

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

IN THE MATTER OF THE COMPANIES' CREDITORS
ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PROPOSED PLAN
OF COMPROMISE OR ARRANGEMENT WITH RESPECT TO
LI-CYCLE HOLDINGS CORP., LI-CYCLE CORP., LI-CYCLE AMERICAS CORP.,
LI-CYCLE U.S. INC., LI-CYCLE INC., AND LI-CYCLE NORTH AMERICA HUB, INC.

FOURTH REPORT OF THE MONITOR
ALVAREZ & MARSAL CANADA INC.

JULY 11, 2025

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August 29, 2025

1.0 INTRODUCTION

- 1.1 On May 14, 2025, the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) made an initial order (the “**Initial Order**”) granting Li-Cycle Holdings Corp. (“**Holdings**”), Li-Cycle Corp., Li-Cycle Americas Corp., Li-Cycle U.S. Inc., Li-Cycle Inc., and Li-Cycle North America Hub, Inc. (collectively, the “**Applicants**”) certain relief pursuant to the *Companies’ Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the “**CCAA**”). The proceedings commenced thereby are referred to herein as the “**CCAA Proceedings**”. Among other things, the Initial Order appointed Alvarez & Marsal Canada Inc. (“**A&M**”) as monitor of the Applicants in the CCAA Proceedings (in such capacity, the “**Monitor**”).
- 1.2 On May 22, 2025, the Applicants obtained an amended and restated Initial Order (the “**ARIO**”) which, among other things, approved: (i) the credit facility (the “**DIP Facility**”) from Glencore International AG (the “**DIP Lender**”) and the DIP Term Sheet dated May 14, 2025, as amended pursuant to the First Amendment to the DIP Term Sheet dated May 22, 2025 (as amended, the “**DIP Term Sheet**”); (ii) the KERP (as defined in the Second Report); and (iii) the extension of the Stay Period (as defined in the ARIO) to and including July 7, 2025. The Stay Period was further extended to July 14, 2025 pursuant to an Order issued on July 7, 2025.
- 1.3 Also on May 22, 2025, the Applicants obtained a sale and investment solicitation process order (the “**Sale Process Order**”) which, among other things: (i) approved the stalking horse sale process (the “**SISP**”); and (ii) authorized and approved the execution by the Applicants of the equity and asset purchase agreement dated May 14, 2025 among all of

the Applicants except Li-Cycle Inc. and Glencore Canada Corporation (“**Glencore**” or the “**Stalking Horse Bidder**”), which was amended on May 22, 2025 (as amended, the “**Stalking Horse Agreement**”), and approved the Stalking Horse Agreement for the purposes of acting as the “stalking horse bid” in the SISP (the “**Stalking Horse Bid**”).

- 1.4 On June 9, 2025, the Court issued an Order (the “**Priority Claims and Cure Amounts Procedure Order**”) approving a procedure for the identification and resolution of Priority Claims¹ (the “**Priority Claims Procedure**”) and the determination of Cure Amounts under certain Assumed Contracts (each as defined in the Stalking Horse Agreement) (the “**Cure Amounts Procedure**”).
- 1.5 The Applicants are comprised of the North American entities of the broader Li-Cycle group of companies (the “**Li-Cycle Group**”), which includes the European and Asian subsidiaries of Holdings, but which are non-Applicant subsidiaries and are not part of the CCAA Proceedings. The Li-Cycle Group is a global lithium-ion battery resource recovery company headquartered in Toronto, Ontario.
- 1.6 The CCAA Proceedings were commenced as part of a larger coordinated restructuring of the Li-Cycle Group. On May 14, 2025, following the granting of the Initial Order, the Chief Restructuring Officer (the “**CRO**”), in its capacity as foreign representative (the “**Foreign**

¹ “**Priority Claim**” is defined in the Priority Claims and Cure Amounts Procedure Order as any indebtedness, liability, obligation or claim of any kind whatsoever against the Applicants’ Property and/or the Transferred Equity Interests that ranks in priority to the Secured Lender Claims (as defined in the Priority Claims and Cure Amounts Procedure Order), but excluding any indebtedness, liability, obligation or claim secured by a Court ordered charge pursuant to the Initial Order or any other Order within the CCAA Proceedings.

Representative”), obtained an Order granting provisional relief from the United States Bankruptcy Court for the Southern District of New York (the “**US Bankruptcy Court**”).

1.7 On May 23, 2025, the Foreign Representative also sought and obtained orders, on a final basis, from the US Bankruptcy Court, among other things, recognizing the CCAA Proceedings as “foreign main proceedings” and giving full force and effect to the CCAA Proceedings, the ARIO and the Sale Process Order in the United States under Chapter 15 of the United States Bankruptcy Code (the “**Chapter 15 Proceedings**”, and together with the CCAA Proceedings, the “**Restructuring Proceedings**”).

1.8 In connection with the CCAA Proceedings, A&M, then in its capacity as proposed monitor, filed and served the Pre-Filing Report of the Proposed Monitor dated May 13, 2025. The Monitor has also provided the Court with the First Report of the Monitor dated May 21, 2025 (the “**First Report**”), the Supplement to the First Report dated May 22, 2025, the Second Report of the Monitor dated June 6, 2024 (the “**Second Report**”), and the Third Report of the Monitor dated July 4, 2025 (the “**Third Report**”) (collectively, the “**Prior Reports**”). The Prior Reports and other Court-filed documents in the Restructuring Proceedings are available on the Monitor’s case website at: www.alvarezandmarsal.com/licycle (the “**Case Website**”).

1.9 The purpose of this fourth report of the Monitor (this “**Fourth Report**”) is to provide the Court with information, and where applicable, the Monitor’s view on:

- (i) the relief sought by the Applicants pursuant to the proposed Order (the “**Stay Extension and DIP and Stalking Horse Amendments Order**”), among other things:

- a) authorizing the Applicants to enter into the Second Amendment and Waiver to the DIP Term Sheet dated July 9, 2025 (the “**Second DIP Amendment**”), increasing the borrowings available under the DIP Facility from \$10.5 million to \$13,079,000, waiving existing variance defaults, and making certain amendments to the ARIO; and
 - b) authorizing the Applicants to enter into the Second Amendment to the Stalking Horse Agreement dated July 9, 2025 (the “**Second Stalking Horse Amendment**”) and making certain related amendments to the SISP Order; and
 - c) extending the Stay Period from July 14, 2025 until and including August 7, 2025;
- (ii) an update in respect of the SISP;
 - (iii) an update on the Priority Claims Procedure and the Cure Amounts Procedure;
 - (iv) the Applicants’ cash flow results for the seven-week period ended July 4, 2025;
 - (v) the Applicants’ updated cash flow forecast for the eight-week period ending August 29, 2025; and
 - (vi) the Monitor’s conclusions and recommendations in connection with the foregoing.

2.0 TERMS OF REFERENCE AND DISCLAIMER

- 2.1 In preparing this Fourth Report, A&M, in its capacity as Monitor, has been provided with and has relied upon unaudited financial information and the books and records prepared by the Applicants, and has held discussions with management of the Applicants, the CRO, the

CFO, Maplebriar and the Financial Advisor (each as defined in the First Report), and the Applicants' legal counsel (collectively, the "**Information**"). Except as otherwise described in this Fourth Report in respect of the Cash Flow Forecast (as defined below):

- (i) the Monitor has reviewed the Information for reasonableness, internal consistency and use in the context in which it was provided. However, the Monitor has not audited or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with Canadian Auditing Standards ("**CASs**") pursuant to the *Chartered Professional Accountants Canada Handbook* (the "**CPA Handbook**") and, accordingly, the Monitor expresses no opinion or other form of assurance contemplated under CASs in respect of the Information; and
- (ii) some of the information referred to in this Fourth Report consists of forecasts and projections. An examination or review of the financial forecasts and projections, as outlined in the CPA Handbook, has not been performed.

2.2 Future oriented financial information referred to in this Fourth Report was prepared based on the Applicants' management's estimates and assumptions. Readers are cautioned that since projections are based upon assumptions about future events and conditions that are not ascertainable, actual results may vary from the projections, even if the assumptions materialize, and the variations could be significant.

2.3 This Fourth Report should be read in conjunction with the affidavit of William E. Aziz, sworn July 9, 2025 (the "**Fourth Aziz Affidavit**"), filed in support of the relief sought by the Applicants under the CCAA. Capitalized terms used but not defined in this Fourth

Report shall have the meanings given to such terms in the Fourth Aziz Affidavit, as applicable.

- 2.4 Unless otherwise stated, all monetary amounts contained herein are expressed in United States dollars (“USD”).

3.0 SALE PROCESS AND STALKING HORSE AGREEMENT UPDATE²

- 3.1 A comprehensive overview of the SISP and the Stalking Horse Agreement is provided in Section 5.0 of the First Report.
- 3.2 As set out in the Third Report, the Stalking Horse Bid was selected as the highest and best bid (the “**Successful Bid**”) in the SISP, and three other bids were selected to act as Back-Up Bids, to be utilized only in the event that the Transaction fails to close.
- 3.3 The Applicants, in consultation with the Financial Advisor and the Monitor, have been working with the Stalking Horse Bidder to meet the targeted milestones contemplated in the SISP, however the Stalking Horse Bidder has requested additional time to complete the steps necessary to close the Transaction contemplated by the Stalking Horse Agreement, including determining the Excluded Assets and Assumed Liabilities, which contracts will be assigned, which employees will be retained, drafting and negotiating a transition services agreement, working through closing logistics, and certain other closing and transition related matters.

² Capitalized terms used and not defined in this section of the Fourth Report have the meanings ascribed to them in the SISP and Stalking Horse Agreement, as applicable.

- 3.4 The SISP provides that the Closing Date will be July 16, 2025 and the Outside Date will be July 18, 2025, and that these dates may be extended by the Applicants, in consultation with the Financial Advisor, with the consent and approval of the Monitor and the Stalking Horse Bidder.
- 3.5 The Applicants, in consultation with the Financial Advisor, have determined that the Closing Date in the SISP should be revised to July 31, 2025 (the “**Extended Closing Date**”) and the Outside Date revised to July 31, 2025 (which may be further extended to August 7, 2025 at the election of the Stalking Horse Bidder pursuant to the Second Stalking Horse Amendment, or such later date as the Parties may agree upon in writing, the “**Extended Outside Date**”). The Monitor understands that the Stalking Horse Bidder is supportive of the Extended Closing Date and the Extended Outside Date.
- 3.6 The Applicants have scheduled a hearing on July 28, 2025 to seek an Approval and Vesting Order (“**AVO**”) in respect of the Transaction. The Monitor understands that a hearing has been scheduled on July 29, 2025 in the Chapter 15 Proceedings before the U.S. Bankruptcy Court to seek an order recognizing the AVO and approving the Transaction.

Second Stalking Horse Amendment

- 3.7 To address the extension of the Outside Date, as well as matters associated with the Second DIP Amendment, the Applicants and the Stalking Horse Bidder have entered into the Second Stalking Horse Amendment which, among other things:
- (i) updates: (a) the date by which the AVO must be obtained to July 28, 2025 (from July 7, 2025); (b) the date by which the AVO Recognition and Section 363 Order

must be obtained in the Chapter 15 Proceedings to July 29, 2025 (from July 16, 2025); and (c) the Outside Date to July 31, 2025, with the Stalking Horse Bidder having the right, in its sole discretion, to further extend such date to August 7, 2025;

- (ii) amends the definition of the “Purchase Price Cash Component” to provide that the amount that the Stalking Horse Bidder will be required to pay, pursuant to the Second Stalking Horse Amendment, to satisfy accrued and unpaid amounts for professional fees (other than those of the Monitor and its legal counsel) secured by the Administration Charge shall be no greater than \$1,203,000³ (the “**Cash Component Amendment**”); and
- (iii) provides that the parties will negotiate in good faith further amendments: (a) to the Stalking Horse Agreement as may be necessary to address the treatment of incremental amounts to be made available pursuant to the Second DIP Amendment; and (b) to the form of AVO in respect of any necessary amendments thereto.

3.8 A copy of the Second Stalking Horse Amendment is attached as Exhibit “D” to the Fourth Aziz Affidavit.

3.9 The Monitor understands that the Cash Component Amendment is required by the DIP Lender and the Stalking Horse Bidder as a condition to increasing the amount of the DIP Facility as provided in the Second DIP Amendment. The Cash Component Amendment effectively reduces the amount of the professional fees (other than those of the Monitor and its legal counsel) secured by the Administration Charge that the Stalking Horse Bidder

³ This amount is the difference between the amount of the Administration Charge (\$2.5 million) and the approximate increase to the DIP Facility attributable to professional fees of \$1,297,000 proposed in the Second DIP Amendment.

may be required to fund at closing, by the approximate amount of additional professional fees to be funded by the DIP Lender under the Second DIP Amendment.

- 3.10 The Sale Process Order provides that the Applicants may enter into minor amendments to the Stalking Horse Agreement with the consent of the Monitor.
- 3.11 The Monitor is of the view that: (i) the extension of the Closing Date and the Outside Date to the Extended Closing Date and the Extended Outside Date, respectively, are reasonable and appropriate given the size and complexity of the Transaction; (ii) the Applicants' stakeholders will not be materially prejudiced by such extensions; and (iii) the amendments to the Stalking Horse Agreement are reasonable in the circumstances. The Monitor further notes that while the Applicants are seeking authorization to enter into the Second Stalking Horse Amendment, they are not, at this time, seeking approval of same or of the Stalking Horse Agreement. The Monitor understands that the Applicants intend to seek approval of the Stalking Horse Agreement at the sale approval hearing on July 28, 2025.

The Second DIP Amendment

- 3.12 The \$10.5 million DIP Facility (as approved in the ARIO) was comprised of:
- (i) an aggregate principal amount of \$9 million available to fund the operations of the Applicants (the “**North American Facility**”); and
 - (ii) an aggregate principal amount of \$1.5 million available to fund the operations of Li-Cycle Europe AG and Li-Cycle Germany GmbH (together, the “**European Companies**”, and this facility being, the “**European Facility**”).

