



## News Release

# AZURE DYNAMICS COMMON SHARE PURCHASE WARRANTS EXERCISED

Toronto, Ontario –August 15, 2005

[Azure Dynamics Corporation](#) (TSX – AZD & LSE - ADC) (“Azure Dynamics” or the “Company”) a leading developer of hybrid electric and electric powertrains for commercial and military vehicles, is pleased to announce that all outstanding common share purchase warrants (“warrants”) due to have expired on July 27, 2005 were exercised prior to their expiry. Each warrant was exercisable for one common share of Azure Dynamics at a price of CDN\$1.00 per share with net proceeds to the Company of approximately CDN\$3.4 million. This will bring cash reserves to CDN\$16.4 million, which together with other available financing sources will provide the Company in excess of 12 months of working capital.

[Azure Dynamics Corporation](#) is a world leader in the development and production of hybrid electric and electric commercial and military vehicles and systems. The group estimates it has over 25 million miles of vehicle experience. Azure Dynamics’ operations are based in North America and Europe.

Azure Dynamics is currently working internationally with various partners and customers including Purolator Courier Ltd., Canada Post, US Department of Defense, United States Postal Service, SEV Group Limited, Leyland Product Development and London Taxis International. Azure Dynamics Corporation is a public company trading on the TSX (AZD) in Canada and on AIM (ADC) in the UK. For more company information please visit [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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