



News for Immediate Release

ELECTROVAYA DELIVERS 1.5 MWH LITHIUM ION BATTERY-BASED ENERGY STORAGE SYSTEM TO ARIZONA PUBLIC SERVICE COMPANY

Energy Storage Enables Intermittent Renewable Energy for Grid Applications

Toronto, Ontario – February 23, 2012 – Electrovaya Inc. (TSX: EFL) today announced that it has delivered a 1.5MWh capacity Lithium Ion SuperPolymer® Battery Energy Storage System (“BESS”) to Arizona Public Service Company, that state’s largest electric utility. The BESS will be providing energy storage for a pilot program to study ways to optimize the integration of renewable energy sources to the grid.

Electrovaya has partnered with ABB, a leading global power and automation technology company, to provide the power conditioning and conversion equipment for the battery energy storage system.

A video of the energy storage system can be found on YouTube at <http://www.youtube.com/watch?v=zNMclgXUUqw&feature=youtu.be>.

“This system is possibly the world’s largest Lithium Ion battery in a single container” commented Dr. Raj Das Gupta, Electrovaya’s General Manager, Energy Storage Systems. “Working with major utilities represents a tremendous opportunity for us in the rapidly growing grid energy storage market, and validates the importance of our advanced battery technology and unique toxic chemical-free manufacturing process.”

Energy Storage with lithium batteries is highly energy-efficient and stores energy from intermittent generating sources such as wind and solar and makes it available to electricity users at Peak Power or on demand.

“ABB is excited to work with Electrovaya on this important grid battery energy storage project. Electrovaya and ABB will be working closely together on this and other opportunities, as we meet the growing demand for clean energy via safe and reliable technology,” added Pat Hayes, ABB Account Manager of Energy Storage Systems.

“APS is pleased to be working with Electrovaya to pilot energy storage technologies,” says APS Energy Storage Project Manager Joe Wilhelm. “Energy storage can help us integrate more renewable energy onto our system. With energy storage, we can store solar energy during the day and dispatch it in the evening, when it provides the greatest benefit to our customers.”

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 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 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.

About ABB

ABB (www.abb.com) is a leader in power and automation technologies that enable utility and industry customers to improve their performance while lowering environmental impact. The ABB Group of companies operates in around 100 countries and employs about 135,000 people. The company's North American operations, headquartered in Cary, North Carolina, employ about 18,000 people in multiple facilities across the region.

About APS

Headquartered in Phoenix, APS is Arizona's largest and longest-serving electricity utility, serving more than 1.1 million customers in 11 of the state's 15 counties.

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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.