3.13 During the Restructuring Proceedings to date, the European Companies have not required funding and have not drawn upon the European Facility, while the costs of the Applicants' Restructuring Proceedings are now projected to be greater than initially anticipated. To address these differences, and to ensure sufficient funding for the Applicants' Restructuring Proceedings during the period to the Extended Outside Date, the Applicants and the DIP Lender have entered into the Second DIP Amendment which, among other things:

- (i) provides the ability to use \$1.5 million previously earmarked for the European Facility for either of the Applicants' North American operations or the operations of the European Companies, as needed;
- (ii) increases the maximum principal amount of the DIP Facility to \$13,079,000 to cover costs, including professional fees, rent, and operating and other costs to the Extended Outside Date;
- (iii) provides flexibility for budgeted professional fees that are not paid during a given week to roll-forward to future weeks in the budget, such that timing variances do not trigger a default under the DIP Term Sheet;
- (iv) waives an Event of Default (as defined in the DIP Term Sheet) in respect of compliance with certain variance tests; and
- (v) provides that, in the event that certain cash collateral currently held by Holdings as "restricted cash" in favour of CIBC as security for a letter of credit and other credit card related exposures is made unrestricted or is otherwise returned, released, or

made available to the Applicants prior to the closing of the Transaction, the availability under the DIP Facility will be reduced by an equivalent amount.

- 3.14 A copy of the Second DIP Amendment, without Exhibit “A” and Exhibit “B”, is attached as Exhibit “C” to the Fourth Aziz Affidavit. A copy of the Second DIP Amendment, including exhibits, is attached hereto as **Appendix “A”**.

4.0 UPDATED CASH FLOW FORECAST

- 4.1 In connection with the Second DIP Amendment, the Applicants prepared an updated cash flow forecast (the “**Updated Cash Flow Forecast**”), a copy of which is attached hereto as **Appendix “B”**. Based on the Updated Cash Flow Forecast, the Applicants are forecast to have sufficient liquidity through the period to the Extended Outside Date.
- 4.2 The Monitor understands that the Applicants and the DIP Lender are in discussions regarding the treatment of funds advanced prior to the closing of the Transaction in respect of matters to be addressed following the closing of the Transaction. The Monitor will provide an update regarding any agreements made in its next report.

5.0 CASH FLOW RESULTS RELATIVE TO FORECAST

- 5.1 Receipts and disbursements for the cumulative seven-week period ended July 4, 2025 (the “**Reporting Period**”), as compared to the cash flow forecast attached as Appendix “D” to the First Report (the “**Cash Flow Forecast**”), are summarized in the table below.

| Cash Flow Variance Report | | Cumulative Seven-Week Period Ended July 4, 2025 | |
|----------------------------------|----------------------|--|------------------------|
| <i>(USD \$000's, Unaudited)</i> | <u>Actual</u> | <u>Forecast</u> | <u>Variance</u> |
| Receipts | 1,402 | 1,450 | (47) |
| Disbursements | | | |
| Operating and Holding Costs | 1,268 | 2,354 | 1,086 |
| Occupancy Costs | 1,229 | 1,079 | (149) |
| Salaries and Benefits | 1,292 | 1,298 | 6 |
| Professional Fees | 5,636 | 5,131 | (505) |
| KERP Pre-Funding | 1,300 | 1,300 | - |
| APAC Intercompany Settlement | 231 | - | (231) |
| Wind-Down Reserve | - | - | - |
| DIP Interest | - | 32 | 32 |
| Total Disbursements | 10,956 | 11,195 | 239 |
| Net Cash Flow | (9,554) | (9,745) | 191 |
| Opening Cash Balance | 4,887 | 4,887 | - |
| Net Cash Flow | (9,554) | (9,745) | 191 |
| DIP Draws / (Repayment) | 6,092 | 5,358 | 734 |
| Closing Cash Balance | 1,425 | 500 | 925 |

- 5.2 During the Reporting Period, the Applicants' total receipts were generally in line with those projected in the Cash Flow Forecast, with a negative variance of approximately \$47,000 that is considered timing and is expected to reverse in the coming weeks.
- 5.3 During the Reporting Period, the Applicants' total disbursements were approximately \$239,000 lower than projected in the Cash Flow Forecast. This positive variance is considered timing and expected to reverse in the coming weeks.
- 5.4 On May 30, 2025, in accordance with the ARIIO, the Applicants transferred the KERP Funds (as defined in the First Report) in the amount of approximately CAD\$870,000 and \$785,000 into the Monitor's trust account established to hold the KERP Funds.

- 5.5 Overall, during the Reporting Period, the Applicants experienced a positive net cash flow variance of approximately \$191,000, primarily attributable to timing variances in operating and holding costs.
- 5.6 As of July 4, 2025, approximately \$6.1 million was drawn under the DIP Facility, all of which was drawn under the “North American facility” to fund the operations of the North American business and the cost of the CCAA Proceedings. The Applicants’ have not yet drawn any amounts under the “European facility”. See above and the First Report for additional information regarding the DIP Facility.

DIP Waiver⁴

- 5.7 As summarized in the First Report, the DIP Term Sheet includes the following cash flow related covenants (together, the “**Cash Flow Covenants**”) requiring that the DIP Loan Parties not permit: (i) total operating disbursements to exceed the Budget by more than 10%; (ii) total professional fees and expenses to exceed the Budget by 10% (the “**Professional Fees Covenant**”); and (iii) total collections to be less than 90% of the Budget. These variances are to be tested every two weeks, on a rolling four-week basis, commencing with the four-week period ended June 20, 2025 (the “**First Test Period**”).
- 5.8 As summarized in the Third Report, during the First Test Period, the Applicants were in breach of all three of the Cash Flow Covenants. In respect of such breach, on June 27, 2025, the DIP Lender granted a waiver for the defaults.

⁴ Capitalized terms used in this section and not otherwise defined in the Fourth Report have the meanings ascribed to them in the DIP Term Sheet.

5.9 During the subsequent four-week period ended July 4, 2025 (the “**Second Test Period**”), the Applicants were in breach of the Professional Fees Covenant. To address this, as described above, the proposed Second DIP Amendment, among other things, provides a waiver for this default.

6.0 THE PRIORITY CLAIMS AND CURE AMOUNTS PROCEDURES⁵

6.1 The Priority Claims and Cure Amounts Procedure Order, among other things, approved a procedure for the identification and resolution of Priority Claims (the “**Priority Claims Procedure**”) and a procedure for the determination of Cure Amounts under certain Assumed Contracts (the “**Cure Amounts Procedure**”), which are described in detail in the Second Report.

Noticing

6.2 In accordance with the provisions of the Priority Claims and Cure Amounts Procedure Order:

- (i) on June 9, 2025, the Monitor sent a Negative Notice Priority Claims Package to 30⁶ Negative Notice Priority Claimants (as defined below) with amounts set out in their Statements of Negative Notice Priority Claims totalling approximately \$37,450,465. The Negative Notice Priority Claims Packages were sent to: (a) the U.S. Department of Energy, (b) parties with mechanics’ liens registered against the

⁵ Capitalized terms used and not defined in this section of the Fourth Report have the meanings ascribed to them in the Priority Claims and Cure Amounts Procedure Order.

⁶ Two of these Negative Notice Priority Claimants (who were related to one another) (the “**Combined Negative Notice Priority Claimants**”) were sent a single combined Negative Notice Priority Claims Package.

planned commercial-scale hub under development in Rochester, New York (the “**Rochester Hub**”), and (c) parties with registrations pursuant to the *Personal Property Security Act* (Ontario) or the Uniform Commercial Code (collectively, the “**Negative Notice Priority Claimants**”);

- (ii) on June 9, 2025, the Monitor sent a Priority Claims Package to 38 potential Priority Creditors, including each Person on the Service List as of June 9, 2025, and each Person known to the Applicants as having a potential Priority Claim based on the books and records of the Applicants and any registrations under the *Personal Property Security Act* (Ontario) or the Uniform Commercial Code that was not otherwise captured in any Statement of Negative Notice Priority Claim;
- (iii) on June 9, 2025, the Monitor posted the Priority Claims and Cure Amounts Procedure Order, the Priority Claims Schedule, and the Cure Amounts Schedule (as defined below) on the Monitor’s Website;
- (iv) the Monitor arranged for the Notice to Priority Creditors to be published in *The Globe and Mail* (National Edition) on June 12, 2025, and in *The Wall Street Journal* on June 11, 2025;
- (v) the Monitor has also sent a Priority Claims Package to each Person that has claimed to be a Priority Creditor and who requested same prior to the Priority Claims Bar Date (as defined below);
- (vi) on June 9, 2025, the Applicants, in consultation with the Monitor, sent 1,244 notices (each, a “**Cure Amounts Notice**”) with asserted Cure Amounts value totalling

approximately \$83.6 million to all counterparties to an Assumed Contract to which any Asset Seller⁷ is a party and is related to, used in or necessary for the operations of the Business (as conducted prior to February 26, 2025) or the construction of the Rochester Hub (each, an “**Assumed Contract Notice Party**”). Each Cure Amounts Notice sent: (a) included the Cure Amounts Schedule, (b) notified the Assumed Contract Notice Party that it is a counterparty to an Assumed Contract that may be assigned to, and assumed by, the Buyer, and that if it wishes to dispute the Cure Amounts specified in the Cure Amounts Schedule, it must file a Cure Amounts Objection Notice by the Cure Amounts Objection Deadline (defined below), and (c) included a Cure Amounts Objection Notice form; and

- (vii) after the Cure Amounts Notices were sent, the Applicants identified an additional 62 Assumed Contract Notice Parties that were not included in the Cure Amounts Schedule (the “**Additional Assumed Contract Notice Parties**”). Accordingly, on June 12, 2025, the Applicants, in consultation with the Monitor, sent Cure Amounts Notices to the Additional Assumed Contract Notice Parties which, in addition to including the Cure Amounts Schedule, also included an addendum (the “**Cure Amounts Schedule Addendum**”) that included the Additional Assumed Contract Notice Parties, all of whom were listed therein with \$nil Cure Amounts⁸.

6.3 Pursuant to the Priority Claims and Cure Amounts Procedure Order, the deadline for Negative Notice Priority Claimants to deliver a Notice of Dispute of Priority Claim, other

⁷ The Asset Sellers are defined in the Stalking Horse Agreement as Li-Cycle North America Hub, Inc., Li-Cycle Corp., Li-Cycle Americas Corp., Li-Cycle U.S. Inc., and Li-Cycle Holdings Corp.

⁸ The Assumed Contracts associated with each of the Additional Assumed Contract Notice Parties were all non-disclosure agreements and as such, the Applicants’ books and records did not reflect any balances owing thereunder.

Priority Creditors to deliver a Proof of Priority Claim, or for Assumed Contract Notice Parties to deliver a Cure Amounts Objection Notice was 5:00 p.m. (Toronto time) on June 24, 2025 (the “**Priority Claims Bar Date / Cure Amounts Objection Deadline**”).

Summary of Claims Filed

6.4 On or before the Priority Claims Bar Date / Cure Amounts Objection Deadline, the Monitor received:

- (i) seven Proofs of Priority Claim totalling approximately \$4,042,261;
- (ii) four Notices of Dispute of Priority Claim totalling approximately \$98,434,178 with respect to Statements of Negative Notice Priority Claims⁹; and
- (iii) 42 Cure Amounts Objection Notices (which collectively address the Assumed Contracts included in 54 of the Cure Amounts Notices that were sent out)¹⁰, totalling approximately \$225,546,325, including three totalling approximately \$150,408,842 that were either in respect of a non-Applicant or related to Excluded Assets (as defined in the Stalking Horse Agreement) under the Stalking Horse Agreement.

6.5 The Monitor also received: (i) one Cure Amounts Objection Notice in the amount of \$575,476 on June 25, 2025, after the Cure Amounts Objection Deadline; (ii) a notification by email from an Assumed Contract Notice Party for which no Cure Amounts Objection

⁹ Two of these were received from the Combined Negative Notice Priority Claimants who, as noted above, were sent a single combined Negative Notice Priority Claims Package.

¹⁰ On account of certain of the Assumed Contract Notice Parties having been sent multiple Cure Amounts Notices in relation to multiple Assumed Contracts with the Asset Sellers.

Notice form was completed, expressing disagreement with the amount included in the Cure Amounts Schedule for such Assumed Contract Notice Party; and (iii) one Cure Amounts Objection Notice in an unspecified amount, expressing that the Cure Amounts with respect to the Assumed Contract set forth in the Cure Amounts Notice are inadequate due to price increases set forth in such Assumed Contract for the applicable construction material.

Assessment of Priority Claims and Cure Amounts

- 6.6 The Monitor notes that 26 of the 30 Negative Notice Priority Claimants with amounts set out in their Statements of Negative Notice Priority Claim totalling approximately \$11.8 million did not take the requisite steps to dispute their Statement of Negative Notice Priority Claim, and have, in accordance with the provisions of the Priority Claims and Cure Amounts Procedure Order, been deemed to have accepted the Priority Claim amount as set out in their respective Statement of Negative Notice Priority Claim.
- 6.7 The Monitor further notes that it did not receive a Cure Amounts Objection Notice in respect of 1,252 of the 1,306 Cure Amounts Notices with Cure Amounts totalling approximately \$54.2 million. In accordance with the provisions of the Priority Claims and Cure Amounts Procedure Order, the Cure Amounts set forth in the Cure Amounts Notice of each of these Assumed Contract Notice Parties are deemed to be the Cure Amounts payable to each Assumed Contract Notice Party pursuant to the Stalking Horse Agreement.
- 6.8 A summary of the current status of the Priority Claims and the Cure Amounts is provided in the table below:

| Summary of Priority Claims and Cure Amounts at July 10, 2025 (USD \$000's) | | |
|---|----------------------|--------------------|
| | <u>No. of Claims</u> | <u>Amount (\$)</u> |
| Priority Claims | | |
| Deemed Accepted Priority Claims | 26 | 11,777 |
| Proofs of Priority Claim (under review) | 7 | 4,042 |
| Notices of Dispute of Priority Claim (under review) | 4 | 98,434 |
| Total Potential Priority Claims | <u>37</u> | <u>114,253</u> |
| Cure Amounts | | |
| Deemed Accepted Cure Amounts | 1,190 | 54,159 |
| Cure Amounts Objection Notices (under review) | 54 | 226,145 |
| Less: Cure Amounts Objection Notices in respect of non-Asset Sellers or Excluded Assets | (3) | (150,409) |
| Total Potential Cure Amounts | <u>1,241</u> | <u>129,894</u> |

6.9 In accordance with the provisions of the Priority Claims and Cure Amounts Procedure Order, the Monitor, in consultation with the Applicants, the CRO and the Stalking Horse Bidder, as applicable, is continuing its review and assessment of the Proofs of Priority Claim, the Notices of Dispute of Priority Claim and the Cure Amounts Objection Notices, and will provide additional information in respect of same in its next report.

7.0 MONITOR'S CONCLUSIONS AND RECOMMENDATION

7.1 The Stay Period currently expires on July 14, 2025, and the Applicants are seeking an extension of the Stay Period until and including August 7, 2025, being the Extended Outside Date.

