



## News Release

# AZURE DYNAMICS LAUNCHES FIRST HYBRID ELECTRIC LONDON TAXI

Toronto, Ontario - June 4, 2004

[Azure Dynamics Corporation \(TSX – AZD\)](#) (“Azure” or the “Company”), a leading developer of hybrid electric systems for commercial vehicles and London Taxis International (“LTI”), a leading manufacturer of purpose-built taxis, are pleased to announce the successful introduction of the first licensed hybrid electric London Taxi.

The launch event at the Canadian High Commission, Canada House was followed by a public demonstration of the taxi in London’s iconic Trafalgar Square on June 3<sup>rd</sup>, 2004. In attendance were representatives from London Taxis International, who co-developed the vehicle; the Energy Saving Trust (“EST”); the Greater London Authority (“GLA”); and a wide range of media organizations.

The introduction follows an agreement signed in November 2002, wherein Azure and LTI agreed to develop hybrid electric powertrains for current and new generation taxis, in part funded by the Energy Saving Trust. With the valued support of the EST and the Department for Transport, three hybrid taxis have been jointly developed by Azure Dynamics and LTI and one will start trials in the UK from June 3<sup>rd</sup>, 2004 onwards.

Recent fuel price increases and the announcement by London Mayor Ken Livingston that he would like all London Taxis, including older models, to become compliant with current Euro diesel emission standards made the event particularly timely. Annual volumes are projected to be up to 3,000 vehicles, with start of production potentially in the 1<sup>st</sup> quarter of 2006.

Campbell Deacon, Deputy Chairman and CEO of Azure Dynamics said, “Yesterdays successful introduction of the hybrid electric London Taxi marks a significant milestone in our strategy to introduce the Azure powertrain and smart energy management system into the commercial taxi market. These vehicles can become a significant contributor to smog reduction in our cities. The London taxi is a recognized icon around the world and our projected fuel savings of 35% and emissions reduction of up to 90%, serves to reinforce the economic and environmental benefits of hybrid-electric vehicles.”

Ian Pickering, Chief Executive Officer, Manganese Bronze, owners of London Taxis International, adds: “We are enormously excited about the potential of Hybrid Electric Vehicle (“HEV”) technology for us in our future plans both domestically and internationally. We have worked side-by-side with Azure in creating a solution that not only helps alleviate environmental concerns but which also offers our customers the potential of making substantial savings on their fuel costs.”

David Jamieson, UK Transport Minister, says: "London's black cabs are widely recognized as a symbol of one of the greatest capital cities in the world. With environmental issues at the forefront of public debate, the fact that London's black cabs now have the potential to go 'green' is good news for all Londoners."

#### [About Azure Dynamics Corporation](#)

Azure Dynamics provides Hybrid Electric Vehicle technology for light and medium duty commercial vehicles in urban areas. Azure is a public company trading on the Canadian TSX Exchange. The company is currently working with various partners and customers worldwide including Purolator Courier, Canada Post, London Taxis International, Leyland Product Development, Renault Trucks UK, and the United States Postal Service. Azure has employees based in Canada, the United States and the United Kingdom.

#### [About London Taxis International](#)

LTI Limited is Britain's premier manufacturer of purpose-built taxis and is universally recognised for giving the UK the 'black cab', the icon of the world's best taxi system. Part of Manganese Bronze Holding plc, LTI employ over 450 people at its Coventry manufacturing plant and its wholly-owned Mann & Overton dealerships in London, Birmingham, Manchester and Leeds.

#### [About EST TransportEnergy](#)

TransportEnergy, a division of the Energy Saving Trust, is working on behalf of governments to improve the quality of our environment. Funded mainly by the Department for Transport and the Scottish Executive, TransportEnergy works in partnership with the transport industry, corporate fleet sector and the public sector to help make our country a cleaner and healthier place to live and work. Transport Energy New Vehicle Technology fund is a programme which provides grants for the demonstration of near to market cleaner vehicle technologies.

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**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.

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