

Second Quarter 2023 Earnings Call

Investor Presentation
August 14, 2023



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: TAM estimates; expectations regarding the EVE energy partnership and a potential new Spoke in Hungary; expectations regarding the achievement of various milestones and initiation of commissioning of the Rochester Hub against the construction budget of \$560 million; expected completion of a definitive feasibility study with Glencore, and the possible joint development and commissioning of a Hub facility in Portovesme, Italy, including expected timing for the achievement of various milestones; expected total annual lithium carbonate production capacity at the Rochester and Portovesme Hubs, once fully operational; expectations regarding the start of full battery pack processing and total processing capacity of the Germany Spoke; expected closing of a \$375 million loan from the DOE in September 2023; expectation that cash on hand and continued strategic funding commitments will support global network growth plans; expected FY 2023 business outlook, including an increase in black mass production to 7,500-8,500 tonnes, the start of a black mass inventory build in second half of 2023, capital allocation for Spoke (\$35-\$45 million) & Hub (\$250-\$300 million) network growth, and optimizing of financial flexibility for growth with the expected closing of the DOE loan commitment.
- These statements are based on various assumptions, whether or not identified in this presentation, made by Li-Cycle management, including but not limited to assumptions regarding the timing, scope and cost of Li-Cycle's 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; Li-Cycle's ability to retain and hire key personnel and maintain relationships with customers, suppliers and other business partners; general economic conditions; currency exchange and interest rates; compensation costs; and inflation. There can be no assurance that such 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.
- On December 21, 2022, Li-Cycle's Board of Directors approved a change in the Company's fiscal year end from October 31 to December 31. Li-Cycle's next financial year will cover the period from January 1, 2023, to December 31, 2023. As a result, references in this presentation to "FY 2023" refers to the period from January 1, 2023, to December 31, 2023.
- 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 which may cause actual results to differ materially from the forward-looking information. Li-Cycle believes that these risks and uncertainties are related (but not limited) to the following: Li-Cycle's inability to economically and efficiently source, recover and recycle lithium-ion batteries and lithium-ion battery manufacturing scrap, as well as third party black mass, and to meet the market demand for an environmentally sound, closed-loop solution for manufacturing waste and end-of-life lithium-ion batteries; Li-Cycle's inability to successfully implement its global growth strategy, on a timely basis or at all; Li-Cycle's inability to manage future global growth effectively; Li-Cycle's inability to develop the Rochester Hub and other future projects including its Spoke & Hub 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; Li-Cycle's failure to materially increase recycling capacity and efficiency; Li-Cycle may engage in strategic transactions, including acquisitions, that could disrupt its business, cause dilution to its shareholders, reduce its financial resources, result in incurrence of debt, or prove not to be successful; one or more of Li-Cycle's current or future facilities becoming inoperative, capacity constrained or if its operations are disrupted; additional funds required to meet Li-Cycle's capital requirements in the future not being available to Li-Cycle on acceptable terms or at all when it needs them; Li-Cycle expects to continue to incur significant expenses and may not achieve or sustain profitability; problems with the handling of lithium-ion battery cells that result in less usage of lithium-ion batteries or affect Li-Cycle's operations; Li-Cycle's inability to maintain and increase feedstock supply commitments as well as securing new customers and off-take agreements; a decline in the adoption rate of EVs, or a decline in the support by governments for "green" energy technologies; decreases in benchmark prices for the metals contained in Li-Cycle's products; changes in the volume or composition of feedstock materials processed at Li-Cycle's facilities; the development of an alternative chemical make-up of lithium-ion batteries or battery alternatives; Li-Cycle's revenues for the Rochester Hub are derived significantly from a single customer; Li-Cycle's insurance may not cover all liabilities and damages; Li-Cycle's heavy reliance on the experience and expertise of its management; Li-Cycle's reliance on third-party consultants for its regulatory compliance; Li-Cycle's inability to complete its recycling processes as quickly as customers may require; Li-Cycle's inability to compete successfully; increases in 4 income tax rates, changes in income tax laws or disagreements with tax authorities; significant variance in Li-Cycle's operating and financial results from period to period due to fluctuations in its operating costs and other factors; fluctuations in foreign currency exchange rates which could result in declines in reported sales and net earnings; unfavorable economic conditions, such as consequences of the global COVID-19 pandemic; natural disasters, unusually adverse weather, epidemic or pandemic outbreaks, cyber incidents, boycotts and geo-political events; failure to protect or enforce Li-Cycle's intellectual property; Li-Cycle may be subject to intellectual property rights claims by third parties; Li-Cycle's failure to effectively remediate the material weaknesses in its internal control over financial reporting that it has identified or if it fails to develop and maintain a proper and effective internal control over financial reporting. These and other risks and uncertainties related to Li-Cycle's business and the assumptions on which the forward-looking information is based are described in greater detail in the sections entitled "Risk Factors" in its Annual Report on Form 20-F filed with the U.S. Securities and Exchange Commission and the Ontario Securities Commission in Canada. 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.
- The financial results presented in this presentation are unaudited. Our actual results for the period ended June 30, 2023, may differ materially from the unaudited results disclosed herein and are not necessarily indicative of the results to be expected for any future period.