7.2 The Monitor supports the Applicants' motion to extend the Stay Period to the Extended Outside Date for the following reasons:

- (i) it will provide an extended period to allow the Applicants and the Stalking Horse Bidder to continue to advance the closing steps required in relation to the Transaction;


- (ii) should the Court approve the Second DIP Amendment, the Updated Cash Flow Forecast is projected to provide the Applicants with sufficient liquidity through to the end of the proposed extended Stay Period;
- (iii) the Applicants continue to act in good faith and with due diligence; and
- (iv) it is not expected that any creditor will be materially prejudiced by the proposed extension of the Stay Period.

7.3 For the reasons set out in this Fourth Report, the Monitor is of the view that the relief sought by the Applicants in the proposed Stay Extension and DIP and Stalking Horse Amendments Order in respect of the Second DIP Amendment and the Second Stalking Horse Amendment is reasonable, appropriate and necessary in the circumstances. As such, the Monitor recommends that the Court grant the Stay Extension and DIP and Stalking Horse Amendments Order containing the relief requested by the Applicants.

All of which is respectfully submitted to this Court this 11th day of July, 2025.

**ALVAREZ & MARSAL CANADA INC.,
solely in its capacity as Monitor of Li-Cycle
Holdings Corp., Li-Cycle Corp., Li-Cycle
Americas Corp., Li-Cycle U.S. Inc., Li-Cycle Inc.,
and Li-Cycle North America Hub, Inc. and in no
other capacity**

Per:



Josh Nevsky
Senior Vice President

Appendix “A”

THIS SECOND AMENDMENT AND WAIVER TO THE SUMMARY OF TERMS AND CONDITIONS FOR DEBTOR-IN-POSSESSION FINANCING made as of July 9, 2025

AMONG:

LI-CYCLE HOLDINGS CORP.

(herein called the “**Borrower**”),

OF THE FIRST PART

– and –

THE GUARANTORS

indicated on the signature pages hereto

(herein called the “**DIP Guarantors**”, and each a “**DIP Guarantor**”),

OF THE SECOND PART

– and –

GLENCORE INTERNATIONAL AG

as lender

(herein called the “**DIP Lender**”)

OF THE THIRD PART

WHEREAS the Borrower, the DIP Guarantors and the DIP Lender are parties to the summary of terms and conditions for debtor-in-possession financing as of May 14, 2025 (as amended by a first amendment dated as of May 22, 2025 and as may be further amended, restated, supplemented or otherwise modified from time to time prior to the date hereof, the “**Existing DIP Term Sheet**”);

AND WHEREAS the Borrower has requested amendments to the Existing DIP Term Sheet to (i) replace the Budget for the North American operations with the budget attached as Exhibit “A” (the “**Updated Budget**”), reflecting overall increased cash need for the operations based on a closing date of August 7, 2025, (ii) replace the Budgets for the German Subsidiary and the Swiss Subsidiary with the budget for the German Subsidiary attached as Part 1 of Exhibit “B” (the “**Updated German Budget**”) and the budget for the Swiss Subsidiary attached as Part 2 of Exhibit “B”, the “**Updated Swiss Budget**”), (iii) permit proceeds of the DIP Facility to be used for the North American and European operations of the DIP Loan Parties in accordance with the Updated Budget, the Updated German Budget and the Updated Swiss Budget, and (iv) increase the aggregate maximum principal amount under the DIP Facility to US\$13,079,000, and the DIP Lender has agreed to such amendments, subject to the terms and conditions contained herein;

AND WHEREAS pursuant to Section 22 of the DIP Term Sheet, the Borrower is required to deliver to the DIP Lender on July 11, 2025 a Budget Variance Report in respect of the period from June 20, 2025 to July 4, 2025 (the “**July 4 Ending Test Period**”);

AND WHEREAS the Budget Variance Report to be delivered by the Borrower to the DIP Lender on July 11, 2025 in respect of the July 4 Ending Test Period (the “**July 11 Budget Variance Report**”), provides that during the July 4 Ending Test Period the Borrower was non-compliant with the requirement pursuant to Section 23(ii) of the DIP Term Sheet that the aggregate sum of the DIP Loan Parties’ Actual

Professional Fee Amounts to third parties during such period not exceed 110% of the projected Budgeted Professional Fee Amounts (the “**Permitted Variance Covenant**”);

AND WHEREAS pursuant to Section 26(v) of the DIP Term Sheet, any adverse deviation of more than the Permitted Variance from the amount set forth under the Budget for the applicable period constitutes an Event of Default under the DIP Term Sheet;

AND WHEREAS the Borrower has requested that the DIP Lender waive compliance with the Permitted Variance Covenant with respect to the July 4 Ending Test Period;

NOW THEREFORE THIS AMENDING AGREEMENT AND WAIVER WITNESSES THAT in consideration of the covenants and agreements contained herein and for other good and valuable consideration, the parties hereto agree to amend the Existing DIP Term Sheet and waive compliance with the Permitted Variance Covenant as provided herein:

Section 1. General

In this second amending agreement and waiver (the “**Amending Agreement and Waiver**”) (including the recitals) unless otherwise defined herein or the context otherwise requires, all capitalized terms shall have the respective meanings specified in the Existing DIP Term Sheet.

Section 2. To be Read with Existing DIP Term Sheet

This Amending Agreement and Waiver is an amendment to the Existing DIP Term Sheet. Unless the context of this Amending Agreement and Waiver otherwise requires, the Existing DIP Term Sheet and this Amending Agreement and Waiver shall be read together and shall have effect as if the provisions of the Existing DIP Term Sheet and this Amending Agreement and Waiver were contained in one agreement as of the date hereof. The term “**Agreement**” when used in the Existing DIP Term Sheet means the Existing DIP Term Sheet as amended, supplemented or modified from time to time.

Section 3. Amendments to the Existing DIP Term Sheet

Subject to the terms and conditions of this Amending Agreement and Waiver on the Effective Date, the Existing DIP Term Sheet is hereby amended (a) to delete the stricken text (indicated textually in the same manner as the following examples: ~~stricken text~~ and ~~stricken text~~) and (b) to add the double-underlined text (indicated textually in the same manner as the following examples: double-underlined text and double-underlined text), in each case, as set forth in the marked copy of the Existing DIP Term Sheet, along with certain schedules to the Existing DIP Term Sheet, attached hereto as Exhibit “C” hereto and made a part hereof for all purposes.

Section 4. Waiver

The DIP Lender waives Section 23(ii) of the DIP Term Sheet (and for certainty, an Event of Default pursuant to Section 26(v) of the DIP Term Sheet) in respect of the July 4 Ending Test Period to the extent of the non-compliance with such Sections.

Section 5. Limitation of Waiver

The waivers set forth in Section 4 shall be limited precisely as written and relates solely to the provisions of such Sections of the DIP Term Sheet in the manner and to the extent described above and nothing in this Waiver shall be deemed to:

- (a) constitute a waiver of compliance by the Borrower or any other DIP Loan Party with respect to any other term, provision or condition of the DIP Term Sheet, or any other instrument or agreement referred to therein; or
- (b) prejudice any right or remedy that the DIP Lender or any successor or assignee that is the DIP Lender at any time under the DIP Term Sheet may now have or may have in the future under or in connection with the DIP Term Sheet, or any other instrument or agreement referred to therein.

Section 6. Representations and Warranties

Each of the Borrower and the DIP Guarantors represents and warrants, on its own behalf, to and in favour of the DIP Lender:

- (a) all necessary action, corporate or otherwise, has been taken to authorize the execution, delivery and performance of this Amending Agreement and Waiver by each DIP Loan Party. The Borrower has duly executed and delivered this Amending Agreement and Waiver. This Amending Agreement and Waiver is a legal, valid and binding obligation of each DIP Loan Party enforceable against it by the DIP Lender in accordance with its terms, except to the extent that the enforceability thereof may be limited by applicable bankruptcy, insolvency, moratorium, reorganization and other laws of general application limiting the enforcement of creditor's rights generally and the fact that the courts may deny the granting or enforcement of equitable remedies; and
- (b) as of the date hereof, after giving effect to the amendments in Section 3 and waiver in Section 4 of this Amending Agreement and Waiver, no Default or Event of Default exists or will exist as a result of giving full force and effect to the amendment to the Existing DIP Term Sheet provided for in this Amending Agreement and Waiver.

Section 7. Conditions Precedent

This amendments in Section 3 to this Amending Agreement and Waiver shall become effective upon the date (the “**Effective Date**”) on which the following conditions precedent shall have been satisfied:

- (a) the DIP Lender shall have received a copy of this Amending Agreement and Waiver, duly executed and delivered by all parties hereto; and
- (b) the Court shall have issued an Order in the form accepted by the DIP Lender in its reasonable discretion that authorizes the increase to the DIP Facility and the other amendments to the Existing DIP Term Sheet as contemplated by this Amending Agreement and Waiver.

Section 8. Continuance of the Existing DIP Term Sheet

- (a) The Existing DIP Term Sheet, as changed, altered, amended or modified by this Amending Agreement and Waiver, shall continue and is hereby confirmed and the rights and obligations of all parties thereunder shall not be affected or prejudiced in any manner except as specifically provided for in this Amending Agreement and Waiver.

- (b) This Amending Agreement and Waiver shall not constitute a novation, satisfaction and accord, cure, release or satisfaction of the Existing DIP Term Sheet, but shall constitute an amendment of the Existing DIP Term Sheet. The parties hereto agree to be bound by the terms and conditions of the Existing DIP Term Sheet as amended by this Amending Agreement and Waiver.

Section 9. Counterparts and Electronic Execution

- (a) This Amending Agreement and Waiver may be executed in any number of separate counterparts, each of which shall be deemed an original and all of said counterparts taken together shall be deemed to constitute one and the same agreement, and it shall not be necessary in making proof of this Amending Agreement and Waiver to produce or account for more than one such counterpart executed by each party. Execution and delivery of this Amending Agreement and Waiver by facsimile or other electronic method of transmission shall have the same force and effect as the delivery of an originally executed copy of this Amending Agreement and Waiver.
- (b) This Amending Agreement and Waiver may be signed by way of associating or otherwise appending an electronic signature or other facsimile signature of the applicable signatory and the words “execution,” “signed,” “signature,” and words of like import in this Amending Agreement and Waiver shall be deemed to include electronic signatures or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be.

Section 10. Governing Law

This Amending Agreement and Waiver shall be construed and interpreted in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein and each of the parties hereto irrevocably attorns to the non-exclusive jurisdiction of the courts of the Province of Ontario.

Section 11. Severability

If any term or provision of this Amending Agreement and Waiver or the application thereof to any party or circumstance shall be held to be invalid, illegal or unenforceable in any respect by a court of competent jurisdiction, the validity, legality and enforceability of the remaining terms and provisions of this Amending Agreement and Waiver shall not in any way be affected or impaired thereby, and the affected term or provision shall be modified to the minimum extent permitted by law so as most fully to achieve the intention of this Amending Agreement and Waiver.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF the parties hereto have executed this Amending Agreement and Waiver as of the day and year first above written.

BORROWER:

LI-CYCLE HOLDINGS CORP., as
Borrower

By: William E. Aziz
Name: William E. Aziz
Title: Chief Restructuring Officer

GUARANTORS:

LI-CYCLE CORP., as a Guarantor

By: William E. Aziz
Name: William E. Aziz
Title: Chief Restructuring Officer

LI-CYCLE AMERICAS CORP., as a
Guarantor

By: William E. Aziz
Name: William E. Aziz
Title: Chief Restructuring Officer


LI-CYCLE U.S. INC., as a Guarantor

By: William E. Aziz
Name: William E. Aziz
Title: Chief Restructuring Officer

LI-CYCLE INC., as a Guarantor

By: William E. Aziz
Name: William E. Aziz
Title: Chief Restructuring Officer

**LI-CYCLE NORTH AMERICA HUB,
INC.,** as Guarantor

By: 
Name: William E. Aziz
Title: Chief Restructuring Officer

GLENCORE INTERNATIONAL AG, as
DIP Lender


By: 
Name: Adam Luckie
Title: Authorized Signatory

EXHIBIT “A” UPDATED BUDGET

(See attached)

Li-Cycle

North American Cash Flow - July 31 Close

\$USD

Draft - For Discussion Purposes Only

Private & Confidential

\$ in USD Thousands

| For the Week Ended: | 7/11/2025 | 7/18/2025 | 7/25/2025 | 8/1/2025 | 8/8/2025 | 8/15/2025 | 8/22/2025 | 8/29/2025 | Total | Notes |
|--|----------------|----------------|--------------|----------------|---------------|---------------|---------------|---------------|----------------|---------|
| Cash Inflows | | | | | | | | | | |
| Product Sales | 223 | 100 | - | - | - | - | - | - | 324 | Note 1 |
| AR Collections | - | - | - | 33 | - | - | - | - | 33 | |
| Total Cash Inflows | 223 | 100 | - | 33 | - | - | - | - | 357 | |
| Spoke Operating Disbursements | | | | | | | | | | |
| People Costs | (45) | (48) | (45) | (47) | (16) | (2) | - | (1) | (203) | Note 2 |
| Rent & Leases | (214) | - | - | (257) | - | - | - | - | (471) | Note 3 |
| AP Payments | (48) | (30) | (30) | (30) | (4) | - | - | - | (141) | Note 4 |
| Total Spoke Operating Disbursements | (306) | (78) | (74) | (333) | (20) | (2) | - | (1) | (815) | |
| Hub Holding Cost Disbursements | | | | | | | | | | |
| People Costs | - | - | - | - | - | - | - | - | - | |
| Rent & Leases | (124) | - | - | (124) | - | - | - | - | (247) | Note 3 |
| AP Payments | (9) | (65) | (44) | (9) | (90) | - | - | - | (219) | Note 4 |
| Total Hub Holding Costs | (133) | (65) | (44) | (133) | (90) | - | - | - | (466) | |
| Overhead Disbursements | | | | | | | | | | |
| People Costs | (62) | (180) | (62) | (176) | (25) | (121) | (8) | (68) | (701) | Note 2 |
| APAC People Costs | - | - | - | (290) | - | - | - | - | (290) | Note 5 |
| Rent & Leases | - | - | - | - | - | - | - | - | - | |
| AP Payments | (224) | (157) | (48) | (82) | (68) | - | - | - | (579) | Note 6 |
| Total Overhead Disbursements | (286) | (336) | (110) | (548) | (92) | (121) | (8) | (68) | (1,570) | |
| Total Disbursements | (726) | (479) | (228) | (1,014) | (203) | (124) | (8) | (69) | (2,851) | |
| Net Operating Cash Flow | (502) | (379) | (228) | (981) | (203) | (124) | (8) | (69) | (2,495) | |
| Non-Operating Disbursements | | | | | | | | | | |
| Professional Fees | (701) | (714) | (696) | (991) | (230) | (201) | (200) | (57) | (3,791) | Note 7 |
| KERP / Advisory Fees / ESA / Vacation Pay | - | - | - | (83) | - | - | - | - | (83) | |
| Asset Sale Success Fee | - | - | - | - | - | - | - | - | - | Note 8 |
| Winddown Costs | - | - | - | - | - | (500) | - | - | (500) | Note 9 |
| Total Non-Operating Disbursements | (701) | (714) | (696) | (1,075) | (230) | (701) | (200) | (57) | (4,374) | |
| Net Cash Flow | (1,203) | (1,093) | (925) | (2,056) | (433) | (825) | (208) | (126) | (6,868) | |
| Liquidity Summary | | | | | | | | | | |
| Opening Unrestricted Cash Balance | 1,425 | 1,021 | 528 | 500 | 2,144 | 1,711 | 886 | 679 | 1,425 | |
| Net Cash Flow | (1,203) | (1,093) | (925) | (2,056) | (433) | (825) | (208) | (126) | (6,868) | |
| DIP Draw | 800 | 600 | 896 | 3,700 | - | - | - | - | 5,996 | |
| Ending Unrestricted Cash | 1,021 | 528 | 500 | 2,144 | 1,711 | 886 | 679 | 553 | 553 | |
| DIP Summary | | | | | | | | | | |
| DIP Draw (to Maintain \$500k) | 800 | 600 | 896 | 3,700 | - | - | - | - | 12,088 | Note 10 |
| Interest Accumulation | 13 | 15 | 16 | 18 | 26 | 27 | 27 | 27 | 206 | Note 10 |
| Cumulative DIP Summary | | | | | | | | | | |
| Cumulative DIP Draw | 6,892 | 7,492 | 8,388 | 12,088 | 12,088 | 12,088 | 12,088 | 12,088 | 12,088 | |
| Cumulative DIP Interest | 50 | 65 | 81 | 100 | 126 | 153 | 179 | 206 | 206 | |
| Total | 6,942 | 7,557 | 8,470 | 12,188 | 12,215 | 12,241 | 12,268 | 12,294 | 12,294 | |

