

Attention Business Editors:
Azure Dynamics and Purolator extend deadline for
hybrid electric vehicle project

VANCOUVER, March 10 /CNW/ - Azure Dynamics Corporation (TSX Venture Exchange - AZD) ("Azure"), a leading developer of hybrid electric powertrains for commercial vehicles, and Purolator Courier Ltd., ("Purolator"), Canada's largest courier company, continue to collaborate on a project to introduce hybrid electric powertrains to the Purolator fleet in accordance with the Memorandum of Understanding ("MOU") announced on October 28, 2002.

The terms of the MOU included a share option agreement whereby Purolator could acquire up to 2 million shares of Azure, at 50 cents per share, expiring on February 28, 2003, subject to certain pre-qualifying conditions. The parties are amenable to extend the expiry date and other relevant terms of this option agreement, the details of which are in the process of being finalized.

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

Azure's technology is also a gateway to fuel cells becoming a practical reality. Its series hybrid system enables a reduction in the size of the required fuel stack thereby lowering the cost and improving the reliability of the total fuel cell system.

Azure was the recipient of the Canadian Energy Efficiency Award 2003 from Natural Resources Canada in the category of transportation (light duty commercial vehicles) and also received the 2002 Applied Energy Innovation Award from the Canadian Institute of Energy (BC).

The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.
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CO: Azure Dynamics Corporation; Purolator Courier Ltd.

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