



NEWS ANNOUNCEMENT

FOR IMMEDIATE RELEASE

Frank Dixon, the President and Chief Executive Officer of Napier Environmental Technologies Inc. (the "Company"), announces that, effective September 12, 2003, the term of the share purchase warrants issued on September 11, 2000 has been extended from three years to five years and will have a new expiry date of September 11, 2005. A total of 2,967,120 non-transferable share purchase warrants (a "Warrant" or the "Warrants") were issued pursuant to a private placement which closed on September 11, 2000. As originally issued, each Warrant entitled the holder to purchase one common share of the Company at the price of \$2.25 per share during the first year, and at the price of \$2.40 per share during the second year.

In May 2002, 2,597,120 of the 2,967,120 Warrants were re-priced to \$0.41 if exercised on or before September 11, 2002. The revised Warrant exercise price was subject to the condition that if, at any time prior to the expiry of the Warrant term the 10 day weighted average trading price of the common shares of the Company exceeds \$0.52 per share (the "triggering event"), the Warrants must expire on the earlier of the 30th day following the occurrence of the triggering event and September 30, 2002. The Company will retain the price related "triggering event" as it applies to the 2,597,120 Warrants.

In September 2002, the warrant term on the 2,597,120 repriced Warrants, plus the warrant term on 320,000 of the remaining 370,000 unrepriced Warrants were extended (for a total of 2,917,120 Warrants) for a further one year period, to September 11, 2003. Of the total of 370,000 Warrants which were not repriced, as 50,000 were issued to insiders, under the policies of the TSE, their term was not extended and the insider Warrants expired on September 11, 2002.

As a result of this current extension of the term of the Warrants, the following Warrants are outstanding:

- **2,597,120** Warrants entitle the holders to purchase one common share of the Company at the price of **\$0.41** per share at any time up to 4:00 pm Vancouver time on **September 11, 2005** (subject to early expiry in the event of the price related "triggering event"); and
- **320,000** Warrants entitle the holders to purchase one common share at an exercise price of **\$2.40** per share at any time up to 4:00 pm Vancouver time on **September 11, 2005**.

All of the above extended Warrants are held by parties at arm's length to the Company. As at the date of this news release, none of the above extended Warrants have been exercised.

Forward Looking Statements:

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 our forward looking statements. Factors that could cause actual results to differ materially include: rapid technological and/or market changes in the industry; the ability to maintain and grow successful third party and customer relationships, to improve current products and develop new products, to adequately protect the company's proprietary rights and other factors described in the company's regulatory filings. Although we believe the expectations reflected in our forward looking statements are reasonable, individual results may vary, and we cannot guarantee future results, levels of activity, performance or achievements.

For further information contact either myself or Jim Grinnell at Napier (604) 526-0802 or via email nir@napiere.com

Frank Dixon

President and Chief Executive Officer

THE TORONTO STOCK EXCHANGE NEITHER APPROVES OR DISAPPROVES THE CONTENTS OF THIS NEWS RELEASE WHICH HAS BEEN PREPARED SOLELY AT THE DISCRETION OF MANAGEMENT