release



## IWG COMPLETES \$500,000 PRIVATE PLACEMENT, WELCOMES THE PENDER GROWTH FUND AS A NEW INVESTOR

September 2, 2008

*Burnaby, BC, Canada* - International Water-Guard Industries Inc. (IWG) has closed a private placement of \$500,000, President & Chief Executive Officer David C. Fox announced.

"Throughout 2008, we have been engaged in an accelerated product development cycle to enhance our position as the premier provider of aircraft water treatment and system solutions. This previously-announced placement adds to our ability to rapidly execute our growth plans," Fox said. "In addition, we are very pleased to announce that a significant portion of the placement has been taken up by the Pender Growth Fund. We see this as another vote of confidence in our development as a company and in our future prospects."

The Pender Growth Fund (VCC) Inc. has subscribed to \$350,000 of the placement. Pender is an established and diversified venture capital fund that invests in B.C. technology companies with the objective of long-term capital appreciation. The Fund has approximately \$30 million of assets under management (see <http://penderfund.com/>).

The securities issued under this private placement consist of 5,000,000 common shares priced at \$0.10 per share, each with one warrant exercisable at \$0.17 for a period of 2 years. The shares and warrants each have a hold period of four months expiring on December 28, 2008.

As well as using the proceeds to finance the Company's product development program, funds will be used for sales and marketing initiatives, working capital, general corporate purposes and for expenses of the issue. Directors and management also participated in the private placement.

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.

*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. 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 under applicable securities legislation, 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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