Second Quarter Call Highlights: Spoke & Hub Network Growth Plans to Position Li-Cycle as Leading Producer of Key Battery-Grade Materials



Commercial

- **Expanded commercial relationships, added contracts with leading global customers in the battery supply chain**
 - MOU⁽¹⁾ with EVE for recycling battery manufacturing scrap at multiple global sites; exploring site selection for new potential Spoke in Hungary



Operational

- **Expanded market-leading position and speed to market through growth of Spoke & Hub network in North America and Europe**
 - Advanced Rochester Hub construction, on track for start of commissioning in late 2023;
 - Progressed DFS⁽²⁾ work for European Hub (Portovesme Hub) with Glencore; on track to be completed by mid-2024; and
 - Commercialized first Europe Spoke in Germany with start of line 1 operations

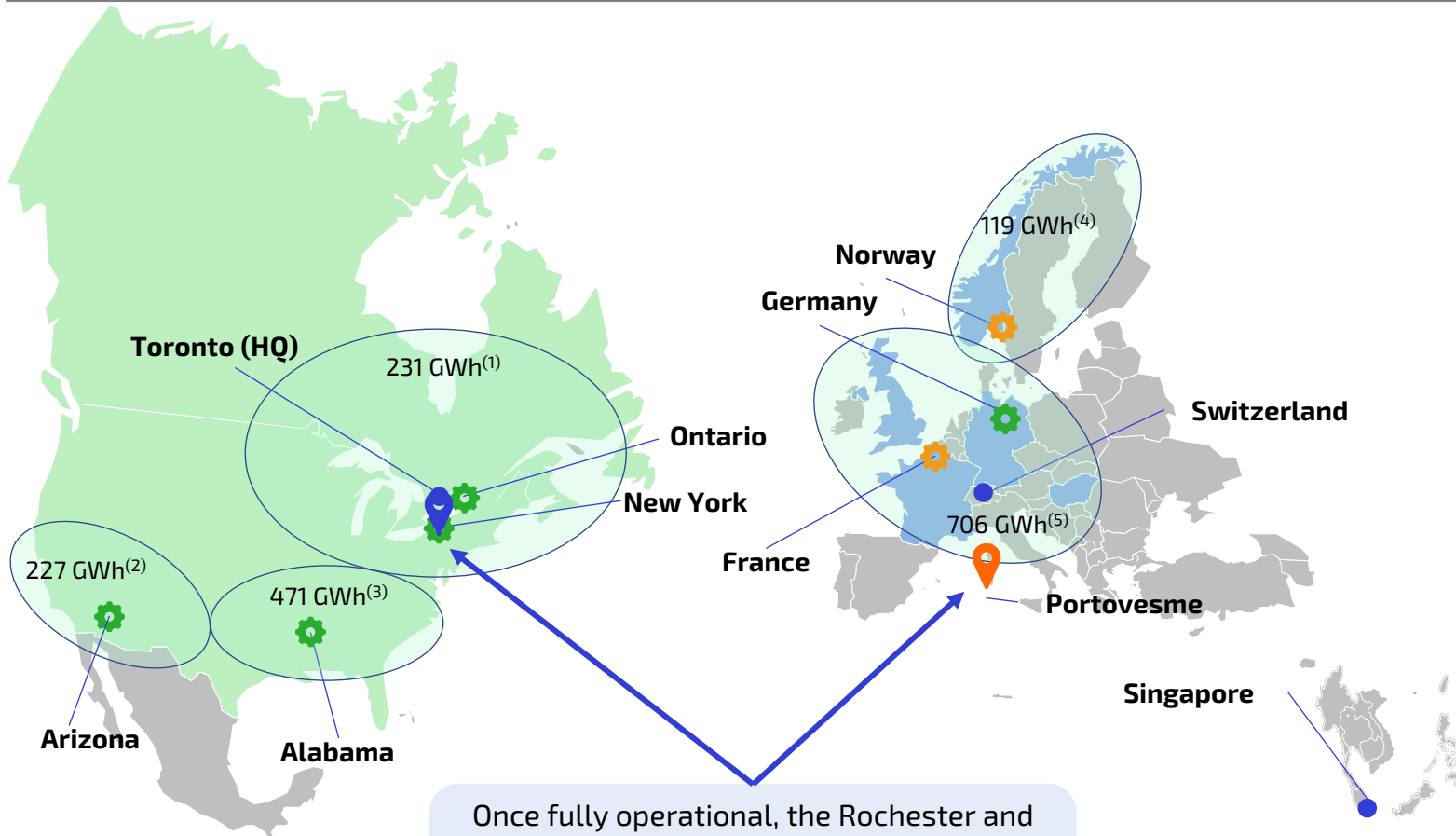


Financial

- **Strengthened balance sheet, optimizing financial flexibility for future growth**
 - Advanced documentation of \$375 million Department of Energy (DOE) loan to final stages with close anticipated in September 2023

(1) Memorandum of Understanding; (2) Definitive Feasibility Study

Li-Cycle's Portfolio: Global Footprint With Local Networks; To Be a Top Global Producer of Lithium Carbonate and Key Battery-Grade Materials



Once fully operational, the Rochester and Portovesme Hubs are expected to have total annual lithium carbonate production capacity of up to 25,000 tonnes

Strategically Optimizing Network

- Prioritizing fastest growing electrification demand centers
- Mirroring customer production timing
- Directing capital prudently with commercial contracting
- Capturing future optionality for network expansion

- Corporate & Regional Offices
- Ⓞ Demand centers⁽⁶⁾
- Pre-Processing/Recycling of Battery Materials**
- ⚙ Spoke (operational) ⚙ Spoke (in construction)
- Post-Processing/Refining for Battery-Grade Materials**
- 📍 Rochester Hub (in construction)
- 📍 Portovesme Hub (in development)

(1) Includes New York, Michigan, Ohio, Ontario, and Quebec; (2) Includes Arizona, California, Texas, and Nevada; (3) Includes Alabama, Kentucky, North Carolina, South Carolina, Florida, Georgia, and Tennessee; (4) Includes Norway and Sweden; (5) Includes Germany, France, Hungary and UK; (6) Data as of 2030 from BMI, Li-Cycle estimates and publicly announced nameplate capacities for gigafactories announced (as of June 2023); TAM estimates include a 30% scrap rate during ramp-up of a gigafactory followed by an average scrap rate of 10% thereafter

