

Attention Business Editors:

Azure Dynamics Corporation announces final regulatory approval for \$750,000 financing

VANCOUVER, Jan. 20 /CNW/ - Azure Dynamics Corporation (TSX Venture - AZD) ("Azure") is pleased to announce final regulatory approval for a series of private placement financings for gross proceeds of \$750,000, as previously announced on November 21, 2002. The hold period on the 200,000 special warrants that were issued expires on March 27, 2003, except in Quebec, where the hold period expires on November 27, 2003, provided Azure becomes a reporting issuer under Quebec securities legislation. The hold period on the 1,300,000 units that were issued expires on March 27, 2003. A portion of the unit financing was brokered, on a cash commission basis, by Loewen & Partners Corporate Services Inc.

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.

The TSX Venture Exchange does not accept responsibility for the adequacy or accuracy of this release.

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