Notes

- Includes the sale of on-hand black mass and shredded metal. The timing of collection is based on commercial sales forecasts with approximately 90% of sale proceeds due and payable upon shipment.
- Forecast people costs include salaries, taxes and benefits for remaining employees in Canada and the United States. Benefits excluded starting in August due to the cancellation of Li-Cycle's policies.
- Includes monthly rent payments for the Arizona and Alabama Spoke and Warehouse, New York and Ontario Spoke and Rochester Hub. Rent and lease disbursements are forecast to be paid on the 1st and the 15th of the month. Payment on the 1st of each month includes \$43k in passthrough insurance costs from the Alabama Warehouse's landlord. Mid-July rent payments will be made early on July 11th to ensure funds clear the bank prior to the due date.
- The projected AP payments include utilities, property maintenance, security, and insurance renewals.
- Li-Cycle APAC will require cash from North America to cover salaries, benefits and other people costs for employees of Li-Cycle APAC and its subsidiaries performing work for North America.
- Overhead AP payments include monthly fees for the Board of Directors and Special Committees, IT and software costs, insurance renewal premiums and other overhead related costs.
- Certain insurance policies require renewal in August. The forecast excludes these renewal costs as costs and renewal periods have yet to be confirmed. Estimated renewal for a 12 month period would exceed \$3.0m.
- Includes fees of professional advisors including Freshfields, McCarthy's, A&M Corporate Finance, IP Counsel, CCAA Monitor, the CCAA Monitor's Canadian (Osler) and U.S. counsel (Skadden), CRO, and CFO.
- The asset sale success fees are excluded from the cash flow forecast and are to be paid by Glencore as part of the purchase price. The success fees total approximately \$700,000 + HST.
- Reflective of estimated wind down costs for the North American entities pursuant to a successful transaction that includes the purchase of the Hub, Spokes, and IP.
- The DIP Facility is forecast based on: (i) interest costs of 11.3% per annum, compounded weekly; and (ii) facility draws that ensure the cash balance is above a minimum liquidity of \$0.5 million.

Li-Cycle

North American Cash Flow – August 7 Close

\$USD

Draft – For Discussion Purposes Only

Private & Confidential

\$ in USD Thousands

| For the Week Ended: | 7/11/2025 | 7/18/2025 | 7/25/2025 | 8/1/2025 | 8/8/2025 | 8/15/2025 | 8/22/2025 | 8/29/2025 | Total | Notes |
|--|----------------|----------------|--------------|----------------|---------------|----------------|---------------|---------------|----------------|---------|
| Cash Inflows | | | | | | | | | | |
| Product Sales | 223 | 100 | - | - | - | - | - | - | 324 | Note 1 |
| AR Collections | - | - | - | 33 | - | - | - | - | 33 | |
| Total Cash Inflows | 223 | 100 | - | 33 | - | - | - | - | 357 | |
| Spoke Operating Disbursements | | | | | | | | | | |
| People Costs | (45) | (48) | (45) | (47) | (16) | (18) | - | (2) | (220) | Note 2 |
| Rent & Leases | (214) | - | - | (257) | - | (214) | - | - | (685) | Note 3 |
| AP Payments | (48) | (30) | (30) | (30) | (30) | (4) | - | - | (171) | Note 4 |
| Total Spoke Operating Disbursements | (306) | (78) | (74) | (333) | (45) | (236) | - | (2) | (1,075) | |
| Hub Holding Cost Disbursements | | | | | | | | | | |
| People Costs | - | - | - | - | - | - | - | - | - | |
| Rent & Leases | (124) | - | - | (124) | - | (124) | - | - | (371) | Note 3 |
| AP Payments | (9) | (65) | (44) | (9) | (9) | (90) | - | - | (228) | Note 4 |
| Total Hub Holding Costs | (133) | (65) | (44) | (133) | (9) | (214) | - | - | (599) | |
| Overhead Disbursements | | | | | | | | | | |
| People Costs | (62) | (180) | (62) | (176) | (25) | (138) | (8) | (129) | (779) | Note 2 |
| APAC People Costs | - | - | - | (290) | - | - | - | - | (290) | Note 5 |
| Rent & Leases | - | - | - | - | - | - | - | - | - | |
| AP Payments | (224) | (157) | (48) | (82) | (23) | (68) | - | - | (601) | Note 6 |
| Total Overhead Disbursements | (286) | (336) | (110) | (548) | (47) | (206) | (8) | (129) | (1,670) | |
| Total Disbursements | (726) | (479) | (228) | (1,014) | (102) | (656) | (8) | (131) | (3,345) | |
| Net Operating Cash Flow | (502) | (379) | (228) | (981) | (102) | (656) | (8) | (131) | (2,988) | |
| Non-Operating Disbursements | | | | | | | | | | |
| Professional Fees | (701) | (714) | (696) | (991) | (230) | (201) | (200) | (357) | (4,091) | Note 7 |
| KERP / Advisory Fees / ESA / Vacation Pay | - | - | - | (83) | - | - | - | - | (83) | |
| Asset Sale Success Fee | - | - | - | - | - | - | - | - | - | Note 8 |
| Winddown Costs | - | - | - | - | - | (500) | - | - | (500) | Note 9 |
| Total Non-Operating Disbursements | (701) | (714) | (696) | (1,075) | (230) | (701) | (200) | (357) | (4,674) | |
| Net Cash Flow | (1,203) | (1,093) | (925) | (2,056) | (332) | (1,357) | (208) | (488) | (7,662) | |
| Liquidity Summary | | | | | | | | | | |
| Opening Unrestricted Cash Balance | 1,425 | 1,021 | 528 | 500 | 2,144 | 2,592 | 1,235 | 1,027 | 1,425 | |
| Net Cash Flow | (1,203) | (1,093) | (925) | (2,056) | (332) | (1,357) | (208) | (488) | (7,662) | |
| DIP Draw | 800 | 600 | 896 | 3,700 | 780 | - | - | - | 6,776 | |
| Ending Unrestricted Cash | 1,021 | 528 | 500 | 2,144 | 2,592 | 1,235 | 1,027 | 539 | 539 | |
| DIP Summary | | | | | | | | | | |
| DIP Draw (to Maintain \$500k) | 800 | 600 | 896 | 3,700 | 780 | - | - | - | 12,868 | Note 10 |
| Interest Accumulation | 13 | 15 | 16 | 18 | 26 | 28 | 28 | 28 | 211 | Note 10 |
| Cumulative DIP Summary | | | | | | | | | | |
| Cumulative DIP Draw | 6,892 | 7,492 | 8,388 | 12,088 | 12,868 | 12,868 | 12,868 | 12,868 | 12,868 | |
| Cumulative DIP Interest | 50 | 65 | 81 | 100 | 126 | 154 | 183 | 211 | 211 | |
| Total | 6,942 | 7,557 | 8,470 | 12,188 | 12,995 | 13,023 | 13,051 | 13,079 | 13,079 | |

Notes

- Includes the sale of on-hand black mass and shredded metal. The timing of collection is based on commercial sales forecasts with approximately 90% of sale proceeds due and payable upon shipment.
- Forecast people costs include salaries, taxes and benefits for remaining employees in Canada and the United States. Benefits excluded starting in August due to the cancellation of Li-Cycle's policies.
- Includes monthly rent payments for the Arizona and Alabama Spoke and Warehouse, New York and Ontario Spoke and Rochester Hub. Rent and lease disbursements are forecast to be paid on the 1st and the 15th of the month. Payment on the 1st of each month includes \$43k in passthrough insurance costs from the Alabama Warehouse's landlord. Mid-July rent payments will be made early on July 11th to ensure funds clear the bank prior to the due date. Rent payments during the week ended August 15 are made on behalf of Glencore.
- The projected AP payments include utilities, property maintenance, security, and insurance renewals.
- Li-Cycle APAC will require cash from North America to cover salaries, benefits and other people costs for employees of Li-Cycle APAC and its subsidiaries performing work for North America.
- Overhead AP payments include monthly fees for the Board of Directors and Special Committees, IT and software costs, insurance renewal premiums and other overhead related costs.
- Certain insurance policies require renewal in August. The forecast excludes these renewal costs as costs and renewal periods have yet to be confirmed. Estimated renewal for a 12 month period would exceed \$3.0m.
- Includes fees of professional advisors including Freshfields, McCarthy's, A&M Corporate Finance, IP Counsel, CCAA Monitor, the CCAA Monitor's Canadian (Osler) and U.S. counsel (Skadden), CRO, and CFO.
- The asset sale success fees are excluded from the cash flow forecast and are to be paid by Glencore as part of the purchase price. The success fees total approximately \$700,000 + HST.
- Reflective of estimated wind down costs for the North American entities pursuant to a successful transaction that includes the purchase of the Hub, Spokes, and IP.
- The DIP Facility is forecast based on: (i) interest costs of 11.3% per annum, compounded weekly; and (ii) facility draws that ensure the cash balance is above a minimum liquidity of \$0.5 million. Funds drawn during the week ended 8/1/2025 support a 7/31/2025 close. If notified of closing delays during the week ended 7/25/2025, Li-Cycle will defer ~\$1.6m of the draw to the week ended 8/8/2025.

EXHIBIT “B”
UPDATED GERMAN BUDGET AND UPDATED SWISS BUDGET

Part 1

(See attached)

| Li-Cycle Europe AG – Cash Flow (Consolidated) | Week Ended: | 7/11/2025 | 7/18/2025 | 7/25/2025 | 8/1/2025 | 8/8/2025 | 8/15/2025 | 8/22/2025 | 8/29/2025 | Total | Notes |
|---|-------------|-----------|-----------|-----------|----------|----------|-----------|-----------|-----------|---------|--------|
| Revenue, Intake & Refining | | | | | | | | | | | |
| Product Sales | | | | | | | | | | | |
| Product Sales | | 453 | 382 | 191 | 114 | 293 | 35 | 101 | 34 | 1,603 | |
| AR Collection | | 9 | 9 | 9 | 153 | 124 | 199 | 70 | - | 574 | |
| Total | | 462 | 391 | 200 | 267 | 417 | 234 | 171 | 34 | 2,177 | Note 1 |
| Intake Revenue & Cost | | | | | | | | | | | |
| Tipping Fees | | - | - | - | - | - | - | 43 | 51 | 95 | |
| Intake Costs | | - | - | - | - | - | - | - | - | - | |
| Total | | - | - | - | - | - | - | 43 | 51 | 95 | Note 2 |
| Refining Costs | | | | | | | | | | | |
| Remondis | | - | - | - | - | - | - | - | - | - | |
| Polblume | | - | (61) | (61) | - | (61) | - | (61) | - | (242) | Note 3 |
| Total | | - | (61) | (61) | - | (61) | - | (61) | - | (242) | |
| Total Revenue, Intake & Refining | | 462 | 331 | 140 | 267 | 356 | 234 | 153 | 86 | 2,029 | |
| Li-Cycle Europe AG | | | | | | | | | | | |
| People Costs | | (7) | (7) | (153) | (7) | (101) | (7) | (153) | (7) | (444) | Note 4 |
| Rent & Leases | | - | - | - | (10) | - | - | - | (10) | (21) | Note 5 |
| Professional Fees | | - | - | - | - | - | - | - | - | - | Note 6 |
| AP Payments | | (91) | (50) | (27) | (27) | (70) | (27) | (27) | (27) | (346) | |
| Winddown Costs | | - | - | - | - | - | - | - | (147) | (147) | Note 7 |
| Total | | (99) | (58) | (180) | (44) | (171) | (34) | (180) | (191) | (958) | |
| Li-Cycle Germany GmbH | | | | | | | | | | | |
| People Costs | | (19) | (19) | (302) | (19) | (19) | (19) | (302) | (19) | (718) | Note 4 |
| Rent & Leases | | - | - | - | (210) | - | - | - | (210) | (420) | Note 5 |
| Professional Fees | | - | - | - | - | - | - | - | (40) | (40) | Note 6 |
| AP Payments | | (449) | (92) | (92) | (115) | (92) | (92) | (92) | (115) | (1,137) | Note 8 |
| Insurance Refund | | 151 | - | - | - | - | - | - | - | 151 | Note 9 |
| VAT Refund | | - | - | - | - | - | - | - | - | - | |
| Total Cost | | (317) | (111) | (393) | (344) | (111) | (111) | (393) | (384) | (2,165) | |
| Total Cash Inflow (Outflow) | | 46 | 162 | (433) | (122) | 74 | 89 | (420) | (490) | (1,093) | |
| Liquidity Summary | | | | | | | | | | | |
| Opening Cash | | 516 | 562 | 724 | 291 | 169 | 243 | 332 | (88) | 516 | |
| Total Cash Inflow (Outflow) | | 46 | 162 | (433) | (122) | 74 | 89 | (420) | (490) | (1,093) | |
| Intercompany Outflows | | - | - | - | - | - | - | - | - | - | |
| Ending Cash | | 562 | 724 | 291 | 169 | 243 | 332 | (88) | (577) | (577) | |
| Risk Adjustment | | | | | | | | | | | |
| Product Sales | | (453) | (382) | (191) | (114) | (293) | (35) | (101) | (34) | (1,603) | |
| AR Collection | | (9) | (9) | (9) | (153) | (124) | (199) | (70) | - | (574) | |
| Tipping Fees | | - | - | - | - | - | - | (43) | (51) | (95) | |
| Total Risk Adjustment | | (462) | (391) | (200) | (267) | (417) | (234) | (214) | (86) | (2,271) | |
| Consol Cash After Risk Adjustment | | 100 | (129) | (763) | (1,152) | (1,494) | (1,639) | (2,273) | (2,849) | (2,849) | |

Notes

1

Sales are forecast based on active contract negotiations

2

Inflows based on commercial intake forecast

3

Polblume refines excess feedstock intake and produces black mass for sale.