Europe Spoke: Exploring New Site Anchored by Strategic Commercial Partnership

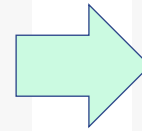


EVE Energy Partnership

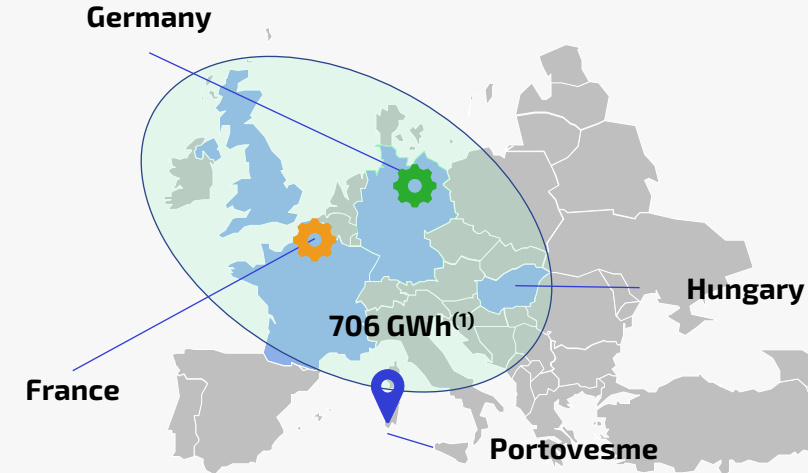


Global player providing core technologies and comprehensive solutions for consumer and power batteries

- Li-Cycle and EVE signed MOU to collaborate and explore lithium-ion battery recycling solutions
- EVE Energy has global facilities and customers that include major OEMs such as BMW and Bosch
- EVE has announced plans to build its first European battery manufacturing facility in Hungary



Hungary Spoke Site Selection



- Hungary is projected to be one of the largest battery cell manufacturing markets in Europe⁽²⁾
- EVE to be an anchor customer with additional OEMs in the region
- In process of site selection with decision expected in early 2024

(1) Includes Germany, France, Hungary and UK; (2) As of 2030 from BMI

North America Hub: Rochester Hub Aerial View as of Early August 2023



ROCHESTER HUB

North America Hub: Rochester Hub Near-Completed Major Process Buildings



WAREHOUSE: Complete and Certificate of Occupancy



LEACHING: Building Steel Underway



MANGANESE: Building Completed



NICKEL & COBALT: Building Completed

North America Hub: Rochester Hub Progressed Major Bulk Construction



CONCRETE TANK FOUNDATIONS: Largely Complete



MAIN PIPE RACKING: Advanced installation

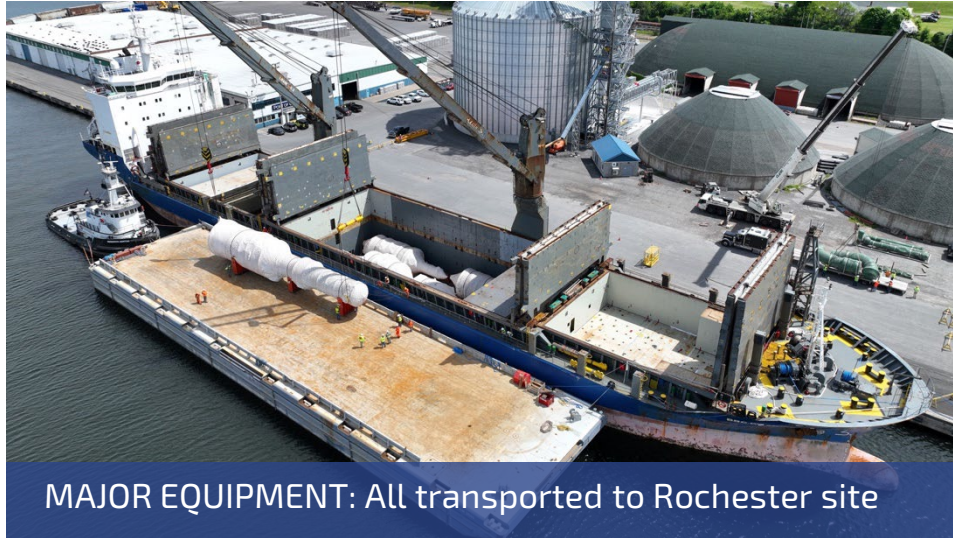


FINISHED PRODUCTS AREA: Advanced Steel Erection



LITHIUM: Building Foundation Underway

North America Hub: Rochester Hub's Long Lead Process Equipment and Bulk Material Procurement in Rochester



MAJOR EQUIPMENT: All transported to Rochester site



EQUIPMENT AND BULK MATERIALS: On-site



LARGEST CRYSTALLIZER: Erected – [video here](#)

Rochester Hub: Achieved Engineering, Procurement and Construction Milestones, Maintaining Commissioning Start Late 2023



Rochester Hub Execution Update

Engineering

- ✓ ~95% of detailed engineering completed

Procurement

- ✓ Long-lead equipment on-site in Rochester - crystallizers and solvent extraction equipment
- ✓ Largely completed procurement of the majority of bulks, such as steel, cabling and piping

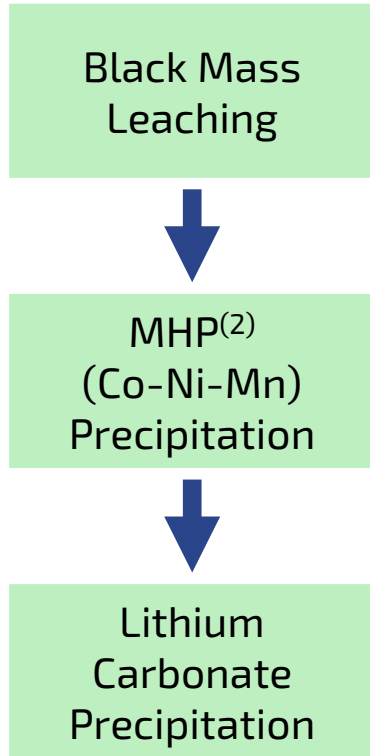
Construction

- ✓ Major buildings nearing completion
- ✓ Advanced steel and concrete installation; ~40% complete with the steel construction of the utility pipe racks and accelerating pouring of concrete foundations for tank installations
- ✓ Mechanical and electrical equipment installation underway, including electrical rooms, tanks, crystallizers and solvent extraction equipment
- ❑ Focus is on actively managing the construction labor as part of the Rochester Hub construction budget of \$560 million

