



Azure Dynamics Announces Sale of 248 LEEP™ Freeze Systems

Oak Park, Michigan – October 14, 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 received an order from the Kidron division of VT SVC for 248 LEEP™ Freeze systems. The systems were ordered by Idealease Inc., on behalf of its client Schwan Food Company. The 248 systems is the largest single LEEP™ Freeze order to date with deliveries beginning in fourth quarter 2009.

“The UltraTemp with LEEP™ Freeze product is earning a strong reputation and gaining popularity in the refrigerated transportation industry, so we’ve been anticipating incremental sales,” said Jay Sandler, Azure Dynamics Vice President of Sales. “However, a fleet order for 248 LEEP™ units is a significant milestone that positions our product at the forefront of industry awareness and consideration.”

The UltraTemp with LEEP™ Freeze delivers efficient, reliable power to refrigerated transport vehicles while cutting fuel consumption and emissions. The LEEP™ Freeze system draws energy from the vehicle’s primary engine during normal driving and delivers it to the UltraTemp cold plate system. By eliminating the diesel engine that is part of a conventional refrigeration system, UltraTemp with LEEP™ Freeze can save up to a gallon of fuel per hour and maintains set-point temperatures even when the engine is off. Customers can expect significant cost savings, longer route capabilities, fast temperature recovery, simple maintenance, and reduced emissions. In addition, drivers enjoy dramatically reduced noise levels in the daily operation of their vehicles.

“As part of Idealease’s commitment to the greening of our customers’ fleets, we were able to provide Schwan’s a demonstrator unit to showcase the technology’s capabilities. The performance, reliability, cost savings and reduction in emissions all factored into the customer’s decision to change from a traditional refrigeration system to UltraTemp with LEEP™ Freeze,” said Doug Gosnell, Idealease Director of Green Technologies.

The UltraTemp with LEEP™ Freeze system is an innovative, energy-efficient, and environmentally conscious hybrid cargo protection system that combines benefits of both cold plate and mechanical refrigeration systems.

“We’re eager to get our technology into use with Schwan’s,” said Tracey Maynor, Senior Vice President of Sales and Operations. “It is critical to move products to market in ideal temperatures on reliable transportation to preserve product integrity. Our UltraTemp

refrigeration system powered with the LEEP™ Freeze system does that better than any other solution while also reducing emissions and operational expenses associated with fuel and maintenance."

For more information on LEEP™ Freeze and other Azure solutions, please visit www.azuredynamics.com . For more information on UltraTemp with LEEP™ Freeze, please visit www.kidron.com.

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About The Schwan Food Company

The Schwan Food Company is a multibillion-dollar private company with approximately 18,000 subsidiary employees worldwide. Based out of Marshall, Minnesota, the company sells fine frozen foods on its traditional delivery trucks, in grocery-store freezers, online and in the foodservice industry. Through the operations of its subsidiaries, Schwan products have a solid presence in roughly 50 countries.

About Idealease Inc.

Idealease of North America has served the truck leasing and rental industry since 1982. With over 400 locations in the USA, Canada, and Mexico, Idealease is one of North America's largest full service transportation companies. Recently, Idealease has expanded into the Latin America market to satisfy increasing global demand. Idealease offers truck leasing, contract maintenance, and truck rentals. The Idealease fleet numbers over 45,000 trucks, tractors, and trailers. Idealease combines the ability to service fleets of all sizes with the most qualified technicians and diagnostic technology in the transportation industry. For more information about Idealease, please visit www.idealease.com

About Kidron

The Kidron division of VT Specialized Vehicles Corporation (VT SVC) is North America's leading manufacturer of specialized truck bodies and trailers, servicing multi-stop food and beverage distributors. Its two divisions, Hackney and Kidron have a combined 217 years of experience building specialized beverage truck bodies and trailers, emergency rescue bodies and trailers, contractor services truck bodies and multi-temperature refrigerated truck bodies and trailers. Please visit <http://www.kidron.com> *Because Nobody Knows Cold Like Kidron!*

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 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.

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