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Fort Smith Railroad Co. Continues Infrastructure Investment

Peoria, IL – January 10, 2011 – The Fort Smith Railroad Co., a wholly owned subsidiary of Pioneer Railcorp, provides freight rail service to over a dozen Fort Smith industries. Due to an increase in demand and with anticipation of future industrial development, the Fort Smith Railroad Co. spent more than \$250,000.00 in calendar year 2010 in order to upgrade its infrastructure to continue to provide safe and reliable rail service to existing industries in Fort Smith and to more readily access potential new industries located at Chaffee Crossing.

Mike Carr, President and CEO of Pioneer Railcorp, said “Our Company continues to make significant reinvestments in our properties with the most growth potential, the Fort Smith Railroad Co. being at or near the top of our list. We look forward to continuing the growth of our business with existing shippers and working with all parties involved to attract new industries to Fort Smith and Chaffee Crossing.”

The Fort Smith Railroad Co. maintains 10 full time employees in Fort Smith, AR. Pioneer Railcorp, an Iowa corporation, is a railroad holding company that owns short line railroads and several other railroad related businesses including a railroad equipment company and a contract switching services company. Railroad transportation is provided by the Company’s wholly-owned shortline railroad subsidiaries. Pioneer Railcorp wholly-owned subsidiaries collectively handle 24 rail operations in 13 states with over 600 miles of track serving over 100 customers.