

Q2 2024 Earnings & Business Update Call

Investor Presentation
August 8, 2024



Disclaimer

FORWARD LOOKING STATEMENTS AND UNAUDITED RESULTS

Certain statements contained in this presentation may be considered “forward-looking statements” within the meaning of the U.S. Private Securities Litigation Reform Act of 1995, Section 27A of the U.S. Securities Act of 1933, as amended, Section 21 of the U.S. Securities Exchange Act of 1934, as amended, and applicable Canadian securities laws. Forward-looking statements may generally be identified by the use of words such as “believe”, “may”, “will”, “continue”, “anticipate”, “intend”, “expect”, “should”, “would”, “could”, “plan”, “potential”, “future”, “target” or other similar expressions that predict or indicate future events or trends or that are not statements of historical matters, although not all forward-looking statements contain such identifying words. Forward-looking statements in this presentation include but are not limited to statements about: the work with the U.S. Department of Energy to advance toward reaching an agreement on definitive financing documentation, execution thereof, and an increase in the maximum loan amount above the existing conditional commitment of \$375 million as well as expected spend to advance towards definitive financing documentation; the statements about Spoke optimization; the continued evaluation of options financing and strategic alternatives; and Li-Cycle's go-forward strategy. These statements are based on various assumptions, whether or not identified in this communication, including but not limited to assumptions regarding the timing, scope and cost of Li-Cycle's projects, including paused projects; the processing capacity and production of Li-Cycle's facilities; Li-Cycle's ability to source feedstock and manage supply chain risk; Li-Cycle's ability to increase recycling capacity and efficiency; Li-Cycle's ability to obtain financing on acceptable terms or execute any strategic transactions; the success of Li-Cycle's cash preservation plan; the outcome of the go-forward strategy of the Rochester Hub; Li-Cycle's ability to retain and hire key personnel and maintain relationships with customers, suppliers and other business partners; the success of the Cash Preservation Plan, the outcome of the review of the go-forward strategy for the Rochester Hub, Li-Cycle's ability to attract new suppliers or expand its supply pipeline from existing suppliers; general economic conditions; currency exchange and interest rates; compensation costs; and inflation. There can be no assurance that such estimates or assumptions will prove to be correct and, as a result, actual results or events may differ materially from expectations expressed in or implied by the forward-looking statements. These forward-looking statements are provided for the purpose of assisting readers in understanding certain key elements of Li-Cycle's current objectives, goals, targets, strategic priorities, expectations and plans, and in obtaining a better understanding of Li-Cycle's business and anticipated operating environment. Readers are cautioned that such information may not be appropriate for other purposes and is not intended to serve as, and must not be relied on, by any investor as a guarantee, an assurance, a prediction or a definitive statement of fact or probability. Forward-looking statements involve inherent risks and uncertainties, most of which are difficult to predict and many of which are beyond the control of Li-Cycle and are not guarantees of future performance. Li-Cycle believes that these risks and uncertainties include, but are not limited to, the following: Li-Cycle's inability to develop the Rochester Hub as anticipated or at all, and other future projects including its Spoke network expansion projects in a timely manner or on budget or that those projects will not meet expectations with respect to their productivity or the specifications of their end products; risk and uncertainties related to Li-Cycle's ability to continue as a going concern; Li-Cycle's failure to effectively remediate the material weaknesses in its internal control over financial reporting that it has identified or its failure to develop and maintain a proper and effective internal control over financial reporting; Li-Cycle's insurance may not cover all liabilities and damages; Li-Cycle's reliance on a limited number of commercial partners to generate revenue. These and other risks and uncertainties related to Li-Cycle's business are described in greater detail in the section titled "Item 1A. Risk Factors" and "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operation—Key Factors Affecting Li-Cycle's Performance" in its Annual Report on Form 10-K and the sections titled "Part II. Other Information—Item 1A. Risk Factors" and "Part I. Financial Information—Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operation" in its Quarterly Reports on Form 10-Q, in each case filed with the U.S. Securities and Exchange Commission and the Ontario Securities Commission in Canada. Because of these risks, uncertainties and assumptions, readers should not place undue reliance on these forward-looking statements. Actual results could differ materially from those contained in any forward-looking statement.

Li-Cycle assumes no obligation to update or revise any forward-looking statements, except as required by applicable laws. These forward-looking statements should not be relied upon as representing Li-Cycle's assessments as of any date subsequent to the date of this presentation. Li-Cycle reports its financial results in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”). The Company makes references to certain non-GAAP measures, including adjusted EBITDA (loss). These measures are not recognized measures under U.S. GAAP, do not have a standardized meaning prescribed by U.S. GAAP and are therefore unlikely to be comparable to similar measures presented by other companies. Rather, these measures are provided as additional information to complement those U.S. GAAP measures by providing a further understanding of the Company's results of operations from management's perspective. Accordingly, they should not be considered in isolation nor as a substitute for the analysis of the Company's financial information reported under U.S. GAAP. Li-Cycle defines adjusted EBITDA (loss) as earnings (loss) before depreciation and amortization, interest expense (income), income tax expense (recovery), and fair value (gain) loss on financial instruments. Reconciliation of the non-GAAP measure included in this presentation to Li-Cycle's financial results as determined in accordance with U.S. GAAP is included in the Appendix.

Market and Industry Data

This presentation includes market estimates, including for the size of the EV and hybrid market in North America and the supply of battery materials for recycling in North America. These estimates are based on a variety of sources, including information from independent third-party industry analysts and publications, as well as Li-Cycle's own estimates and research. Li-Cycle's estimates are derived from publicly available information released by third party sources, as well as data from its internal research, and are based on such data and management's knowledge of the industry, which Li-Cycle believes to be reasonable.

