



News Release

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AZURE DYNAMICS HIRES DIRECTOR OF PRODUCT DEVELOPMENT AND DIRECTOR OF VEHICLE DESIGN

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[Azure Dynamics Corp \(CDNX - AZD\)](#) a leading developer of hybrid electric smart energy management systems for commercial vehicles is pleased to announce it has hired James Ireton to become Director of Product Development and Wesley Arnold to be Director of Vehicle Design effective immediately.

Mr. Ireton has joined Azure from Ford Motor Company where he led program teams throughout the design and development of powertrain systems for the Explorer and F-Series truck product lines. Mr. Ireton spent 8 years at Ford Motor Company as Powertrain Team Leader, Design & Release Engineer, and Engine Calibration Engineer. His experience includes all phases of the Ford product development process from project kickoff through product launch. He has a B.Sc. in Electrical Engineering from the Colorado School of Mines, a Bachelor of Science in Mechanical Engineering from the University of Missouri, and a Master of Science in Engineering from Purdue University.

"I am very excited about Azure's leading technology," said Jim Ireton, "and I know from my background at Ford that light and medium duty commercial vehicles represent the most promising sector for hybrid electric applications."

Mr. Arnold has joined Azure from Western Star Trucks where he spent 9 years. His most recent position at Western Star was that of Manager of Body Engineering. In this role he managed product development of cab and sleeper structures, interiors and systems (including electrical). Other roles at Western Star included project engineering manager, group leader for cab development, and design leader for the Star Light Sleeper program. Mr. Arnold also invented a unique cab-sleeper mounting system for class 8 trucks. For seven years prior to joining Western Star Mr. Arnold gained experience in lightweight structures and systems in the Canadian Aircraft industry. Mr. Arnold holds a B.Sc. in Aerospace Engineering from the University of Michigan as well as degrees from the Southern Alberta Institute of Technology (AET & MET).

"I am impressed with Azure's commitment to building a next generation product from the ground up," said Wes Arnold. "This is a great opportunity to bring a new product to the marketplace that will have a meaningful impact on improving the environment."

"We are delighted that Jim and Wes have decided to join Azure," said David Deacon, President and Chief Operating Officer of Azure Dynamics Corp. "They will bring added expertise and management strength to our team as we move to our second pre-production prototype and then to the production phase."

Azure also announces the final completion of its non-brokered private placement financing of \$3,600,000 by way of the issuance of 8,000,000 Special Warrants at a price of \$0.45 per Special Warrant. Each Special Warrant is convertible into one Common Share for one year after closing. The proceeds from this offering will be used for general corporate purposes including expansion of research facilities in addition to ongoing research and development of Azure's proprietary "smart energy management" technology for electric hybrid medium-duty commercial vehicles. Approximately 7.6% of the proceeds were used for loans to employees and management to acquire certain escrowed shares of Azure from BC Research.

News of the appointments and private placement completion follows a June 25th announcement that Azure has formed a strategic alliance with Tesma International to develop advanced powertrain components for hybrid vehicle applications, particularly for medium duty commercial vehicles such as postal trucks, delivery vans and shuttle buses. Azure also announced on June 7th that it entered into a strategic alliance with Grumman Olson, one of the largest manufacturers of walk-in medium duty commercial vehicles in North America. The parties will develop a next generation vehicle with improved aerodynamics and ergonomics, and a hybrid electric power train utilizing Azure's smart energy management systems.

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