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## **RAILPOWER PARTNERS WITH 'PREMIER' AUSTRALIAN RAILWAY ENGINEERS UNITED GONINAN TO MARKET HYBRID LOCOMOTIVES IN AUSTRALIA AND SE ASIA**

**VANCOUVER, British Columbia, August 4, 2004** – RailPower Technologies Corp. (TSX: P), the world leader in hybrid yard locomotives, announced today it has signed a Memorandum of Understanding ('MOU') with United Goninan Limited (a wholly owned subsidiary of ASX listed United Group Ltd) to expand its markets into Australia and SE Asia.

RailPower President and CEO, Jim Maier, said, "As previously stated, there are a number of key areas around the world which, we believe, represent great market opportunities for our technology. Through this MOU, we will look to move into the South East Asian market by aligning ourselves with, arguably, the premier locomotive engineering and maintenance company in Australia and Asia.

"United Goninan is a technology leader, establishing new designs and concepts for locomotives and has been a very successful locomotive manufacturer in Australia, winning many large contracts. In short, it's the ideal partner for us in this major, new market," said Maier.

United Group CEO, Richard Leupen, stated, "The business philosophy of United Goninan is to draw on the world's best sources of technology and use them to build on our core strengths in above-the-track rail engineering and maintenance.

"RailPower's hybrid locomotive technology is a direct fit with this strategy. Following our recent visit to the Calgary, Alberta, manufacturing site, where RailPower's pre-production Green Goats are nearing completion, we felt confident to move ahead with this technology. We believe it has considerable potential in Australia and South East Asia where there are thousands of yard locomotives."

Maier added, "I want to stress to our shareholders that this development is in keeping with our core philosophy of minimizing expenditures by maximizing the benefits of outsourced relationships. In this case it is one with United Goninan that already has extensive relationships and sales success spread over its 14 sites in Australia and South East Asia."

Established in 1899, United Goninan is Australia's market leader in the Australian rail transportation industry and utilises modern technology and internationally-recognised best practices in the design, manufacture and maintenance of railway rolling stock. The business has an annual turnover in excess of (AUD) \$400 million, employs more than 1,200 people and has manufacturing, maintenance, refurbishment and design facilities throughout Australia and Asia.

United Goninan's head office, in Newcastle, New South Wales, is the administrative and technological centre of the organisation, providing group management, finance, marketing and engineering expertise to the business' operations. The business has a depth of design and manufacturing expertise, which has gained international recognition.

RailPower, which is headquartered in Vancouver, Canada, has its main engineering base in Erie, Pennsylvania. Its Green Goat® series hybrid yard locomotives reduce diesel fuel use and greenhouse gas emissions 50-80%, and NOx and particulates 80-90%, when compared to conventional yard locomotives in the 1,000 – 2,000 horsepower range.

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