European Hub: Li-Cycle Proprietary Process and Operational Know-How Accelerates Production of Lithium Carbonate⁽¹⁾



Expedited Flowsheet



Portovesme Hub Project Highlights



- **Brownfield Site:** Portovesme, Italy
- **Processing Capacity:** Up to 70,000 tonnes black mass per year
- **End-Products** (in tonnes per year):
 - Lithium Carbonate: ~15,000 tonnes⁽³⁾/yr
 - Nickel contained: ~18,000 tonnes/yr
 - Cobalt contained: ~2,250 tonnes/yr

Brownfield: Lowering capital intensity by repurposing existing metallurgical site infrastructure and equipment with access to operating workforce

Technology: Fast tracking Li-Cycle's state-of-the-art hydrometallurgical technology to Europe

Feedstock: Supplied from both Li-Cycle's growing European Spoke network and Glencore's commercial network

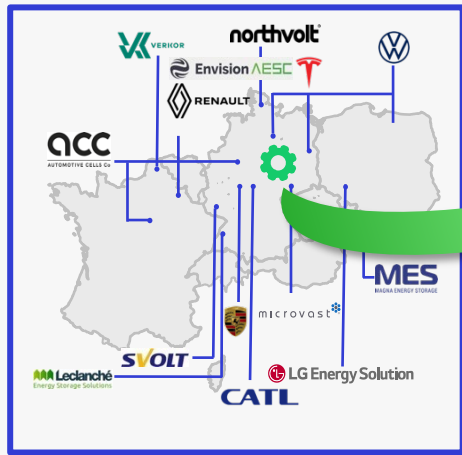
Funding: Contemplates competitive long-term financing from Glencore to fund Li-Cycle's full share of the capital investment

Portovesme Hub Key Milestones Timeline

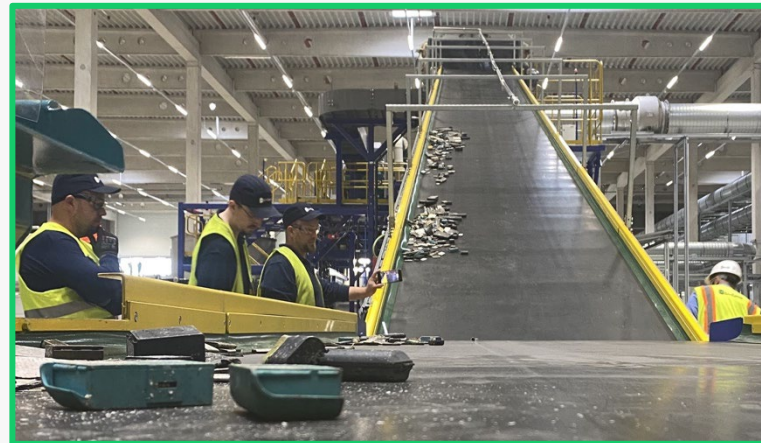


(1) Portovesme Hub to commence construction upon completing DFS and subject to Final Investment Decision; (2) MHP refers to mixed hydroxide product; (3) Projected to produce approximately 15,000 to 16,500 tonnes of lithium carbonate

Europe Spoke: Germany Spoke Line 1 Operationalized; First in Europe and Largest in Network

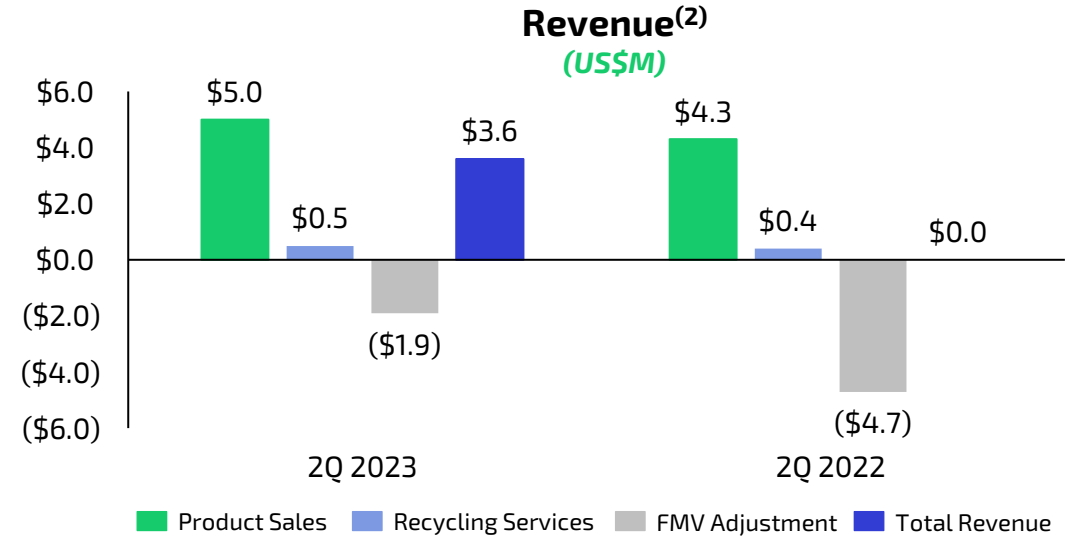
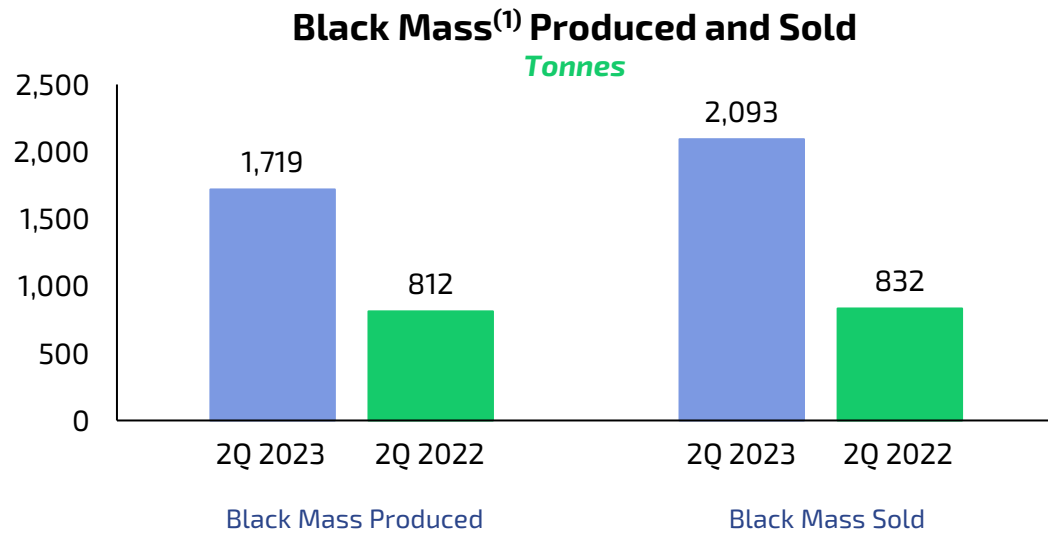


