

## **RailRunner Announces Closing of \$13.4 Million Financing**

***Additional investment will enable company to capitalize on strengthening relationships with key transportation providers and shippers and address rapidly expanding market opportunities***

LEXINGTON, MA, February 26, 2010 – RailRunner, N.A., Inc., the developer of innovative rail products and services providing low-cost intermodal transportation solutions to underserved markets worldwide, today announced it has received an investment of \$13.4 million through a private placement. U.S. Boston Capital Corporation acted as the placement agent.

“Our strengthening relationships with rail partners, ocean carriers and shippers seeking innovative solutions that shift as much freight transport as possible from highways to rail has created significant interest worldwide in the RailRunner system,” said Charles Foskett, RailRunner CEO. “This additional capital will enable RailRunner to capitalize on this significant market opportunity and meet the significant demand for our products and services.”

RailRunner's unique Terminal Anywhere™ system enables shippers to combine the economics of rail with the flexibility of trucking, while linking directly into the international containerized shipping network. In October, RailRunner signed an agreement with Kolkata-based Stone India to manufacture, operate, distribute, and sell RailRunner products in India. In November, RailRunner introduced a chassis for temperature-controlled containers for shippers of produce, frozen or refrigerated foods, pharmaceuticals, or other products requiring temperature controlled transportation.

By allowing containers to be predominantly carried by more energy efficient rail, RailRunner's technology can significantly mitigate the impact of high fuel process and their volatility in the transportation formula, while at the same time, providing more direct, cost-effective access to the containerized transport network, opening new markets for shippers and rail carriers.

RailRunner intermodal trains are assembled directly from the container-carrying RailRunner highway chassis, using compact specialized rail vehicles called "bogies." The chassis and container are coupled to the bogie. The highway wheels are raised pneumatically, allowing the highway wheels to clear the track, thus transforming the road vehicle to a rail vehicle in a matter of minutes. Train assembly requires no lifting of the shipping container, and is fast, simple and cost-efficient, comparing favorably with container unit loading times of traditional intermodal.

This advanced RailRunner system requires far less capital equipment and cost for building and operating terminals, therefore RailRunner train assembly points can be located in many places where container volumes do not support the investment in a traditional intermodal site. Bringing the Terminal Anywhere closer to the shipper reduces the distance cargo has to travel by truck, while retaining the flexibility of trucking in the transportation network.

RailRunner's Road-Ready intermodal means low-cost shipping for businesses and communities, with lower carbon emissions for every ton of cargo moved.

The company is privately held and based in Lexington, MA.

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