



News Release

PUROLATOR COURIER LTD. ORDERS 115 AZURE HYBRID ELECTRIC VEHICLES

Toronto, Ontario – September 15, 2005

[Azure Dynamics Corporation](#) ([TSX – AZD](#) & [LSE - ADC](#)) (“Azure Dynamics” or the “Company”) a leading developer of hybrid electric and electric powertrains for commercial and military vehicles is pleased to announce that Purolator Courier Ltd. (“Purolator”), Canada’s largest courier company, has executed an order to purchase 115 new hybrid electric vehicles.

The order placed by Purolator marks a significant move forward regarding Purolator’s commitment to replace its urban courier vans with environmentally sensitive vehicles. In September 2003, Azure Dynamics and Purolator signed a supply agreement for the replacement of up to 2,000 conventional powered vehicles with Azure powered hybrid electric vehicle technology. The order now placed by Purolator represents the first commercial production vehicles to be produced by Azure under that agreement and comes after a period of extensive pre-production testing by both Purolator and Azure of Purolator vans outfitted with Azure powertrain technology. Deliveries of the first vehicles will commence in 2006. Azure continues to advance its product through various test prototypes to preproduction vehicles. Ultimately, Azure intends to offer a full range of series and parallel hybrids.

Campbell Deacon, CEO of Azure Dynamics said, “The 115 hybrid electric vehicle order is the largest of its kind in the delivery industry. We are proud to be associated with Purolator and believe their bold leadership will be instrumental in changing the way the industry does business. Azure will continue to work to achieve and exceed the performance standards necessary for Purolator and others to make such ground breaking orders.”

Robert Johnson, President and CEO of Purolator remarked, “Given commercial realities, Purolator is committed to doing what it can to have a positive impact on the environment. We are pleased that the technology continues to perform at the high standards we need to see in order to maintain our excellent delivery performance for our customers. It gives us the confidence to embark on the next phase of fleet replacement with Azure’s hybrid electric vehicle technology.”

[About Purolator](#)

As Canada's largest courier company, Purolator Courier Ltd. of Mississauga, Ontario is committed to its customers. From automated solutions to 24 hour pick up and delivery, Purolator provides customers with the services and customized solutions required to get their shipments across town or around the world. Purolator operates Canada's largest dedicated air express fleet. Purolator has an extensive service network, with over 11,500 employees, including more than 3,500 couriers, over 140 operations locations, over 155

Shipping Centres, over 550 Authorized Shipping Agents and more than 420 drop boxes. Purolator processes over 5.5 million pieces (delivery and pick up) each week for destinations across Canada and around the world. Purolator is committed to helping alleviate hunger in Canada, and works closely with the Canadian Association of Food Banks to support local communities. For more information please visit the company website at www.purolator.com.

[Azure Dynamics Corporation](http://www.azure-dynamics.com) is a world leader in the development and production of hybrid electric and electric commercial and military vehicles and systems. The group estimates it has over 25 million miles of vehicle experience. Azure Dynamics' operations are based in North America and Europe.

Azure Dynamics is currently working internationally with various partners and customers including Purolator Courier Ltd., Canada Post, US Department of Defense, United States Postal Service, SEV Group Limited, Leyland Product Development and London Taxis International. Azure Dynamics Corporation is a public company trading on the TSX (AZD) in Canada and on AIM (ADC) in the UK. For more company information please visit www.azure-dynamics.com.

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

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