



AZURE DYNAMICS ANNOUNCES CHANGES TO MANAGEMENT TEAM

Toronto, Ontario – August 13, 2007 – Azure Dynamics Corporation (TSX: AZD & LSE: ADC) (“Azure” or the “Company”) today announced the appointment of Mr. Curt Anthony Huston as Chief Operating Officer effective August 06, 2007. David E. Deacon, Executive Vice President and Deputy Chairman, and Gregory P. Francis, President and Chief Operating Officer, will resign their positions, effective August 20, 2007. David Deacon will continue to serve as a non-executive Director of the Board and Greg Francis will support the Company’s strategic development in an advisory capacity.

Scott Harrison, Azure’s Chief Executive Officer stated, “Curt Huston is a key addition to our management team. His proven leadership capabilities and breadth of experience in automotive industry sales, marketing and global supply chain management will be instrumental in increasing our production capabilities, and advancing our sales and marketing programs.”

Mr. Huston was formerly Vice President, North American Wheel Operations at Hayes Lemmerz, a U.S. Tier 1 auto supplier, with more than US\$2 billion in annual revenue. At Hayes Lemmerz, Mr. Huston was responsible for a US \$400 million business division with 1,000 employees and four manufacturing facilities. During his tenure, Mr. Huston led a number of organizational restructuring and process improvement initiatives that resulted in significant improvement in the division’s financial performance. He also led new business initiatives that expanded the group’s customer base to include Toyota, Nissan and BMW.

Prior to Hayes Lemmerz, Mr. Huston was a senior manager at Honeywell International, a global Fortune 100 company with operations in the automotive, aerospace and engineered materials sectors. At Honeywell, Mr. Huston was responsible for the operational performance and strategic planning process for eight manufacturing facilities within the Company’s North American and European automotive parts business. Mr. Huston began his career with General Motors Corporation. During his tenure at General Motors, he held various positions of increasing responsibility and was responsible for sourcing, maintenance and purchasing of components. Mr. Huston holds a Bachelor of Science degree in Mechanical Engineering from the GMI Engineering and Management Institute, Michigan and a Master of Science degree from the University of Dayton, Ohio.

Mr. Harrison went on to say, “David and Greg have played key roles in the successful development of our business. As we move forward in advancing the commercialization of our products, we look forward to their continued strategic contributions at the Board level.”

About Azure Dynamics

[Azure Dynamics Corporation \(TSX: AZD\) \(LSE: ADC\)](#) is a world leader in the development and production of hybrid electric and electric components and powertrain systems for commercial vehicles. Azure is strategically targeting the commercial delivery vehicle and shuttle bus markets and is currently working internationally with various partners and customers. The

Company is committed to providing customers and partners with innovative, cost-efficient and environmentally-friendly energy management solutions. For more information please visit www.azuredynamics.com.

The TSX and LSE Exchanges do not accept responsibility for the adequacy or accuracy of this release.

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Forward-looking Statements

This press release contains forward-looking statements. More particularly, this press release contains statements concerning Azure's business development strategy, projected commercial revenues and product deliveries.

The forward-looking statements are based on certain key expectations and assumptions made by Azure, including expectations and assumptions concerning achievement of current timetables for development programs, target market acceptance of Azure's products, current and new product performance, availability and cost of labour and expertise, and evolving markets for power for transportation vehicles. Although Azure believes that the expectations and assumptions on which the forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements because Azure can give no assurance that they will prove to be correct. Since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks. These include, but are not limited to, the risks associated with Azure's early stage of development, lack of product revenues and history of losses, requirements for additional financing, uncertainty as to commercial viability, uncertainty as to product development and commercialization milestones being met, uncertainty as to the market for Azure's products and unproven acceptance of Azure's technology, competition for capital, product market and personnel, uncertainty as to target markets, dependence upon third parties, changes in environmental laws or policies, uncertainty as to patent and proprietary rights, availability of management and key personnel, and acquisition integration risk. These risks are set out in more detail in Azure's annual information form which can be accessed at www.sedar.com.

The forward-looking statements contained in this press release are made as of the date hereof and Azure undertakes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.

FOR MORE INFORMATION, CONTACT:

Steven Glaser, Vice-President, Corporate Affairs (416) 367-0220 ext.105

Email: sglaser@azuredynamics.com