

Attention Business Editors/See CP Wire Photo:
Azure Dynamics and Manganese Bronze to Develop Hybrid Electric London
Taxis

VANCOUVER, April 7 /CNW/ - Azure Dynamics Corporation (TSX Venture - AZD) ("Azure") a leading developer of hybrid electric powertrains for commercial vehicles, and UK based Manganese Bronze Holdings (MNGS.L), which through its subsidiary London Taxis International ("LTI") is a leading manufacturer of purpose-built taxis, announce today the signing of an agreement to develop the world famous 'London taxi' with hybrid electric powertrains.

Under the terms of the agreement, LTI will provide Azure with three conventional black taxis which Azure will re-power with hybrid electric powertrains incorporating its Smart Energy Management technology. Azure will receive pnds stlg 311,000 (approximately C\$720,000) for its participation in this program from LTI. LTI in turn will receive support from the United Kingdom government's Energy Saving Trust.

The parties will collaborate to demonstrate the commercial viability and performance advantages of Azure's patented series hybrid-electric technology applied to the black taxi. LTI will also introduce a number of operational enhancements which will include a satellite global positioning device that will automatically take advantage of the hybrids' capability to switch to all-electric (zero emissions mode) when entering emission regulated zones. The program is expected to highlight significant improvements in fuel economy and ground level emissions, when measured against traditional London taxis.

This agreement follows on from the Memorandum of Understanding, which the Companies announced in November 2002.

Campbell Deacon, CEO of Azure Dynamics said, "This order will allow LTI and Azure to demonstrate how our combined technologies and expertise can lead to significant product enhancements and the early implementation of low carbon automotive technologies. The hybrid taxis will demonstrate fuel and operational efficiencies, and more importantly, will significantly reduce smog which impacts so adversely on our environment and public health."

Ian Pickering, Chief Executive of Manganese Bronze Holdings stated, "LTI is committed to developing class leading purpose built vehicles for the taxi market that best serve the needs of taxi operators, passengers and those who live and work in towns and cities. The development of these hybrid taxis that can operate with zero emissions in inner city areas is a key milestone in the evolution of the traditional London taxi."

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

Azure Dynamics Corporation is an innovative company that has developed proprietary hybrid electric vehicle technology for the light and medium duty commercial vehicle category. Azure was the recipient of the Canadian Energy Efficiency Award 2003 from Natural Resources Canada in the category of transportation (light duty commercial vehicles) and also received the 2002 Applied Energy Innovation Award from the Canadian Institute of Energy (BC).

London Taxis International is the leading manufacturer of purpose-built taxis. Since 1948 over 100,000 taxis have rolled off its Coventry production line. LTI employs 400 staff and has 10 main dealers and 66 service agents across the UK. LTI's network is supported by specialist companies, LTI Finance and London Taxi Parts.

/NOTE TO PHOTO EDITORS: A photo accompanying this release is available on the Canadian Press Photo Network/

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