Li-Cycle's Go-Forward Strategy: Key Objectives

Key Objectives

Current Status

Closing of the U.S. Department of Energy (DOE) Loan



- Advancing towards reaching an agreement on definitive financing documentation for a loan for gross proceeds of up to \$375 million

Evaluate Additional Financing Alternatives



- Continuing to explore financing and strategic options to increase near-term liquidity

Complete Comprehensive Review



- ✓ Refined cost estimates with the local market
- ✓ Advanced go-forward project execution plan for the proposed mixed hydroxide precipitate (MHP) scope

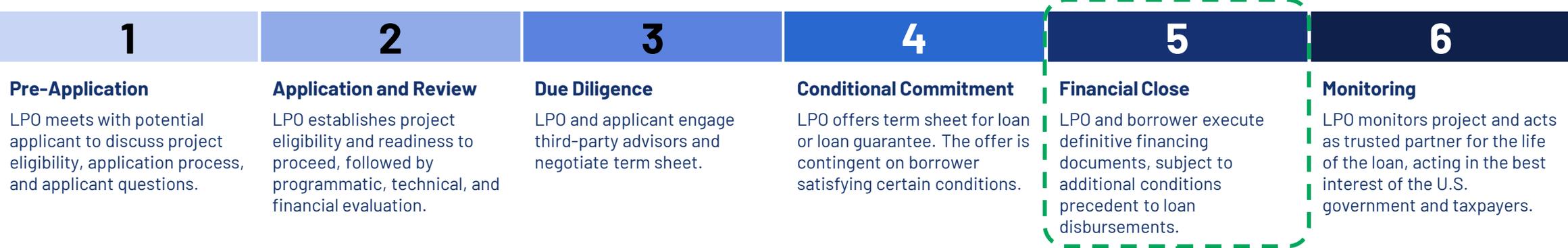
Optimize Spoke Network and Maximize Value



- ✓ Secured ISO certifications at Germany Spoke
- ✓ Transitioning Ontario Spoke from operational pause to closure
- Continuing optimization and strategic review of Spoke network

DOE Loan: Advancing Towards Definitive Financing Documentation

DOE LPO Advanced Technology Vehicles Manufacturing (ATVM) Loan Application Process⁽¹⁾



Li-Cycle continues to work closely with the DOE on key **technical, financial, and legal** workstreams to advance toward reaching an agreement on definitive financing documentation, execution thereof, and satisfying conditions precedent for loan disbursements.

(1) DOE Loan Programs Office (LPO) loan application process sourced from <https://www.energy.gov/lpo/application-process>

Rochester Hub Project Update for Proposed MHP Scope

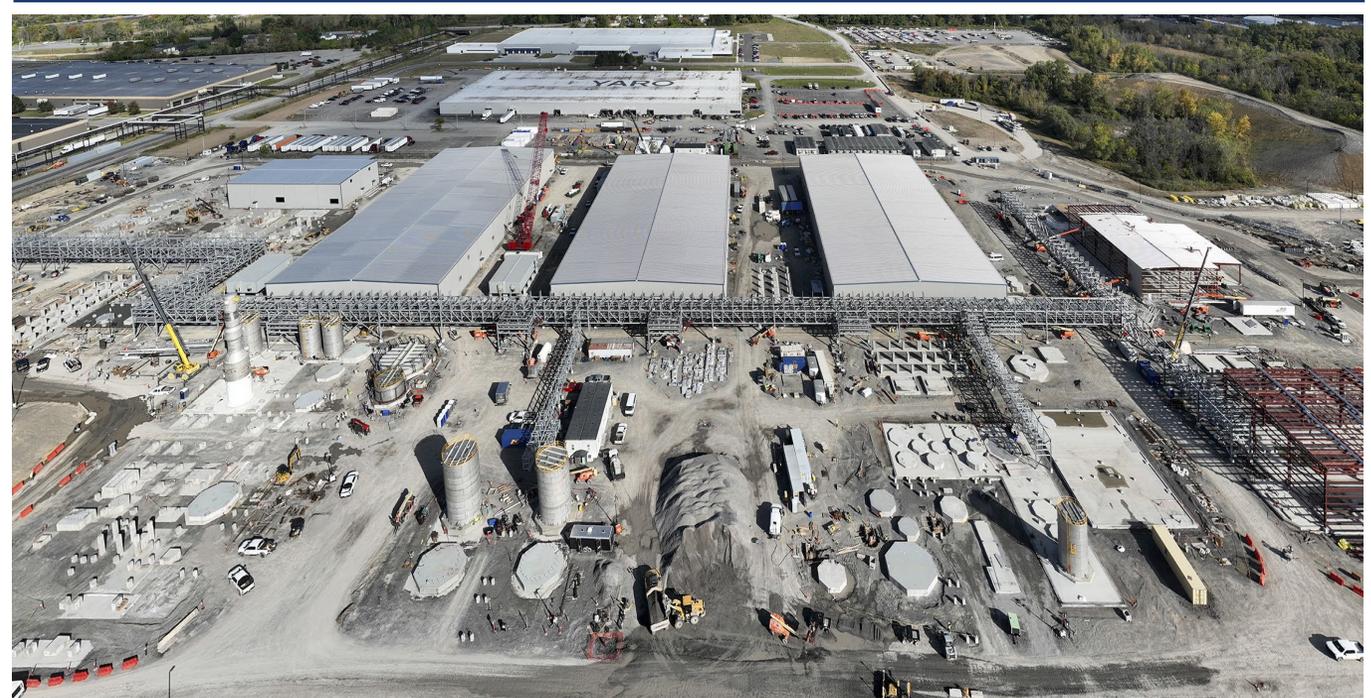
Technical Update

- Internally confirmed technical viability of MHP scope
 - MHP process expected to produce **lithium carbonate** and **MHP** (which contains nickel, cobalt and manganese)
 - Both products have established markets
- Advanced go-forward strategy for Rochester Hub project execution plan for MHP scope

