

Rand Logistics Inc.

FOR IMMEDIATE RELEASE

RAND LOGISTICS POSTS 38 PERCENT YEAR-OVER-YEAR REVENUE GROWTH FOR THE THIRD QUARTER OF FISCAL 2008

Reports Significant Improvement in Vessel Operating Margins

Recent Completion of WMS Acquisition, Ongoing Vessel Upgrades and Recently Amended Financing Position Rand for Future Growth

New York, NY – February 14, 2008 – Rand Logistics Inc. (Nasdaq: RLOG; RLOGW; RLOGU) (“Rand”) today announced operational and financial results for the fiscal third quarter ended December 31, 2007, and provided an update on recent business developments and their expected contribution to future results.

Business Highlights

- Rand recently exercised its option and purchased three vessels it previously operated under a time charter from Wisconsin and Michigan Steamship (“WMS”) for approximately \$20 million in cash including transaction expenses. This acquisition represents a significant opportunity for future profit growth through the elimination of duplicate overhead and the full integration of the vessels into Rand’s fleet, resulting in more cost efficient operations. Going forward, the results of the three vessels will be consolidated into Rand’s financial statements, eliminating the Variable Interest Entity line item.
- Rand has announced that it has begun an approximately \$13 million project to repower the Saginaw, one of its Canadian-flagged vessels, with a new highly automated emissions-compliant power plant. The repowering is expected to improve operating margins due to an increase in speed, and a reduction in fuel consumption, labor, maintenance and other operating costs. Management estimates that the investment will generate an annual mid-teens return on investment and will be completed in April 2008.
- The Company recently announced that it has amended its credit facility with GE Capital, increasing its borrowing capacity to approximately \$100 million. The additional capital will be used to finance the WMS acquisition, the Saginaw repowering project and will provide additional liquidity for future capital investments.
- Rand has decided to permanently retire the Calumet, the oldest and smallest vessel in its fleet. The capital investment required to enable the vessel to generate a satisfactory rate of return over the next five years was not justifiable. In addition, one of the three vessels purchased from WMS has been transferred to Canadian registry. The removal of the Calumet and one of the WMS vessels from the U.S. market reduces 3.0 million tons of capacity. The retirement of the Calumet will not have a material impact on Rand’s cash flow.
- During the nine months ended December 31, 2007, the Company incurred \$1.2 million in one-time G&A expenses to improve its management infrastructure, upgrade business software and IT, and further improve internal controls. With this enhanced infrastructure in place, the Company now has the capacity to expand without substantially increasing overhead costs. Management believes that it has now substantially completed the necessary infrastructure investments.

Rand Chairman and Chief Executive Officer Laurence S. Levy commented, "The successful implementation of several strategic initiatives is the result of the continued execution of our business plan and the hard work of all our employees. We are pleased to be able to demonstrate the strength of our business and are excited about the growth opportunities that lie ahead."

Third Quarter Fiscal 2008 Financial Results

In the fiscal third quarter ended December 31, 2007, revenue increased 38% to \$35.9 million, compared to \$26.1 million in the prior year period, primarily due to increased freight rates, better operating efficiencies and the acquisition of the two Voyageur vessels. The increase in revenues was partially offset by a decrease in revenues from the three WMS vessels due to difficulties in assembling qualified crews to operate the vessels subsequent to the end of the previously announced work stoppage. These three vessels contributed \$6.3 million of revenue during the period, compared to \$7.5 million in the prior year period.

Excluding the VIE, earnings before interest, taxes, depreciation and amortization ("EBITDA") for the fiscal third quarter ended December 31, 2007, was \$1.9 million, compared to \$2.7 million in the prior year quarter. The decline in EBITDA was primarily due to:

- A loss of \$1.1 million from the three vessels operated under the time charter with WMS for the three months ended December 31, 2007, due to the previously announced work stoppage, versus a profit of \$1.2 million for the three months ended December 31, 2006; and,
- A \$0.3 million charge to EBITDA associated with one-time expenses related to improving management infrastructure, upgrading business software and IT, and further improving internal controls.

