



For Immediate Release

AZURE DYNAMICS ANNOUNCES MEMORANDUM OF UNDERSTANDING FOR UTILITY AND TELECOM MARKET LEEP SYSTEMS

Oak Park, Michigan – March 19, 2008 – Azure Dynamics Corporation (TSX: AZD & LSE: ADC) (“Azure”) a leading developer of hybrid electric and electric powertrains for commercial vehicles, today announced it has signed a Memorandum of Understanding (MOU) with a leading manufacturer of aerial boom trucks for the electric utility, telecommunications and contractor markets. The MOU includes the branding, marketing and sale of Azure’s Low Emission Electric Power (“LEEP”) systems within the electric utility and telecom markets.

“Our agreement is an important step in moving Azure’s LEEP system into yet another major market,” said Scott Harrison, Azure’s Chief Executive Officer. “Azure is proud to align itself with another industry-leader and we look forward to working with them in marketing and selling the LEEP system throughout their extensive customer base.”

Under the proposed terms of the MOU, Azure will supply LEEP systems that are specifically adapted to the boom truck applications. The systems will be integrated into its trucks and the manufacturer has agreed to brand and market the product throughout its North American truck body market segment.

Azure’s LEEP system delivers significant reductions in fuel utilization and emission levels. Its hybrid technology stores energy when a vehicles engine is running. When the engine is off, the stored energy is used to power the hydraulic boom and other auxiliary power requirements. The LEEP system is also a natural anti-idle system. Stationary engine run-time can be reduced by approximately 90% compared to conventional systems.

About Azure Dynamics

[Azure Dynamics Corporation \(TSX: AZD\) \(LSE: ADC\)](http://www.azuredynamics.com) is a world leader in the development and production of hybrid electric and electric components and powertrain systems for commercial vehicles. Azure is strategically targeting the commercial delivery vehicle and shuttle bus markets and is currently working internationally with various partners and customers. The Company is committed to providing customers and partners with innovative, cost-efficient, and environmentally friendly energy management solutions.

For more information, please visit www.azuredynamics.com.

The TSX and LSE Exchanges do not accept responsibility for the adequacy or accuracy of this release.

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Forward-looking Statements

This press release contains forward-looking statements. More particularly, this press release contains statements concerning Azure's business development strategy, projected commercial revenues and product deliveries.

The forward-looking statements are based on certain key expectations and assumptions made by Azure, including expectations and assumptions concerning achievement of current timetables for development programs, target market acceptance of Azure's products, current and new product performance, availability and cost of labour and expertise, and evolving markets for power for transportation vehicles. Although Azure believes that the expectations and assumptions on which the forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements because Azure can give no assurance that they will prove to be correct. Since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks. These include, but are not limited to, the risks associated with Azure's early stage of development, lack of product revenues and history of losses, requirements for additional financing, uncertainty as to commercial viability, uncertainty as to product development and commercialization milestones being met, uncertainty as to the market for Azure's products and unproven acceptance of Azure's technology, competition for capital, product market and personnel, uncertainty as to target markets, dependence upon third parties, changes in environmental laws or policies, uncertainty as to patent and proprietary rights, availability of management and key personnel, and acquisition integration risk. These risks are set out in more detail in Azure's annual information form which can be accessed at www.sedar.com.

The forward-looking statements contained in this press release are made as of the date hereof and Azure undertakes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.

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