Cost Estimate and Commercial Update

- Defining refined cost estimates with local market as part of evaluation of total project cost estimate
 - Total project cost estimate for MHP scope remains the same at approximately \$960 million
- Continuing work and negotiations to reach MHP off-take agreement

Construction Site as of Mid-October 2023 Prior to Pause



WAREHOUSE BUILDING



LITHIUM PROCESS AREA
FOUNDATION

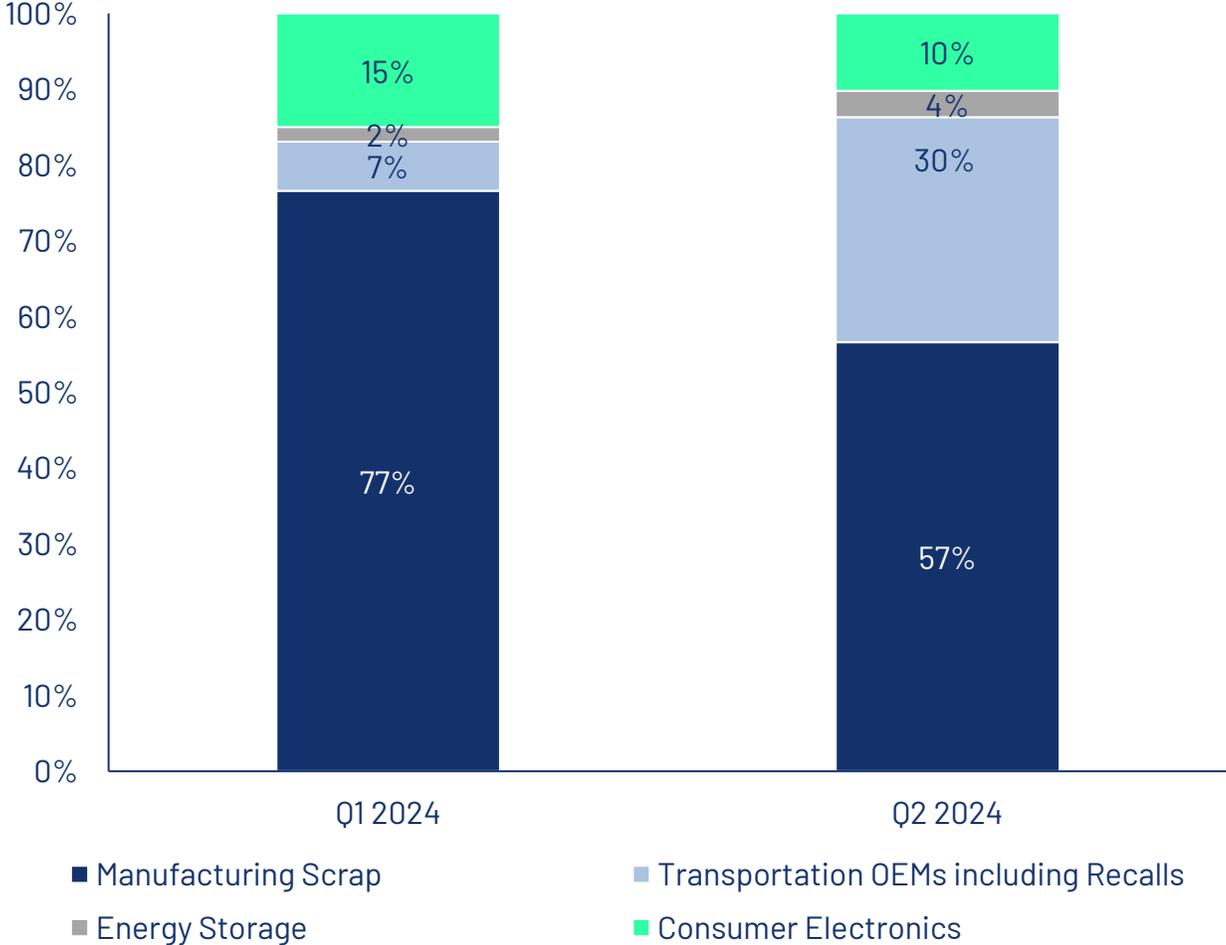


FINAL PRODUCTS AREA

Q2 Highlights: Continued Commercial Traction

- **Largest customer source of revenue in 1H 2024** was a **leading U.S.-headquartered vertically integrated EV and battery manufacturer** with a substantial global EV market share
- **Four of top 5** global customers are **EV OEMs**, and top 5 comprise ~60% of global battery feed intake
- **~40%** of total global battery input processed were **EV battery packs**
- **Widened commercial footprint** in Europe for feedstock to the Germany Spoke
- **Partnered with Daimler Truck North America (DTNA)** to recycle batteries from DTNA vehicles

