



News for Immediate Release

Electrovaya Announces Increased Credit Facility and Provides Update

Toronto, Ontario – July 2, 2020 – Electrovaya Inc. (“Electrovaya” or the “Company”) (TSX: EFL; OTCQB: EFLVF), a lithium-ion battery manufacturer with industry-leading performance, today announced that it has closed an agreement with a Canadian financial institution to increase its revolving credit facility from C\$1.5 million to C\$4.5 million. The facility will support fulfillment of purchase orders.

Electrovaya also has a C\$10 million non-revolving credit facility from the same financial institution. More than C\$4 million of this debt has been paid down from operating cash flow over the last four months, bringing the outstanding balance to approximately C\$6 million.

The Company is also providing the following updates:

- Revenue for the fiscal third quarter ended June 30, 2020 is expected to be approximately double the total reported in the fiscal second quarter, as previously disclosed, barring unforeseen circumstances.
- To date, Electrovaya has shipped more than 700 lithium ion battery systems for use in material handling electric forklifts, and more than 1,000 batteries for automated guided vehicles.
- The Company’s products are critical to the food, grocery and other critical supply chain and Electrovaya continues to operate despite the headwinds and challenges -of the COVID-19 pandemic.

For more information, please contact:

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About Electrovaya Inc.

Electrovaya Inc. (TSX: EFL) (OTCQB: EFLVF) designs, develops and manufactures proprietary Lithium-Ion batteries, battery systems, and battery-related products for energy storage, clean electric transportation, and other specialized applications. Electrovaya is a technology-focused company with extensive IP. Headquartered in Ontario, Canada, Electrovaya has production facilities in Canada with customers around the globe.

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

Forward-Looking Statements

This press release contains forward-looking statements, including statements that relate to, among other things, revenue forecasts and in particular the forecast for fiscal 2020, growth in credit facilities, repayment of debt, anticipated further sequential revenue growth from Q1 to Q2 to Q3 in fiscal 2020, anticipated increased collaboration with OEMs in fiscal 2020, availability of adequate credit facilities, ability to sell and deliver lithium ion battery systems for material handling electric forklifts, ability to sell and deliver batteries for Automated Guided Vehicles, anticipated continued increase in sales momentum in fiscal 2020 through OEMs and directly to large global companies, including Fortune 500 companies, the future direction of the Company's business and products, the effect of the ongoing global COVID-19 public health emergency on the Company's operations, its employees and other stake holders, including on customer demand, supply chain, and delivery schedule, continually increasing the Company's intellectual property portfolio, the Company's ability to source supply to satisfy demand for its products and satisfy current order volume, technology development progress, pre-launch plans, plans for product development, plans to work with OEMs, plans for shipment using the Company's technology, production plans, expected productivity and efficiency gains from relocation of the Company's head office, 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: that current customers will continue to make and increase orders for the Company's products, and in accordance with communicated intentions, that the Company's alternate supply chain will be adequate to replace material supply and manufacturing, that the Company's interpretation of the effect of any comfort given to Litarion's auditors of the Company's financial support for Litarion's operations is correct, and that Litarion's insolvency process will proceed in an orderly fashion that will satisfy Litarion's debt without a significant negative effect on the Company or its assets, actions taken by creditors and remedies granted by German courts in the Litarion insolvency proceedings and their effect on the Company's business and assets, negative reactions of the Company's existing customers to Litarion's insolvency process, 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, the granting of additional intellectual property protection, 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 Annual Information Form for the year ended September 30, 2019, under "Risk Factors", and in the Company's most recent annual and interim Management's Discussion and Analysis under "Qualitative And Quantitative Disclosures about 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.

Revenue and EBITDA forecasts herein constitute future-oriented financial information and financial outlooks (collectively, "FOFI"), and generally, are, without limitation, based on the assumptions and subject to the risks set out above under "Forward-Looking Statements". Although management believes such assumption to be reasonable, a number of such assumptions are beyond the Company's control and there can be no assurance that the assumptions made in preparing the FOFI

will prove accurate. FOFI is provided for the purpose of providing information about management's current expectations and plans relating to the Company's future performance, and may not be appropriate for other purposes.

The FOFI does not purport to present the Company's financial condition in accordance with IFRS, and it is expected that there may be differences between actual and forecasted results, and the differences may be material. The inclusion of the FOFI in this news release disclosure should not be regarded as an indication that the Company considers the FOFI to be a reliable prediction of future events, and the FOFI should not be relied upon as such.