



NEWS ANNOUNCEMENT

FOR IMMEDIATE RELEASE

### Further Meeting of Creditors to be Held

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Vancouver, British Columbia, Canada ....

July 4, 2005

Napier Environmental Technologies Inc. today announced that, in connection with the Company's application to the B.C. Supreme Court held June 27, 2005 for approval of its Amended Proposal under the *Bankruptcy and Insolvency Act*, the Court has directed that the Trustee call a further meeting of the Company's unsecured creditors to consider a late bid to provide financing to Napier for the purpose of funding its Amended Proposal.

Unsecured creditors had earlier voted unanimously in favour of the Company's Amended Proposal involving the sale of a significant portion of its assets and business to SICO Inc., a major Canadian paint and coatings manufacturer. The Company received a late bid involving a committed offer of financing from 6408753 Canada Corporation ("6408753") and 6408788 Canada Corp. ("6408788") for the purposes of funding the Amended Proposal. 6408753 and 6408788 are affiliates of I.C.T.C. Holdings Corporation, a BC-based company in the business of manufacturing and distributing equipment for the paint and coatings industry. The 6408753/6408788 offer includes secured loans to fund payments to creditors under the Company's Amended Proposal, and also contemplates the issuance of warrants for the purchase of an aggregate 60% of the common share capital of the Company at an exercise price of \$0.01 per common share. SICO has subsequently advised that it is terminating its purchase agreement with Napier, due to Napier's inability to meet certain conditions as a result of the late bid and delay in receiving requisite court approval for the Company's Amended Proposal. A further meeting of creditors is scheduled for purposes of considering the financing offer from 6408753 Canada Corporation and 6408788 Canada Corp.

Napier is currently operating under the protection of the Bankruptcy and Insolvency Act. Shareholders of Napier are not entitled to vote on or participate in the Amended Proposal. The Company cautions that it is not in a position to provide any assurance that shareholders will receive any value under the Amended Proposal.

For further information, please contact Lionel Dodd, Chairman, Board of Directors or Wayne J. Henderson, Golden Crane Management Company Inc. 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, under the heading "Risk Factors and Financial Management".*

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