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Toronto Stock Exchange Symbol: P

RAILPOWER® ANNOUNCES TWO HYBRID LOCOMOTIVES APPROVED FOR CALIFORNIA

VANCOUVER, British Columbia, March 18, 2004 – RailPower Technologies Corp. (TSX: P) announced today that a Green Goat® and a Green Kid hybrid yard locomotive have been approved for funding under the Carl Moyer emissions reduction program.

The Green Goat® was granted funding under RailPower's own application and a Green Kid was approved for Railsolve, Inc. Both locomotives will be used in the South Coast Air Quality Management District (SCAQMD). RailPower is finalizing end-user arrangements for the Green Goat and a customer is expected to be announced shortly.

The locomotives cut smog-precursor oxides of nitrogen NOx and particulates 80-90% and greenhouse gases 50-80%, when compared to conventional yard locomotives.

RailPower® President and CEO, Jim Maier, said "This is further validation of our technology in a very important US air shed. Our hybrid locomotives can make a real impact in state and federal strategies to reduce harmful emissions. For the railroads and yard operators there is the added benefits that hybrid locomotives bring: radically reduced diesel fuel consumption, maintenance costs, noise levels and significantly improved availability."

The Carl Moyer Program is an incentive-based program which taps into available new environmental technologies to help California advance clean air goals. Through this program, California implements incentive-based reductions in diesel engine emissions that are called for in the State Implementation Plan (SIP), the state's "roadmap" for meeting federal clean-air mandates. Together, with other incentive-based measures, the Carl Moyer Program has the potential to reduce NOx emissions, and can do so cost effectively for between US\$5,000 and \$12,000 per ton. By comparison, controls on stationary sources cost between \$10,000 - \$20,000 per ton.

Railsolve is the leading provider of in-plant switching, track maintenance, and other rail services. It operates a total of 127 locomotives and is a member of the \$5.7B Marmon Group.

RailPower's line of hybrid locomotives is aimed at the switcher replacement in North America. The Green Goat®, at 2,000 equivalent horsepower, is for the largest rail yards, while the Green Kid, at 500-1,000 h.p., is for smaller industrial yards. The company is headquartered in Vancouver, Canada, and has a US office in Erie, Pennsylvania. Website is www.railpower.com.

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