

News for Immediate Release

ELECTROVAYA DELIVERS PLUG-IN HYBRID FORD ESCAPE ELECTRIC VEHICLE (PHEV)

Toronto, Ontario Aug 7, 2007-- Electrovaya (TSX: EFL) announced today that it's subsidiary, Electrovaya Company located in Ballston Spa, New York, has delivered the Ford Escape SUV Plug-in Hybrid Electric Vehicle (PHEV) to the New York State Energy Research and Development Authority (NYSERDA). During testing, the gasoline and electric hybrid vehicle has achieved a driving capability of up to 130 miles per gallon.

This is the first Ford Escape to be converted to a PHEV by Electrovaya and to be operated and tested by NYSERDA as part of a \$10 million project aimed at converting the State's 500-plus standard hybrids to plug-in capability.

Mark Kopec, President of Electrovaya Company, noted that: "Electrovaya is committed to leading the field of plug-in hybrid conversions and thereby reducing air pollution from vehicle emissions. Today, with this first vehicle delivery, the company has reached an important milestone in that effort."

Dr. Sankar Das Gupta, CEO of Electrovaya said: "This PHEV is an important step toward New York State's effort to operate a clean energy fleet. We are very pleased to receive the support of NYSERDA in continuing our search for safe, clean and energy-efficient technology development."

Paul D. Tonko, NYSERDA president and CEO welcomed the vehicle as the second in the NYSERDA Plug-in Fleet. "By year's end we will have six plug-in conversions, testing the three major hybrid brands already in the State fleet, Ford Escape, Toyota Prius and Honda Civic. In cooperation with U.S. DOE, we will test them and place them into daily service among various State agencies," he said. "Those results will offer us data on the potential to convert more State vehicles," Tonko said.

About Electrovaya:

Electrovaya (TSX: EFL) is a developer and manufacturer of portable power solutions with its proprietary Lithium Ion SuperPolymer® battery technology. Its goal is to become the preferred provider of tablet PCs, portable power for aerospace, defence and wireless sectors, and the developer of alternative energy applications including UPS, stand-by power, plug-in hybrids and zero-emission vehicles. The Company's shares trade on the Toronto Stock Exchange under the symbol EFL.

For more information about Electrovaya and its products, please visit: www.electrovaya.com

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About NYSERDA:

The New York State Energy Research and Development Authority (NYSERDA) is a public benefit corporation established by law in 1976. The Saratoga Technology + Energy Park (STEP) is a 280-acre site located in Malta (Saratoga County) master-planned for 1.25 million square feet of office, lab, and light manufacturing. NYSERDA is committed to technologies that address energy needs protect the environment and promote economic development to benefit the State's future. Visit www.NYSERDA.org