

TSX: P

RAILPOWER TO SUPPLY TSI TERMINAL SYSTEMS INC. WITH HYBRID POWER PLANTS FOR RUBBER TYRED GANTRY CRANES

VANCOUVER, British Columbia and MONTREAL, Quebec, October 10, 2006 – TSI Terminal Systems Inc. (“TSI”), a wholly owned subsidiary of Orient Overseas International Limited (HK: 0316), and Railpower Technologies Corp. (TSX: P) (“Railpower”), today announced that they have agreed to test a hybrid diesel electric power unit for use in rubber tyred gantry (“RTG”) cranes. Railpower will develop and supply three hybrid power plants to be installed by TSI on three new RTG cranes in the first half of 2007.

RTG cranes are used for loading and unloading shipping containers in ports and specialized container storage yards. RTG cranes are typically powered by an on board diesel generator power plant. The power and energy requirements of RTG cranes are highly suitable for a hybrid application which will result in significant fuel savings and diesel emissions. Based on preliminary calculations, Railpower estimates that its hybrid power plant will reduce fuel consumption and green-house gas emissions on RTG cranes by up to 70%. Railpower also expects emission reductions in NOx and diesel particulates to be similar to what has been achieved with the GG-series locomotives.

“The hybrid conversion of TSI’s RTG cranes is a key part of our ongoing efforts to reduce emissions. Our stated objective is to further reduce emissions wherever practicable,” said Norman Stark, President and CEO of TSI. “We currently operate over 30 RTG cranes in the lower mainland. If the prototype is successful, TSI intends to enter into a long-term agreement with Railpower to retrofit all of our existing and new purchases of RTG cranes with Railpower’s hybrid power plant system.”

“This order represents a significant milestone as we are advancing our strategy of penetrating derivative markets for our hybrid technology,” said José Mathieu, President and CEO of Railpower. “We have obtained a patent pending for this hybrid design application and intend to pursue full patenting. We anticipate taking the next six to nine months to develop the prototypes, leveraging our past investments in research and development related to our hybrid Green Goat[®] yard switchers. We believe this application represents a significant new market opportunity for Railpower.”

About TSI

A wholly-owned subsidiary of Orient Overseas International Limited (HK: 0316), TSI operates two terminals in the lower mainland of Vancouver, British Columbia: Vanterm and Deltaport. Between these two terminals, TSI handles nearly 1.4 million TEUs (20-foot equivalent units) of cargo every year. TSI is the largest terminal employer in the Port of Vancouver, with an annual payroll exceeding \$150 million. TSI is a strong supporter of the communities in which it operates. For more information, please visit www.tsi.bc.ca

About Railpower

Railpower Technologies Corp. (TSX: P), (www.railpower.com) is engaged in the development, production, marketing and sales of specialized energy technology systems for railroad applications and derivative markets. When compared to conventional locomotives, our technologies allow our customers to substantially reduce fuel usage, operating and maintenance costs, and emissions. While Railpower's origins are in the transportation industry, its technologies have broad potential and applications in other markets and industries. Railpower is headquartered in Montreal, Quebec. Its U.S. office is located in Erie, Pennsylvania.

Contacts:

Joe Murphy

Vice President, Engineering & Maintenance - TSI

Tel: 604- 215-5700

Email: jmurphy@tsi.bc.ca

José Mathieu

President and CEO

Tel: 450-678-5277 ext.501

Email: jmathieu@railpower.com

Serge Mai

Director, Applications Engineering

Tel: 450-678-5277 ext. 514

Email: smai@railpower.com

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Certain statements contained in this release contain forward-looking statements. When used in this document, the words "may", "would", "could", "will", "intend", "plan", "anticipate", "believe", "estimate", "expect" and similar expressions may be used to identify forward-looking statements. Those statements reflect our current views with respect to future events or conditions, including prospective results of operations, financial position, predictions of future actions, plans or strategies. Certain material factors and assumptions were applied in drawing our conclusions and making those forward looking statements. By their nature, those statements reflect management's current views, beliefs and assumptions and are subject to certain risks and uncertainties, known and unknown, including, without limitation, product development or manufacturing delays, changing environmental regulations, the ability to attract and retain business partners, the acceptance of our existing and new products, future levels of government funding, the need to obtain and maintain proprietary rights over our technology, competition from other technologies, the ability to access the capital required for research, product development, operations and marketing, the need to generate positive cash flow in the foreseeable future, changes in energy prices and currency levels. Many factors could cause our actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by these forward-looking statements. Should one or more of these risks or uncertainties materialize, or should the assumptions underlying our projections or forward-looking statements prove incorrect, our actual results may vary materially from those described in this report as intended, planned, anticipated, believed, estimated, or expected. We do not intend and do not assume any obligation to update these forward-looking statements whether as a result of new information, plans, events or otherwise.