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RAILPOWER ANNOUNCES 2003 SECOND QUARTER RESULTS

-Company advances towards commercialization and strengthens senior management team-

VANCOUVER, British Columbia, May 30, 2003 – RailPower Technologies Corp., (TSXVEN:P), a leader in specialized energy technology systems, today reported its second quarter financial results for the period ended March 31, 2003.

For the three-month period ended March 31, 2003, RailPower reported a net loss of \$0.7 million or \$(0.048) per share versus a net loss of \$0.2 million or \$(0.015) per share for the corresponding period in the prior year. The increased net loss is primarily the result of higher research and development activity related to the commercialization of the Company's Green Goat and Green Kid hybrid locomotives.

"The quarter saw considerable progress as we made significant advancements towards the commercialization of our hybrid technology," said Jim Maier, President and CEO. "Most notably, during the quarter we extended our demonstration trial for the Green Goat with Union Pacific, and the trial remains on track with an expected completion date of June 30, 2003. Our efforts to attract other US rail companies has produced further success as Pacific Harbor Line, Inc. will test the Green Goat in the Los Angeles area beginning in July of this year."

For the six months ended March 31, 2003, RailPower reported a net loss of \$1.4 million or \$(0.099) per share versus a net loss of \$(0.033) per share in the corresponding period in the prior year.

General and administrative expenses increased by approximately \$0.2 million from \$0.17 million for the six months ended March 31, 2002, to \$0.37 million for the six months ended March 31, 2003. Research and development expenses increased by approximately \$0.9 million, from \$0.2 million for the six months ended March 31, 2002, to \$1.1 million for the six months ended March 31, 2003.

As at March 31, 2003, the Company had \$2.6 million in cash and no long-term debt.

Operational Highlights

During the quarter, the Company continued to strengthen its Board and management team with the addition of Jim Maier as Director, President and CEO, and the appointment of Dennis Waller as a Director of the Company. Mr. Maier has extensive experience in the international railroad industry having held senior management positions at both Bombardier and GE Transportation. Mr. Waller also brings a wealth of industry experience to RailPower, supported by a long career in the rail industry until his retirement as VP Engineering and Mechanical of CN Rail in September of 2002.

In the second quarter, the Company also continued to move closer towards the commercialization of its hybrid locomotives, the Green Goat and Green Kid with the extension of its demonstration trial with Union Pacific, the largest railroad in the U.S. The agreement to extend the trial period, which will end on June 30, 2003, will facilitate testing of RailPower's emissions-reducing locomotive at Union Pacific's Proviso switch yards in Chicago. Based on the Company's own platform technology, the Green Goat is a patented hybrid switching locomotive designed to increase efficiencies while reducing emissions.

Finally, subsequent to the end of the quarter, the Company announced it had signed an agreement with Pacific Harbor Line, Inc. (PHL) to test a Green Goat hybrid locomotive in the Los Angeles area beginning in July 2003. The trial will test the Green Goat under normal PHL commercial working conditions in order for them to evaluate the potential benefits to their organization. This trial is expected to be complete within 30 days from commencement.

About RailPower

RailPower Technologies Corp. (www.railpower.com) is a leader in specialized energy technology systems for transportation and power generation. In addition to its patented locomotive technologies, it has a patent pending in respect of its rDirect power conditioning technology for distributed and remote power generation technologies.

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