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RAILPOWER PRIVATE PLACEMENT

VANCOUVER, CANADA, February 28, 2002 - RailPower Technologies Corp. (P-CDNX) announces it has engaged Raymond James Ltd. to raise \$1.5 million by way of private placement.

Under the terms of the proposed private placement, Raymond James Ltd. will raise \$1,500,000 on a best efforts basis, through the sale of 1,000,000 units at \$1.50 per unit. Each unit comprises 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 \$1.85 for a period of 18 months from the date of closing. It is anticipated that the shares and warrants will have a four-month hold period.

As part of the Agent's compensation, Raymond James Ltd. will receive an Agent's option to acquire units equal to 12% of the number of units sold in the offering. The offering is anticipated to close March 12, 2002.

The board of directors has also approved the grant of 330,000 options for existing and new directors at the same \$1.50 price as the offering. All these matters remain subject to obtaining all required regulatory approvals.

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

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