



News for Immediate Release

ELECTROVAYA ANNOUNCES MEMORANDUM OF UNDERSTANDING WITH MAJOR ASIAN CONGLOMERATE

MOU envisages minority investment in Electrovaya, joint marketing arrangement, Joint Venture opportunities and business co-operation in all other areas including material sourcing and project financing

Toronto, Ontario – February 20, 2013 Electrovaya Inc. (TSX: EFL) today announced that it has entered into a MOU with a major Asian conglomerate with interests in the automotive, energy, chemical and other business areas globally. The MOU contemplates a relationship that includes:

1. Minority Equity interest in Electrovaya (up to 10%)
2. Marketing and procurement of Electrovaya's Lithium Ion batteries in areas such as energy storage for the grid, smart city, smart grid and other sectors where energy storage is necessary
3. Joint Venture and equity interest in a lithium Ion battery manufacturing plant in India
4. Procurement of the raw materials and/or facilities necessary for production of Lithium Ion batteries

“This relationship provides significant growth opportunities as it leverages the collective resources of this global conglomerate and Electrovaya with our products, technology and non-NMP manufacturing process.” says Dr. Sankar Das Gupta, Chief Executive Officer of Electrovaya. “This enables us to expand our reach within our current energy storage markets not only in North America but throughout Europe and Asia.” continues Dr. Das Gupta.

“This partner brings significant fiscal and balance sheet strengths, Global reach in marketing, procurement and manufacturing that should be invaluable to the growth of Electrovaya.” says Paul Hart, Chief Financial Officer.

About Electrovaya Inc:

Electrovaya Inc. (TSX:EFL) designs, develops and manufactures proprietary Lithium Ion SuperPolymer® batteries, battery systems, and battery-related products for the clean electric transportation, Utility Scale Energy Storage and smart grid power, consumer and healthcare markets. The Company's mission is to accelerate clean transportation as a commercial reality with its advanced power system for all classes of zero-emission electric vehicles and plug-in hybrid electric vehicles. The Company's other mission is to deliver Utility Scale Energy Storage Systems for the highest efficiency in electricity storage, whether the electricity is generated from intermittent wind and solar power or from other sources. Founded in 1996 and headquartered in Ontario, Canada, Electrovaya has production facilities in Canada as well as in the US, and

customers around the globe. To learn more about how Electrovaya is powering mobility, please explore www.electrovaya.com.

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Forward-Looking Statements

This press release contains forward-looking statements that involve a number of risks and uncertainties, including statements that relate to, among other things, the Company's objectives, goals, strategies, intentions, plans, beliefs, expectations and estimates, and can generally be identified by the use of words such as "may", "will", "could", "should", "would", "likely", "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.