



Environmental Technologies Inc.

NEWS ANNOUNCEMENT

FOR IMMEDIATE RELEASE

Napier Resumes Trading on TSX

Vancouver, British Columbia, Canada.

August 30, 2005

Napier Environmental Technologies Inc. (“Napier”) (NIR – TSX) announces that the British Columbia and Ontario securities commissions have revoked their cease trade orders against Napier effective August 26, 2005 and August 29, 2005, respectively, and trading in securities of Napier has now resumed. Trading in Napier’s common shares on the Toronto Stock Exchange shall commence at the open of markets today.

Napier also announces that, further to its announcement on July 14, 2005, it has now issued warrants to its two lenders entitling them each to purchase, from treasury, up to 41,076,850 common shares of Napier, representing approximately 30% of the common shares of Napier, calculated on a fully-diluted basis, upon payment of \$0.01 per share at any time up to August 31, 2010. As a condition to the issuance of the warrants, effective immediately, the interest rate on Napier’s loans will be reduced to prime plus 2%, down from prime plus 10%.

6408753 Canada Corporation (“6408753”) (40 King Street West, Suite 2100, Toronto, Ontario, M5H 3C2), a company wholly-owned by Anthony Traub, announces that it has acquired warrants to purchase up to 41,076,850 common shares of Napier upon payment of \$0.01 per share at any time up to August 31, 2010. The warrants represent an option to acquire approximately 30% of the Napier common shares on a fully-diluted basis. Mr. Traub is the Secretary and a director of Napier and currently holds 845,000 Napier common shares, representing less than 2% of the current issued and outstanding common shares of Napier. The warrants were issued in consideration for the loans provided to Napier by 6408753 and are held for investment purposes. It is the intention of 6408753 to evaluate the business of Napier on a continuing basis. There can be no assurance that these warrants will be exercised in the future.

6408788 Canada Corp. (“6408788”) (40 King Street West, Suite 2100, Toronto, Ontario, M5H 3C2), a company wholly-owned by Steve Balmer, announces that it has acquired warrants to purchase up to 41,076,850 common shares of Napier upon payment of \$0.01 per share at any time up to August 31, 2010. The warrants represent an option to acquire approximately 30% of the Napier common shares on a fully-diluted basis. Mr. Balmer is the President and a director of Napier and does not currently hold any securities of Napier. The warrants were issued in consideration for the loans provided to Napier by 6408788 and are held for investment purposes. It is the intention of 6408788 to evaluate the business of Napier on a continuing basis. There can be no assurance that these warrants will be exercised in the future.

Napier is primarily engaged in the development, manufacture and distribution of environmentally advantaged paint removal products and wood restoration products for both the industrial/commercial market and the consumer/retail market.

For further information, contact Steve Balmer at +1-604-523-2474 or via email at investor@napiere.com.

To receive a copy of the early warning reports for each of the lenders, contact Nick Bozikis, Controller, Compliance at +1-604-526-0802 or via email at nbozikis@napiere.com. The early warning reports will also be available on SEDAR at www.sedar.com.

Steve Balmer
President

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 Napier's forward-looking statements. Such factors include, among others, risks related to the going concern status of Napier, historical losses and cash flow, the future need for capital and the uncertainty of additional financing being available, the continuation of listing on the Toronto Stock Exchange, the potential dilution to shareholders, the volatility of the market price of the common shares, the historical lack of dividend payments, competition, dependence on key personnel, dependence on key customers, weather, seasonality and economic cycles, the availability of raw materials, the retail industry and the influence of economic conditions and consumer behaviour, exchange rate fluctuations and conflicts of interest. For further details regarding such risk factors, see the section entitled "Description of the Business — Risk Factors" in Napier's annual information form dated August 26, 2005 and filed with the British Columbia and Ontario securities commissions and the Toronto Stock Exchange, which can be found on SEDAR at www.sedar.com. Although Napier has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements.