



## News Release

# Azure Dynamics Announces Delivery of First of Thirty Hybrid Electric Vehicles to Purolator

Burnaby, British Columbia – November 26, 2004

[Azure Dynamics Corporation](#) ([TSX – AZD](#) & [LSE - ADC](#)) (“Azure” or the “Company”) a leading developer of hybrid electric powertrains for commercial vehicles is pleased to announce that today, at their facility in Burnaby, B.C., they delivered a Hybrid Electric Delivery Vehicle to Purolator, Canada’s largest overnight courier company. This vehicle is the first product delivered as a result of the supply agreement, signed by the two companies in September 2003 that could see Purolator purchase up to 2,000 hybrid electric powered delivery vans. The five year supply agreement with Purolator valued at approximately \$90 million is Azure Dynamic’s largest customer contract to date.

Azure Dynamics CEO, Campbell Deacon, stated, “Today is a significant milestone in the evolution of Azure Dynamics from a Research and Development company into a commercial enterprise. We are particularly impressed with the vision that Purolator CEO, Bob Johnson and his team have shown in their support of Azure’s paradigm changing technology. These economically viable powertrains will have a significant impact in reducing urban emissions, particularly smog. We believe Purolator is at the forefront of what may soon become a near term industry requirement in many cities around the world”.

“We are excited to begin transitioning our fleet to hybrid electric vehicles, and believe that our efforts lead the industry in shifting to environmentally friendly fleet management,” said Purolator President and CEO Robert Johnson.

HEV’s are best applied in fleets that are in a constant stop and go drive cycle because energy is regenerated through braking and stored in the battery for the drive cycle. The vehicles designed for Purolator are equipped with a hybrid electric series configuration, which uses the internal combustion engine combined with a generator to supply electricity for the battery pack and electric motor. There is no mechanical connection between the internal combustion engine power unit and the wheels. All motive power is transferred electrically to one or more electric traction motors that drive the wheels.

After months of field testing with Azure-equipped vehicles, Purolator saw emissions reduced by a minimum of 50% while fuel consumption was reduced by approximately 50%.

The order of 30 vehicles will be filled by Azure over the next few months. If the experience with these vehicles meets previously agreed upon parameters, then as Purolator replenishes its fleet each year, the company is expected to add up to 400 hybrid electric vehicles annually.

### [About Purolator](#)

As Canada’s leading overnight courier company, Purolator Courier Ltd. of Mississauga, Ontario is committed to its customers. From automated solutions to 24 hour pick up and delivery, Purolator provides customers with the services and customized solutions required to get their shipments across town or around the world. Purolator operates Canada’s largest dedicated air

express fleet. Purolator has an extensive service network, with over 12,500 employees, including more than 4,000 couriers, over 140 operations locations, over 155 Shipping Centres, over 550 Authorized Shipping Agents and more than 420 drop boxes. Purolator processes over 5.5 million pieces (delivery and pick up) each week for destinations across Canada and around the world. Purolator has implemented a company-wide Quality Leadership Process that provides the necessary framework for continuous improvement and operational excellence, becoming the only Canadian courier company to achieve ISO 9001:2000 registration. Purolator is committed to helping alleviate hunger in Canada, and works closely with the Canadian Association of Food Banks to support local food banks. In 2003, Purolator generated more than 50,000 kilograms of food and over \$50,000 for food banks in Canada.

For more information please visit the company website at [www.purolator.com](http://www.purolator.com).

[Azure Dynamics Corporation](http://www.azure-dynamics.com) provides Hybrid Electric Vehicle technology for light and medium duty commercial vehicles in urban areas. Azure is a public company trading on both the TSX Exchange in Canada as well as the AiM market in London. The Company is currently working with various partners and customers worldwide including Purolator Courier Ltd., Canada Post, London Taxis International, Leyland Product Development, Renault Trucks UK and the United States Postal Service. Azure has employees based in North America and Europe.

For more company information please visit our website at [www.azuredynamics.com](http://www.azuredynamics.com).

The TSX Exchange does not accept responsibility for the adequacy or accuracy of this release.

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**FOR MORE INFORMATION ON AZURE, CONTACT:**

Steven Glaser, Vice-President, Corporate Affairs

(416) 367-0220 ext 105

Email: [sglaser@azuredynamics.com](mailto:sglaser@azuredynamics.com)

**FOR MORE INFORMATION ON PUROLATOR, CONTACT:**

Ed Borkowski, Public Relations Manager

(905) 712-1084 Ext. 3545