



MPAC INDUSTRIES CORP.

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NEWS RELEASE

July 20th, 2005

SYMBOL: "MPN.H"

MPAC Industries Corporation Secures Sponsorship and Financing

Vancouver, British Columbia - MPAC Industries Corporation (the "Company" or "MPAC") is pleased to announce that First Associates Investments Inc. ("FAI") of Calgary, Alberta has, subject to completion of satisfactory due diligence, agreed to act as sponsor of MPAC in connection with the Company's previously announced change of business involving the processing of coal in Turkey. An agreement to sponsor should not be construed as any assurance with respect to the merits of the transaction or the likelihood of completion.

First Associates Investments Inc. has also agreed to act as Agent on a proposed best efforts private placement offering by the Company. The offering will consist of 6,000,000 Units at \$0.11 per Unit. Each Unit will consist of one (1) common share ("Share") of the Company and one half (1/2) of a warrant ("Warrant"). Each full Warrant will entitle the holder to purchase one (1) additional Share of MPAC at a price of \$0.20. The Warrant will be exercisable for a period of one (1) year from the closing date of the offering.

As Agent on the private placement, FAI will be entitled to receive a ten (10%) per cent cash commission plus Brokers Warrants based on ten (10%) per cent of the gross proceeds. Each Broker Warrant shall entitle the Agent to purchase one (1) Share of MPAC for \$0.20 for a period of one (1) year following the closing date of the offering.

The Company will use the proceeds from the offering to purchase/ lease, ship and install coal processing/refining equipment in Turkey, as well as for general working capital.

BY THE ORDER OF THE BOARD

J. Richard W. Hall
Corporate Secretary

The TSX Venture Exchange has in no way passed upon the merits of the proposed transaction and has neither approved nor disapproved the contents of this news release. The TSX Venture Exchange does not accept responsibility for the adequacy or accuracy of this news release.