



**News release  
For immediate distribution**

**RAILPOWER TECHNOLOGIES CORP. ANNOUNCES CLOSING OF THE \$20 MILLION PRIVATE PLACEMENT WITH ONTARIO TEACHERS PENSION PLAN BOARD (TEACHERS)**

**Brossard, QC, June 27, 2008**– Railpower Technologies Corp. (TSX: P) (the “Corporation”) is pleased to announce that it has closed its previously announced \$20 Million private placement with Teachers. The proceeds will be used to finance, among other things, construction of a manufacturing facility in Saint-Jean-sur-Richelieu.

Teachers’ private placement consists of the issuance of a secured convertible debenture on terms similar to its last investment. The debenture will mature on January 4<sup>th</sup>, 2013, and will bear interest at a rate of 5% per annum, payable semi-annually in either cash or common shares, at the discretion of Railpower. The initial principal amount of the debenture will be convertible, at the election of the holder, in whole or in part, into either common shares or restricted voting shares, or any combination thereof, at a conversion ratio of \$0.40 per share, representing up to 50,000,000 shares. This debenture along with the initial debenture will be transferable two years after its issuance.

“We appreciate the confidence in our Corporation’s potential and business strategy in relation to the plant, that Teachers demonstrated by making this investment as well as our shareholders’ support who voted massively in favour of the placement” said Mr. Mathieu, President and CEO of Railpower.

**About Railpower**

Railpower Technologies (TSX: P) develops, markets, produces and sells specialized, patented, environment-friendly technology systems for the transportation and related industries. 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 Brossard, Quebec. Its U.S. office is located in Erie, Pennsylvania. ([www.railpower.com](http://www.railpower.com))

### **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, and 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, the ability to secure new orders, the ability to retain our employees, product development or manufacturing delays, the ability of our current manufacturing supplier to meet our production demands in terms of quantity, quality and costs, our ability to reach a satisfactory agreement with another supplier if necessary or to build, rent or buy a manufacturing facility, 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 or new competitors, 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, potential legal liability related to the recall of our Green Goat® locomotives, 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. Unless otherwise required by law, we do not intend or 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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