



Environmental Technologies Inc.

NEWS ANNOUNCEMENT

FOR IMMEDIATE RELEASE

## Court Approves Further Amended Proposal

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Vancouver, British Columbia, Canada ....

July 8, 2005

Napier Environmental Technologies Inc. today announced it has received B.C. Supreme Court approval of its Further Amended Proposal under the *Bankruptcy and Insolvency Act*. This follows a vote of unsecured creditors in favour of the Further Amended Proposal involving a committed offer of financing from 6408753 Canada Corporation (“6408753”) and 6408788 Canada Corp. (“6408788”). 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.

Napier has agreed to financing arrangements with 6408753/6408788 that provide it with secured loans to fund payments to company creditors under the Further Amended Proposal. These financing arrangements also contemplate 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.

Napier is currently operating under the protection of the *Bankruptcy and Insolvency Act*. The Company cautions that it is not in a position to provide any assurance that shareholders will receive any value under the Further 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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