- Largest sustainable LIB recycling facility in Europe and within Li-Cycle's network
- Signed contracts with multiple EV and battery OEMs
- Total annual processing capacity of 30K tonnes; Operational highlights include:
 - Fully permitted for Lines 1 and 2
 - Line 1 (10K tonnes) commenced operations
 - Full battery pack processing to begin in back-end of 2023
 - Line 2 with capacity of 10K tonnes to follow in 2H 2023





Higher Production and Sales Offset by Lower Metal Prices



Year-on-Year Commentary

➤ Black Mass (BM):

- BM production higher on ramp up of the Arizona Spoke, addition of the Alabama Spoke, and the addition of ancillary processing lines at the New York Spoke
- BM sales more than doubled relative to prior year, with sales shift into Q2 from Q1 based on customer timing

➤ Revenues:

- Product revenue higher due to higher volume sold offset by reduction in nickel and cobalt prices
- Total revenue higher on lower impact of change in metal prices

(1) Includes black mass and black mass equivalents (BM&E) which are products analogous to black mass and have a similar metal content; (2) Revenue includes the product sales during the period, the fair market value (FMV) adjustment, and revenue from recycling services. BM&E unsettled metric tonnes subject to fair value adjustments was 4,977 tonnes as of June 30, 2023, and was 4,359 tonnes as of March 31, 2023.

DOE Loan Anticipated to Close in September 2023; Enhances Financial Flexibility for Additional Network Growth



Key Terms and Status

- Current Status** ➤ Advanced documentation to final stages⁽¹⁾
- Use of Proceeds** ➤ Fund costs of the Rochester Hub project
- Term to Maturity** ➤ 12 years (September 2035)
- Interest Rate** ➤ Applicable 10 Year U.S. Treasury Rate; no spread
- Expected Closing** ➤ September 2023

U.S. Secretary of Energy, Senator Granholm's Visit to Arizona Spoke

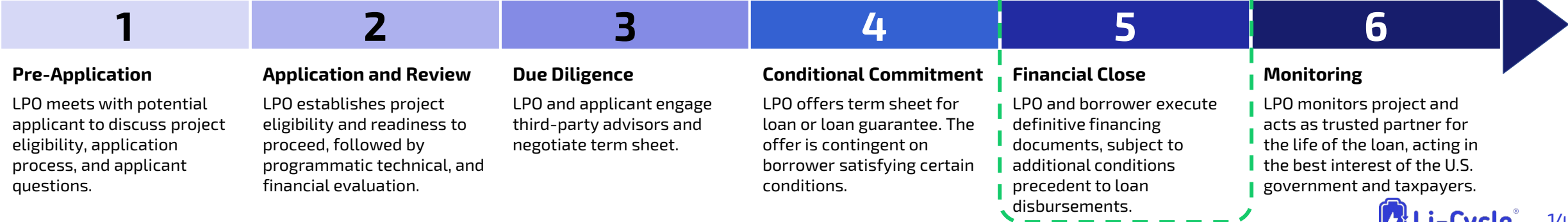


"Companies like Li-Cycle are helping to strengthen our energy security and advance the next generation of battery manufacturing and recycling technologies – bringing Arizona and the nation one step closer to reaching our climate goals."

**– U.S. Secretary of Energy
Senator Jennifer Granholm**

Left to right: Christopher Moon, Li-Cycle's Arizona Spoke Plant Manager, Ajay Kochhar, Li-Cycle's CEO and co-founder, Secretary Jennifer Granholm, U.S. Department of Energy, and Mark Kelly, U.S. Senator of Arizona