Year To Date Fiscal 2008 Financial Results

For the nine months ended December 31, 2007, total revenues were \$90.0 million, an increase of approximately 19% compared to \$75.7 million for the first nine months of fiscal 2007.

Excluding the VIE, EBITDA for the first nine months of fiscal 2008 was \$7.8 million compared to \$12.4 million in the prior year. Fiscal 2008 year-to-date EBITDA was impacted by:

- A loss of \$3.4 million from the three vessels operated under the time charter with WMS for the nine months ended December 31, 2007, versus a profit of \$2.6 million for the nine months ended December 31, 2006; and,
- A \$1.2 million charge to EBITDA for the nine months ended December 31, 2007, associated with one-time expenses related to improving management infrastructure, upgrading business software and IT, and further improving internal controls.

Scott Bravener, President of Lower Lakes stated, "Despite the effect of the WMS work stoppage, we continued to see significant margin improvement at the vessel operating level due to freight rate increases, ongoing investments in our infrastructure and vessel upgrades. For example, capital investments together with an increased focus on training and procedures for our U.S.-flagged vessels in early 2007 contributed to a 77% increase in operating margin for the nine months ended December 31, 2007, over the prior year period.

"In addition, our significant investments in IT, software and key administrative staff have set the foundation for additional efficiency going forward," Bravener continued. "Public company G&A expense declined by 30% in the third quarter due to further efficiencies at the corporate operating level. Importantly, we expect our G&A expenses will not grow at the same rate as our business, further boosting our future operating margins."

Outlook

Laurence Levy concluded, "We are very positive about the outlook for the Company in the near and long term. The underlying economics of the business remain strong. We operate in an industry with high barriers to entry and where freight demand significantly exceeds available capacity. In addition, our diversified cargo base and strong network of blue-chip customers uniquely positions Rand to weather any near-term macro-economic challenges. Lastly, our low cost operating structure and long-term contractual revenue provide strong cash flow visibility and a clear path to profitability. Concurrently, we continue to explore attractive, financially prudent acquisition opportunities to complement our organic growth initiatives."

Rand Logistics, Inc.				
Summary Statement of Operations (unaudited)				
	Three months ended	Three months ended	Nine months ended	Nine months ended
	31-Dec-07	31-Dec-06	31-Dec-07	31-Dec-06
Revenue - Company operated vessels	31,840	24,767	81,327	70,726
Revenue - Outside voyage charter revenue	4,077	1,337	8,697	5,011
	35,917	26,104	90,024	75,737
Expenses				
Outside voyage charter fees	4,034	1,310	8,605	4,935
Vessel operating expenses	26,281	19,819	63,381	52,304
Non operational repairs and maintenance	7	40	101	97
	30,322	21,169	72,087	57,336
Income before general and administrative, depreciation, amortization of drydock costs and intangibles, other income and expenses and income taxes	5,595	4,935	17,937	18,401
General and administrative	2,648	1,955	7,391	4,914
Depreciation and amortization of drydock costs and intangibles	2,744	1,840	7,535	5,079
Write-off of retired vessel to salvage value	1,687	-	1,687	-
Loss (gain) on foreign exchange	11	88	(208)	178
	7,090	3,883	16,405	10,171
Income before interest, other income and expenses and income taxes	(1,495)	1,052	1,532	8,230
Net income	(2,178)	232	(4,015)	2,900
Net income (loss) per share – basic	(0.18)	0.03	(0.36)	0.42
Net income (loss) per share – diluted	(0.18)	0.03	(0.36)	0.35

Conference Call

Management will host a conference call to discuss the results at 8:30 a.m. ET on Thursday, February 14, 2008. Interested parties may participate in the conference call by dialing 800-257-6566 (303-205-0033 for international callers). When prompted, ask for the "Rand Logistics Third Quarter Fiscal 2008 Earnings Conference Call."

A phone replay will be available from 10:30 a.m. ET on Thursday, February 14, 2008, until midnight ET on Friday, February 22, 2008. Dial (800) 405-2236 (305-590-3000 for international callers) and enter the code 11108709# to access the phone replay. Additionally, the conference call will be webcast simultaneously on the Thomson Streetevents website at www.streetevents.com.

