

Former Nesbitt Thomson Chairman Joins Board Of Directors Of Azure Dynamics

Vancouver, British Columbia—August 16, 2001

Azure Dynamics Corp (CDNX - AZD), a leading developer of hybrid electric smart energy management systems for commercial vehicles, is pleased to announce that J. Brian Aune has agreed to join its Board of Directors effective immediately, subject to CDNX approval.

Mr. Aune, of Montreal, has had a distinguished career in the investment industry serving as Chairman and Chief Executive Officer of Nesbitt Thomson from 1980 to 1990, when he left to become Chairman of St. James Financial Corporation, a private investment company.

Mr. Aune is a director of a number of Canadian public and private companies, including Ausnoram Holdings Limited, BMO Nesbitt Burns Corporation Limited, The CSL Group Inc., Constellation Software Inc., Kaoclay Resources Inc., Taiga Forest Products Ltd., Teck Cominco Limited and Telesystem International Wireless Inc. He also sits on the Board of Directors of the Montreal YMCA Foundation and the Board of Governors of the Montreal Chest Hospital Foundation. He is a Governor Emeritus of Concordia University and is a past-Chairman of the Investment Dealers Association of Canada.

"We are delighted that Brian has agreed to join our Board," said Campbell Deacon, Chairman and Chief Executive Officer of Azure Dynamics Corp. "His extensive experience in corporate finance will be a great asset for Azure and his counsel will be greatly appreciated in developing our ongoing strategic alliances including those with Grumman Olson and Tesma International".

Mr. Aune will replace Mr. Allen Bain who has resigned from the Azure Board of Directors. "Allen was been a great supporter of Azure and we are grateful for his contribution to the company," said Deacon.

For more information, contact:

Steven Glaser, Vice-President, Corporate Affairs (416) 367-0220 Ext.105 Azure Dynamics Corporation
Email: sglaser@azuredynamics.com

The Canadian Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.