



News for Immediate Release

Electrovaya Receives Order from leading Chinese Battery Company for SEPARION™, a Ceramic Separator with Unparalleled Safety and Cycle Life for Lithium Ion Batteries

Global Sales intensify as SEPARION™ is now non-exclusive, with continued sales to a leading German Auto maker for its electric vehicles and also available to the world-wide high performance lithium ion battery community

Toronto, Ontario – June 2, 2015 – Electrovaya Inc. (TSX: EFL) receives order for SEPARION™ from a leading Chinese Battery company. A separator is a vital value-added membrane in a lithium ion battery and keeps the positive electrode separate from the negative electrode. SEPARION™, a proprietary ceramic embedded composite separator with unique high temperature properties, imparts vastly improved safety and cycle life to lithium ion batteries.

Recent Developments for SEPARION™:

- **Order received:** A leading Chinese lithium ion battery company has qualified SEPARION™ after intense testing for use in its electric vehicle program. This customer's requirement is expected to be greater than \$1 Million in 2015 and growing to larger amounts in 2016.
- **Exclusivity:** SEPARION™ was exclusive to a leading German automotive company for its electric vehicle production. This auto company continues to be a major customer but no longer has exclusive rights.
- **Sales Pipeline:** Several major battery companies are expressing great interest and have begun qualification processes. China is moving into electric vehicles with higher energy density chemistry and SEPARION gives the needed safety. We estimate that China alone can absorb over \$ 15 million of SEPARION™ in 2016.
- **Electrovaya Qualification:** Electrovaya has also qualified the material and has begun using it for all its major products.
- **Branding & Marketing** has begun. This includes branding, website (www.separion.com) and a dedicated sales team for SEPARION™
- **Acquisition:** Electrovaya acquired the Global rights to SEPARION™ and its production facility

The key features of SEPARION™ are:

- **Safety:** Provides highest level of safety for large format lithium ion batteries for applications in electric vehicles and energy storage systems. No safety incident has been reported with cells made with SEPARION™ operating in tens of thousands of electric vehicles, a rare feat in the electric car industry.
- **Extra Ordinary Cycle Life:** SEPARION™ with proprietary processing allows spectacular increase in cycle life. For example, in cells made with graphite anode and NMC cathode (Nickel Manganese Cobalt oxide), most manufacturers show cycle life in the region of 3000 to 5500 cycles with full 100% charge discharge at 1 C rate. SEPARION™ shows ~ 9000 cycles using the same electrode chemistry and testing conditions.
- **Utility Energy Storage** applications demand the highest cycle life.
- **High Temperature performance** has been proven in a commercially available high temperature (>100°C) lithium ion battery. High temperature stability allows faster drying while SEPARION™ absorbs electrolyte faster under minimal pressure with accelerated wetting, all useful in lowering cell production costs.
- **Unique “Full Ceramic” structure:** SEPARION™ is a ceramic embedded separator. The material shows higher safety compared to polyolefins and ceramic coated separators.
- **IP and Patent Protection:** Protected by nearly 300 global patents and knowhow developed over many years (since 1998).

“Because of SEPARION™’s unique combination of safety, high temperature performance and amazing increase in cycle life, our objective is to make this separator the industry standard. We are now assessing Joint Ventures and other means to increase capacity to meet increasing demand” says, Dr. Rajshekar Das Gupta, Vice President Technology, Electrovaya.

“We are seeing a strong response from Chinese battery manufacturers for SEPARION™ and numerous leading companies are asking for samples. Our first major sale in China was driven by the unique properties of the SEPARION™ and the substantial safety improvements seen by our client”, said Mr. Charles Zhang, sales agent for SEPARION™ in China.

About Electrovaya Inc.

Electrovaya Inc. (TSX:EFL) designs, develops and manufactures proprietary Lithium Ion Super Polymer® 2.0 batteries, battery systems, and battery-related products for energy storage, clean electric transportation and other specialized applications. Electrovaya, through its fully owned subsidiary, Litarion

GmbH, also produces electrodes and SEPARION™ ceramic separators and has manufacturing capacity of about 500MWh/annum. ElectroVaya is a technology focused company, and around 500 patents protects its technology through the combined Canadian and German groups. Headquartered in Ontario, Canada, ElectroVaya has production facilities in Canada and Germany and customers around the globe. *To learn more about how ElectroVaya is powering mobility and energy storage, please explore www.electrovaya.com*

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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" 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.