



## Press release

11 November 2022

# Regional Rail expands into Canada with acquisition of short-line rail portfolio

3i-backed Regional Rail, a leading owner and operator of short-line freight railroads, has acquired a portfolio of freight rail assets located across western Canada from G3 Canada Limited. In addition to the Great Sandhills Railway, Regional Rail will acquire interests in three other freight rail assets located in western Canada. The rail portfolio serves a diversified set of industrial customers across a range of agricultural and energy end-markets.

Al Sauer, President and CEO, Regional Rail, commented:

“We are looking forward to welcoming the employees of Great Sandhills Railway to our team and working together with our new partners to execute our top-line growth strategy.”

Rob Collins, Managing Partner and Head of North American Infrastructure, 3i, commented:

“The Great Sandhills Railway and other freight companies are a great addition to Regional Rail. We are excited to expand into the Canadian market, where we see significant industrial growth opportunities across the railroads. Since our initial investment in 2019, we have believed Regional Rail offers an attractive platform for consolidation and this acquisition further strengthens that conviction.”

Perry Pellerin, CEO, Great Sandhills Railway, and former President of the Western Canadian Short-Line Railway Association, commented:

“We appreciate the support G3 Canada has provided over the past several years and are excited to join the Regional Rail family of short-line railroads. The GSR shares Regional Rail’s focus on providing a high degree of customer service to our partners and we look forward to sharing best practices between our companies to help further grow our operations in Canada.”

Since partnering in July 2019, 3i and Regional Rail have more than doubled the size of Regional Rail with the acquisitions of ten freight railroads located across North America. The company provides freight transportation, car storage, and transloading services across the United States, in addition to freight rail services in western Canada. In addition to freight services, Regional Rail provides railroad crossing signal design, construction, inspection, and maintenance services to a diverse base of short-line and industrial customers in 20 U.S. states via the company’s Diamondback Signal subsidiary.

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**About 3i Group**

3i is a leading international investment manager focused on mid-market infrastructure and private equity, with core investment markets in North America and Europe. For further information, please visit: [www.3i.com](http://www.3i.com).

**About Regional Rail LLC**

Regional Rail LLC is a freight transportation holding company headquartered in Kennett Square, Pennsylvania. The company provides freight rail transportation, car storage, and transloading services across the U.S. and western Canada, in addition to railroad crossing signal design, construction, inspection, and maintenance services via the company's Diamondback Signal subsidiary. For further information, please visit: [www.regional-rail.com](http://www.regional-rail.com).