

Attention Business Editors:

Azure Dynamics and London Taxi sign agreement for hybrid electric taxis

VANCOUVER, Nov. 27 /CNW/ - Azure Dynamics Corporation (TSX Venture - AZD) ("Azure"), a leading developer of hybrid electric systems for commercial vehicles, and London Taxis International ("Lti"), a leading manufacturer of purpose-built taxis, are pleased to announce the signing of a Memorandum of Understanding concerning a joint program to develop and produce advanced hybrid electric powered taxis.

Under the terms of the MOU, Azure and Lti agree to work towards a development agreement and supplier relationship for hybrid electric powertrains for current and new generation taxis; annual volumes are projected to be up to 3,000 vehicles.

Campbell Deacon, Chairman and CEO of Azure Dynamics said, "Taxis are core constituents of our modern city lifestyles; with the enhancement of hybrid electric technology they can now become a significant contributor to smog reduction, thus improving the quality of the environment in which we live and work. We are particularly pleased to establish this MOU with London Taxi International. The London taxi is a recognized icon around the world. Not only are the potential volumes large for Azure, the exposure of Azure's "Smart Energy Management System" in one of the leading financial and cultural centres of the world will help our company to educate people of its environmental and economic benefits."

Ian Pickering, CEO of Manganese Bronze Holdings PLC (100% owner of London Taxi International) stated that "London Taxi is continually focused on providing the best possible vehicles to taxi operators. We believe the Azure Dynamics hybrid electric option will become a popular transport choice"

Azure Dynamics Corporation is an innovative company that has developed proprietary hybrid electric vehicle technology for retrofit and new vehicle powertrains in the light and medium duty commercial category. Azure's intellectual property combined with interchangeable, off-the-shelf components provides an affordable and effective solution for fleet managers in applications such as the postal and courier delivery fleets.

Azure's series hybrid vehicle technology is also a gateway to fuel cells becoming practical, both economically and operationally. A series hybrid system (battery plus fuel cell) enables a reduction in the size of the required fuel stack and also allows much simpler power electronics thereby lowering the cost of the total fuel cell system and also simplifying many application issues.

Note: The foregoing information may contain forward-looking statements which involve known and unknown risks, uncertainties and other factors which may cause the actual results to be materially different from any future results, performance or achievements expressed or implied by such statements. Such factors include, but are not limited to: the ability to raise the capital required for product development and operations, product development delays, changing environmental regulations, the ability to attract and retain business partners, competition from other developers of hybrid electric vehicle control systems, competition from other advanced or existing power technologies, evolving markets for power for transportation vehicles. These factors should be considered carefully and readers should not place undue reliance on Azure's forward-looking statements. Investors are encouraged to review the risks detailed from time to time in the company's filings with regulatory authorities. The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.

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/For further information: Contact: Gregory P. Francis, Vice-President,
Finance and Chief Financial Officer, (416) 367-0220 ext. 110, Email:
gfrancis(at)azuredynamics.com; Or Steven K. Glaser, Vice-President, Corporate
Affairs, (416) 367-0220 ext. 105, Email: sglaser(at)azuredynamics.com,
Or visit the company's website at www.azuredynamics.com/
(AZD.)

CO: Azure Dynamics Corporation
ST: British Columbia
IN: AUT
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