Battery Input Feed by Type

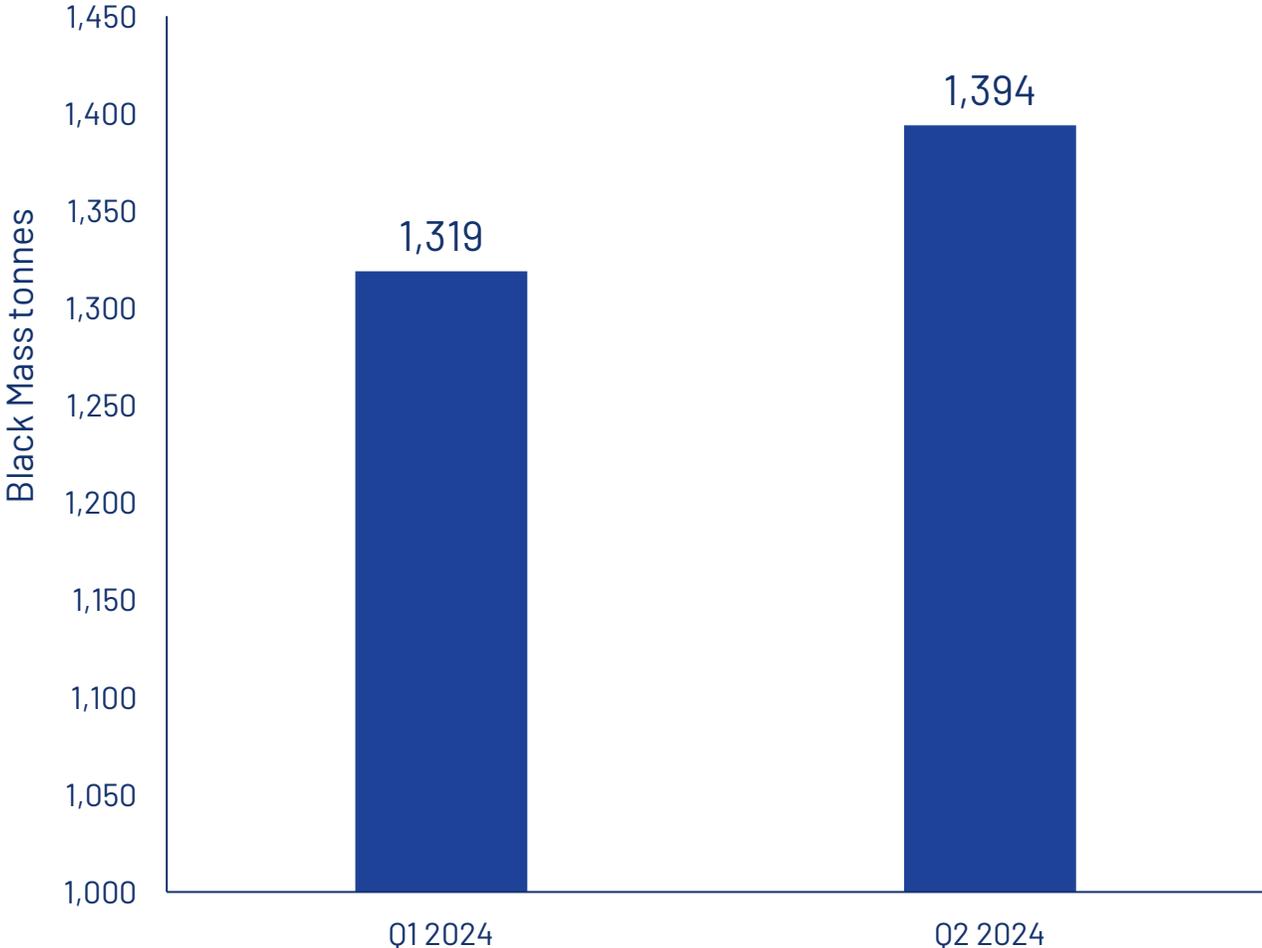


Spoke: Remain Focused on Adding Customer Value and Network Optimization

Q2 2024 Operational Highlights

- **1,394 tonnes** of black mass & equivalents⁽¹⁾ produced
- **Continue to optimize Spoke network**
 - **Increased throughput rates** year-over-year in Arizona and Alabama Spokes
 - **Secured ISO certifications** at Germany Spoke: 14001 (Environmental Management), 45001 (Occupational Health & Safety), and 9001 (Quality)
 - **Transitioning Ontario Spoke from operational pause to closure**

Black Mass Production by Quarter



(1) Unless otherwise stated, in this presentation "black mass" refers to "black mass & equivalents," which includes black mass and products analogous to black mass that have a similar metal content.

Maximizing Value Across Spoke Network

Spoke Initiatives

- Maximize and sustain throughput at Gen-3 Spokes (Arizona, Alabama and Germany) to leverage capabilities to process EV battery packs and modules
- Optimize product conversion costs
- Continue focus on recycling services to leverage Gen-3 Spoke value differentiators and generate revenue
- Work with strategic partners to execute on Spoke initiatives
- Expect to provide further details of Spoke optimization and strategic initiatives in Q3 2024



ALABAMA SPOKE



ARIZONA SPOKE



GERMANY SPOKE

Financial Results: Record Quarterly Revenue, and Lower Cost of Sales and SG&A

<i>Financial Results Reflecting GAAP Reporting</i>	Unit	Q2 2024	Q2 2023
Black Mass Produced	<i>Tonnes</i>	1,394	1,719
Black Mass Sold	<i>Tonnes</i>	1,158	2,093
Product Revenue	<i>\$M</i>	5.0	4.8
Fair Value Pricing Adjustments	<i>\$M</i>	0.2	(1.7)
Recycling Service Revenue	<i>\$M</i>	3.2	0.5
Total Revenue	<i>\$M</i>	8.4	3.6
Cost of Sales	<i>\$M</i>	(19.4)	(20.2)
SG&A	<i>\$M</i>	(15.3)	(24.9)
R&D	<i>\$M</i>	(0.6)	(1.3)
Other Income (Expenses)	<i>\$M</i>	18.7	10.9
Net Income (Loss)	<i>\$M</i>	(8.2)	(31.9)
Adjusted EBITDA (Loss)⁽¹⁾	<i>\$M</i>	(23.4)	(41.3)
As at		Jun 2024	Mar 2024
Cash and Cash Equivalents ⁽²⁾	<i>\$M</i>	57.0	109.1

