



News Release
March 31, 2010

Company: **Global Railway Industries Ltd.**
Stock Symbol: **GBI**
Listing: **Toronto Stock Exchange**
Web Site: **www.globalrailway.com**

Global Railway Revenues Rise 8% in 2009 and Announces Amendments to Credit Agreement

London, Ontario – March 31, 2010 - Global Railway Industries Ltd., - (GBI:TSX): Global Railway Industries Ltd., www.globalrailway.com, ("Global" or the "Company"), a leading North American provider of railway products and services, today reports the Company's financial results for the year ended December 31, 2009. All dollar figures are reported in Canadian currency unless otherwise noted.

2009 Financial Highlights:

- Total revenue of \$66.5 million compared to \$61.8 million for 2008
- Net loss of \$6.8 million compared to a net loss of \$1.7 million in 2008
- Loss per share of \$0.45 compared to a loss per share of \$0.11 in 2008

"Due to the economic slowdown in 2008 and 2009, railroads continue to store a material percentage of their locomotive and railcar fleets and maintain tight control over operating and capital expenditures to address reduced freight revenues and operating income." said Terry McManaman, Chairman, President and CEO of Global. "The railroads' reduced spending has materially impacted Global's financial results in 2009 due to reduced locomotive and railcar maintenance and component sales being substantially lower than in prior years."

McManaman continued, "Diminishing sales volumes in the locomotive and component markets combined with the learning curve impact on the VIA Rail Canada ("VIA") project's margins, continued to negatively impact Global's largest subsidiary's, CAD Railway Industries ("CADRI"), operating results and Global's overall financial results during 2009."

Fausto Levy, President of CADRI commented, "In 2009, CADRI successfully delivered the eighth locomotive to VIA in accordance with the agreed to delivery schedule. CADRI's gross profit margins for the units in production under the \$101.5 million VIA project have improved marginally throughout 2009 and are expected to continue this trend as benefits from production line improvements are realized." Levy continues, "CADRI continues to experience decreased sales for locomotive maintenance and component parts. Management expects this trend to extend into early 2010 as railroads continue to store substantial numbers of locomotives and railcars."

The net loss of \$6,835,293 (\$0.45 loss per share) reported for the year 2009 and net loss of \$3,880,063 (\$0.26 loss per share) in the fourth quarter of 2009 includes a non-cash write-down of \$2.6 million in goodwill (\$0.14 per share after tax). Canadian generally accepted accounting principles require that goodwill be tested annually for impairment. "Based on Management's analysis, it was determined that the recorded value of goodwill exceeded the fair value and a non-cash, pretax write down of \$2.6 million was required for goodwill recorded as part of the acquisition of CADRI in 2007. The contributing factor to the impairment of this goodwill was the operating losses at CADRI," said Brian McMullan, CFO of Global. "Additionally, the Company recorded approximately \$934,000 in pretax severance costs during 2009 (\$600,000 during the fourth quarter of 2009) related to Management restructuring plans."

"On a positive note, the freight railroads are starting to see signs that several market groups are stabilizing and, if that is the case, we expect a pent up demand for our products for 2010 as rail work and maintenance programs resume to more normalized levels," said McManaman. "Additionally, the Company's cash flow situation has improved during the first quarter of 2010 enabling the Company to reduce borrowings against its operating facility and position itself to make the April 1, 2010 term loan principal repayment."

Amended Credit Agreement with Lenders

As previously reported, the November 12, 2009 amendments to the Company's Credit Agreement required the Company to enter into a final offer of purchase for one or more subsidiaries before January 31, 2010, with a transaction close date of no later than February 28, 2010; or, alternatively, to obtain a commitment by January 31, 2010 for a new facility of not less than \$5,000,000, for a combination of equity and subordinated debt, which is to include a minimum equity injection of \$2,500,000, to be completed by March 31, 2010. These deadlines were initially extended by the Lenders on January 28, 2010. Subsequently, the Company and its Lenders have negotiated a further extension requiring Global to proceed with the sale of one or more of its subsidiaries with a transaction closing date of no later than June 30, 2010; or a debt or equity financing of not less than \$5,000,000, including a minimum equity injection of \$2,500,000, to be completed by June 30, 2010. Global, through its Special Committee, has been considering opportunities in respect of both of the courses of action mandated in the amendment to the Credit Agreement and anticipates, given the current status of those opportunities, compliance with the lenders' requirements within the specified timelines.

