



News for Immediate Release

ELECTROVAYA SELECTED AS BATTERY SUPPLIER FOR PLUG-IN HYBRID ELECTRIC VEHICLE PROGRAM

Toronto, Ontario – March 24, 2010 – Electrovaya Inc. (TSX: EFL) today announced that it has been chosen by Chrysler Group LLC as the battery supplier for 140 Ram plug-in hybrid electric vehicles in a demonstration program.

The Ram PHEV will feature a 12kWh lithium ion battery from Electrovaya. A total of 140 Ram PHEVs will be built for a demonstration program running for a period of three years at various geographic and climatic locations across the US. More than 21 Chrysler Group partners across the U.S., including utility companies, government agencies and Universities will independently test the Ram PHEV and provide valuable data for the advancement of the technology.

“Chrysler Group’s decision to choose Electrovaya as a battery supplier for this program is an important validation of our technology and our unique and zero-emission, NMP-free manufacturing process,” added Dr. Sankar DasGupta, Electrovaya CEO. “This collaboration represents a key milestone achievement for Electrovaya and we look forward to working with Chrysler Group. We are confident that we are well-positioned to capitalize on the vast opportunities that lie ahead in the electric vehicle market.”

The DOE-supported programs are an important enabler for key suppliers to understand and test customer acceptance and the capability of PHEV systems in real-world conditions.

About Electrovaya Inc:

Electrovaya Inc. (TSX:EFL) designs, develops and manufactures proprietary Lithium Ion SuperPolymer® batteries, battery systems, and battery-related products for the clean transportation, 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. Founded in 1996 and headquartered in Ontario, Canada, Electrovaya has production facilities in Canada as well as in the US, and customers around the globe. *To learn more about how Electrovaya is powering mobility, please explore www.electrovaya.com.*

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Forward-Looking Statements

This press release contains forward-looking statements that involve a number of risks and uncertainties, including statements that relate to, among other things, the Company's objectives, goals, strategies, intentions, plans, 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.