



News for Immediate Release

Electrovaya Plans Transformational Acquisition

Purchasing 0.5 Gigawatt hours (GWh) of Capacity at a fraction of the tangible asset value

Toronto, Ontario – November 17th, 2014 – Electrovaya Inc. (TSX: EFL) today announced that it plans to acquire the assets of a state-of-the-art manufacturing plant with capacity of about 0.5 Gigawatt hours (GWh) of lithium ion electrodes and other products. The plant's output, when converted into battery systems, has a revenue capacity of up to \$250-\$550 million. This is a transformational acquisition for Electrovaya as it instantly brings best-in-class manufacturing scale capacity to meet soaring demand for the Company's energy storage products.

The highlights of the Acquisition are:

- State-of-the-art modular facility built recently with hundreds of millions of dollars invested; tangible assets of over \$100 million and a strong operating company
- A profitable ongoing contract to key customer with annual revenue of ~\$30 million
- Revenue capacity of up to \$250 million to \$550 million for battery systems with 0.5 Gigawatt hour (GWh) nominal energy storage capacity
- Electrovaya's green non-toxic production process will remove the toxic NMP in the plant and allow up to 50% reduction in processing costs, about 80% reduction in energy costs while producing higher performing products, making the plant very competitive globally
- Acquiring experienced management team to manage operations and growth
- Total purchase price is a small fraction of the tangible asset value. Financing is planned through debt and grants

Products from this captive plant will now be expanded to broader markets including utilities, energy storage of wind and solar, aerospace, micro-grids, marine and automotive industries while maintaining supply to its present customer. This large volume facility and its seasoned management team will drive key energy storage revenues globally.

Conventional lithium ion manufacturing plants use large quantities of toxic NMP (n-methyl-pyrrolidone), now suspected of causing birth defects and increasing operating costs, capital costs and future liabilities. Electrovaya's unique non-toxic manufacturing technology, which completely eliminates NMP, will enable this best-in-class plant to become the lowest cost producer as well as the greenest large manufacturer on the planet. It is estimated that the processing costs of the plant will be reduced by over 50% and its energy costs by over 80%.

About Electrovaya Inc.

Electrovaya Inc. (TSX:EFL) designs, develops and manufactures proprietary Lithium Ion Super Polymer® batteries, battery systems, and battery-related products for energy storage, clean electric transportation, Utility Scale Energy Storage and smart grid power, consumer and healthcare markets. The Company's mission is to mitigate Climate Change by having the highest efficient energy storage systems, accelerate clean transportation with its advanced power system for all classes of zero-emission electric vehicles and plug-in hybrid electric vehicle, deliver Utility Scale Energy Storage Systems, whether the electricity is generated from intermittent wind and solar power or from other sources. Headquartered in Ontario, Canada, Electrovaya has production facilities in Canada and customers around the globe. *To learn more about how Electrovaya is powering mobility, please explore www.electrovaya.com*

For more information, please contact:

Electrovaya Inc.
Telephone: Sean Peasgood at 416.565.2805
Email: Sean@SophicCapital.com

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 36 to 37, 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.