



## U.S. Postal Service Tests Azure Dynamics Vehicle

**Oak Park, Michigan – August 26, 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 its Balance™ Hybrid Electric vehicle is the newest addition to the United States Postal Service fleet (USPS). USPS operates the largest civilian vehicle fleet in the world with over 220,000 vehicles traveling more than 1.2 billion miles a year. USPS consistently looks for opportunities to reduce the environmental impact of its fleet while also lowering operating cost, and is testing the Azure product to advance both efforts.

"USPS is the only federal agency with a dedicated Office of Sustainability," said Scott Harrison, Azure Dynamics CEO. "The organization has demonstrated its strong commitment to sustainability by publicly stating its goal of decreasing petroleum usage by 20% over the next five years while also lessening its environmental impact. Our Azure Balance™ Hybrid Electric can be instrumental in helping USPS achieve these goals."

The Azure product, a Balance™ Hybrid Electric two-ton step van, will actively participate in the USPS fleet in Long Island, New York for a twelve month pilot program. The vehicle utilizes Azure Dynamics hybrid electric drive train on the Ford E-450 chassis with a Morgan Olson body. Boyer Ford Truck Sales delivered the vehicle.

A key strategy of the Postal Service's Supply Management organization, the Green Purchasing Program incorporates evaluation of “environmentally preferable” products into purchasing decisions—along with price, quality and delivery standards. The USPS Green Purchasing Program was aided by the recent addition of \$130 million in federal stimulus funds and in 2008 spent over \$88 million in the acquisition of environmentally preferable products.

“The Postal Service is taking the lead in reducing the environmental footprint that results from visiting every home and business in America every day,” said Sam Pulcrano, USPS Vice President, Sustainability. "This new vehicle will join 30 other Azure Dynamics pure electric step vans currently delivering mail in Manhattan and the Bronx, as part of a test of alternative fuel technology.”

"Azure technology is proven to offer significant cost and environmental efficiencies for the commercial delivery truck market. Continuing our work with the agency that delivers nearly half of all the world's mail remains an important opportunity for Azure," said Curt Huston, Azure Dynamics Chief Operating Officer. "Our family of innovative hybrid electric products can improve fuel economy by up to 40%, save 30% on maintenance costs and reduce greenhouse emissions by 30%. We know our product will help the USPS fleet to achieve its aggressive sustainability goals while also providing the dependability that has been a hallmark of USPS for more than 200 years."

For more information about Azure Dynamics and its products, please visit [www.azuredynamics.com](http://www.azuredynamics.com).

### **About Azure Dynamics**

[Azure Dynamics Corporation \(TSX: AZD\)](http://www.azuredynamics.com) 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](http://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](http://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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