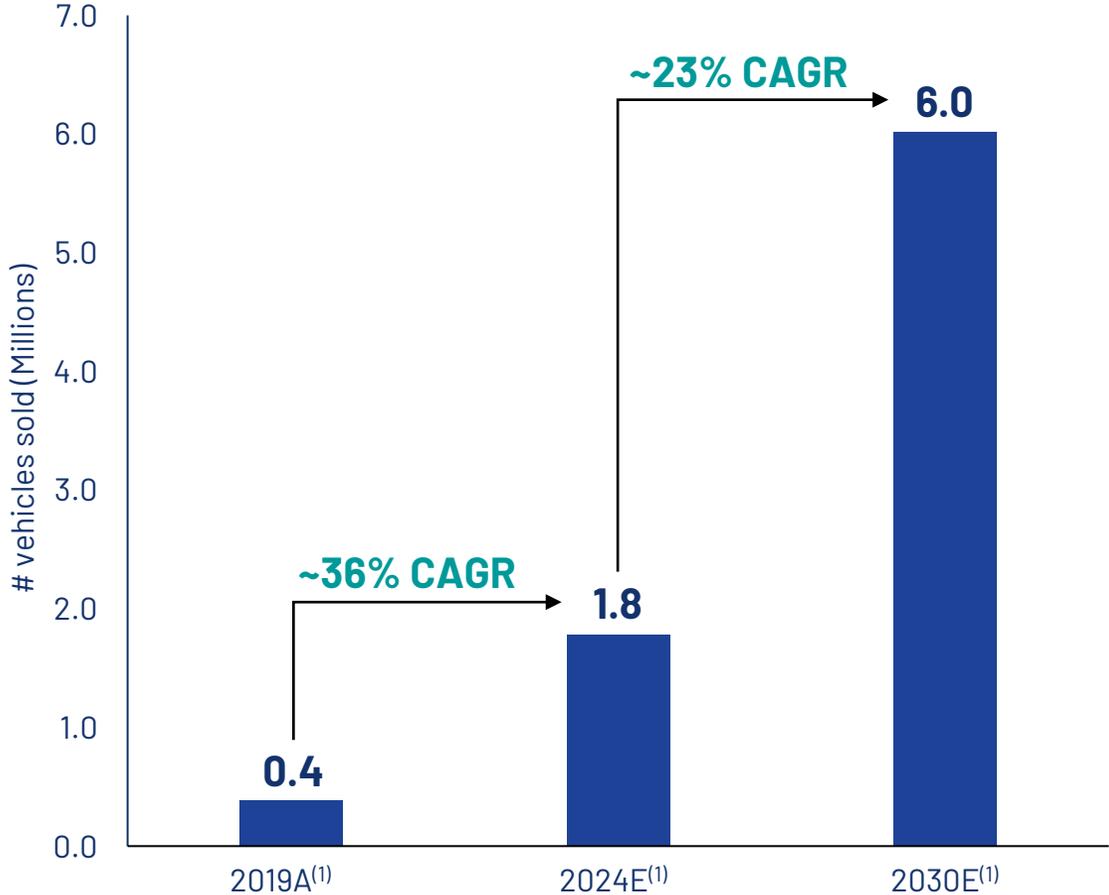
Year on Year Commentary

- **Record quarterly revenue, and 133% increase**, driven by higher recycling service revenue and favorable fair value market adjustments
- **Cost of sales decreased 4%** driven primarily by lower production levels, partially offset by costs associated with Spoke repairs & maintenance and new recycling service contracts
- **SG&A decreased 38%** mainly due to lower recurring personnel costs driven by restructuring initiatives
- **Adjusted EBITDA improved** mainly due to higher revenue and decreases in SG&A and cost of sales
- **Cash position decrease** versus Q1 2024 largely due to changes in working capital and investing activities partially offset by lower SG&A

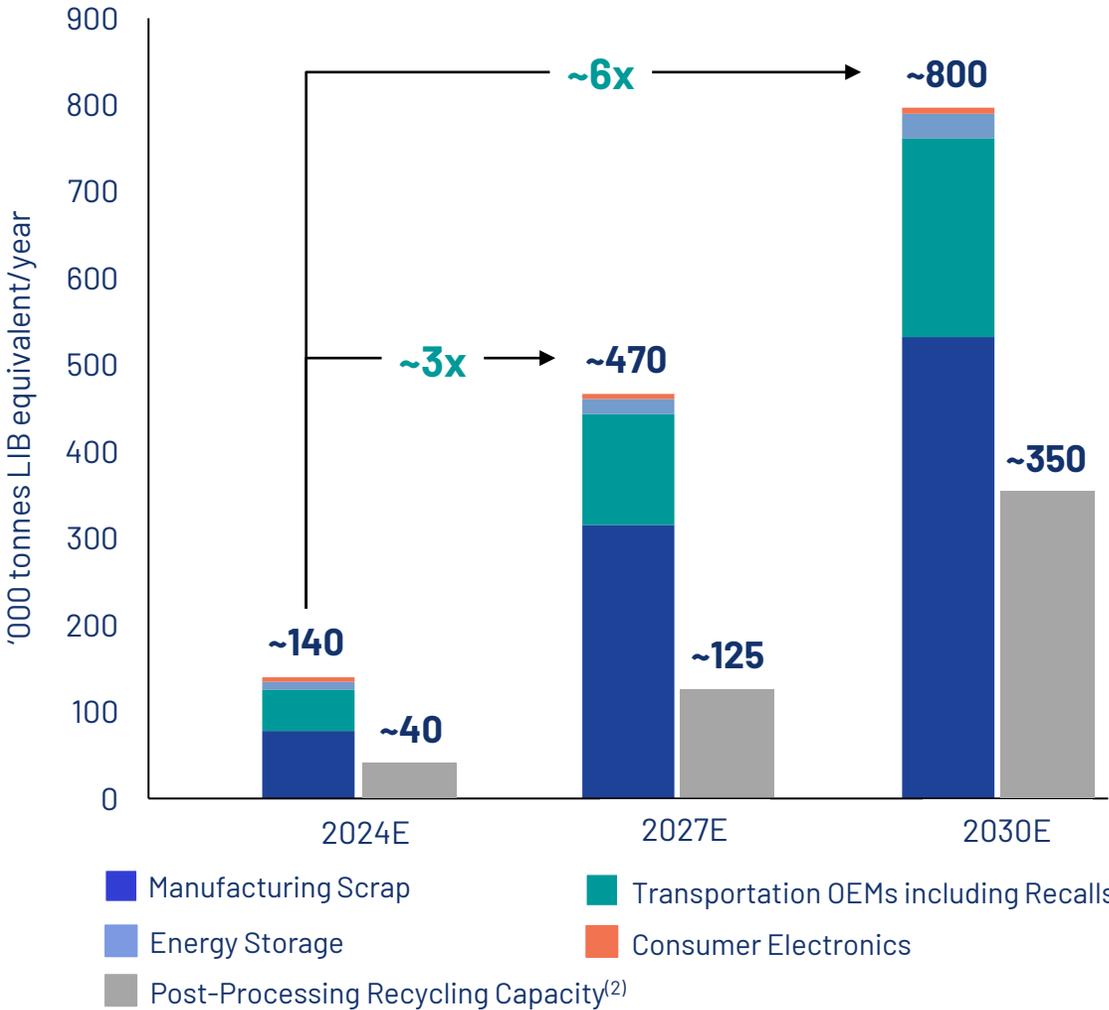
(1) See the Appendix for a reconciliation of Adjusted EBITDA, a non-GAAP financial measure to comparable GAAP financial measure. (2) Excludes restricted cash of \$9.6 million as of June 30, 2024 and March 31, 2024.

