

For immediate release

LION AWARDED \$38 MILLION AS PART OF THE EPA'S LATEST ROUND OF CLEAN SCHOOL BUS PROGRAM FUNDING

Further grant awards to school districts, financial entities and third-party contractors representing attractive potential for additional opportunities for Lion.

JOLIET, ILLINOIS – January 10, 2024 – The Lion Electric Company (NYSE: LEV) (TSX: LEV) (“Lion” or the “Company”), a leading manufacturer of all-electric medium and heavy-duty urban vehicles, was awarded a grant for 97 school buses and related charging infrastructure, representing a total of \$38 million, as part of the U.S. EPA’s latest round of awards under the Clean School Bus Program.

With this latest round of awards, the EPA has more than doubled the funding amount initially announced in April 2023, thereby allocating nearly \$1 billion to 67 applicants. Based on the EPA, these awards are expected to facilitate the purchase of over 2,700 clean school buses in 280 school districts serving over 7 million students across 37 states.

Approximately 70% of all units awarded under this round of the program have been directly granted to school districts, financial entities and third-party contractors, representing attractive potential for additional opportunities for Lion.

"The ongoing investment from the federal government for cleaner school buses will tangibly contribute to the well-being of our children and communities, reduce greenhouse gas emissions (GHG), and increase the number of electric school buses on American roads. Congratulations to the EPA and all the recipients, who will soon experience the many benefits of transitioning to zero-emission school buses," said Nicolas Brunet, President of Lion. "We continue to assist our clients with the funding opportunities that are available, and we are proud to manufacture purpose-built all-electric school buses in Joliet, Illinois, which are currently being deployed across the United States."

In addition to this round of financing, the EPA is currently accepting, until January 31, 2024, applications for the 2023 Clean School Bus Rebate Program. The agency expects to award at least \$500 million in funding under this round by April 2024.

Lion provides districts and operators with a dedicated team of grant specialists to assist them in applying for and securing future funding opportunities, including under the Clean School Bus Program. Lion’s support also includes financing assistance with LionCapital Solutions, charging infrastructure with LionEnergy, driver/maintenance/safety training from Lion's BrightSquad and proprietary EV telematics with LionBeat.

Additional Information About Lion’s Grant Under the Program

Lion’s applications submitted in connection with this round of the program were prepared in collaboration with selected school districts. Lion will continue to work closely with the applicable school districts in order to complete the milestones required under the program and execute purchase orders with such school districts. For additional information on the Clean School Bus Program and the awards granted thereunder, please refer to the EPA’s website at <https://www.epa.gov/cleanschoolbus/clean-school-bus-program-awards>.

ABOUT LION ELECTRIC

Lion Electric is an innovative manufacturer of zero-emission vehicles. The company creates, designs and manufactures all-electric class 5 to class 8 commercial urban trucks and all-electric school buses. Lion is a North American leader in electric transportation and designs, builds and assembles many of its vehicles' components, including chassis, battery packs, truck cabins and bus bodies.

Always actively seeking new and reliable technologies, Lion vehicles have unique features that are specifically adapted to its users and their everyday needs. Lion believes that transitioning to all-electric vehicles will lead to major improvements in our society, environment and overall quality of life. Lion shares are traded on the New York Stock Exchange and the Toronto Stock Exchange under the symbol LEV.

CAUTION REGARDING FORWARD-LOOKING STATEMENTS

This press release contains "forward-looking information" and "forward-looking statements" within the meaning of applicable securities laws and within the meaning of the United States Private Securities Litigation Reform Act of 1995 (collectively, "forward-looking statements"), including statements regarding the EPA Clean School Bus Program, the award granted to Lion under the program, the Company's ability to execute purchase orders with respect to units that have been directly granted to school districts, financial entities, or third-party contractors and future funding rounds under the program, other statements about Lion's beliefs and expectations and other statements that are not statements of historical facts. Forward-looking statements may be identified by the use of words such as "believe," "may," "will," "continue," "anticipate," "intend," "expect," "should," "would," "could," "plan," "project," "potential," "seem," "seek," "future," "target" or other similar expressions and any other statements that predict or indicate future events or trends or that are not statements of historical matters, although not all forward-looking statements may contain such identifying words. The forward-looking statements contained in this press release are based on a number of estimates and assumptions that Lion believes are reasonable when made. Such estimates and assumptions are made by Lion in light of the experience of management and their perception of historical trends, current conditions and expected future developments, as well as other factors believed to be appropriate and reasonable in the circumstances. However, there can be no assurance that such estimates and assumptions will prove to be correct. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. For additional information on estimates, assumptions, risks and uncertainties underlying certain of the forward-looking statements made in this press release, please consult section 23.0 entitled "Risk Factors" of the Company's annual management's discussion and analysis of financial condition and results of operations (MD&A) for the fiscal year 2022 and in other documents filed with the applicable Canadian regulatory securities authorities and the Securities and Exchange Commission, including the Company's interim MD&As. Many of these risks are beyond Lion's management's ability to control or predict. All forward-looking statements attributable to Lion or persons acting on its behalf are expressly qualified in their entirety by the cautionary statements contained and risk factors identified in the Company's annual MD&A for the fiscal year 2022 and in other documents filed with the applicable Canadian regulatory securities authorities and the Securities and Exchange Commission. Because of these risks, uncertainties and assumptions, readers should not place undue reliance on these forward-looking statements. Furthermore, forward-looking statements speak only as of the date they are made. Except as required under applicable securities laws, Lion undertakes no obligation, and expressly disclaims any duty, to update, revise or review any forward-looking information, whether as a result of new information, future events or otherwise.

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