



NEWS RELEASE

TSX: P

RAILPOWER TECHNOLOGIES CORP. ANNOUNCES FILING OF FINAL SHORT FORM PROSPECTUS

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Montreal, QC, February 7, 2007 – Railpower Technologies Corp. (TSX: P) (the “Company”) is pleased to announce that it has filed a final short form prospectus with the securities regulatory authorities in each of the provinces of Canada in connection with the previously announced public offering of 30,000,000 units of the Company for gross proceeds to the Company of \$30,000,000. The offering is being made through a syndicate of underwriters co-led by Canaccord Capital Corporation and Sprott Securities Inc., and which includes National Bank Financial Inc., Paradigm Capital Inc. and Pacific International Securities Inc. Closing of the offering is expected to occur on or about February 13, 2007.

The Company intends to use the net proceeds of the offering as follows: approximately \$20 million for working capital purposes to (i) finance the fulfillment of the Company’s current orders, depending on the payment terms of future orders, and (ii) to support the level of inventory. The balance of approximately \$7.9 million will be used for research and development and market development purposes.

THE SECURITIES OFFERED HAVE NOT BEEN REGISTERED UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED, AND MAY NOT BE OFFERED OR SOLD IN THE UNITED STATES ABSENT REGISTRATION OR AN APPLICABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS. THIS PRESS RELEASE SHALL NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY THE SECURITIES, NOR SHALL THERE BE ANY OFFER OR SALE OF THE SECURITIES IN ANY STATE IN WHICH SUCH OFFER OR SALE WOULD BE UNLAWFUL.

About Railpower Technologies Corp.

Railpower (TSX: P), (www.railpower.com) is a leader in specialized energy technology systems for the transportation industry. Its origins and initial focus are in the development, construction, marketing and sales of specialized energy technology systems for railroad applications. Railpower’s technologies significantly 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.

Caution regarding forward-looking statements

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.

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