



NEWS ANNOUNCEMENT

FOR IMMEDIATE RELEASE

Napier Secures “New Private Label” Deal

Vancouver, British Columbia, Canada.....

December 20, 2004

Napier announces the launch of a new ‘Private Label’ program for a global paint company, with an initial order for in excess of \$400,000 to be delivered in early January 2005. The company expects revenue from this new private label program will exceed \$1 million annually, although it cautions that volumes are not guaranteed.

Major companies continue to choose Napier for ‘Private Label’ programs, a testament to the company’s product performance and environmentally superior surface preparation technologies.

Napier cautions shareholders to read this press release in conjunction with the implications of its current operating status, which is that it has filed for protection under the *Bankruptcy and Insolvency Act* and the company’s final status will depend on the creditor’s acceptance or rejection of a proposal it anticipates making in the future.

Napier develops and manufactures highly effective, safe and environmentally advantaged surface preparation products for stripping paints and coatings, as well as a complete line of wood restoration products. Napier’s products are protected by a portfolio of patents and trademarks, including *‘Biowash and Removall’*..

For further information, please contact Lionel Dodd, Chairman, Board of Directors or Wayne J. Henderson at 604.526.0802 or e-mail at ‘investor@napiere.com’

*This press release contains statements that are forward-looking in nature. Such statements involve known and unknown risks and uncertainties that may cause the actual results of Napier to be materially different from those expressed or implied by those forward-looking statements. Such risks and uncertainties include, among others: the Company’s status under the Bankruptcy and Insolvency Act, **general economic and business conditions, product selling prices, raw material and operating costs, changes in foreign-currency exchange rates** and other factors referenced herein and in the Company’s Financial Statement for the period ending September 30, 2004, within the Management Discussion and Analysis Section, under “Risk Factors and Financial Management”.*

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