Special Committee

Global announced on May 12, 2009, after the Board was reconstituted at the AGM, that the new Board would be exploring all available strategic options to maximize shareholder value. During the second quarter of 2009, the Board established a Special Committee of the Board to consider and evaluate the Company's strategic options. These options included the sale of the Company as a whole or the sale of one or more of the Company's subsidiaries. The mandate of the Special Committee was expanded in the third quarter of 2009 to address issues related to the Company's liquidity and possible financing alternatives as they are closely inter-related with the strategic review process underway.

Financial Summary:

Summary Income Statement Unaudited	Three months ending December 31, 2009	Three months ending December 31, 2008	Change
Revenues	\$17,489,621	\$16,563,728	\$925,893
Net loss	(\$3,880,063)	(\$2,959,163)	(\$920,900)
Loss per share (diluted)	(\$0.26)	(\$0.19)	(\$0.07)
Adjusted net loss ¹	(\$1,820,289)	(\$189,361)	(\$1,630,928)
Adjusted loss per share ¹ - diluted	(\$0.12)	(\$0.01)	(\$0.11)

Summary Income Statement Audited¹	Twelve months ending December 31, 2009	Twelve months ending December 31, 2008	Change
Revenues	\$66,498,542	\$61,767,266	\$4,731,276
Net loss	(\$6,835,293)	(\$1,675,907)	(\$5,159,386)
Loss per share (diluted)	(\$0.45)	(\$0.11)	(\$0.34)
Adjusted net earnings (loss) ¹	(\$4,775,519)	\$1,093,895	(\$5,869,414)
Adjusted earnings (loss) per share ¹ - diluted	(\$0.31)	\$0.07	(\$0.38)

¹The adjusted net earnings or loss and the adjusted earnings or loss per share presentation of 2009 financial results excludes a non-cash, \$2.6 million write-down of goodwill, net of a future tax benefit of \$528,000, originally recorded as part of the acquisition of CADRI in 2007. The adjusted net earnings or loss and the adjusted earnings or loss per share presentation of 2008 financial results excludes an after tax non-cash, \$2.8 million write-down of goodwill originally recorded as part of the acquisition of Prime Steel Inc. in 2002. The adjusted net earnings (loss) and adjusted net earnings (loss) per share figures are unaudited.

The Company's 2009 Consolidated Financial Statements and Management's Discussion and Analysis will be posted later today in the investor information section of Global's web site at www.globalrailway.com and are also available on SEDAR at www.sedar.com.

THIS NEWS RELEASE MAY CONTAIN FORWARD LOOKING INFORMATION. ACTUAL FUTURE RESULTS MAY DIFFER MATERIALLY FROM THOSE CONTEMPLATED. THE RISKS, UNCERTAINTIES AND OTHER FACTORS, BOTH KNOWN AND UNKNOWN, THAT COULD INFLUENCE ACTUAL RESULTS MAY BE SUBSTANTIAL AND INCLUDE THOSE DESCRIBED IN DOCUMENTS FILED WITH REGULATORY AUTHORITIES, SUCH AS THE COMPANY'S MOST RECENTLY FILED ANNUAL REPORT AND ANNUAL INFORMATION FORM. ACCORDINGLY, NO ASSURANCES CAN BE GIVEN THAT ANY OF THE EVENTS ANTICIPATED BY THE FORWARD-LOOKING

STATEMENTS WILL TRANSPIRE OR OCCUR, OR IF ANY OF THEM DO SO, WHAT BENEFITS THE COMPANY WILL DERIVE THEREFROM.

About Global Railway Industries: Global Railway Industries Ltd. is a diversified rail product company serving the railway industry in North America. Global Railway is a public company whose shares are listed for trading on the Toronto Stock Exchange (TSX) under the symbol "GBI". For more information: visit www.globalrailway.com.

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