Continued Long-Term Growth Trends in EVs and Battery Materials, Notwithstanding Short-Term Industry Dynamics

Growing Adoption of EVs and Hybrids in North America



Increasing Battery Materials for Recycling⁽²⁾ in North America



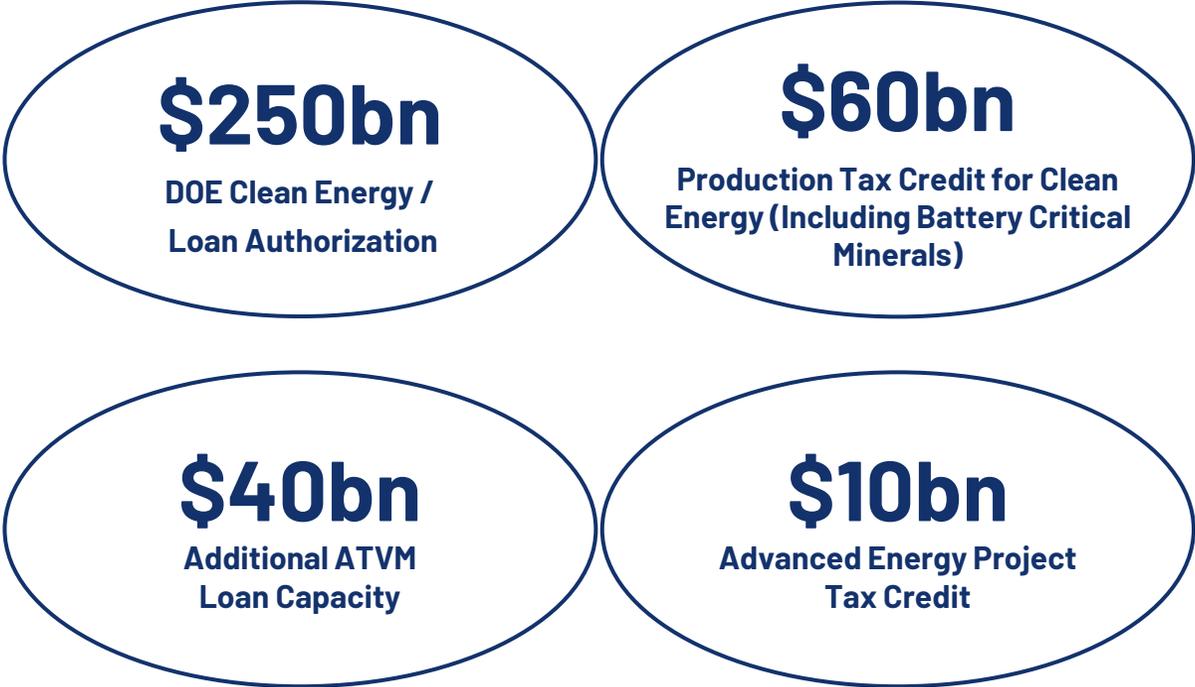
(1) Historical and forecasted data as of June 2024 from BMI; EV includes battery EVs and plug-in hybrid EVs;

(2) Based on good faith estimates of Li-Cycle's management and BMI as of June 2024; TAM estimates include a 30% scrap rate during ramp-up of a gigafactory followed by an average scrap rate of 10% thereafter and excludes gigafactories with lower probabilities.

Continued Support for Localization of Battery Supply Chain

- **U.S. and EU are stimulating adoption of clean energy technologies**
- **Regulatory policies in U.S. and EU promote growth of a localized battery supply chain**
 - U.S. IRA and Bipartisan Infrastructure Law
 - EU Battery Regulation and Critical Raw Materials Act
 - Proposed tariffs further driving localization
- **U.S bipartisan support to build domestic capacity**
 - Foster and onshore clean energy jobs
 - Support national security goals of reducing reliance on critical materials from foreign entities of concern
 - Reduce reliance on imports to create a more stable battery supply chain

U.S. Regulatory Support for Localization of Battery Supply Chain⁽¹⁾



(1) Per Inflation Reduction Act of 2022.

