



Azure Dynamics and Kidron Collaborate On Cold Transport Solution for Foster Farms Dairy

Oak Park, Michigan – October 8, 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 it has received an order from Kidron Body Company for nine Low Emission Electric Power (LEEP™ Freeze) systems for Foster Farms Dairy. Azure’s LEEP™ Freeze system is coupled with Kidron’s UltraTemp cold plate to create one of the most robust and reliable transport refrigeration solutions. The system will assure that Foster Farms Dairy continues to consistently deliver fresh, high quality products to its customers.

“Unlike other refrigeration technologies that can unexpectedly shut down, our LEEP™ Freeze with UltraTemp cold plate technology can maintain cold temperatures for a significant period of time even if the vehicle itself malfunctions,” said Jay Sandler, Azure Dynamics Vice President of Sales. “For a company like Foster Farms Dairy, it is critical to move products to the market in ideal temperatures on reliable transportation to preserve freshness. This system does that better than any other solution while also reducing operational expenses associated with fuel and maintenance.”

The LEEP™ Freeze system draws energy in an efficient manner from a vehicle’s primary engine during normal driving and delivers it to the UltraTemp cold plate technology system, which allows the cold plates to maintain the set temperature for the duration of a typical multi stop delivery route. The system can also be plugged into the electrical grid for off-duty charging. 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, maintains set-point temperatures even when the engine is off, and offers much quieter operation.

Foster Farms Dairy President & CEO Jeff Foster said, “We are committed to providing our customers with the freshest dairy products possible and are always mindful of ways that we can help improve the environment. In addition to having all the performance characteristics we required, the LEEP™ Freeze system significantly reduces greenhouse gas emissions and therefore was a natural selection for us.”

The UltraTemp with LEEP™ Freeze technology specified by Foster Farms Dairy can reduce CO₂ emissions by over 26,000 pounds annually compared to an engine-driven mechanical refrigerating system. It is quickly becoming the preferred solution for the

refrigerated transportation industry and a number of other potential customers are evaluating the technology for their own specific needs.

For more information on LEEP™ Freeze and other Azure solutions, please visit www.azureynamics.com.

About Foster Farms Dairy

Foster Farms Dairy is family owned and has been operating in California since 1941. Today the company is led by Jeff Foster, grandson of the founders. Almost seventy years after its founding, Foster Farms Dairy is still committed to the same principles that founders Max and Verda were when they started the business: excellence, honesty, quality, service and people. Producer of a full line of products including milk, cottage cheese, sour cream, ice cream, and butter, the Dairy remains committed to animal welfare and environmental sustainability. Producer of Crystal brand dairy products, Foster Farms Dairy is proud of its long history of providing its customers the freshest, local dairy products possible.

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.azureynamics.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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