



News for Immediate Release

HARTCO INC. TO DISTRIBUTE ELECTROVAYA'S POWERPAD LINE OF PORTABLE COMPUTER BATTERIES

Toronto, Ontario – January 4, 2002 – Electrofuel Inc. (TSE: EFL) announced today that it has signed an agreement with Hartco Inc. in Canada. Hartco will distribute Electrovaya's line of PowerPad SuperPolymer™ batteries for laptop computers through its franchised network of computer resellers across Canada. Hartco is the largest franchisor of computer resellers in Canada. It operates under the Compusmart, Compucentre and Microage banners and has over 140 retail stores with \$500 million in sales.

“Hartco's network of franchisees has unmatched coverage across Canada. This network, combined with its reputation for high quality of service, will give Electrovaya valuable exposure across a wide spectrum of the Canadian IT marketplace from major corporate accounts to the retail end-user customer.” said Pat McCool, Vice-President of Sales and Marketing for Electrovaya.

“We are very happy to be bringing them on as a vendor,” said Howard Hart, Vice President of Product Management, “Electrovaya will fill a void that we once had on high capacity notebook batteries which are unique and new to the marketplace. We have already received great feedback from our resellers and see a great future with this product line”.

About Electrovaya

The Company develops, manufactures and sells products using its proprietary lithium-ion SuperPolymer™ rechargeable battery technology, which delivers the highest energy density level of any battery technology on the market today. The Company's goal is to become the leading provider of portable power for the notebook computer and wireless sectors, and to apply its technology to a broad spectrum of alternative energy applications over the long term. The Company operates under the commercial name Electrovaya and its shares trade on The Toronto Stock Exchange under the symbol EFL.

For more information about the Company and its products, please visit our website at www.electrovaya.com.

About Hartco Enterprises Inc.

The company is the largest franchisor of system integrators, computer resellers and computer retailers in Canada represented in over 140 locations across the country with revenues over \$500 million. The Company is also a leading provider of communications products and solutions through its retail chain The Telephone Booth with a network of 34 stores in Quebec, Ontario and Alberta. The company operates under the commercial name Hartco Enterprises Inc. and its shares trade on The Toronto Stock Exchange under the symbol HTC.

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