



NEWS ANNOUNCEMENT

FOR IMMEDIATE RELEASE

2003 Year End Results

Vancouver, British Columbia, Canada.....

March 19, 2004

Napier Environmental Technologies Inc. (T-NIR) announces results for 2003. Sales fell short of expectations and decreased by \$1.1 million or 14% to \$7.0 million from \$8.1 million in 2002. New business contracts generated \$1.2 million or 15% in additional sales; however, this increase was offset by sales shortfalls related primarily to strategic changes in our customer base, a weaker US economy and dollar, wet weather, and issues internal to a number of major customers. Gross Profit decreased by \$0.6 million due solely to the reduced sales level. Gross Margins reduced slightly to 39% as compared to 41% in the previous year due to product mix as a result of a lower percentage of industrial sales. Operating expenses remain unchanged from last year at \$4.3 million in spite of \$0.3 million incurred for strategic positioning. Comparative highlights of results follow:

FINANCIAL HIGHLIGHTS

	Twelve months ended December 31	
	2003	2002
Sales	\$ 6,951,632	\$ 8,069,430
Gross Profit	\$ 2,734,599	\$ 3,323,777
Gross Margin	39.3%	41.2%
Operating Expenses	\$ 4,337,767	\$ 4,282,428
Operating Loss	\$ (1,603,168)	\$ (958,651)
Other non-operating items	\$ (196,859)	\$ (272,383)
Net Loss	\$ (1,800,027)	\$ (1,231,034)
Cash used in operations	\$ (1,446,917)	\$ (800,902)
Loss per share	\$ (0.04)	\$ (0.03)

Frank Dixon, President & CEO comments “In 2003, management focused on strategic positioning and transition. The full impact of significant contracts signed with existing and new customers will not be seen until 2004. Our challenge in 2004 will be to achieve positive cash flow through growth in sales.”

Full audited annual financial statements, including management’s discussion and analysis, can be found on the company’s web site – www.napierenvironmental.com under “investor relations / financials”, as well as at www.sedar.com.

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 Frank Dixon or Janice Comeau at (604) 526 0802 or via email investor@napiere.com

B. Frank Dixon
President & CEO

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