4

Ongoing people costs and associated benefits

5

Ongoing payments required under lease contracts (Germany Spoke, Switzerland Office)

6

Advisory fees required for the transaction and wind-down processes

7

Expected costs to wind down smaller EMEA entities

8

Includes carbon, utilities, parts, tools and consumables, and professional fees

9

In Q1 2025, a customer sent a mislabelled solid aluminum pack, which damaged the shredder when shred. Li-Cycle expects to receive a reimbursement from the customer's insurance provider in the week ended 7/11/2025.

| Li-Cycle Europe AG – Cash Balance Summary (Consolidated) | Week Ended: | 7/11/2025 | 7/18/2025 | 7/25/2025 | 8/1/2025 | 8/8/2025 | 8/15/2025 | 8/22/2025 | 8/29/2025 | Total | Notes |
|--|-------------|-----------|-----------|-----------|----------|----------|-----------|-----------|-----------|---------|--------|
| Europe AG Opening Cash | | 398 | 462 | 624 | 191 | 130 | 143 | 232 | (188) | 398 | |
| Europe AG Cash Inflows (Outflows) | | 363 | 273 | (40) | 222 | 185 | 200 | (27) | (105) | 1,072 | |
| Intercompany Inflows (Outflows) | | (299) | (111) | (393) | (283) | (172) | (111) | (393) | (384) | (2,147) | Note 3 |
| Europe AG Ending Cash | | 462 | 624 | 191 | 130 | 143 | 232 | (188) | (677) | (677) | |
| Germany Opening Cash | | 118 | 100 | 100 | 100 | 39 | 100 | 100 | 100 | 118 | Note 1 |
| Germany Cash Inflows (Outflows) | | (317) | (111) | (393) | (344) | (111) | (111) | (393) | (384) | (2,165) | |
| Intercompany Inflows (Outflows) | | 299 | 111 | 393 | 283 | 172 | 111 | 393 | 384 | 2,147 | Note 2 |
| Germany Ending Cash | | 100 | 100 | 100 | 39 | 100 | 100 | 100 | 100 | 100 | |
| Consolidated EMEA Opening Cash | | 516 | 562 | 724 | 291 | 169 | 243 | 332 | (88) | 516 | |
| Consolidated EMEA Cash Inflows (Outflows) | | 46 | 162 | (433) | (122) | 74 | 89 | (420) | (490) | (1,093) | |
| Consolidated EMEA Intercompany Inflows (Outflows) | | - | - | - | - | - | - | - | - | - | Note 3 |
| Consolidated EMEA Ending Cash | | 562 | 724 | 291 | 169 | 243 | 332 | (88) | (578) | (577) | |

Notes

1

As a standalone entity, Germany does not generate cash inflows, and requires injections from Europe AG to maintain a positive cash balance.

2

Europe AG injects sufficient cash into Germany GmbH so that the cash balance does not fall below \$100,000, excluding week ended August 1, 2025 due to cash constraints

3

Prior to the transfer of Li-Cycle Norway, France and UK to Li-Cycle Holdings Corp., Li-Cycle Europe AG transferred sufficient cash to cover all expected outflows until the end of August.

Part 2

(See attached)

| Li-Cycle Europe AG – Cash Flow (Consolidated) | Week Ended: | 7/11/2025 | 7/18/2025 | 7/25/2025 | 8/1/2025 | 8/8/2025 | 8/15/2025 | 8/22/2025 | 8/29/2025 | Total | Notes |
|--|-------------|-----------|-----------|-----------|----------|----------|-----------|-----------|-----------|---------|--------|
| Revenue, Intake & Refining | | | | | | | | | | | |
| Product Sales | | | | | | | | | | | |
| Product Sales | | 453 | 382 | 191 | 114 | 293 | 35 | 101 | 34 | 1,603 | |
| AR Collection | | 9 | 9 | 9 | 153 | 124 | 199 | 70 | - | 574 | |
| Total | | 462 | 391 | 200 | 267 | 417 | 234 | 171 | 34 | 2,177 | Note 1 |
| Intake Revenue & Cost | | | | | | | | | | | |
| Tipping Fees | | - | - | - | - | - | - | 43 | 51 | 95 | |
| Intake Costs | | - | - | - | - | - | - | - | - | - | |
| Total | | - | - | - | - | - | - | 43 | 51 | 95 | Note 2 |
| Refining Costs | | | | | | | | | | | |
| Remondis | | - | - | - | - | - | - | - | - | - | |
| Polblume | | - | (61) | (61) | - | (61) | - | (61) | - | (242) | Note 3 |
| Total | | - | (61) | (61) | - | (61) | - | (61) | - | (242) | |
| Total Revenue, Intake & Refining | | 462 | 331 | 140 | 267 | 356 | 234 | 153 | 86 | 2,029 | |
| Li-Cycle Europe AG | | | | | | | | | | | |
| People Costs | | (7) | (7) | (153) | (7) | (101) | (7) | (153) | (7) | (444) | Note 4 |
| Rent & Leases | | - | - | - | (10) | - | - | - | (10) | (21) | Note 5 |
| Professional Fees | | - | - | - | - | - | - | - | - | - | Note 6 |
| AP Payments | | (91) | (50) | (27) | (27) | (70) | (27) | (27) | (27) | (346) | |
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| People Costs | | (19) | (19) | (302) | (19) | (19) | (19) | (302) | (19) | (718) | Note 4 |
| Rent & Leases | | - | - | - | (210) | - | - | - | (210) | (420) | Note 5 |
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| Intercompany Outflows | | - | - | - | - | - | - | - | - | - | |
| Ending Cash | | 562 | 724 | 291 | 169 | 243 | 332 | (88) | (577) | (577) | |
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Notes

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Sales are forecast based on active contract negotiations

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Inflows based on commercial intake forecast

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Polblume refines excess feedstock intake and produces black mass for sale.

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Ongoing people costs and associated benefits

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Ongoing payments required under lease contracts (Germany Spoke, Switzerland Office)

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Advisory fees required for the transaction and wind-down processes

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Includes carbon, utilities, parts, tools and consumables, and professional fees

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In Q1 2025, a customer sent a mislabelled solid aluminum pack, which damaged the shredder when shred. Li-Cycle expects to receive a reimbursement from the customer's insurance provider in the week ended 7/11/2025.

| Li-Cycle Europe AG – Cash Balance Summary (Consolidated) | Week Ended: | 7/11/2025 | 7/18/2025 | 7/25/2025 | 8/1/2025 | 8/8/2025 | 8/15/2025 | 8/22/2025 | 8/29/2025 | Total | Notes |
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| Europe AG Ending Cash | | 462 | 624 | 191 | 130 | 143 | 232 | (188) | (677) | (677) | |
| Germany Opening Cash | | | | | | | | | | | |
| Germany Opening Cash | | 118 | 100 | 100 | 100 | 39 | 100 | 100 | 100 | 118 | Note 1 |
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| Intercompany Inflows (Outflows) | | 299 | 111 | 393 | 283 | 172 | 111 | 393 | 384 | 2,147 | Note 2 |
| Germany Ending Cash | | 100 | 100 | 100 | 39 | 100 | 100 | 100 | 100 | 100 | |
| Consolidated EMEA Opening Cash | | | | | | | | | | | |
| Consolidated EMEA Opening Cash | | 516 | 562 | 724 | 291 | 169 | 243 | 332 | (88) | 516 | |
| Consolidated EMEA Cash Inflows (Outflows) | | 46 | 162 | (433) | (122) | 74 | 89 | (420) | (490) | (1,093) | |
| Consolidated EMEA Intercompany Inflows (Outflows) | | - | - | - | - | - | - | - | - | - | Note 3 |
| Consolidated EMEA Ending Cash | | 562 | 724 | 291 | 169 | 243 | 332 | (88) | (578) | (577) | |

Notes

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As a standalone entity, Germany does not generate cash inflows, and requires injections from Europe AG to maintain a positive cash balance.

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Europe AG injects sufficient cash into Germany GmbH so that the cash balance does not fall below \$100,000, excluding week ended August 1, 2025 due to cash constraints

3

Prior to the transfer of Li-Cycle Norway, France and UK to Li-Cycle Holdings Corp., Li-Cycle Europe AG transferred sufficient cash to cover all expected outflows until the end of August.

EXHIBIT “C”
AMENDED EXISTING DIP TERM SHEET

(See attached)

**Summary of Terms and Conditions for
Debtor-In-Possession Financing**

6, dated as of May 14, 2025 (as amended by a first amendment, dated as of May 22, 2025, and a second amendment, dated as of July 9, 2025 (the “Second Amendment”), the “DIP Term Sheet”)

WHEREAS the Borrower (as defined below) has requested and the DIP Lender (as defined below) has agreed to provide funding in order to fund certain limited obligations of the Borrower in the context of its proceeding under the *Companies’ Creditors Arrangement Act* (Canada) (the “CCAA”, and such proceeding, the “CCAA Proceeding”) before the Ontario Superior Court of Justice (Commercial List) (the “Court”) in accordance with the terms set out herein;

NOW THEREFORE the parties, in consideration of the foregoing and the mutual agreements contained herein (the receipt and sufficiency of which are hereby acknowledged), agree as follows:

| | |
|--------------------------------|--|
| 1. BORROWER: | Li-Cycle Holdings Corp., an Ontario corporation (the “Borrower”). |
| 2. GUARANTORS: | Each subsidiary of the Borrower that is an Applicant in the CCAA Proceeding (such entities, the “DIP Guarantors” and together with the Borrower, the “DIP Loan Parties”). |
| 3. DIP LENDER: | Glencore International AG (“Glencore” and the “DIP Lender”). |
| 4. EXISTING FACILITIES: | The Borrower is party to (i) that certain Amended and Restated Convertible Note having an original principal amount of US\$124,059,131.32 as of January 31, 2025 (the “First A&R Glencore Note”) issued by the Borrower to Glencore Canada Corporation (“Glencore Canada”) on May 5, 2022 pursuant to that certain Note Purchase Agreement, dated May 5, 2022 (the “2022 Note Purchase Agreement”) and as subsequently amended and restated on March 25, 2024 and January 31, 2025, (ii) that certain Amended and Restated Convertible Note having an original principal amount of \$121,772,741.47 as of January 31, 2025 (the “Second A&R Glencore Note”), issued by the Borrower to Glencore Canada Corporation on May 5, 2022 pursuant to the 2022 Note Purchase Agreement and as subsequently amended and restated on March 25, 2024 and January 31, 2025 and (iii) that certain Amended and Restated Senior Secured Convertible Note having an original principal amount of US\$81,573,643.75 as of January 31, 2025, issued by the Borrower to Glencore Canada Corporation on March 25, 2024 and amended and restated on January 31, 2025 (the “Original Senior Secured Glencore Note” and, together with the First A&R Glencore Note and the Second A&R Glencore Note, collectively, the “Glencore Notes” and, the debt under First A&R Glencore Note and Original Senior Secured Glencore Note, the “Existing Glencore Secured Debt”) pursuant to that certain amended and restated Note Purchase Agreement, dated March 25, 2024 (as amended, restated, supplemented or otherwise modified from time to time, the “2024 Note Purchase Agreement”). |

| | |
|---|---|
| | <p>Certain of the DIP Guarantors are party to that certain Loan Arrangement and Reimbursement Agreement, dated November 7, 2024 (as amended by that certain Omnibus Amendment and Consent Agreement, dated January 13, 2025, the “<u>DOE Loan Agreement</u>” and, together with the Existing Glencore Secured Debt, the “<u>Existing Secured Debt</u>”) among the United States Department of Energy, Li-Cycle U.S. Inc., as the borrower, Li-Cycle North America Hub, Inc., as a borrower entity and Li-Cycle Inc., as a borrower entity, and the liens and security interests granted by such DIP Guarantors securing the DOE Loan Agreement are the “<u>DOE Security</u>” and the Collateral (as defined in the DOE Loan Agreement) subject to the DOE Security is the “<u>DOE Collateral</u>”.</p> |
| <p>5. USE OF PROCEEDS:</p> | <p>The proceeds of the DIP Facility may only be used to pay the following:</p> <p class="list-item-l1">(i) (i) under the North American Facility, (a) fees and other expenses due and payable under the DIP Facility, (b) other amounts contemplated to be paid in accordance with the Budget (as defined below) (subject to Permitted Variances (as defined below)) for the North American operations of the DIP Loan Parties and only for the limited purpose of facilitating the Proceeding, including the SISP, and (c) the making by the Borrower of intercompany loans to Li-Cycle U.S. Inc and Li-Cycle APAC Pte., <u>in accordance with the Budget (subject to Permitted Variances (as defined below))</u>, and</p> <p class="list-item-l1">(ii) (ii) under the European Facility, the making by the Borrower of the Intercompany Loans (as defined below) to Li-Cycle Europe AG (the “<u>Swiss Subsidiary</u>”) and/or Li-Cycle Germany GmbH (the “<u>German Subsidiary</u>”) to fund the approved operating expenses to such entities, as <u>if</u> specifically provided in the Budget <u>for the Swiss Subsidiary and German Subsidiary</u></p> <p>(collectively, the “<u>Permitted Uses</u>”).</p> <p>Subject to the terms of the Amended and Restated Initial Order (as defined below), no portion of DIP Loans (as defined below) and/or the Debtors’ cash collateral and other cash may be used to investigate, commence or prosecute any action, proceeding or objection with respect to or related to the rights, remedies, liens or security interests of the DIP Lender under this DIP Term Sheet or the DIP Credit Agreement, as applicable, and related definitive documentation relating to the DIP Facility.</p> |
| <p>6. DIP FACILITY AND MAXIMUM AMOUNT:</p> | <p>A non-amortizing multi-draw term loan debtor-in-possession credit facility in the aggregate principal amount of US\$10.5 million<u>13,079,000</u> (the “<u>Aggregate Maximum Amount</u>”), of</p> |

which an aggregate principal amount ~~of US\$9 million (the “North American Maximum Amount”~~equal to the North American Maximum Amount (as defined below) will be available to fund the operations of the North American business of the DIP Loan Parties (the “North American Facility”), and an aggregate principal amount ~~of up to US\$1.5 million~~1,500,000 (the “~~European Maximum Amount” and together with the North American Maximum Amount, the “Maximum Amounts” and each, an “Maximum Amount”~~”) will be available to fund the operations of the Swiss Subsidiary and the German Subsidiary (the “European Facility” and together with the North American Facility, the “Facilities”); ~~provided that.~~

The Aggregate Maximum Amount less the principal amount of all DIP Loans made under the European Facility is referred to herein as the “North American Maximum Amount”), and the European Maximum Amount together with the North American Maximum Amount is referred to herein as the “Maximum Amounts” and each, a “Maximum Amount”.

