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News release via Canada NewsWire, Toronto 416-863-9350

Attention Business Editors:

Michael T. McCabe joins Azure Dynamics Advisory Board

VANCOUVER, Aug. 21 /CNW/ - Azure Dynamics Corp (TSX Venture - AZD), a leading developer of hybrid electric systems for commercial vehicles, is pleased to announce that Michael T. McCabe is joining the Advisory Board of the Company.

The Advisory Board is chaired by Dr. Nigel P. Fitzpatrick, a founder of Azure Dynamics. The Board advises the Board of Directors and reports to the Chairman and CEO, D. Campbell Deacon. In addition, its resources are available to the management and employees of the company.

"Azure is pleased to welcome Michael McCabe who is a distinguished industry leader in the movement to hybrid electric vehicles. His addition to the Azure Advisory Board will contribute to the company's strategic objective of commercializing its 'Smart Energy Management System' for hybrid electric commercial vehicles." said Campbell Deacon, "Mike's interests are very relevant to Azure's business model."

Mike McCabe is recently retired from Ford Motor Company where he worked for 30 years in marketing, sales, production programming, and finance in addition to other activities in the automotive industry. He has devoted more than six years specifically to alternative fuel vehicles. In 2001, Mike was Marketing Manager for TH!NK Technologies, the organization within Ford Motor Company that is pioneering development of fuel cell and electric vehicles. His chief focus was to ensure that TH!NK Technologies vehicles and advanced powertrains reflected the requirements of customers by linking TH!NK engineers with the "Voice of the Customer", a process for conducting market research to identify customer demands and integrating those demands into future products. Mike has experience in both new and established product lines - launching the new Ford Probe in 1989 and implementing marketing plans for the Ford Thunderbird and Mustang brands. Over the past several years, he has developed the marketing strategy for the Ford Ranger EV and the 2004 Ford Escape hybrid electric sport utility vehicle, as well as defined Ford Motor Company's new TH!NK brand.

Dr. Fitzpatrick stated, "I am delighted that Azure has attracted Mike. He has impacted around the globe and his knowledge of the entry niches for hybrids is outstanding."

Azure Dynamics Corp. is an innovative company that has developed proprietary hybrid electric vehicle technology for retrofit and new vehicle powertrains in the light and medium duty commercial category. Azure's intellectual property combined with interchangeable, off-the-shelf components provides an affordable and effective solution for fleet managers in applications such as the postal and courier delivery fleets.

Azure's series hybrid vehicle technology is also a gateway to fuel cells becoming practical, both economically and operationally. A series hybrid system (battery plus fuel cell) enables a reduction in the size of the required fuel stack and also allows much simpler power electronics thereby lowering the cost of the total fuel cell system and also simplifying many application issues.

Note: The foregoing information may contain forward-looking statements which involve known and unknown risks, uncertainties and other factors which may cause the actual results to be materially different from any future results, performance or achievements expressed or implied by such statements. Such factors include, but are not limited to: the ability to raise the capital required for product development and operations, product development delays, changing environmental regulations, the ability to attract and retain business partners, competition from other developers of hybrid electric vehicle control systems, competition from other advanced or existing power technologies,

evolving markets for power for transportation vehicles. These factors should be considered carefully and readers should not place undue reliance on Azure's forward-looking statements. Investors are encouraged to review the risks detailed from time to time in the company's filings with regulatory authorities.

The Canadian Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.

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/For further information: Steven Glaser, Vice-President, Corporate Affairs, (416) 367-0220 ext. 105, Email: sglaser(at)azuredynamics.com; Or visit the company's website at [www.azuredynamics.com](http://www.azuredynamics.com); BC Research Complex 3650 Wesbrook Mall Vancouver, BC Canada V6S 2L2 Tel: (604) 224-4331, Fax: (604) 224-0540 Email: info(at)azuredynamics.com/ (AZD.)

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