



News for Immediate Release

ELECTROVAYA REPORTS Q3 2008 FINANCIAL RESULTS **Revenue up 92% and Cash Burn reduces by 67% to \$228,000**

Toronto, Ontario – August 1, 2008 – Electrovaya Inc. (TSX: EFL), an energy storage solutions company, today announced financial results for the third quarter of fiscal 2008. All figures are in US dollars.

Operational Highlights:

- Electrovaya has started delivering to Norway, on the five zero-emission electric car build for Miljobil, a subsidiary of Statoil Hydro. The cars with the Electrovaya Lithium Ion SuperPolymer® batteries are undergoing road testing.
- Purchase order received from Phoenix Motorcars, a California-based electric vehicle manufacturer of SUVs and SUTs. The work includes certain upfront engineering design services and hardware production and Electrovaya has received payment in advance for a substantial portion of this work.
- Maya 300, zero-emission low-speed electric vehicle prototypes built and undergoing testing. Maya 300 is the cover feature story for The Lamp, an ExxonMobil investor quarterly magazine.
- Large format 600V integrated battery systems for plug-in hybrid and full electric vehicle applications exhibited with FEV, sponsor of the 2008 SAE World Congress in Detroit
- Electrovaya takes part in a number of invited presentations including Capitol Hill briefing, Merriman Curhan & Ford Cleantech Expert Panel, Advanced Automobile Battery Investment Summit in Chicago and the Renewable Energy Finance Forum in New York City.

Financial Highlights:

For the third quarter ending June 30, 2008:

- Total revenue increased by 92.0% or \$440,000 to \$916,000 from \$476,000 for the quarter ended June 30, 2007 and also similarly revenue increased by 92.0% over preceding quarter, Q2 2008.
- Research and development expenses increased by 101.0% or \$384,000 to \$764,000 from \$380,000 in the quarter ending June 30, 2007.
- Loss from operations, before interest, taxes, foreign exchange, amortization, capital assets write-down and the gain on sale of investments decreased by \$312,000 or 29.0% to \$762,000 compared to \$1,074,000 in the same quarter of the prior year.
- Cash burn reduces by 67% to \$228,000 for Q3 as compared to previous quarter, Q2 2008. The Company had \$5.1 million in cash and cash equivalents as at 30th June 2008, compared to \$5.3 million as at March 31, 2008.

Summary of Financial Results

In thousands of US\$ except per share amounts	Three months ended June 30	
	2008	2007
Revenue	\$ 916	\$ 476
Loss from operations before interest, taxes, foreign exchange and amortization, capital assets write-down and gain on sale of investments	\$ (762)	\$ (1,074)
Loss for the period	\$ (1,070)	\$ (1,581)
Loss per share	\$ (0.02)	\$ (0.02)
Cash & investments	5,083	\$ 7,888

The Company's complete Fiscal 2008 Third Quarter and Annual Financial Statements and Management Discussion and Analysis are available at www.sedar.com or on the Company's website at www.electrovaya.com.

About Electrovaya Inc.

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 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 Vehicle. The Company'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.

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Forward-Looking Statements

This news 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. Risks are outlined in the Company's MD&A for the period ending June 30, 2008 and are set forth in public disclosure documents filed with Canadian regulatory authorities. By nature, these risks and uncertainties could cause actual results to differ materially from those indicated. 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.