Notwithstanding the foregoing:

(i) if, in accordance with Section 2.2 of the Purchase Agreement, the Buyer elects to exercise the Rochester Option (as defined in the Purchase Agreement), the Aggregate Maximum Amount ~~and North American Maximum Amount~~ may ~~each~~ be increased by (i) US\$1.25 million in the case of the exercise of a Total Rochester Option (as defined in the Purchase Agreement) and (ii) a maximum of US\$1.25 million in the case of the exercise of a Partial Rochester Option (as defined in the Purchase Agreement) (with such amount determined in accordance with the definition of “Incremental Winddown Amount” (as defined in the Purchase Agreement)), and

(ii) if any amount of cash (“Unrestricted Cash”) that previously constituted restricted cash in favour of Canadian Imperial Bank of Commerce, or that was cash collateral granted as security to Canadian Imperial Bank of Commerce, in each case, in connection with a letter of credit originally dated June 3, 2022, issued by Canadian Imperial Bank of Commerce, to the Town of Greece, as beneficiary, for the benefit of the Borrower, is made unrestricted, or is otherwise returned, released or made available to the Borrower or any other DIP Obligor from time to time prior to the closing of the Transactions (as defined in

| | |
|-------------------------------------|--|
| | <p><u>the Purchase Agreement), the amount of the Unrestricted Cash shall reduce on a dollar for dollar basis the Aggregate Maximum Amount.</u></p> <p>Drawings under each of the Facilities will be available in multiple drawings in an aggregate amount not to exceed the applicable Maximum Amount, in each case, only solely for the Permitted Uses and in accordance with the <u>draws shown in the Budget</u> and on the terms and conditions contained herein or in the DIP Credit Agreement, as applicable (the “DIP Facility”; and the loans thereunder, the “DIP Loans”).</p> <p>The date of the closing of the DIP Facility is referred to herein as the “Effective Date,” <u>and the date that the Second Amendment is executed by each of the parties hereto is the “Second Amendment Effective Date”.</u></p> |
| <p>7. INTERCOMPANY LOANS</p> | <p>Subject to the terms of this DIP Term Sheet (including, without limitation, the Budget) and the Amended and Restated Initial Order, the Borrower shall be permitted to use proceeds of DIP Loans advanced under the European Facility to make loans (each, an “<u>Intercompany Loan</u>”) to the Swiss Subsidiary and German Subsidiary, as contemplated by this DIP Term Sheet and/or the Budget <u>at such time</u>; provided that the following conditions precedent shall be satisfied, or waived in writing by the DIP Lender, in its sole discretion, prior to the Borrower making any Intercompany Loan:</p> <p><u>(a)</u> (a) the quantum and timing of such Intercompany Loan shall be in accordance with, as the case may be, the German Budget or the Swiss Budget and the liquidity need set out therein for the respective next calendar week;</p> <p><u>(b)</u> (b) there shall be no Event of Default outstanding that has not been cured or waived in writing by the DIP Lender, in its sole discretion;</p> <p><u>(c)</u> (c) such Intercompany Loan shall be documented in the form attached as <u>Schedule “A”</u> hereto, and for certainty, the Intercompany Loan(s) shall (i) provide that after (A) the occurrence and during the continuance of an Event of Default and the termination of the DIP Facility by the DIP Lender in accordance with this DIP Term Sheet or the DIP Credit Agreement, as applicable, and (B) the Court having issued an order authorizing the DIP Lender to do so (such order sought by the DIP Lender on not less than three (3) business days’ notice to the Borrower and Alvarez & Marsal Canada Inc., in its capacity as Court-appointed monitor (in such capacity, the “<u>Monitor</u>”) after the occurrence and during the continuance of an Event of Default), the DIP Lender shall have the right to instruct the Borrower to, and the Borrower acting at the direction of the DIP Lender shall, pursue all remedies against the Swiss Subsidiary or German Subsidiary, as applicable, that are</p> |

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|----------------------|---|
| | <p>available to the Borrower as a lender under the relevant Intercompany Loan, and applicable law; and (ii) allow collection by the DIP Lender of the receivables of the Borrower against the German Subsidiary and the Swiss Subsidiary under the Intercompany Loans after the occurrence of an Event of Default; and</p> <p><u>(d)</u> (d) the claims of the Borrower against the German Subsidiary and the Swiss Subsidiary under the Intercompany Loans shall be assigned for security purposes to the DIP Lender pursuant to the DIP Charge.</p> |
| 8. REPAYMENT: | <p>The aggregate principal amount owing under the DIP Facility, all accrued and unpaid interest, and all unpaid fees and expenses incurred by the DIP Lender as provided herein in connection with the DIP Facility (collectively, the “<u>DIP Obligations</u>”) shall be repaid in full on the earliest to occur (the “<u>Maturity Date</u>”) of:</p> <ul style="list-style-type: none"> • the date that is the Outside Date (as defined in the Purchase Agreement (as defined below)), with an ability to extend at the sole option of the DIP Lender; • closing of a sale of all or any part of the Transferred Assets (as defined in the Purchase Agreement) to a third-party purchaser pursuant to an Alternative Transaction (as defined in the Purchase Agreement); • termination of the Purchase Agreement in accordance with the terms thereof; • the closing of the Transactions (as defined in the Purchase Agreement); • the termination of the CCAA Proceeding or any action, legal proceeding or formal procedure or step is taken for the filing for or commencement of bankruptcy, insolvency, receivership or moratorium proceedings (or comparable proceedings under applicable local insolvency laws) in respect of any of the Borrower, any Guarantor, the Swiss Subsidiary or the German Subsidiary under any insolvency laws, or the Swiss Subsidiary is compelled under any applicable law to apply for the commencement of such proceedings as a result of it being over-indebted (überschuldet) or illiquid (zahlungsunfähig); or • the date of acceleration of the DIP Loans pursuant to this DIP Term Sheet or the DIP Credit Agreement, as applicable, the form of which shall be acceptable to the DIP Lender and the Borrower (the “DIP Credit Agreement”). <p>The commitment in respect of the DIP Facility shall expire on the Maturity Date and all then outstanding and unpaid DIP Obligations (other than contingent indemnification obligations) shall be repaid in full on the Maturity Date.</p> |

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| | <p>All payments received by the DIP Lender shall be applied first to any fees and expenses due under the DIP Facility, then to accrued and unpaid interest thereunder and then, after all such fees, expenses and interest are brought current, to the principal amount outstanding thereunder.</p> <p>It is acknowledged that, subject to Court approval, some or all of the DIP Obligations may be satisfied by the DIP Lender making of a credit bid for some or all of the assets or equity interests of the Borrower pursuant to a Vesting Order Transaction in the DIP Lender's sole discretion.</p> |
| 9. BUDGET: | <p>The "<u>Budget</u>" shall consist of, in respect of (i) the Borrower on a consolidated basis, a rolling 13-week operating budget prepared by the Borrower's management and advisors in the form attached as <u>Part A of Schedule "B" (Budget)</u>, and (ii) the Swiss Subsidiary and the German Subsidiary each on a standalone basis individually (the so-prepared standalone budget a "<u>German Budget</u>" or "<u>Swiss Budget</u>"), a liquidity status as of the day two (2) days prior to the relevant day and, derived therefrom, and a rolling 13-week operating budget prepared by the Borrower's management and advisors in the form attached as <u>Part B of Schedule "B" (Budget)</u>, in each case, that is acceptable to the DIP Lender in its sole discretion, prepared in accordance with applicable local insolvency law requirements and, in particular, sets forth all forecasted revenues, operating and non-operating cash receipts, professional fees, disbursements, net operating cash flow and liquidity of the Borrower and the DIP Guarantors (or in the case of the German Budget or Swiss Budget, the German Subsidiary or Swiss Subsidiary, respectively), on a weekly basis for such 13-week period beginning on the Effective Date, broken down by week, including the anticipated weekly borrowings and uses of the DIP Loans for such period, which shall include, in accordance with applicable local insolvency law requirements, among other things, available cash, cash flow, trade payables and ordinary course expenses, total expenses and capital expenditures, fees and expenses relating to the DIP Facility, fees and expenses related to the CCAA Proceeding (including professional fees), as applicable, and working capital and other general corporate needs (such Budget (including, for certainty, each of the German Budget and the Swiss Budget) shall be updated and supplemented in the manner required pursuant to Section 22). With respect to any material payments (<i>i.e.</i>, payment plans, payments with respect to accounts payable) in the Budget, such payments shall be explicitly identified by individual line items in such Budget.</p> <p>At any given time, the Budget in effect at such time (whether the original Budget or any subsequent Budget as updated and supplemented in the manner required pursuant to Section 22) shall be referred to as the Budget (or the German Budget or</p> |

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| | <p>Swiss Budget, as applicable) after approval by the DIP Lender. <u>As of the Second Amendment Effective Date, the Updated Budget (as defined in the Second Amendment) is the approved Budget under this DIP Term Sheet, and the Updated Swiss Budget is the approved Budget under this DIP Term Sheet for the Swiss Subsidiary and the Updated German Budget is the approved Budget under this DIP Term Sheet for the German Subsidiary.</u></p> |
| <p>10. EFFECTIVENESS OF THE DIP FACILITY:</p> | <p>The Effective Date shall be subject to the following conditions precedent, which shall be satisfied, or waived in writing by the DIP Lender, in its sole and absolute discretion:</p> <ul style="list-style-type: none"> (i) the relevant DIP Loan Parties shall have executed a purchase agreement (<u>as amended, restated, supplemented or otherwise modified after execution thereof</u>, the “Purchase Agreement”) for certain North American assets and/or equity interests of the DIP Loan Parties (including the shares of the Swiss Subsidiary), in form and substance acceptable to the DIP Lender in its sole and absolute discretion and such Purchase Agreement shall be in effect as a stalking horse bid, and there shall be no material breach by the Borrower of any of its obligations thereunder which breach has not been cured in accordance with the terms thereof; (ii) delivery of the initial Budget, with a copy to the Monitor, in form and substance acceptable to the DIP Lender in its sole discretion; (iii) the Filing Date (as defined below) shall have occurred; (iv) no trustee shall have been appointed with respect to any DIP Loan Party or any of the DIP Loan Parties’ respective properties pursuant to any of the <i>Bankruptcy and Insolvency Act</i> (Canada) or Section 1104 of the Bankruptcy Code; (v) the Court shall have issued the Amended and Restated Initial Order in the CCAA Proceeding (the date of such Amended and Restated Initial Order, the “Filing Date”) in the form accepted by the DIP Lender in its reasonable discretion that, among other things, authorizes and approves (i) a first advance under the DIP Facility on the terms and conditions herein, including, without limitation, the DIP Charge securing a principal amount of \$10,500,000 and the other DIP Obligations not constituting the principal amount thereof with the priority contemplated herein, and (ii) the advances from the Borrower to the Swiss Subsidiary and the |

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| | <p>German Subsidiary under the Intercompany Loans, and such Amended and Restated Initial Order shall have been obtained pursuant to notices and otherwise in a manner satisfactory to the DIP Lender and the DIP Loan Parties shall be in full compliance with all the terms of the Amended and Restated Initial Order and the CCAA Proceeding shall have been recognized in the United States pursuant to Chapter 15 of the US Bankruptcy Code in a proceeding before a bankruptcy court acceptable to the DIP Lender (the “<u>US Bankruptcy Court</u>”) and the US Bankruptcy Court shall have entered an Order, in the form accepted by the DIP Lender in its reasonable discretion, giving full force and effect to the Amended and Restated Initial Order within five (5) Business Days;</p> <p>(vi) all motions brought by any DIP Loan Party in the CCAA Proceeding and in the Chapter 15 Proceedings and orders approving such motions, in each case, as of the date that all other conditions to effectiveness in this Section 10 have been satisfied, shall be reasonably satisfactory to the DIP Lender;</p> <p>(vii) each of the representations and warranties under this DIP Term Sheet or <u>the</u> DIP Credit Agreement, as applicable, shall be true and correct in all material respects as of the date made or deemed made (unless any representation and warranty is qualified by materiality, in which case it shall be true and correct in all respects as of the date made or deemed made);</p> <p>(viii) the absence of any Default or Event of Default hereunder as of the date that all other conditions to effectiveness in this Section 10 have been satisfied; and</p> <p>(ix) the agreements documenting the Intercompany Loans (<u>if any</u>) shall be in full force and effect and as of the date of such effectiveness, there shall be no breach by the parties of any of their obligations thereunder which breach has not been cured in accordance with the terms thereof.</p> |
| 11. AVAILABILITY UNDER DIP FACILITY: | <p>The DIP Facility will be made available subject to the terms and conditions set forth herein.</p> <p>After the advance of the initial DIP Loans, subsequent DIP Loans shall be in minimum principal amounts and increments to be agreed and are to be funded within one (1) Business Day of delivery of a drawdown certificate in substantially the form set out in <u>Schedule “D”</u> hereto, executed by an officer on behalf of the Borrower (a “<u>Drawdown Certificate</u>”), for the related DIP</p> |

