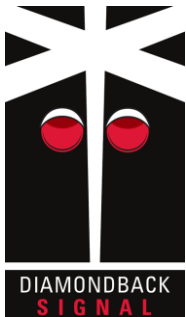




Regional Rail LLC Acquires Majority Share of Diamondback Signal, LLC

August 10, 2012. Regional Rail, LLC announced today that it has acquired a majority ownership interest in Diamondback Signal, LLC. Diamondback Signal specializes in the design, construction, and maintenance of signal installations for railroad/highway crossings, and was formed in January of 2012. In the short time since its inception, Diamondback has been able to contract with 21 railroads and private industries throughout the United States to provide normalized maintenance and monthly inspections for their signalized crossings, and has also aggressively pursued and secured a number of crossing signal construction and/or rehabilitation projects. Diamondback Signal LLC was recently formed by an experienced and talented group of railroad signal industry veterans, including John Brunner, Kemp Buettner, and Kevin Lamb, and its headquarters and wire shop are located in Sykesville, MD.



Additional information on Diamondback Signal, LLC and its services and capabilities can be found at www.diamondbacksignal.com.

Commenting on the new acquisition, Regional Rail, LLC's President, Bob Parker, stated that "This acquisition illustrates Regional Rail, LLC's continuing interest to invest in rail related entities and operations in addition to traditional railroad operations". Vice President Al Sauer added that "Regional Rail has been a customer of Diamondback since its inception. We are very pleased with the fine work that they do, and we look forward to assisting Diamondback in expanding their customer base." John Brunner of Diamondback added "We are excited to become part of the Regional Rail family and look forward to a great future together. This acquisition enhances our ability to expand, increasing our presence in the Rail Signal Maintenance and Construction Industry throughout the United States".

Regional Rail LLC is a transportation holding company headquartered in Kennett Square, PA. In addition to, Regional Rail LLC is also the parent company of East Penn Railroad LLC (ESPN) Middletown & New Jersey Railroad, LLC (MNJ), Tyburn Railroad, LLC (TYBR), and Conshohocken Recycling & Rail Transfer LLC (CRRT). Additional information on Regional Rail and its subsidiaries can be found at www.regional-rail.com.