



PenderFund Capital Management Ltd.

885 West Georgia Street, Suite 2200

Vancouver, BC V6C 3E8

Tel: 604 688 1511

Toll Free: 1 866 377-4743

Fax: 604 681 7116

www.penderfund.com

NEWS RELEASE

FOR IMMEDIATE RELEASE

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Pender Invests in International Water-Guard

VANCOUVER, BC September 3, 2008 – PenderFund Capital Management Ltd. (“Pender”), the manager of Pender Growth Fund (VCC) Inc. (the “Fund”) announces that it has invested \$350,000 in International Water-Guard Industries, Inc (“IWG”).

IWG is a public company (TSX-V: IWG) that designs, manufactures, sells and services innovative water system solutions, including potable water treatment equipment to purify aircraft water. It uses ultraviolet light technology to eliminate harmful micro-organisms giving them a leading edge in the aircraft water treatment industry.

The company provides water purifying services to corporate, VIP and military transport aircraft. Its patented Circulating Potable Water System (C-PWS™) offers a lighter and more compact system which has been installed and certified on certain Airbus, Boeing, Bombardier and Gulfstream aircraft models.

During the quarter ended June 30, 2008, revenues were \$1.3 million which is a 24% increase compared to the same period in 2007. Net income in the same quarter was \$46,000.

David Barr, CFO and Portfolio Manager of PenderFund Capital Management said, “We’ve been following the company since 2004 when David Fox became President. We are impressed with his operational execution and strategic vision for the company, and IWG’s strong reputation in the aviation industry. We believe it is an attractive time to invest in the company as it develops new products and expands into adjacent markets.”

Pender is investing \$350,000 in 3,500,000 units of International Water-Guard at \$0.10 per unit. Each unit contains one common share and one warrant. Each warrant entitles the holder to purchase one additional common share at an exercise price of \$0.17 per share for a period of 24 months. After this private placement, Pender will own 8.9% of International Water-Guard’s outstanding shares.

About Pender Growth Fund (VCC) Inc.

Pender Growth Fund (VCC) Inc. is a diversified venture capital fund. It was established under the Small Business Venture Capital Act which was designed to accelerate the growth of the British Columbia technology sector. The Fund takes a value-based approach to investing in eligible technology companies with the objective of long-term capital appreciation and liquidity for its shareholders. Since inception in 2003, it has grown its assets to \$30 million.

Investors in PGF are eligible to receive a cash-back tax credit of 30% from the BC government for investments up to \$200,000.

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About PenderFund Capital Management Ltd.

PenderFund Capital Management Ltd. is the manager of Pender Growth Fund (VCC) Inc.

About International Water-Guard.

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.

<http://www.water.aero/>

Contact

For further information please contact:

Kelly Edmison

President

Tel: (604) 630-5445

Toll Free: 1 866 377-4743

kedmison@penderfund.com

www.penderfund.com