



Li-Cycle Business Update

Li-Cycle Provides Update on Comprehensive Review of Rochester Hub Project

Dear Rochester Community,

As many of you are aware, Li-Cycle has been working to complete a comprehensive review of the go-forward strategy for the Rochester Hub project since we paused construction work approximately three weeks ago. Yesterday, we announced our third-quarter 2023 financial results and also provided an update on our review process.

As part of the review, Li-Cycle has the opportunity to better phase the project with the current timing and evolution of the battery recycling and EV markets and to optimize the construction and contracting strategy for the project. The phased approach may include the ability to produce intermediate battery metal products (such as mixed hydroxide precipitate, or MHP) and improve project economics.

Li-Cycle has also performed an initial analysis of options for completion of the Rochester Hub and is continuing to develop a more detailed analysis. Based on the initial analysis and depending on the option selected, the Company has determined that the revised project costs could be in the range of approximately \$850 million to approximately \$1.0 billion.

This range includes the cost of the Rochester Hub process buildings and warehouse of approximately \$140 million. This total project range is based solely on an initial analysis, is subject to a number of assumptions, and is likely to change as the Company continues to complete its comprehensive review work and determine which options to pursue.

Since we announced the difficult decision to pause construction at the project, Li-Cycle has also taken action to preserve cash while pursuing financing options and strategic alternatives for the Company. We have reduced our workforce, slowed operations across our North American Spoke network and are reviewing plans and timing of our European Spoke development projects.

We also remain actively engaged and continue to work closely with the U.S. Department of Energy to satisfy conditions precedent for the financial close of the loan commitment for gross proceeds of up to \$375 million through the Advanced Technology Vehicles Manufacturing program.

We are grateful for your support and your patience, and we continue to value our relationships with our contractors and vendors. We look forward to providing you with additional updates as we complete this review.

With favorable supply and demand dynamics driving the need for domestic sources of battery material, we continue to see significant benefits for Li-Cycle's Spoke & Hub network, and in particular, the market need for the Rochester Hub.

For more information: [[Q3 2023 results press release](#)] and [[Q3 2023 investor presentation](#)]

Kind regards,



Ajay Kochhar
CEO & co-founder



Tim Johnston
Executive Chair & co-founder

Contact Us

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