Li-Cycle's Go-Forward Strategy

Key Objectives

Closing of the U.S. Department of Energy Loan

Continue to work closely with DOE to advance towards reaching an agreement on definitive financing documentation, execution thereof, and satisfying conditions precedent for loan disbursements

Evaluate Additional Financing Alternatives

Continuing to explore financing and strategic options to increase near-term liquidity

Complete Comprehensive Review

Complete technical and economic analysis, including evaluation of total project cost estimates for MHP scope for Rochester Hub

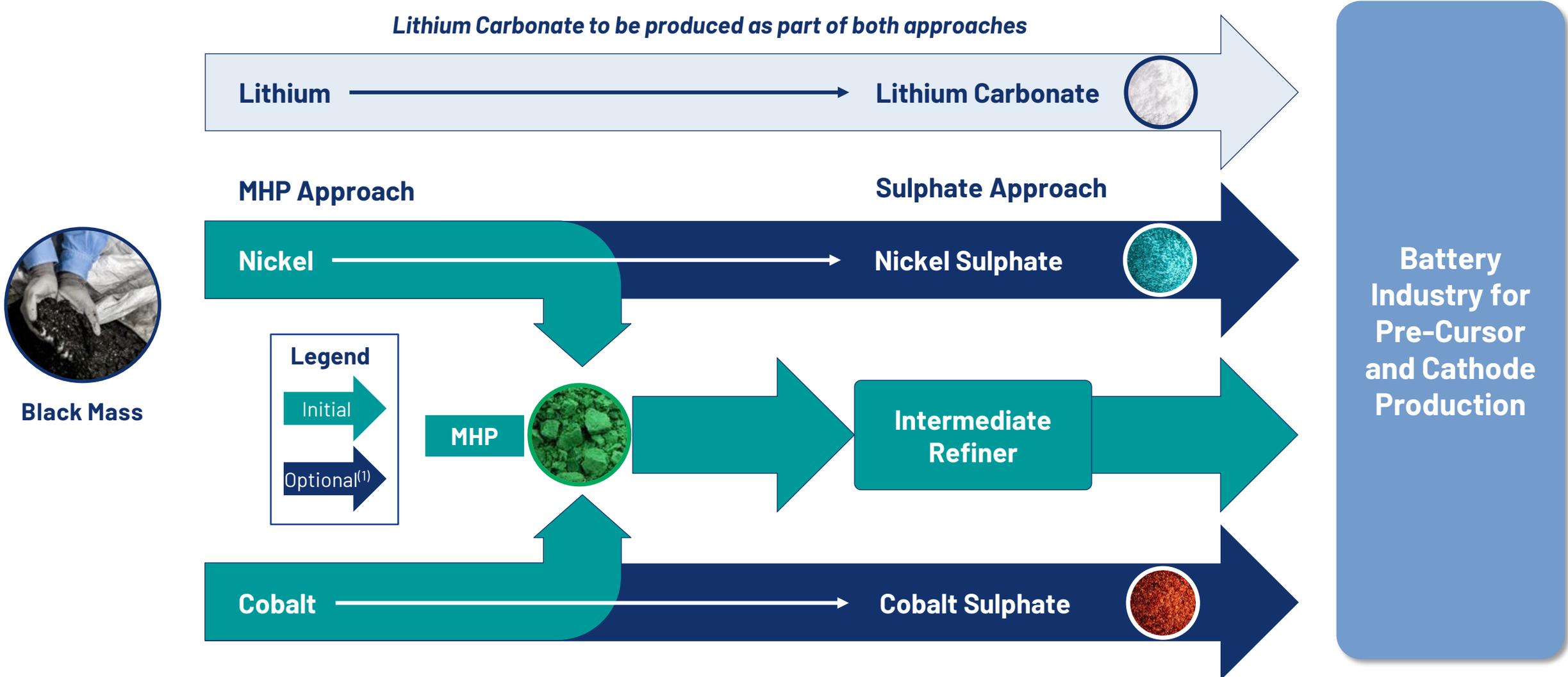
Optimize Spoke Network and Maximize Value

Drive enhanced productivity and throughput to improve Spoke economics and continue to review Spoke network while supporting key OEM and strategic partners through Gen-3 Spokes

Appendix



Rochester Hub: Technical Review Confirmed the Technical Viability of the MHP Process



Black Mass

(1) Optional construction reflects the production of nickel sulphate and cobalt sulphate, as originally planned for the Rochester Hub. There are no current plans that include production of nickel sulphate and cobalt sulphate.

