



NEWS FOR IMMEDIATE RELEASE

Electrovaya Announces Closing of Private Placement for Gross Proceeds of Approximately Cdn\$3,000,000

TORONTO, June 16, 2014 - Electrovaya Inc. (TSX: EFL) is pleased to announce the closing of a non-brokered private placement of 3,237,601 units for gross proceeds of Cdn\$2,913,840. The new funds will be used to purchase capital equipment to increase manufacturing capacity and for other general corporate purposes.

Each unit was sold at Cdn\$0.90 and consists of one common share and one half of one common share purchase warrant of the Company. Each whole share purchase warrant will be exercisable into one common share of the Company within a period of 18 months at a price of Cdn\$1.25 per share.

"As a result of this financing, Electrovaya will expand its activities in all target sectors, including electric vehicles and energy storage for the mining, utilities, back-up and strategic power verticals." says Dr. Sankar DasGupta, Chairman and CEO. "We believe that our unique non-toxic, non NMP manufacturing process, our high energy density and our new generation 2.0 technology differentiates us from our competitors, positioning us to become a leader in the global energy storage market."

These securities have not been and will not be registered under the United States Securities Act of 1933, as amended, (the "U.S. Securities Act") or any state securities laws and may not be offered or sold within the United States unless registered under the U.S. Securities Act and applicable state securities laws or an exemption from registration is available. This announcement does not constitute an offer to sell or a solicitation of an offer to buy any of the securities in this Private Placement within the United States or to, or for the account or benefit of, U.S. Persons (as defined under Regulation S under the U.S. Securities Act).

About Electrovaya Inc.

Electrovaya Inc. (TSX:EFL) designs and manufactures proprietary Lithium Ion SuperPolymer® batteries, battery systems and energy storage related products for the clean electric transportation, portable energy, utility scale energy storage, smart grid power, consumer and healthcare markets. The Company's unique & proprietary technology includes a manufacturing process which does not use any toxic chemicals. Founded in 1996 and headquartered in Mississauga, Canada, Electrovaya has production facilities in Canada and customers around

the globe. To learn more about how Electrovaya is powering mobility and storing energetic electrons, please explore www.electrovaya.com

For more information, please contact:

Electrovaya Inc.

Telephone: 905.855.4618

Email: ir@electrovaya.com

Website: www.electrovaya.com

Twitter: [@Electrovaya](https://twitter.com/Electrovaya)

Forward-Looking Statements

This press release contains forward-looking statements, including statements that relate to, among other things, revenue forecasts, technology development progress, plans for shipment using the Company's next generation 2.0 technology, production plans, 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", "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", including in particular from pages 37 to 38, 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.