DOE LPO ATVM Loan Application Process⁽¹⁾

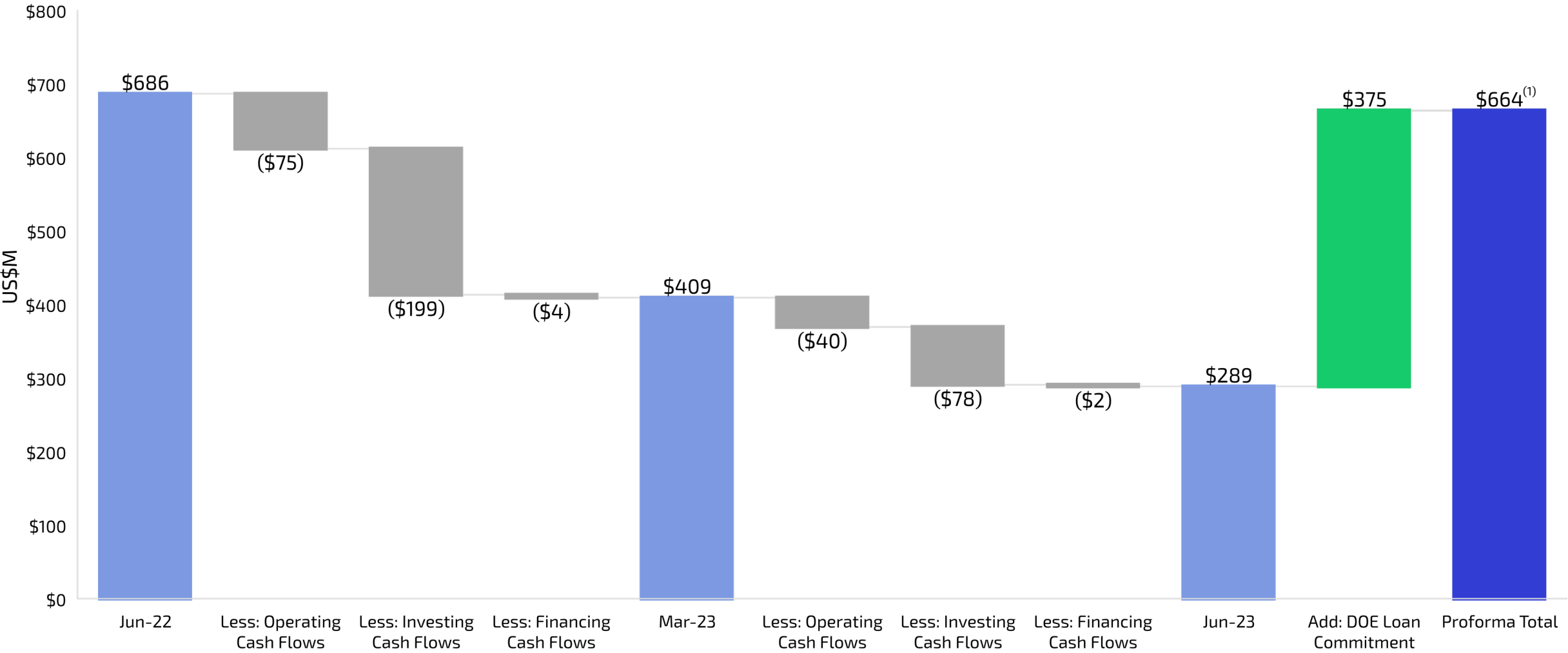


(1) DOE Loan Programs Office (LPO) loan application process sourced from <https://www.energy.gov/lpo/application-process>

Cash on Hand and Continued Strategic Funding Commitments Support Global Network Growth Plans



Proforma Cash Bridge



Note: Cash flow figures may not add to closing balance due to rounding; (1) Proforma total is based on gross cash proceeds from the DOE loan






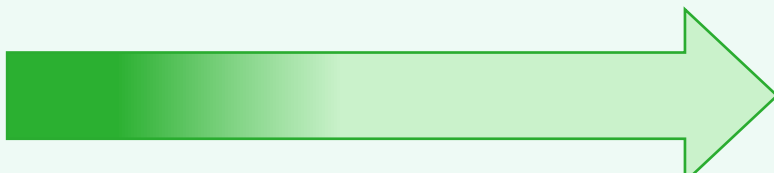

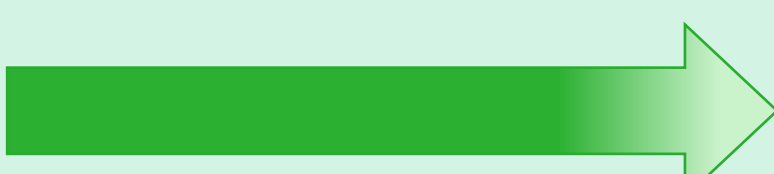
Reaffirming 2023 Business Outlook



Category

Annual Target

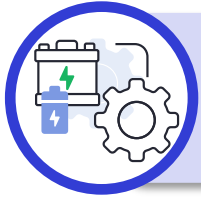
YTD Progress

 Increasing Black Mass Production	<ul style="list-style-type: none">7,500 – 8,500 tonnes	
 Black Mass Inventory Build vs Sales	<ul style="list-style-type: none">Inventory build starting second half of 2023	
 Allocating Capital for Spoke & Hub Network Growth	<ul style="list-style-type: none">Hub: \$250 million - \$300 millionSpokes: \$35 million - \$45 million	
 Optimizing Financial Flexibility for Growth	<ul style="list-style-type: none">Close the \$375 million DOE loan commitment	

Li-Cycle Continues to Drive its Leadership Position as a Preferred Recycling Partner with Expanding Global Spoke & Hub Network