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| | <p>Loan in accordance with paragraph 13(a) below.</p> <p>For the purposes of this DIP Term Sheet, “<u>Business Day</u>” means a day on which banks are generally open for business in Toronto, Ontario, New York, NY, and Baar, Switzerland.</p> <p>The proceeds of each DIP Loan under each Facility shall be applied by the Borrower solely in accordance with the Budget (subject to Permitted Variances) or as may otherwise be agreed to in writing by the DIP Lender, in its sole and absolute discretion, from time to time (in consultation with the Monitor).</p> |
| <p>12. CONDITIONS PRECEDENT TO THE ADVANCE OF THE INITIAL DIP LOAN:</p> | <p>The following conditions precedent shall be satisfied, or waived in writing by the DIP Lender, in its sole and absolute discretion, prior to the initial DIP Loan hereunder:</p> <ul style="list-style-type: none"> (a) satisfaction of conditions of all conditions set forth under Section 10 (Effectiveness of the DIP Facility); (b) no Material Adverse Event shall have occurred; (c) there are no pending motions for leave to appeal, appeals, injunctions or other legal impediments relating to the Amended and Restated Initial Order or the DIP Facility, or pending litigation seeking to restrain, vary or prohibit the operation of all or any part of this DIP Term Sheet or <u>the</u> DIP Credit Agreement, as applicable; (d) there shall be no liens ranking in priority to the DIP Charge except as expressly permitted by this DIP Term Sheet or <u>the</u> DIP Credit Agreement, as applicable; (e) no creditor of the Borrower or any of its subsidiaries has taken any steps to seize, enforce or otherwise withdraw on any funds of the Borrower or such subsidiaries held in their respective bank accounts; (f) the DIP Loan Parties shall have paid all statutory liens, trust and other government claims arising after the commencement of the CCAA Proceeding (but for greater certainty, not including any such claims in existence at the time of the commencement of the CCAA Proceeding) including, without limitation, source deductions, except, in each case, for any such amounts that are not yet due and payable or which are in dispute, in which case appropriate reserves have been made; (g) no order shall have been made in the CCAA Proceeding which may, in the sole and absolute discretion of the DIP Lender, be materially adverse to the interests of the DIP Lender, in its capacity as DIP Lender, or materially inconsistent with the terms of this DIP Term Sheet or <u>the</u> DIP Credit Agreement, as applicable; (h) the making of such DIP Loan shall not result in the aggregate amounts outstanding under the DIP Facility exceeding the amount authorized at such time by the |

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| | <p>Amended and Restated Initial Order;</p> <ul style="list-style-type: none"> (i) delivery of the most recent Budget, with a copy to the Monitor, in form and substance acceptable to the DIP Lender in its sole discretion and the DIP Lender shall be satisfied that the amount of the requested DIP Loan is required in connection with the Budget for the respective next calendar week and that the Borrower's cash on hand (taking into account the minimum liquidity covenant) is insufficient to satisfy such Budget items; (j) delivery to the DIP Lender, with a copy to the Monitor, of a Drawdown Certificate, executed by an officer on behalf of the Borrower; and (k) the making of such DIP Loan shall not violate any applicable requirement of material law, after giving effect to the Amended and Restated Initial Order and any other order of the Court, and shall not be enjoined, temporarily, preliminarily or permanently; and (l) there is no material breach of any of the representations, warranties or covenants under the Purchase Agreement. |
| <p>13. CONDITIONS PRECEDENT TO THE ADVANCE OF SUBSEQUENT DIP LOANS:</p> | <p>The following conditions precedent shall be satisfied, or waived in writing by the DIP Lender, in its sole and absolute discretion, prior to each subsequent DIP Loan hereunder, unless otherwise stated below:</p> <ul style="list-style-type: none"> (a) delivery to the DIP Lender, with a copy to the Monitor, of a Drawdown Certificate, executed by an officer on behalf of the Borrower; (b) the Court shall have issued the amended and restated Initial Order in form and content satisfactory to the DIP Lender, in its reasonable discretion, (the "Amended and Restated Initial Order") that, among other things, authorizes and approves: (i) the advances of the DIP Facility on the terms and conditions hereof and the DIP Charge securing the Maximum Amount and <u>in effect at such time (for certainty, on and after the Second Amendment Effective Date, the Aggregate Maximum Amount pursuant to Section 6),</u> the other DIP Obligations not constituting the principal amount thereof with the priority contemplated herein; (ii) the advances from the Borrower to the Swiss Subsidiary and the German Subsidiary under the Intercompany Loans pursuant to the European Facility, and (iii) the Borrower's unfettered access and use for working capital purposes of any and all funds in accordance with the Budget which may at any time be deposited into or held in the Bank Accounts (as defined below); and such Amended and Restated Initial Order shall have been obtained pursuant to notices and otherwise in a manner satisfactory to the DIP Lender, in its reasonable discretion; |

- (c) the US Bankruptcy Court shall have entered an order in form and content satisfactory to the DIP Lender, in its reasonable discretion, giving full force and effect to the Amended and Restated Initial Order;
- (d) the Court shall have issued an order (the “SISP Order”) approving a sales and investment solicitation process relating to a Vesting Order Transaction (the “SISP”), which SISP Order shall be in form and substance satisfactory to the DIP Lender, acting reasonably;
- (e) ~~solely with respect to access to the North American Facility,~~ the SISP Order shall have approved the Purchase Agreement (a “Stalking Horse Bid”) and Glencore Canada Corp., as a stalking horse; and provides stalking horse protections acceptable to the DIP Lender, acting reasonably;
- (f) on or after the Second Amendment Effective Date, the Court shall have issued an Order, in form and content satisfactory to the DIP Lender in its reasonable discretion, that, among other things, authorizes and approves the Second Amendment, including, without limitation, an increase to the DIP Charge securing a principal amount of \$13,079,000 and the other DIP Obligations not constituting the principal amount thereof with the priority contemplated herein (the “Second Amendment Order”), and the US Bankruptcy Court shall have entered an Order, in form and content satisfactory to the DIP Lender in its reasonable discretion, giving full force and effect to the Second Amendment Order within five (5) Business Days of the date of the Second Amendment Order;
- (g) ~~(f)~~ unless otherwise agreed to by the DIP Lender and the Purchaser, the Borrower shall be in compliance with the Milestones (as such term is defined in the SISP), as amended;
- (h) ~~(g)~~ none of the Amended and Restated Initial Order, the SISP Order, the Second Amendment Order or any other Court Order in the CCAA Proceeding or any recognition order under Chapter 15 with respect to any of the foregoing shall have been vacated, stayed or otherwise caused to become ineffective or amended in a manner prejudicial to the DIP Lender;
- (i) ~~(h)~~ no order shall have been made in the CCAA Proceeding which may, in the sole and absolute discretion of the DIP Lender, be materially adverse to the interests of the DIP Lender, in its capacity as DIP Lender, or materially inconsistent with the terms of this DIP Term Sheet or the DIP Credit Agreement, as applicable;
- (j) ~~(i)~~ if required by the DIP Lender, negotiation, execution

and delivery of a credit agreement (the “DIP Credit Agreement”) and related guarantee and security documentation which, where applicable, will be in substantially the form delivered in connection with the Glencore Secured Notes (but without any concept of “Excluded Assets” and, for the avoidance of doubt, inclusive of all Real Estate Assets (as defined in the Glencore Secured Notes) (collectively, with the DIP Credit Agreement and the Amended and Restated Initial Order, the “DIP Loan Documents”), in each case, in form and substance satisfactory to the DIP Lender in its sole discretion;

(k) ~~(j)~~ the making of such DIP Loan shall not violate any applicable requirement of material law, after giving effect to the Amended and Restated Initial Order, the Second Amendment Order, and any other order of the Court, and shall not be enjoined, temporarily, preliminarily or permanently;

(l) ~~(k)~~ there is no Default or Event of Default under this DIP Term Sheet or the DIP Credit Agreement, as applicable, that has occurred and is continuing (for certainty, other than a Default or Event of Default that has been cured or waived in writing by the DIP Lender), nor will any such event occur as a result of the making of such DIP Loan;

(m) ~~(l)~~ each of the representations and warranties in this DIP Term Sheet or the DIP Credit Agreement, as applicable, shall be true and correct in all material respects as of the date made or deemed made (unless any representation and warranty is qualified by materiality, in which case it shall be true and correct in all respects as of the date made or deemed made);

(n) ~~(m)~~ there are no pending motions for leave to appeal, appeals, or injunctions relating to the Amended and Restated Initial Order, or the SISP Order, as the case may be, any other Court Order or the DIP Facility, or pending litigation seeking to restrain, vary or prohibit the operation of all or any part of this DIP Term Sheet or the DIP Credit Agreement, as applicable;

(o) ~~(n)~~ the DIP Loan Parties shall have paid all statutory liens, trust and other government claims arising after the commencement of the CCAA Proceeding (but for greater certainty, not including any such claims in existence at the time of the commencement of the CCAA Proceeding) including, without limitation, source deductions, except, in each case, for any such amounts that are not yet due and payable or which are in dispute, in which case appropriate reserves have been made;

(p) ~~(o)~~ delivery of the most recent Budget, with a copy to the

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| | <p>Monitor, in form and substance acceptable to the DIP Lender in its sole discretion and the DIP Lender shall be satisfied that the amount of the requested DIP Loan is required in connection with the <u>draws shown in the</u> Budget for the respective next calendar week and that the Borrower's cash on hand (taking into account the minimum liquidity covenant) is insufficient to satisfy such<u>the</u> Budget items <u>to which the draws relate</u>;</p> <p><u>(q)</u> (p) the Borrower shall at all times have diligently and in good faith implemented and conducted the SISP in accordance with the SISP Order, <u>including in respect of Milestones, as amended</u>; and</p> <p><u>(r)</u> (q) there is no material breach of any of the representations, warranties or covenants under the Purchase Agreement.</p> |
| 14. SECURITY | <p>All obligations of the DIP Loan Parties under or in connection with the DIP Facility shall be secured by a Court-ordered charge (the "<u>DIP Charge</u>") over all present and after-acquired property, assets and undertakings of the DIP Loan Parties, both real and personal (including for greater certainty and without limitation, all equity interests, intellectual property, insurance proceeds, those assets set forth on the financial statements of the DIP Loan Parties (if applicable), the Intercompany Loans and all receivables and other indebtedness, obligations or other amounts owing to the Borrower in connection with the Intercompany Loans) <u>(if applicable)</u>, and all proceeds therefrom and all causes of action of the DIP Loan Parties, and, if applicable, any other local law security (collectively, the "<u>Collateral</u>"); for the avoidance of doubt, the Collateral will expressly include assets and property including Real Property Assets which previously constituted Excluded Assets pursuant to the terms of the Glencore Secured Notes. The DIP Charge shall be a priority charge which shall rank ahead of any and all liens, charges, security interests, claims and encumbrances of any kind whatsoever in and against the Collateral including, without limitation, the liens securing the Existing Secured Debt (provided that: (i) with respect to the DOE Collateral, the DIP Charge shall be subordinate to the DOE Security; and (ii) the DIP Charge shall be subordinate to any valid and enforceable Encumbrances (as defined in the Amended and Restated Initial Order) against the Property (as defined in the Amended and Restated Initial Order) in the United States in favour of carriers, warehousemen, mechanics, materialmen, workmen, repairmen and other liens that are inchoate or statutory under applicable law in each case held by any person other than the DIP Lender's affiliates, excluding any such Encumbrances which are determined by a court to be void or voidable under applicable law) subject only to:</p> <p>(a) an administration charge (the "<u>Administration Charge</u>") in</p> |

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| | <p>an aggregate amount not to exceed US\$2.5 million, as of the date of the Amended and Restated Initial Order, to secure payment of the reasonable fees, expenses and disbursements of: (i) the Borrower's Canadian and U.S. counsel; (ii) the Monitor and its Canadian and U.S. counsel; (iii) the Chief Restructuring Officer and Chief Financial Officer of the Borrower (for their monthly work fees); and (iv) the financial advisor of the Borrower.</p> <p>(b) a charge in favour of the directors and officers of the DIP Loan Parties (the "D&O Charge") in an aggregate amount not to exceed US\$450,000 as of the date of the Amended and Restated Initial Order; and</p> <p>(c) a charge in favour of (i) employees that may be entitled to receive payments in the Borrower's key employee retention plan in an aggregate amount not to exceed \$869,973.92 and US\$672,075.46, and (ii) Maplebriar Holdings Inc. for its monthly work fees in the aggregate amount not to exceed US\$150,000<u>113,000</u> (the "KERP Charge") which charge shall apply only against funds that will be paid by the Borrower to the Monitor and held by the Monitor.</p> <p>The Amended and Restated Initial Order and SISP Order, as applicable, may also include the granting of charges, ranking subordinate in priority to the DIP Charge, the Administration Charge, the D&O Charge and the KERP Charge:</p> <p>(a) in favour of (i) the CRO for its fees and expenses other than its monthly work fees, and (ii) Maplebriar Holdings Inc. for its fees and expenses other than its monthly work fees (the "<u>Transaction Fee Charge</u>"), in an aggregate amount not to exceed US\$1 million;</p> <p>(b) in favour of Glencore Canada Corporation for payment of the Bid Protections (as defined in the SISP Order) in an aggregate amount not to exceed US\$1.2 million (the "<u>Bid Procedure Charge</u>"); and</p> <p>(c) in favour of the Borrower for any intercompany advances made to the other DIP Loan Parties after the issuance of the Amended and Restated Initial Order (the "<u>Intercompany Charge</u>"), provided such Intercompany Charge shall be released over all Transferred Assets (as such term is defined in the Purchase Agreement) and any assets which are owned by any Transferred Entity (as such term is defined in the Purchase Agreement) by the Approval and Vesting Order.</p> <p>Subject to the Purchase Agreement being the successful bid in the SISP, in accordance with the SISP Order, immediately prior to closing, the Borrower shall apply any cash that was saved as a result of a positive variance on any line item in the Budget against any liability giving rise to an Administration Charge or D&O Charge that otherwise would be paid by the Buyer under the Purchase Agreement at the closing of the transactions</p> |
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| | contemplated thereby. |
| 15. MANDATORY PREPAYMENTS: | None. |
| 16. VOLUNTARY PREPAYMENTS | The DIP Loans may be permanently prepaid, with the consent of the Monitor, without premium or penalty in full by the Borrower at any time. Amounts repaid may not be reborrowed. |
| 17. ROLL UP OF EXISTING FACILITIES AND/OR OTHER PRE-PETITION DEBT | None. |
| 18. INTEREST RATE: | <p>All amounts outstanding under the DIP Facility will bear interest at a rate equal to 11.3% <i>per annum</i>.</p> <p>Interest on each DIP Loan shall accrue on each advance of the DIP Loan from and after the date of advance of such DIP Loan to the Borrower to, but excluding, the date of repayment and shall be calculated and compounded on a monthly basis on the principal amount of such DIP Loan and any overdue interest remaining unpaid from time to time and on the basis of the actual number of days elapsed in a year of 365 days.</p> <p>For the purposes of the <i>Interest Act</i> (Canada), the annual rates of interest referred to in this DIP Term Sheet or the DIP Credit Agreement, as applicable, calculated in accordance with the provisions of this DIP Term Sheet or the DIP Credit Agreement, as applicable, are equivalent to the rates so calculated multiplied by the actual number of days in a calendar year and divided by 365.</p> <p>If any provision of this DIP Term Sheet or the DIP Credit Agreement, as applicable, or any document entered into in connection therewith would obligate the Borrower to make any payment of interest or other amount payable to the DIP Lender in an amount or calculated at a rate which would be prohibited by law or would result in receipt by the DIP Lender of interest at a criminal rate (as such terms are construed under the <i>Criminal Code</i> (Canada)) then, notwithstanding such provision, such amount or rate shall be deemed to have been adjusted with retroactive effect to the maximum amount or rate of interest, as the case may be, as would not be so prohibited by law or so result in receipt by the DIP Lender of interest at a criminal rate and any such amounts actually paid by the Borrower in excess of the adjusted amount shall be forthwith refunded to the Borrower.</p> |
| 19. DEFAULT RATE: | During the continuation of an Event of Default, the DIP Loans and all other outstanding DIP Obligations will bear interest at an additional 2.00% per annum, payable on demand. |
| 20. REPRESENTATIONS | Each DIP Loan Party represents and warrants to the DIP Lender |

