



Environmental Technologies Inc.

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NEWS RELEASE

NIR-TSX

### License of Specific Technology to Major Paint Manufacturer

VANCOUVER February 5, 2007 - Napier Environmental Technologies Inc. (NIR - TSX) reports that it has entered into a binding Letter of Intent to license certain of its technology to one of the largest paint companies, on a non-exclusive basis, within the U.S.A., Puerto Rico and the U.S. Virgin Islands, and on an exclusive basis, to two of the largest mass merchant retailers within the same territory. This Licensing Agreement will guarantee Napier a minimum annual royalty of US\$500,000 per year for the 12-year term. This agreement requires ratification by the licensee with respect to each of the two retailers by February 28, 2007 and June 30, 2007, respectively. Once ratified, and a definitive agreement is entered into, royalty revenue and the respective cash proceeds pursuant to this agreement will commence on February 28, 2007.

Steve Balmer, President of Napier is pleased to say, "This is one of the most significant events in the development of Napier since emerging from BIA protection in July 2005. This Licensing Agreement maintains our ability to continue with our existing and other potential customers while gaining access to a segment of the market that would otherwise be very costly and logistically challenging for a small company such as Napier to penetrate. We are encouraged to see a significant paint company commit to our technology that we believe to be the best environmentally advantaged surface preparation products available".

Napier is a Canadian company primarily engaged in the development, manufacture and distribution of a wide range of products utilizing environmentally advanced technology. The product lines include coating removal and wood restoration products for both the industrial/commercial market and the consumer/retail market.

For further information, please contact:

Steve Balmer  
President and COO  
Napier Environmental Technologies Inc.

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*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 going concern status of Napier, historical losses and cash flow, the future need for capital and uncertainty of additional financing being available, 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 behavior, 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 March 30, 2006 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](http://www.sedar.com). Although Napier has attempted to identify important factors that could cause actual 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.*