



News for Immediate Release

Electrovaya Announces Completion of its Real Estate Sale and Leaseback for Approximately CDN\$22.5 Million

Toronto, Ontario – October 23, 2018– Electrovaya Inc. (“Electrovaya” or the “Company”) (TSX: EFL; OTCQX: EFLVF) announces that it has completed the previously-announced sale-leaseback for \$22.5 million. After purchase price adjustments and brokerage the proceeds to the Company are \$20.2 million and will be used to pay down debt and for working capital purposes.

The sale-leaseback transaction significantly improves the Company’s liquidity as it focuses on meeting growing demand for the use of lithium ion batteries in applications including material handling electric vehicles, automated guided vehicles, electric buses and energy storage.

For further details on the terms of the transaction, please see the Company’s news release dated July 27, 2018.

For more information, please contact:

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About Electrovaya Inc.

Electrovaya Inc. (TSX:EFL) (OTCQX:EFLVF) designs, develops and manufactures proprietary Lithium Ion Super Polymer® batteries, battery systems, and battery-related products for energy storage, clean electric transportation and other specialized applications. Headquartered in Ontario, Canada, Electrovaya is a technology focused company with extensive IP, supplying leading global customers.

To learn more about how Electrovaya is powering mobility and energy storage, please explore www.electrovaya.com.

Forward-Looking Statements

This press release contains forward-looking statements, including statements that relate to, among other things, the Company’s liquidity position, the use of proceeds of the sale of its property, the Company’s need for commoditized contract manufacturing facilities and need for space generally, the Company’s markets and expected product development, and the Company’s objectives, goals, strategies, intentions, beliefs, expectations and estimates. Forward-looking statements can generally be identified by the use of words such as “may”, “will”, “could”, “should”, “would”, “likely”, “possible”, “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. Material assumptions used to develop forward-looking information in this news release include, among other things, that current customers will continue to make and increase orders for the Company’s products, that markets for electric vehicles and other lithium-ion battery applications will increase, that the Company’s alternate supply chain will be adequate to replace material supply and manufacturing, that the Company’s interpretation of the effect of any comfort given to Litarion’s auditors of the Company’s financial support for Litarion’s operations is correct, and that Litarion’s insolvency process will proceed in an orderly fashion that will satisfy Litarion’s debt without a significant negative effect on the Company or its assets. Important factors that could cause actual results to differ materially from expectations include but are not limited to: actions taken by creditors and remedies granted by German courts in the Litarion insolvency proceedings and their effect on the Company’s business and assets, negative reactions of the Company’s existing customers to Litarion’s insolvency process, 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 Annual Information Form (“AIF”) for the year ended September 30, 2017 and 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.