



News for Immediate Release

Electrovaya signs a Letter of Intent with a major Residential Energy Storage Provider for delivery of Lithium Ion Battery Modules for Residential Energy Storage over a period of three years for an estimated total of up to Euro 199 Million (US\$ 223 million, Cdn \$ 288 million)

This Letter of Intent envisages delivery over three years starting in Q4, FY 2016, to a major Original Equipment Manufacturer and leader in the growing Residential Energy Storage market.

Toronto, Ontario – June 15, 2016 – Electrovaya Inc. (TSX: EFL) today announced that it signed a Letter of Intent (LOI) with a Global Original Equipment Manufacturer (OEM) for the delivery of battery modules for Residential Energy Storage with volume quantity deliveries starting early Q1 CY2017. Electrovaya will provide its battery modules with integrated cells and battery management systems (iBMS). Electrovaya's battery modules have unparalleled safety and cycle life performance which is the critical performance required by the OEM.

The demand for Electrovaya's battery modules by this OEM, is estimated to be up to Euro 199 million (Cdn \$ 288 million or US \$ 223 million) over a period of 3 years. High volume deliveries are scheduled to start in early Q1 CY2017 with smaller quantities with delivery in CY2016.

Electrovaya's technology and products are uniquely suited to the Residential Energy Storage market as two of the critical performance parameters are highest cycle life and safety, both uniquely available from Electrovaya.

This LOI was signed after intensive testing of the Electrovaya cells and modules by the OEM, who is one of the largest and fastest growing Residential Energy Storage companies in the world.

"We are very excited with this LOI, as this was achieved against intense global competition", said Dr. Rajshekar DasGupta, VP of Business Development at Electrovaya. "Our multi-cell modules with laser welded tabs, built in sensors and iBMS are an attractive product for Residential Energy Storage. Our flexible ceramic separator SEPARION™ imparts outstanding safety to lithium ion batteries. This LOI further defines our path to becoming the leading supplier of lithium ion cells and batteries to this fast growing industrial sector of Residential Energy Storage."

For more information, please contact:

North America:

Electrovaya Inc.

Telephone: 1.905.855.4618

Email: ir@electrovaya.com or sales@electrovaya.com

Europe & Asia:

Litarion GmbH:

email: info@litarion.com

About Electrovaya Inc.

Electrovaya Inc. (TSX:EFL) designs, develops and manufactures proprietary Lithium Ion Super Polymer® 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 cells, electrodes and SEPARION® ceramic separators and has manufacturing capacity of about 500MWh/annum. Electrovaya is a technology focused company with extensive patents and other Intellectual Property. Headquartered in Ontario, Canada, Electrovaya has production facilities in Canada and Germany with customers around the globe.

To learn more about how Electrovaya and Litarion is powering mobility and energy storage, please explore www.electrovaya.com, www.litarion.com and www.separion.com

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 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", "possible", "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.