Reconciliation of Non-GAAP Measure to GAAP

EBITDA represents earnings before interest, income tax expense, depreciation and amortization, loss on asset disposal, and loss (gain) on foreign exchange. EBITDA is not a measure of performance or liquidity calculated in accordance with generally accepted accounting principles (“GAAP”), is unaudited and should not be considered an alternative to, or more meaningful than, net income or income from operations as an indicator of our operating performance, or cash flows from operating activities, as measures of liquidity. EBITDA has been presented as a supplemental disclosure because it is a widely used measure of performance and basis for valuation. A reconciliation of GAAP net income to EBITDA is included in the financial tables accompanying this release.

About Rand Logistics

Rand Logistics, Inc. is a leading provider of bulk freight shipping services throughout the Great Lakes region. Through its subsidiaries, the Company operates a fleet of ten self-unloading bulk carriers, including nine River Class vessels and one River Class integrated tug/barge unit, and three conventional bulk carriers, of which one is operated under a contract of affreightment. The Company is the only carrier able to offer significant domestic port-to-port services in both Canada and the U.S. on the Great Lakes. The Company’s vessels operate under the U.S. Jones Act – which dictates that only ships that are built, crewed and owned by U.S. citizens can operate between U.S. ports – and the Canada Marine Act – which requires Canadian commissioned ships to operate between Canadian ports.

Forward-Looking Statements

This press release may contain forward-looking statements (within the meaning of the Private Securities Litigation Reform Act of 1995) concerning the Company and its operating subsidiaries. Forward-looking statements are statements that are not historical facts, but instead statements based upon the current beliefs and expectations of management of the Company. Such forward-looking statements are subject to risks and uncertainties, which could cause actual results to differ from the results included in such forward-looking statements.

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Rand Logistics, Inc.
Consolidated Statements of Operations
(U.S. Dollars in Thousands except Earnings Per Share Figures)

	Three months ended December 31, 2007 (unaudited)	Three months ended December 31, 2006 (unaudited)	Nine months ended December 31, 2007 (unaudited)	Nine months ended December 31, 2006 (unaudited)
REVENUE	35,917	26,104	90,024	75,737
EXPENSES				
Outside voyage charter fees	4,034	1,310	8,605	4,935
Vessel operating expenses	26,281	19,819	63,381	52,304
Repairs and maintenance	7	40	101	97
General and administrative	2,648	1,955	7,391	4,914
Depreciation	1,719	1,408	4,882	3,737
Amortization of drydock costs	376	83	1,149	251
Amortization of intangibles	633	295	1,392	1,001
Amortization of chartering agreement costs	16	54	112	90
Write-off of retired vessel to salvage value	1,687	-	1,687	-
(Gain) loss on foreign exchange	11	88	(208)	178
	37,412	25,052	88,492	67,507
INCOME BEFORE OTHER INCOME AND EXPENSES AND INCOME TAXES	(1,495)	1,052	1,532	8,230
OTHER INCOME AND EXPENSES				
Interest expense	1,369	1,166	3,486	2,875
Interest income	(53)	(135)	(195)	(223)
Loss on interest rate swap contract	35	-	43	-
	1,351	1,031	3,334	2,652
INCOME BEFORE INCOME TAXES	(2,846)	21	(1,802)	5,578
PROVISION (RECOVERY) FOR INCOME TAXES				
Current	76	(68)	43	(57)
Deferred	(833)	(245)	(462)	1,960
NET INCOME BEFORE MINORITY INTEREST	(2,089)	334	(1,383)	3,675
MINORITY INTEREST	(228)	(443)	(259)	(360)
NET INCOME	(1,861)	777	(1,124)	4,035
PREFERRED STOCK DIVIDENDS	317	295	909	885
COMMON STOCK DIVIDEND OF VIE	-	250	-	250
STOCK WARRANT INDUCEMENT DISCOUNT	-	-	1,982	-
NET (LOSS) INCOME APPLICABLE TO COMMON STOCKHOLDERS	(2,178)	232	(4,015)	2,900
Net (loss) earnings per share basic	(\$0.18)	\$0.03	(\$0.36)	\$0.42
Net (loss) earnings per share diluted	(\$0.18)	\$0.03	(\$0.36)	\$0.35
Weighted average shares basic	12,092,142	8,003,754	11,109,942	6,937,185
Weighted average shares diluted	12,092,142	12,466,881	11,109,942	10,830,400