Executing on Rochester Hub key construction milestones



Expanding Spoke & Hub network



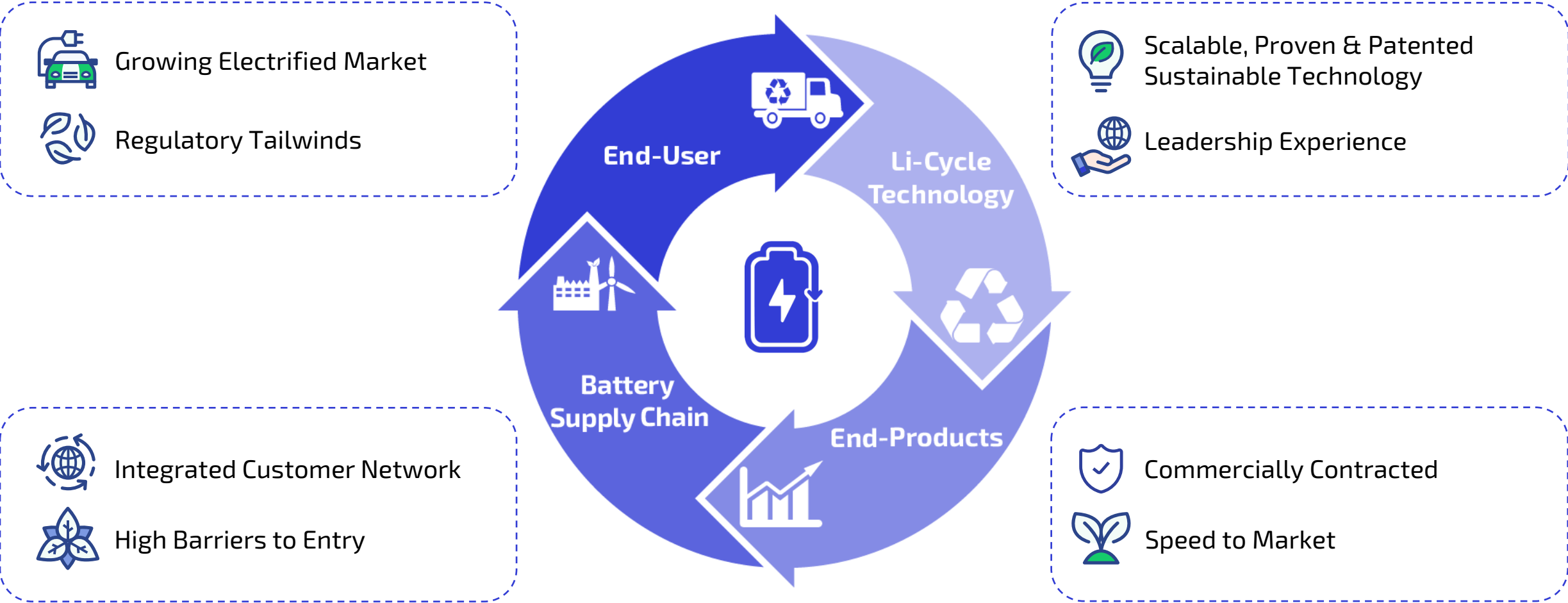
Growing breadth and depth of global commercial partnerships



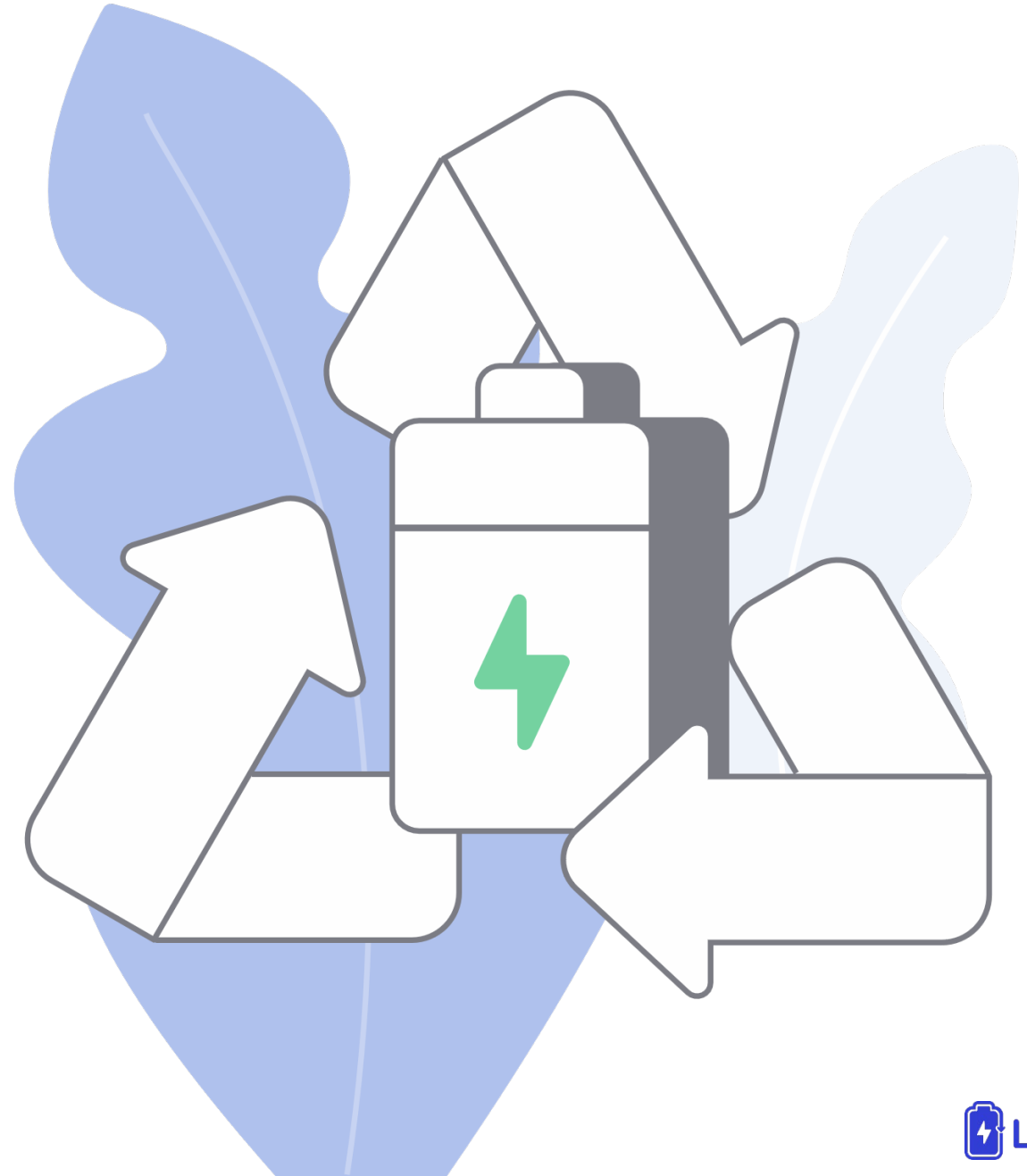
Strengthening balance sheet and enhancing financial flexibility

Investment Highlights: Leading Innovative and Sustainable Pure-Play Provider in Battery Materials Recycling and Resource Recovery

