

ILI Technologies (2002) Corp.

For Immediate Release

ILI TECHNOLOGIES OPENS NEW U.S. BASE OF OPERATIONS

CALGARY, ALBERTA (August 16, 2005) ILI Technologies (2002) Corp. (TSX-V: ILI) today entered into a five-year lease on almost 2,000 square feet of office space in Houston, Texas, the heart of the U.S. oil and gas industry. ILI's U.S. operations will now be located on the ninth floor of the Woodway Tower at 4900 Woodway Drive in the "Galleria" area of Houston. *"This represents a great leap forward for ILI,"* said Serge Bonnet, President of ILI. *"Our international presence is increasing, and we now have the space to accommodate our growing sales force, that serves the onshore and offshore oil and gas sector in this region."*

ILI has developed a range of innovative technologies for the oil and gas industry that reduce costs and increase operational efficiency. PRESSUREtrax™ provides real-time, temperature-compensated surface pressure data acquisition from a hydrocarbon reservoir. SANDtrax enables the measurement of mass flow and sand concentrations in fluids without the use of radioactive materials. TOUCHtrax™ is an RFID-based inventory tracking and management system designed specifically for use in harsh environments.

From its Calgary headquarters, ILI has been actively marketing its technologies to companies operating in the Canadian oil and gas marketplace since 1996. In recent years, ILI's suite of products has also attracted the interest of U.S. based industry participants. As a consequence, ILI has been able to successfully market PRESSUREtrax™ and SANDtrax to companies operating in the U.S. Gulf Coast gas fields, and expects to further expand its U.S. based hardware rental program in future reporting periods.

"To date, ILI's growth in the U.S. market has been hampered by Calgary's distance from Houston," noted Bonnet. *"The opening of our Houston headquarters will enable us to remain close to our customer base in the United States, and to maximize opportunities for U.S. revenue growth."*

ILI Technologies (2002) Corp. is a Calgary-based high technology company whose principal business is to develop, manufacture and market Information Technology (IT) solutions that improve business performance. ILI's existing suite of integrated hardware and proprietary software products provide innovative, robust and cost effective data capture solutions in the growing North American and international markets for IT applications.

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

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