Rand Logistics, Inc.
Selected Financial Information (unaudited)
Reconciliation of Income before Interest, Other Income and Expenses and Income Taxes to EBITDA

	Rand Logistics three months ended 31-Dec-07	Variable Interest Entity three months ended 31-Dec-07	Consolidated three months ended 31-Dec-07	Rand Logistics three months ended 31-Dec-06	Variable Interest Entity three months ended 31-Dec-06	Consolidated three months ended 31-Dec-06
Income before interest, other income and expenses and income taxes	(2,055)	560	(1,495)	962	90	1,052
Loss (gain) on foreign exchange	11	0	11	88	0	88
Write-off of retired vessel to salvage value	1687	0	1,687	0	0	0
Depreciation and amortization of dry-dock costs and intangibles	2,235	509	2,744	1,601	239	1,840
EBITDA	1,878	1,069	2,947	2,651	329	2,980

	Rand Logistics nine months ended 31-Dec-07	Variable Interest Entity nine months ended 31-Dec-07	Consolidated nine months ended 31-Dec-07	Rand Logistics nine months ended 31-Dec-06	Variable Interest Entity nine months ended 31-Dec-06	Consolidated nine months ended 31-Dec-06
Income before interest, other income and expenses and income taxes	(293)	1,825	1,532	7,564	666	8,230
Loss (gain) on foreign exchange	(208)	0	(208)	178	0	178
Write-off of retired vessel to salvage value	1687	0	1,687	0	0	0
Depreciation and amortization of dry-dock costs and intangibles	6,590	945	7,535	4,680	398	5,078
EBITDA	7,776	2,770	10,546	12,422	1,064	13,486

Rand Logistics, Inc.
Consolidated Balance Sheets
U.S. Dollars in Thousands

		December 31, 2007 (unaudited)	March 31, 2007 (audited)
ASSETS			
CURRENT			
Cash and cash equivalents	\$	3,150	\$ 7,207
Blocked Account		2,700	-
Accounts receivable		16,943	2,702
Prepaid expenses and other current assets		3,848	3,122
Income taxes receivable		263	263
Deferred income taxes		1,238	1,219
Total current assets		28,142	14,513
BLOCKED ACCOUNT		-	2,700
PROPERTY AND EQUIPMENT, NET		83,622	66,859
DEFERRED INCOME TAXES		14,408	13,574
DEFERRED DRYDOCK COSTS, NET		7,412	5,895
INTANGIBLE ASSETS, NET		16,468	13,334
GOODWILL		11,711	6,363
Total assets	\$	161,763	\$ 123,238
LIABILITIES			
CURRENT			
Bank indebtedness	\$	2,823	\$ 5,097
Accounts payable		12,342	11,445
Accrued liabilities		6,178	3,237
Acquired Management Bonus Program		3,000	-
Interest rate swap contract		187	135
Income taxes payable		338	385
Deferred income taxes		969	589
Current portion of long-term debt		17,994	4,398
Total current liabilities		43,831	25,286
LONG-TERM DEBT		38,823	34,864
ACQUIRED MANAGEMENT BONUS PROGRAM		-	3,000
DEFERRED INCOME TAXES		14,397	13,624
Total liabilities		97,051	76,774
COMMITMENTS AND CONTINGENCIES			
STOCKHOLDERS' EQUITY			
Preferred stock, \$.0001 par value, Authorized 1,000,000 shares, Issued and outstanding 300,000 shares		14,900	14,900
Common stock, \$.0001 par value Authorized 50,000,000 shares, Issued and outstanding 12,092,142 s		1	1
Additional paid-in capital		58,232	38,407
Accumulated deficit		(9,962)	(5,947)
Accumulated other comprehensive income (loss)		1,625	(1,073)
Minority interest of variable interest entity		(84)	176
Total stockholders' equity		64,712	46,464
Total liabilities and stockholders' equity	\$	161,763	\$ 123,238

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