Sustainably Closing the Battery Supply Chain Loop



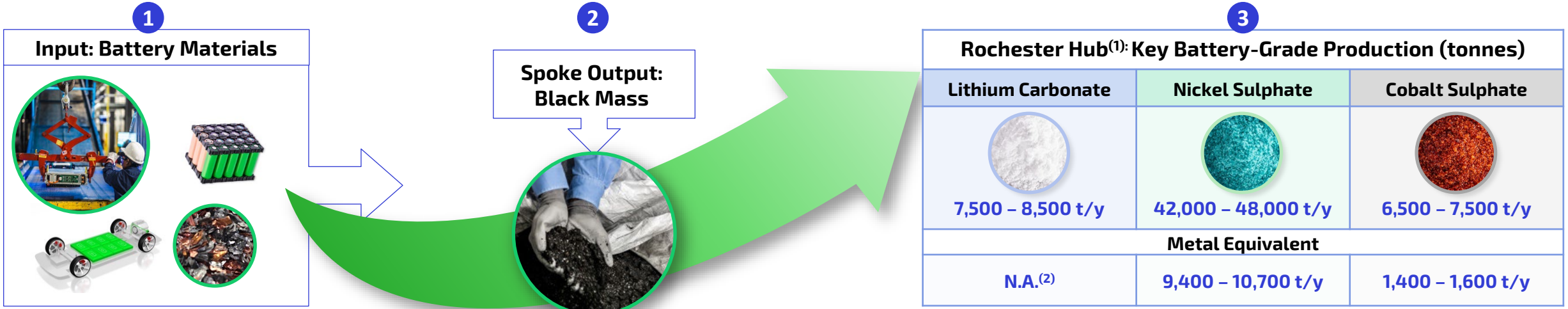
Appendix



Revenue Inflection Point Upon Operationalizing the Rochester Hub



Refining Processing Steps Drive Increasing Economic Value



Integrated Model: Near- vs Long-Term Revenue Profile

- 1 Diversified sources of battery materials and includes cost discount to metal price (based on customer, chemistry, form factor)
- 2 Sale of black mass is an **intermediate step** with no payable value attributed to lithium; transition to inventory for Hub feedstock
- 3 Significant **step-change** for revenues: finished battery-grade materials sold at premium to metal prices including lithium, nickel, and cobalt

	Lithium Carbonate	Nickel	Cobalt
Actual			
June 2022	\$72,000	\$23,050	\$69,446
June 2023	\$44,000	\$20,075	\$31,416
Projected			
December 2024	\$42,420	\$19,475	\$37,852
December 2025	\$37,000	\$19,959	\$39,485
December 2026	\$34,000	\$20,376	\$42,245

(1) Production ranges based on DFS estimates. Conversion factor of 4.48 tonnes of nickel sulphate : 1 tonne of nickel metal equivalent; 4.77 tonnes of cobalt sulphate : 1 tonne of cobalt metal equivalent; (2) N.A. as lithium carbonate is the key product form and the index price reference is expressed on a per unit of lithium carbonate basis (as opposed to a per unit of lithium metal basis); (3) Actual: Lithium carbonate prices are the period-end spot prices (Europe) by Fastmarkets, nickel and cobalt prices are the period-end cash prices by LME; Projected: Prices for lithium carbonate, nickel and cobalt are forecasted period-end prices by BMI as of June 2023

Reconciliation of IFRS and Non-IFRS Results



Adjusted EBITDA	U.S. dollar amounts in millions)			
	Three months ended June 30,		Six months ended June 30,	
	2023	2022	2023	2022
Net Profit (Loss)	(\$35.3)	(\$28.1)	(\$74.7)	(\$38.2)
Income Tax	-	-	\$0.1	-
Depreciation	\$4.0	\$2.6	\$7.7	\$4.5
Interest Expense	\$3.6	\$3.9	\$7.5	\$7.6
Interest Income	(\$4.2)	(\$1.3)	(\$9.2)	(\$1.5)
EBITDA (Loss)	(\$31.9)	(\$22.9)	(\$68.6)	(\$27.6)
Non-recurring Costs	(\$0.5)	-	\$0.3	-
Fair Value (Gain) Loss on Financial Instruments ⁽¹⁾	(\$7.3)	(\$7.7)	(\$6.6)	(\$22.6)
Adjusted EBITDA (Loss)	(\$39.7)	(\$30.6)	(\$74.9)	(\$50.2)

1. Fair value (gain) loss on financial instruments relates to convertible debt, and to warrants, which were redeemed and no longer outstanding as of June 30, 2022.

Li-Cycle reports its financial results in accordance with the International Financial Reporting Standards ("IFRS"). The Company makes references to certain non-IFRS measures, including adjusted EBITDA. These measures are not recognized measures under IFRS, do not have a standardized meaning prescribed by IFRS 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 IFRS measures by providing a further understanding of the Company's results of operations from management's perspective. Accordingly, it should not be considered in isolation nor as a substitute for the analysis of the Company's financial information reported under IFRS. Adjusted EBITDA is defined as earnings before depreciation and amortization, interest expense (income), income tax expense (recovery) adjusted for items that are not considered representative of ongoing operational activities of the business and items where the economic impact of the transactions will be reflected in earnings in future periods. Adjustments relate to fair value (gains) losses on financial instruments and certain non-recurring expenses. Foreign exchange (gain) loss is excluded from the calculation of Adjusted EBITDA.

LICY Share Count as of 6/30/2023



Total shares outstanding as of June 30, 2023	177,910,051
Potential shares reserved for future issuance:	
Convertible notes ⁽¹⁾	30,448,813
Stock options ⁽²⁾	3,857,481
Restricted share units ⁽²⁾	3,511,355
Total potential shares as of June 30, 2023⁽²⁾	215,717,700

(1) Includes interest accrued as of June 30, 2023. 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, 2023. Excludes additional shares available for future grants pursuant to the Company's equity incentive plan.

Solving the global
battery recycling
problem.

