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RAILPOWER ANNOUNCES LETTER OF INTENT “ORDER” FOR 35 LOCOMOTIVES FROM A MAJOR CLASS I RAILROAD

VANCOUVER, British Columbia, November 9, 2004 - RailPower Technologies Corp, (TSX-P), the world leader in hybrid locomotive technology, announced today a signed Letter of Intent with a North American Class 1 railroad for the purchase of 35 Green Goat® Series hybrid locomotives over a four-year period.

First deliveries of the high-performance hybrid locomotives are due in 2005 and the remainder into 2008 at a rate to be determined. The order is not conditional on any emissions or governmental funding.

RailPower President and CEO, Jim Maier, said "This is a major development for the company as it is our first, large, multi-year order with a Class 1 railroad and helps bring visibility to our order book through to 2008.

"Our order book continues to strengthen as we bring in new orders and firm up conditional ones. Combining our existing firm and conditional orders with the locomotives under today's announcement, and assuming all orders are finalized, will give RailPower an order book of 76 hybrid locomotives, 78 if we include our two lease units.

"In addition," continued Maier, "our recent demonstration at AMTRAK went very well, with AMTRAK measuring fuel savings of 66% when comparing our Green Goat® locomotive to one of their conventional switcher locomotives. Sales discussions are ongoing with a number of customers and potential customers and there are further rounds of emissions funding in Texas and California where we anticipate customers making a number of applications in respect of our locomotives over the next 2 months.

"Establishing our manufacturing line and processes in Calgary has taken longer than anticipated and this has slowed our move into production. However, the production process is now fully underway. Initial pre-production locomotives have been completed and are currently undergoing rigorous testing before joining our demonstration fleet. Our first production units will closely follow these pre-production locomotives with initial deliveries scheduled this quarter. This, together with the recently announced start of manufacturing with Motive Power in Boise, Idaho, will put us in good shape to fulfill the growing order book through 2008 and beyond," concluded Maier.

RailPower's 2,000 horsepower-equivalent hybrid yard locomotives cut diesel fuel use and greenhouse gas emissions 40-70% when compared to conventional yard locomotives. They also reduce smog-precursor oxides of nitrogen (NOx) and particulate emissions by 80-90%. With their small diesel gensets instead of large conventional engines, the locomotives are extremely quiet and have ultra low maintenance requirements.

RailPower is headquartered in North Vancouver, BC. Its main engineering and manufacturing base is in Erie, Pennsylvania, where its wholly-owned subsidiary, RailPower Hybrid Technologies Corp. is located.

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