



News for Immediate Release

ELECTROVAYA Q3 2015 REVENUE UP 900% OVER Q2 2015, FOLLOWING TRANSFORMATIVE ACQUISITION

Toronto, Ontario – July 29, 2015 – Electrovaya’s (TSX:EFL) acquisition of Europe’s largest producer of Lithium Ion battery electrodes and separators has been immediately positive to Electrovaya’s financial performance. Electrovaya today provided its financial results for the quarter ending June 30, 2015. All numbers are in US dollars.

Business Highlights:

The acquisition of Litarion GmbH (Litarion) was completed effective April 29, 2015. The consolidated results for Q3 include two months of Litarion activity. Significant momentum has been created in both our sales pipeline and business integration activities.

“Our 100% owned German acquisition is a remarkable asset with technology and engineering depth that combines beautifully with Electrovaya’s patented, non-toxic production processes”, said Dr. Sankar Das Gupta, Electrovaya CEO. “Electrovaya now has the technology and manufacturing capacity to become the world leader in clean Lithium Ion energy storage solutions”.

Electrovaya’s combination of patented Canadian and German technology should surpass leading global lithium ion competitors in the following ways:

- Unique non-toxic manufacturing;
- Considerably lower manufacturing costs due to non-toxic production and reduction in energy consumption;
- World leading Lithium Ion Cycle Life; 9000 cycles at 1C charge/discharge at 100% DoD – which is almost double the cycle life of major competing products (NMC and graphite electrodes); and
- Superior safety from proprietary ceramic composite separators.

Electrovaya now owns Europe’s largest Lithium Ion electrodes and separators manufacturing plant through the Company’s recent acquisition of Litarion. The plant will supply Europe’s increasing demand across the Smart Grid, Motive Power, Automotive and Battery Component markets.

Financial Highlights:

- Q3 2015 revenue was \$6.0 million, over 900% growth as compared the pre-acquisition Q2 2015 revenue of \$0.6 million
- Adjusted EBITDA¹ was negative \$0.8 million for Q3 2015, as compared to pre-acquisition Q2 2015 of negative \$1.1 million
- Q3 2015 Cash and Cash Equivalents totaled \$3.2 million as compared to pre-acquisition Q2 2015 of \$0.7 million
- \$9.2 million comprehensive gain on Litarion acquisition

The Company's complete Fiscal Q3, 2015 Third Quarter Financial Statements and Management Discussion and Analysis are available at www.sedar.com or on the Company's website at www.electrovaya.com.

1. Adjusted EBITDA does not have a standardized meaning under IFRS. Therefore it is unlikely to be comparable to similar measures presented by other issuers. We define adjusted EBITDA as loss from operations less stock based compensation expense, finance cost and amortization. We believe that certain investors and analysts use adjusted EBITDA to measure the performance of the business.

About Electrovaya Inc.

Electrovaya Inc. (TSX:EFL) designs, develops and manufactures proprietary Lithium Ion Super Polymer2.0® batteries, battery systems, and battery-related products for energy storage, clean electric transportation and other specialized applications. Electrovaya, through its fully owned subsidiary, Litarion GmbH, also produces electrodes and SEPARION™ ceramic separators and has manufacturing capacity of about 500MWh/annum. Electrovaya is a technology focused company, with around 500 patents protecting its technology through the combined Canadian and German groups. Headquartered in Ontario, Canada, Electrovaya has production facilities in Canada and Germany and customers around the globe. To learn more about how Electrovaya is powering mobility and energy storage, please explore www.electrovaya.com, www.litarion.com

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'Forward-Looking Statements

This press release contains forward-looking statements, including statements that relate to, among other things, revenue forecasts, technology development progress, plans for shipment using the Company's next generation 2.0 technology, production plans, the Company's markets, objectives, goals, strategies, intentions, beliefs, expectations and estimates, and can generally be identified by the use of words such as "may", "will", "could", "should", "would", "likely", "expect", "intend", "estimate", "anticipate", "believe", "plan", "objective" and "continue" (or the negative thereof) and words and expressions of similar import. Although the Company believes that the expectations reflected in such forward-looking statements are reasonable, such statements involve risks and uncertainties, and undue reliance should not be placed on such statements. Certain material factors or assumptions are applied in making forward-looking statements, and actual results may differ materially from those expressed or implied in such statements. Important factors that could cause actual results to differ materially from expectations include but are not limited to: general business and economic conditions (including but not limited to currency rates and creditworthiness of

customers); Company liquidity and capital resources, including the availability of additional capital resources to fund its activities; level of competition; changes in laws and regulations; legal and regulatory proceedings; the ability to adapt products and services to the changing market; the ability to attract and retain key executives; and the ability to execute strategic plans. Additional information about material factors that could cause actual results to differ materially from expectations and about material factors or assumptions applied in making forward-looking statements may be found in the Company's most recent annual and interim Management's Discussion and Analysis under "Risk and Uncertainties", as well as in other public disclosure documents filed with Canadian securities regulatory authorities. The Company does not undertake any obligation to update publicly or to revise any of the forward-looking statements contained in this document, whether as a result of new information, future events or otherwise, except as required by law.