



WEST HARLEM ART FUND GOES GREEN WITH AZURE DYNAMICS HYBRID ELECTRIC BUSES

Oak Park, Michigan –July 29, 2008 – Azure Dynamics Corporation (TSX: AZD, LSE: ADC & OTCQX: AZDDF) – (“Azure” or the “Company”), a leading developer of hybrid electric and electric powertrains for commercial vehicles, announced today that it has received orders for two Hybrid Electric CitiBus’s from the West Harlem Art Fund, Inc (WHAF). WHAF is a ten year old community-based, cultural arts and preservation organization serving northern Manhattan in New York City.

The Hybrid Electric CitiBus’s will serve WHAF’s “Harlem-Heights Culture Loop” program where participants experience Harlem’s old world charm as well as its new urban sophisticated upbeat future by touring various points of art, cultural and environmental interest.

“We are thrilled to provide buses for the West Harlem Art Fund project,” said Jay Sandler, vice president of sales for Azure Dynamics. “WHAF uses the tagline, ‘Feel the energy come alive’ and our fuel efficient and green technology hybrid electric buses allow their patrons to do just that in a very tangible way complimenting the urban energy of the Harlem community.”

“At WHAF, we are guardians of our community’s past as well as visionaries directing its future,” said Savona Bailey-McClain, Executive Director. “We want to use vehicles that are consistent with that mission. Our new hybrid buses will conserve fuel, cost less to maintain and reduce harmful greenhouse gas emissions. ”

Organizations like the New York Audubon Society, which partners with WHAF on some programs, especially appreciate the environmentally friendly transportation.

The Azure Hybrid Electric CitiBus uses the HD bus body manufactured by StarTrans. The bus features engine off at idle and regenerative braking to improve fuel economy by 40% while reducing both greenhouse emissions and maintenance costs by 30%. The New York State Energy Research and Development Authority and New York Power Authority provided funding for the WHAF buses.

For more information about Azure Dynamics and its family of hybrid electric and electric commercial vehicles, please visit www.azuredynamics.com .

About Azure Dynamics

[Azure Dynamics Corporation](http://www.azuredynamics.com) (TSX: AZD) (LSE: ADC) (OTCQX: AZDDF) 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.

About West Harlem Art Fund:

The West Harlem Art Fund, Inc is a ten year old community-based, cultural arts and preservation organization. Comprised of over ten volunteers serving Northern Manhattan communities, The West Harlem Art Fund offers exhibition opportunities for Northern Manhattan artists and artists wishing to share their art with residents uptown. For more information please visit www.myharlem.org

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

-30-

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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