



Azure Dynamics Receives Order for Five Balance™ Hybrid Electric Buses from Votran

Oak Park, Michigan – August 25, 2009 – Azure Dynamics Corporation (TSX: AZD) – (“Azure” or (the “Company”)), a leading developer of state-of-the-art green technologies that address environmental and cost issues for the commercial transportation industry, today announced that it has sold five Balance™ Hybrid Electric buses to Votran, the transit entity for Volusia County, Florida. Votran is managed by the national firm McDonald Transit Associates, Inc. The Votran specified vehicles utilized a 22 foot Turtle Top Odyssey body and are flexible enough to accommodate 14 passengers or four wheelchairs or various combinations of the two. Votran expects delivery in the fourth quarter 2009 and will integrate the buses into its county-wide paratransit service.

“We were able to use FTA stimulus funds to cover 100% of the cost of the vehicles,” said Ken Fischer, McDonald Transit General Manager at Votran. “These are our first hybrid electric vehicles and we’re excited to put them into service. McDonald Transit manages numerous vehicle fleets across the nation and is actively pursuing hybrid electric and other alternative energy technologies. We hope to lower operational costs and greenhouse emissions while continuing to provide reliable, predictable service for our customers across the nation.”

“Volusia County includes Daytona Beach and stretches to suburban Orlando,” continued Fischer. “People choose to live and vacation here for our incredible natural resources, so it is important that we do everything within our power to protect our shared environment. The Azure Balance™ Hybrid Electric buses are part of the solution.”

Jay Sandler, Azure Dynamics VP of Sales, said, “We’re thrilled that our buses will service the needs of Votran and McDonald Transit passengers. Azure’s Balance™ Hybrid Electric is the ideal solution for transit providers who are trying to make an environmentally conscious statement while also reaping the cost rewards associated with our technology.”

The Azure Balance™ Hybrid Electric system specified by Votran has unique attributes like engine-off at idle and at below 20 miles per hour, while electronically supporting key ancillary functions like air conditioning, power steering and braking. The drive train, with a Ford 5.4L engine, can improve fuel economy considerably while reducing carbon emission by up to 30% in city conditions. The drive train also offers a significant reduction in maintenance costs including up to 75% reduction in brake maintenance versus conventionally equipped competitors.

McDonald Transit provides management services at 30 locations in 16 states. First Class Coach Sales of Orlando managed the sale. First Class Coach has been named the Turtle Top dealer of the year several times.

For more information about Azure Dynamics and its products, please visit www.azuredynamics.com.

About Azure Dynamics

[Azure Dynamics Corporation \(TSX: AZD\)](#) 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 Exchange does 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.

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