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NEWS RELEASE

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**FREeworld NAFTA TERRITORY TRANSACTION COMPLETED**

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**VANCOUVER, August 3, 2009** - Napier Environmental Technologies Inc. ("Napier") has completed the previously announced transaction with Freeworld Coatings Global (JSE: FWD) ("Freeworld") whereby Freeworld has acquired the North American ("NAFTA") business of Napier, including the worldwide rights to Napier's wide range of products utilizing environmentally advanced technology. The product lines include coating removal and wood restoration products for both the industrial/commercial market and the consumer/retail market.

In connection with the completion of this transaction, Napier will receive \$1,375,000 for goodwill, \$55,000 for production machinery and \$550,000, subject to actual count, for inventory, for a total of approximately \$1,980,000. To date, advance payments of \$1,180,000 have been received by Napier. It is anticipated that the balance of the proceeds, representing the inventory value and \$250,000 on account of goodwill, will be paid to Napier in August and September.

Upon closing of this transaction for the NAFTA business, the company will cease manufacturing, leaving Napier with a responsibility to Freeworld for certain transitional services which are expected to be completed by September 30, 2009. In addition to the proceeds from this transaction, Napier will retain all other net assets and the licensing arrangement for the IP with a major paint manufacturer for the North American market.

Napier is a Canadian company which has a licensing agreement, as described above, which has a term through to February 28, 2019.

For further information, please contact:

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*This release and referenced materials contain forward-looking statements that are subject to a number of known and unknown risks, uncertainties and other factors that may cause actual results to differ materially from those anticipated in Napier's forward-looking statements. Such factors include, among others, the non-payment of the balance of funds owing to Napier representing the inventory value, the major paint manufacturer discontinuing the sale of products containing Napier's IP and Napier receiving no further royalty payments, the going concern status of Napier, historical losses and cash flow, the future need for capital and uncertainty of additional financing being available, the potential dilution to shareholders, the historical lack of dividend payments, dependence on key personnel, the influence of economic conditions, rate fluctuations and conflicts of interest. Although Napier has attempted to identify important factors that could cause actual actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.*