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TSX Symbol: P

RAILPOWER SIGNS LEADING BRITISH LOCOMOTIVE SUPPLIER

VANCOUVER, British Columbia, June 28, 2005 – RailPower Technologies Corp. (TSX: P), a leader in hybrid locomotive technology, announced today that a supply and licence agreement has been executed with Brush Traction, of Loughborough, UK.

Brush Traction, which is part of FKI plc, a major international diversified engineering group based in London, will be the exclusive Green Goat[®] Series locomotive manufacturer for the UK and Ireland railway markets. Brush Traction will also have the exclusive rights for service and maintenance of the hybrid locomotives in these countries.

“RailPower’s hybrid locomotive technology has, we believe, significant potential in the UK and Irish railway industries where there is growing interest in reducing the impact of rising fuel prices. We believe the reduced emissions and noise benefits of the technology will also be a strong consideration,” said John Bidewell, Brush Traction’s Managing director.

He added that a Class 86 locomotive chassis supplied by HSBC Rail is already undergoing consideration as the first unit for conversion.

RailPower President and CEO, Jim Maier, said, “This supply and licence arrangement is another critical step in our move to introduce our products into the European railway markets. Brush Traction has a superb reputation in the railway industry, dating back to 1865. It produces advanced locomotives and propulsion systems and is the ideal partner for RailPower’s UK and Irish markets.

“Brush Traction’s test facilities are second to none and with their Loughborough works in the centre of the country in Leicestershire, it will be an excellent place to showcase our technology for the UK market,” said Maier.

Brush Traction offers a wide range of products for the rail traction market. The Brush name has been synonymous with quality engineering and the supply of railway equipment since 1865. The company has produced state-of-the-art locomotives and propulsion systems for passenger carrying vehicles worldwide for many years. Brush Traction is also highly experienced and equipped in refurbishment and re-engineering with expertise geared towards revitalising and improving older assets.

RailPower has its corporate headquarters in North Vancouver, Canada. Its main engineering office is in Erie, Pennsylvania.

RailPower’s Green Goat[®] Series hybrid locomotives feature greatly reduced fuel consumption and greenhouse gas emissions in the range of 40-70%, when compared with conventional North American yard locomotives. Oxides of nitrogen (NOx) and particulate emissions are cut by 80-90%. Noise is also substantially lowered.

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