

RAILPOWER TECHNOLOGIES CORP. ANNOUNCES GREEN GOAT SWITCHER ON TRACK WITH NEW 'BROAD' PATENT AND FINANCING

VANCOUVER, CANADA, (JULY 30, 2001) – RailPower Technologies Corp. (CDNX: P), has received Notice of Allowance from the U.S. Patent and Trademark Office for the 'Green Goat' yard switcher technology. Therefore upon payment of the issue fees, RailPower will be issued a US patent for its Hybrid Battery/Gas Turbine Locomotive.

Gerard Koldyk, President and CEO, said, "This broad-concept patent adds to our current intellectual property portfolio with a product that should be in commercial production next year. This technology should allow the railways to achieve a fuel savings of over 30% along with economic benefits of higher productivity and lower maintenance. This follows RailPower's core business principles of energy technologies that are both more cost effective while substantially reducing pollution. The broadness of the patent also now opens up the possibility of going beyond microturbine/battery technology itself. When the economics and infrastructure of the emerging hydrogen age permit, RailPower could be using fuel cells as generators, producing zero emissions with only water as the by-product".

The first Green Goat demonstrator is undergoing finishing touches at RailPower's New Westminster Tech Centre and is expected to commence commercial testing in September.

"Meanwhile, RailPower will continue to explore the longer term partnering opportunities with the giant CINGL locomotive technology as well as developing our power conditioning technology for distributed and remote power generation. Power conditioning technology is a key component of our patented CINGL locomotive technology that eliminates an estimated 99 per cent of NOx and particulate matter," stated Koldyk.

Frank Donnelly, Chief Technology Officer, commented "Our concept of small generator size coupled to large battery arrays has been a significant departure from conventional technology and has proven to be right for the time. The latest micro-turbines are absolutely ideal for the Green Goat. They are compact and economical and provide all the environmental benefits with a very significant reduction in smog causing NOx and particulate matter when compared to conventional diesel engines. They also have outstanding operating characteristics with no change in fueling infrastructure."

It is estimated the Green Goat will reduce NOx and particulate matter by about 90 per cent over a conventional switcher. One Green Goat switcher is estimated to remove the equivalent emissions of about 700 automobiles. "You can think of the Green Goat as being the Prius or Insight of the railyard – a hybrid, only instead it runs on rails and not hardtop," said Donnelly.

RailPower also announces that Raymond James Ltd. has been engaged on a best efforts private placement basis to raise \$1,000,000 gross proceeds through the sale of 1,000,000 special warrants. Each special warrant will be sold at \$1.00 and comprise one share and one half of one share purchase warrant; each whole warrant will be exercisable to acquire one additional common share at a price of \$1.10 for a period of 18 months from the date of closing, anticipated to be in August 2001.

The Canadian Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.

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