Scandinavia's First Lithium Battery Electric Car Ferry Completes over 4,000 Trips

Electrovaya's Lithium Ion Battery Powers Electric Cable ferry "KF Hisarøy" sailing daily between Mjånes and Hisarøy

Toronto, Ontario - December 08, 2014 - Electrovaya is pleased to announce that the KF Hisarøy electric cable ferry has now been sailing between Mjånes and Hisarøy in Norway daily for over one year, with flawless operation. The Ferry was launched in September, 2013 with a new propulsion power system consisting of a complete rechargeable battery system from Electrovaya in cooperation with Solund Verft, HAFS Elektro & Rør AS and Electrovaya´s subsidiary Miljobil Grenland AS in Norway. The Owner of the vessel is Wergeland Halsvik AS.

The 100KWh prototype battery system is based on Electrovaya's *SuperPolymer®2.0* technology, providing excellent performance and reliability with an exceptionally small on-board footprint. The battery system is an important step forward for the global maritime industry and a major step towards replacing diesel generators with a greener, toxic–free alternative form of energy. The owner of the vessel is Wergeland AS and Gulen Skyssbåtservice operates the ferry.

The battery electric ferry can save up to approximately 180,750 liters of fuel consumption over its expected lifetime. It has a potential to save about 500 tonnes of emissions**;** 480 tonnes of CO_2, 9 tonnes of particulate matter and volatile organic compounds, 2 tonnes of Carbon monoxide and 2 tonnes of other type of emissions. The Electrovaya lithium ion battery also eliminates fuel exhaust including the usual carcinogens from diesel exhaust.

The Cable Ferry is operating approximately 10 round-trips per day between the mainland and the Hisarøy Island, a round trip distance of about 1.6 kilometers. The Cable Ferry is driven by two winches on-board and Electrovaya's on-board Lithium Ion battery system is recharged on the mainland between the round trips and over-night. KF Hisarøy is built to carry 49 passengers and 6 cars.

With the International Maritime Organization (IMO) pressuring the marine industry to reduce GHG emissions and as the price of diesel continues to rise, there has been growing interest in developing clean propulsion systems for vessels in countries including Norway and Canada. The marine electric vehicle market is expected to grow from $2.6 billion to $6.3 billion by 2023. Demand will come from both on-water and underwater electric vehicles for use both on inland waterways and the sea. The key advantages of electric powertrains for marine vehicles are the lower maintenance requirements and minimal noise, air and water pollution.

Wergeland Halsvik AS is very pleased with the ferry and the battery system delivered from the yard and its cooperating partners " said Hans Wergeland, the owner of KF Hisarøy. "As this market grows, and the demand for environmentally friendly, zero carbon foot-print energy solutions increases, this system is well-suited to further opportunities in the marine sector."

"We are delighted to be working with Electrovaya , Miljobil Grenland and HAFS Electro." says Svein-Tore Eide, General Manager of Solund Verft AS, the ship building company responsible for the project. "This first battery electric cable and road ferry in Scandinavia demonstrates that an all-electric propulsion system has value for other marine applications," added Mr Eide.

Electrovaya is pleased to have been part of this historic launching of Scandinavia's first electric cable Ferry. In addition to addressing the Global problems of Climate Change, this project has enabled Electrovaya to gather important technical data about the operation of such a vessel, positioning Electrovaya as a leader in this industry.

About Electrovaya Inc:
Electrovaya Inc. (TSX:EFL) designs, develops and manufactures proprietary Lithium Ion SuperPolymer®2.0 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 facilities in Canada and customers around the globe. To learn more about how Electrovaya is powering mobility, please explore www.electrovaya.com.

About Solund Verft AS:
Solund Verft AS is a privately owned shipyard in western Norway just north of Bergen, and builds and repairs ferries, fishing vessels, coastal freighters, well Boats, Barges, boats and various specialized vessels. It has very good local relationships with ship-owners, constructors and yards, and many subcontractors have local ties and address in the county. Its facilities include a dock with a "Syncrolift" ship lift system with a capacity 1000 tons for building and dry-docking boats on land. The Yard is capable of building and servicing boats of up to 75 metres in length at shore. The Yard has also recently built a ship hall for indoor work.
To learn more about Solund Verft AS, please see www.solundverft.no.

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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.