Li-Cycle's Spoke & Hub Network in North America and Europe

Portfolio as of August 2024

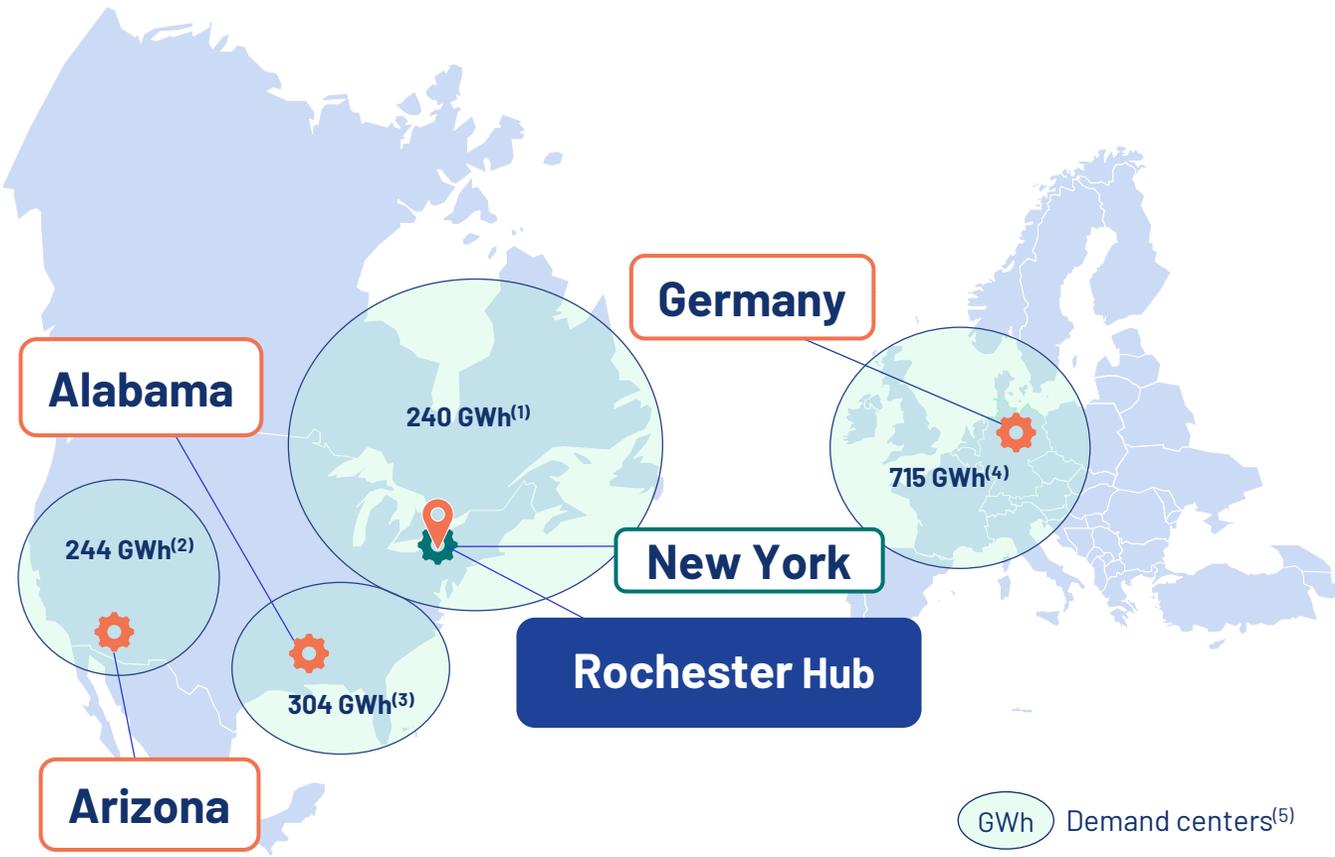
Spokes: Pre-Processing/Recycling of Battery Materials

-  Gen-3 Spoke
Arizona
Alabama
Germany
-  Gen-2 Spoke
New York

Hubs: Post-Processing/Refining for Battery Materials

-  Rochester Hub (construction currently paused)

- The planned **Portovesme Hub** project in Sardinia, Italy is currently paused and is under review by Li-Cycle and Glencore
- The planned **Line 2 expansion** at the **Germany Spoke** has been deferred, and the planned Gen-3 Spokes in **France** and **Norway** have been paused and being re-evaluated as part of go-forward strategy
- Transitioning Gen-1 **Ontario Spoke** from operational pause to closure



(1) Includes New York, Michigan, Ohio, Illinois, Ontario, and Quebec; (2) Includes Arizona, California, Texas, and Nevada; (3) Includes Alabama, Kentucky, North Carolina, South Carolina, Florida, Georgia, and Tennessee; (4) Includes Germany, France, Hungary and UK; (5) Data as of 2030 from BMI, Li-Cycle estimates and publicly announced nameplate capacities for gigafactories announced (as of June 2024); TAM estimates include a 30% scrap rate during ramp-up of a gigafactory followed by an average scrap rate of 10% thereafter.

Adjusted EBITDA Reconciliation

	U.S. dollar amounts (in millions)	
	Three months ended	
	June 30, 2024	June 30, 2023
Net Income (Loss)	(\$8.2)	(\$31.9)
Income Tax	-	-
Depreciation and Amortization	\$2.6	\$2.0
Interest Expense	\$15.6	\$0.1
Interest Income	(\$0.9)	(\$4.2)
EBITDA (Loss)	\$9.1	(\$34.0)
Restructuring Fees ⁽¹⁾	\$2.2	-
Fair Value Loss on Financial Instruments ⁽²⁾	(\$34.7)	(\$7.3)
Adjusted EBITDA (Loss)	(\$23.4)	(\$41.3)

1. Restructuring charges include: expense related to the workforce reduction approved by the Board on March 25, 2024 which provided certain executives and non-executives with contractual termination benefits as well as one-time termination benefits; Special Committee retainers; professional fees, including legal fees incurred as a result of the three shareholder suits and the mechanic's liens filed following the construction pause at the Rochester Hub; and expenses related to the implementation of the Cash Preservation Plan.
2. Fair value loss on financial instruments relates to convertible debt.

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Li-Cycle's Share Count as of June 30, 2024

Total basic shares outstanding as of June 30, 2024	22,500,212
Potential shares reserved for future issuance:	
Convertible notes ⁽¹⁾	22,372,258
Stock options ⁽²⁾	390,536
Restricted share units ⁽²⁾	2,210,664
Fully diluted shares as of June 30, 2024⁽²⁾	47,473,670

Reflects share consolidation effective June 3, 2024, at a ratio of one post-consolidation common share for every eight pre-consolidation common shares.

(1) Includes interest accrued as of June 30, 2024. Excludes interest in subsequent periods that may be paid via payment-in-kind (PIK).

(2) Includes stock options and restricted share units granted and outstanding as of June 30, 2024. Excludes additional shares available for future grants pursuant to the Company's equity incentive plan.

Solving the global battery recycling problem.

