



News for Immediate Release

ELECTROVAYA ANNOUNCES DEVELOPMENT AGREEMENT WITH MICROSOFT TO DELIVER TABLET PC WITH THE GREATEST MOBILITY AND RUN TIME

World's most energy dense rechargeable battery enables breakthrough in mobility: SCRIBBLER to run a whole working day: 8-16 hours

Toronto, Ontario – October 31, 2002 – Electrovaya Inc., (TSE: EFL) announced today that it has signed a Development Agreement with Microsoft Corp. Electrovaya will develop a Tablet PC computer, the SCRIBBLER, which will run eight to 16 hours thereby providing the highest mobility in the laptop computer and Tablet PC industry. The SCRIBBLER will incorporate Electrovaya's patented and award winning Lithium Ion SuperPolymer battery. This battery has the highest energy density of any commercial rechargeable battery in the world.

“We designed SCRIBBLER with a Tier 1 ODM (Original Design Manufacturer) and our development agreement allows us to work with Microsoft's significant resources in marketing, engineering and other fields,” says Dr. Sankar Das Gupta, CEO and founder of Electrovaya Inc.

“Typically a Tablet PC uses between 8 and 9 Watts of energy per hour, hence the Scribbler with 80 to 160 Watt hours of energy, would give a consumer between 8 to 16 hours of Mobility. We believe the consumers will finally be unplugged with our Scribbler”, says Dr. Sankar Das Gupta and “the Scribbler will unleash the vision of True Mobility which Microsoft has been championing.”

Electrovaya's Scribbler will have all the latest features including the new Intel's Ultra Low Voltage Intel® Pentium® processors and of course Microsoft's Windows XP Tablet PC Edition operating system with its unique pen computing technology. The Scribbler will be globally distributed from warehouses in North America, Europe and Asia.

About Electrovaya Inc.

Electrovaya develops, manufactures and sells products using its proprietary lithium-ion SuperPolymer™ rechargeable battery technology, which delivers the highest energy density 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. Electrovaya's 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.

This press release may contain forward-looking statements that involve a number of risks and uncertainties, including statements regarding the outlook for the Company's business and results of operations. By nature, these risks and uncertainties could cause actual results to differ materially from those indicated. Such factors include, without limitation, the various factors set forth in public disclosure documents filed with Canadian regulatory authorities. The Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

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