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AT&T Becomes Lead Customer for Ford Transit Connect Electric

Vehicle is powered by Azure Dynamics ForceDrive™ electric drivetrain

St. Louis, Mo., March 9, 2010 – Azure Dynamics Corporation today announced AT&T has agreed to purchase two of the first Ford Transit Connect Electric vans, the latest addition to AT&T's growing fleet of alternative-fuel vehicles.

The Ford Transit Connect Electric -- the all-electric version of the 2010 Ford Transit Connect, the North American Truck of the Year -- will be powered by Azure Dynamics' patented Force Drive™ electric drivetrain with an advanced lithium-ion battery from Johnson Controls-Saft. The vehicle, which goes on sale later this year, has a range of up to 80 miles on a single charge and will be rechargeable using either 240-volt or standard 120-volt outlets. It has a top speed of 75 miles per hour.

"Cleaner, alternative-fuel vehicles are the future of our corporate fleet, and the Transit Connect Electric represents a real breakthrough and will be a strong addition to our range of alternative-fuel vehicles," said Jerome Webber, vice president of fleet operations at AT&T. "It's exactly the kind of vehicle we envisioned when we mapped our long-term vision to invest up to \$565 million to deploy more than 15,000 alternative-fuel vehicles through 2018." AT&T currently operates more than 77,000 vehicles in its corporate fleet, including 15 gasoline-powered Ford Transit Connect vehicles AT&T began piloting in 2009.

Scott T. Harrison, CEO of Azure Dynamics, said the Transit Connect Electric project is in line with his company's mission.

"Our business is built on great technology, committed partners and customers who want to improve efficiency while reducing their environmental footprint," Harrison said. "The Transit Connect Electric brings all of those elements together in a single package and is exactly on target with our goal at Azure of 'driving a world of difference.'"

According to Harrison, commercial vehicles are ideal candidates for electrification due to typical duty cycle characteristics like predictable drive routes and a return to a central

location each night for recharging. The zero tailpipe emission Ford Transit Connect Electric also will help protect air quality in the urban environments where it operates.

By combining car-like driving dynamics with truck-like cargo capacity, Ford Transit Connect Electric is well-suited to the demands placed on urban delivery vehicles for small businesses and larger, corporate fleets.

The Transit Connect Electric is expected to offer lower cost of operation because recharging with electricity is generally less expensive than refueling with gasoline. Additionally, customers will benefit from lower maintenance costs as the electric drive train has far fewer moving parts to maintain.

“Ford Transit Connect was first introduced in the U.S. last year as a new fuel efficient alternative to larger commercial vehicles. Adding the electric option addresses a growing demand from our customers for sustainable vehicles for their fleets,” said Gerry Koss, Ford fleet marketing manager. “This Transit Connect Electric represents the first in a family of electrified vehicles, including new hybrids, plug-in hybrids and all battery electric vehicles, which Ford will deliver over the next three years.”

AT&T plans to take delivery of the Transit Connect Electric in late 2010.

About Azure Dynamics

Azure Dynamics Corporation (TSX: AZD)(OTC: AZDDF) 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.

About Ford Motor Company

Ford Motor Company, a global automotive industry leader based in Dearborn, Mich., manufactures or distributes automobiles across six continents. With about 198,000 employees and about 90 plants worldwide, the company's automotive brands include Ford, Lincoln, Mercury and Volvo. The company provides financial services through Ford Motor Credit Company. For more information regarding Ford's products, please visit www.ford.com.

About AT&T

AT&T Inc. (NYSE:T) is a premier communications holding company. Its subsidiaries and affiliates, AT&T operating companies, are the providers of AT&T services in the United States and around the world. Among their offerings are the world's most advanced IP-based business communications services, the nation's fastest 3G network and the best wireless coverage worldwide, and the nation's leading high speed Internet access and voice services. In domestic markets, AT&T is known for the directory publishing and advertising sales leadership of its Yellow Pages and YELLOWPAGES.COM organizations, and the AT&T brand is licensed to innovators in such fields as communications equipment. As part of their three-screen integration strategy, AT&T operating companies are expanding their TV entertainment offerings. In 2009, AT&T

again ranked No. 1 in the telecommunications industry on FORTUNE® magazine's list of the World's Most Admired Companies. Additional information about AT&T Inc. and the products and services provided by AT&T subsidiaries and affiliates is available at <http://www.att.com>.

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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 labor 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.