



For Immediate Release
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IAIS announces the acquisition of CBGR

CEDAR RAPIDS, IOWA – Dennis H. Miller, President and CEO of the Iowa Interstate Railroad, Ltd. (IAIS), announced the completion of IAIS' purchase of OmniTRAX's Great Western Railway of Iowa, LLC ("CBGR") effective July 1, 2006.

"This property acquisition will allow IAIS to grow in the Council Bluffs area. Our Intermodal facility was nearing capacity and interchange business with Union Pacific and Burlington Northern Santa Fe has been growing also. The long term plan will be to rehabilitate the newly acquired railroad and incorporate the yards and operations into one facility. We also plan to establish new customers on some of the available land," commented Miller.

CBGR is a terminal switching carrier in Council Bluffs, Iowa, that consists of 30 track-miles of yard and industry tracks. The property is located immediately west of IAIS' current Council Bluffs facilities, which will enable IAIS to expand its intermodal operation and increase yard capacity. Special features of CBGR include its direct interchange with four connecting carriers; capacity to store 1,300 railcars; ability to perform AAR and contract repair services; and service to a transload facility and grain elevator.

"With the purchase of the CBGR, IAIS' capacity to participate in a range of markets, from intermodal to bulk transload, will be enhanced. This is another step toward creating more of a franchise for our company," added IAIS Chairman Henry Posner III.

Founded in 1984, IAIS is a regional carrier operating over 500 miles between Omaha, Nebraska, and Chicago, Illinois, on the former Chicago, Rock Island and Pacific mainline with connection to all major Class 1 carriers. For more information about IAIS, please visit www.IAISRR.com.

IAIS is a subsidiary of Railroad Development Corporation (RDC), a privately held Pittsburgh-based railway management and investment company focusing on "Emerging Corridors in Emerging Markets." For more information about RDC and its joint ventures in the USA, Argentina, Guatemala, Peru, Estonia, Mozambique and Malawi, please visit www.RRDC.com.

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