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| <p>AND WARRANTIES:</p> | <p>as follows (upon which the DIP Lender relies in entering into this DIP Term Sheet), provided that the following representation and warranties shall be subject to the exceptions and thresholds consistent with those set forth in the Original Senior Secured Glencore Note with respect to the corresponding representation and warranties (if there is one) (<u>provided</u>, that such exceptions and thresholds are not specific to the DIP Facility) and subject to the entry of the Amended and Restated Initial Order <u>and the Second Amendment Order</u>:</p> <p>(a) each DIP Loan Party is duly organized or incorporated and validly existing under the laws of its governing jurisdiction and is duly qualified, licensed or registered to carry on business under the laws applicable to it in all jurisdictions in which the nature of its assets or business makes such qualification necessary, except where the failure to have such qualification, license or registration would not constitute a Material Adverse Event. For the purpose of this DIP Term Sheet or <u>the</u> DIP Credit Agreement, as applicable, “<u>Material Adverse Event</u>” means one or more events or occurrences which individually or collectively could have a material adverse effect (a “<u>Material Adverse Effect</u>”) on: (i) the operations, financial condition, business or assets of the Borrower or any of its subsidiaries, (ii) the ability of the Borrower or any of its subsidiaries to comply with their respective obligations hereunder or under any Court Order, or (iii) the interests of the DIP Lender or its ability to be fully repaid the DIP Obligations in accordance with the terms hereof;</p> <p>(b) the Borrower and each other DIP Loan Party have all requisite corporate or other power and authority to: (i) carry on its business; (ii) own property, borrow monies and enter into agreements therefor; and (iii) subject to the entry of the Amended and Restated Initial Order and, <u>the</u> SISP Order <u>and the Second Amendment Order</u>, execute and enter into this DIP Term Sheet or <u>the</u> DIP Credit Agreement, as applicable, and observe and perform the terms and provisions thereof;</p> <p>(c) the execution and delivery of this DIP Term Sheet or <u>the</u> DIP Credit Agreement, as applicable, by the DIP Loan Parties and the performance by each such DIP Loan Party of its obligations hereunder has been duly authorized by all necessary corporate or other action and any actions required under applicable laws;</p> <p>(d) except as has been obtained and is in full force and effect, and subject to the entry of the Amended and Restated Initial Order and, <u>the</u> SISP Order <u>and the Second Amendment Order</u>, no registration, declaration, consent, waiver or authorization of, or filing with or notice to, any governmental body is required to be obtained in connection</p> |
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| | <p>with the performance by the DIP Loan Parties of their obligations under the DIP Facility;</p> <p>(e) this DIP Term Sheet or <u>the</u> DIP Credit Agreement, as applicable, has been duly executed and delivered by the DIP Loan Parties and constitutes a legal, valid and binding obligation of each such DIP Loan Party, enforceable against it in accordance with its terms, subject only to any limitation under applicable laws relating to (i) bankruptcy, insolvency, reorganization, receivership, conservatorship, arrangement, moratorium or creditors' rights generally; (ii) the fact that specific performance and injunctive relief may only be given at the discretion of the courts; and (iii) the equitable or statutory powers of the courts to stay proceedings before them and to stay the execution of judgments;</p> <p>(f) the execution and delivery of this DIP Term Sheet or <u>the</u> DIP Credit Agreement, as applicable, by the DIP Loan Parties and the performance by each such DIP Loan Party of its obligations thereunder and compliance with the terms, conditions and provisions thereof, will not conflict with or result in a breach in any material respect of any of the terms, conditions or provisions of: (i) its organizational documents (including any shareholders' agreements) or by-laws; (ii) any applicable laws; (iii) except as stayed pursuant to the CCAA Proceeding by the terms of any Court Order, any contractual restriction binding on or affecting it or its material properties; or (iv) any material judgment, injunction, determination or award which is binding on it, in each case that would reasonably be expected to have, individually or on the aggregate, a Material Adverse Effect;</p> <p>(g) each DIP Loan Party is in compliance with all applicable laws applicable to each such DIP Loan Party, non-compliance with which would reasonably be expected to have a Material Adverse Effect;</p> <p>(h) there are no actions, suits or proceedings pending, taken or, to the Borrower's knowledge, threatened, before or by any governmental body or by any elected or appointed public official or private person in Canada or elsewhere, which would reasonably be expected to have a Material Adverse Effect and which will have not been stayed pursuant to the Amended and Restated Initial Order;</p> <p>(i) each DIP Loan Party has good and marketable title to all of the relevant Collateral held by such DIP Loan Party free from any title defects or irregularities that do not, individually or in the aggregate, materially affect the operation of the business of the DIP Loan Parties taken as a whole;</p> <p>(j) each DIP Loan Party has filed all material tax returns that</p> |
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| | <p>are required to be filed and has in all material respects paid all taxes, interest and penalties, if any, which have become due pursuant to such returns or pursuant to any assessment received by it, except any such assessment that is being contested in good faith by proper legal proceedings. Without limiting the foregoing, all employee source deductions (including in respect of income taxes, employment insurance and Canada Pension Plan) payroll taxes and workers' compensation dues are currently paid and up to date, subject to normal course accruals;</p> <p>(k) except as specified on <u>Schedule "E"</u> hereto (or as scheduled to the DIP Credit Agreement, as applicable), there are no actions, suits or proceedings (including any tax-related matter) by or before any arbitrator or governmental authority or by any other person pending against or threatened against or affecting the DIP Loan Parties that could reasonably be expected, individually or in the aggregate, to result in a Material Adverse Effect that will not have been stayed pursuant to the Amended and Restated Initial Order;</p> <p>(l) each DIP Loan Party maintains insurance policies and coverage that: (i) is sufficient for compliance with any applicable law and all material agreements to which it is a party; and (ii) provide adequate insurance coverage in at least such amounts and against at least such risks as are usually insured against in the same general area by persons engaged in the same or similar business to the assets and operations of the DIP Loan Parties;</p> <p>(m) all factual information provided by or on behalf of the DIP Loan Parties to the DIP Lender for the purposes of or in connection with this DIP Term Sheet, the DIP Credit Agreement (if applicable) or any transaction contemplated herein, is true and accurate in all material respects on the date as of which such information is dated or certified and remains true in all material respects as of the date provided and is not incomplete by omitting to state any fact necessary to make such information (taken as a whole) not materially misleading at such time in light of the circumstances under which such information was provided. With respect to any projections, future business plans or forward looking financial statements, the Borrower is not guaranteeing in giving this representation and warranty that the actual future results will be as forecast or projected (but, for greater certainty, the DIP Lender has all of its rights hereunder in the event that such actual future results are not as forecast or projected, including, without limitation, as provided for in Section 9 herein);</p> <p>(n) as of the date hereof, except as specified on <u>Schedule "F"</u> hereto (or as scheduled to the Credit Agreement, as</p> |
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| | <p>applicable), neither the Borrower nor any Guarantor administers any pension plans and does not have any outstanding payment obligations in respect of special payments or amortization payments, including without limitation, in respect of pension plans, payments related to post-retirement benefits, solvency deficiencies or wind-up shortfalls in relation to any pension plan; and</p> <p>(o) no action, legal proceeding or formal procedure or step has been taken for filing for or the commencement of bankruptcy, insolvency, receivership or moratorium proceedings (or comparable proceedings under applicable local insolvency laws) in respect of any of the Borrower, any Guarantor, the Swiss Subsidiary or the German Subsidiary under any insolvency laws.</p> |
| <p>21. AFFIRMATIVE COVENANTS:</p> | <p>Each DIP Loan Party, as applicable, covenants and agrees to do and cause its subsidiaries to do (as applicable), the following until such time as the DIP Obligations are repaid in full:</p> <ul style="list-style-type: none"> (i) delivery of financial statements on a monthly basis within thirty (30) days after the end of such month for the first two (2) months of each fiscal quarter (which statements shall not be required to be compliant with GAAP), the Budget and the Variance Reports, delivered on a weekly basis pursuant to Section 22 and other information reasonably requested by the DIP Lender; (ii) upon request, participate in weekly calls with legal and financial advisors and relevant members of management and representatives of the Monitor; (iii) provide the DIP Lender with any material information requested by the DIP Lender, acting reasonably and subject to privilege, confidentiality and any restrictions imposed by SISP Order or any other order of the CCAA court; (iv) subject to the CCAA and the Court Orders, perform its obligations under this DIP Term Sheet or the DIP Credit Agreement, as applicable, and under any other contract or agreement with the DIP Lender or any of its affiliates as and when required and in the manner required; (v) use the proceeds of the DIP Facility only for the Permitted Uses and in accordance with the Budget; (vi) comply in all material respects with the provisions of all court orders made in connection with the CCAA Proceeding and Chapter 15 Proceeding (collectively, the “Court Orders” and each a “Court |

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| | <p><u>Order</u>”);</p> <p>(vii) preserve, renew and keep in full force each DIP Loan Party’s corporate or other existence and all material licenses, permits, approvals, etc. required in respect of their respective business, properties, assets or any activities or operations carried out therein;</p> <p>(viii) maintain the insurance in existence as of the date hereof with respect to the Collateral;</p> <p>(ix) subject to the CCAA and the Court Orders, materially comply with all of its existing commercial arrangements with Glencore Canada and any affiliate thereof;</p> <p>(x) promptly notify the DIP Lender of the occurrence of any Event of Default, or of any event or circumstance (a “<u>Default</u>”) that may, with the passage of time or the giving of notice, constitute an Event of Default;</p> <p>(xi) promptly notify the DIP Lender of the commencement of, or receipt of notice of intention to commence, any action, suit, investigation, litigation or proceeding before any court, governmental department, board, bureau, agency or similar body affecting any DIP Loan Party;</p> <p>(xii) subject to the CCAA and the Court Orders, comply in all material respects with all applicable laws, rules and regulations applicable to its business, including, without limitation, health and safety, and environmental laws;</p> <p>(xiii) except where a stay of proceedings or Court Order otherwise applies, pay when due all statutory liens, trust and other Crown claims including employee source deductions, GST, HST, PST, employer health tax, and workplace safety and insurance premiums, but only with respect to: (i) payments that rank in priority to the DIP Charge; or (ii) payments that are otherwise authorized pursuant to the Amended and Restated Initial Order, and this DIP Term Sheet or the DIP Credit Agreement, as applicable;</p> <p>(xiv) treat as unaffected the DIP Obligations in any plan of compromise or arrangement, proposal or any other restructuring whatsoever;</p> <p>(xv) at all times be and remain subject to the CCAA Proceeding until the DIP Obligations are irrevocably and unconditionally repaid in full, with no further right to DIP Loans, unless the DIP</p> |
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| | <p>Lender, in its sole discretion, consents to a different treatment;</p> <p>(xvi) ensure that all motion records, pleadings, application records, orders and other documents (the “<u>Court Documents</u>”) filed, sought, served, and obtained by the Borrower or in respect of which the Borrower consents or does not object, in or in connection with the Proceeding or Chapter 15 Proceeding shall be in form and substance satisfactory to the DIP Lender, acting reasonably, and provide to the DIP Lender copies of such Court Documents as soon as practicable prior to any filing or service in the Proceeding or Chapter 15 Proceeding, but in no event later than the day that is two (2) Business Days prior to the date on which the same is to be served;</p> <p>(xvii) subject to the CCAA and the Court Orders, grant the DIP Lender and its professional advisors reasonable access to the Collateral and their business, properties, and books and records where reasonably necessary for the DIP Lender in its capacity as DIP Lender and subject to privilege, confidentiality and any restrictions imposed by SISP Order or any other order of the CCAA court;</p> <p>(xviii) unless otherwise agreed to by the DIP Lender and the purchaser and approved by the Court, conduct the SISP strictly in accordance with its terms (including <u>the</u> Milestones and timelines) and strictly comply with the SISP Order;</p> <p>(xix) ensure that all disbursements under the Intercompany Loan to the Germany Subsidiary and the Swiss Subsidiary will be paid to Bank Accounts (as defined below) which are pledged as security under the Original Senior Secured Glencore Note; and</p> <p>(xx) within ten (10) days of the effectiveness of the DIP Facility, the relevant DIP Loan Parties will execute and deliver the Purchase Agreement.</p> |
| 22. BUDGET REPORTING: | <p>The Borrower shall provide every Friday of a calendar week (i) an updated Budget and (ii) a Budget Variance Report (as defined below) comparing the Budget to actual results for each line item in a form to be attached to this DIP Term Sheet or the DIP Credit Agreement, as applicable, and otherwise reasonably acceptable to the DIP Lender, with management commentary on any individual line item with a positive or negative variance of 10% or more (excluding any variance attributable to working capital) as compared to the Budget (a “<u>Material Variance</u>”), and tracking of accrual of professional fees and payments and</p> |

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| | <p>accruals under first day motions/relief.</p> <p>“<u>Budget Variance Report</u>” means a report provided by the Borrower to the DIP Lenders showing, in each case, on a line item by line item and a cumulative basis, the Actual Cash Receipts, the Actual Operating Disbursement Amounts and the Actual Professional Fee Amounts, in each case, as of the last day of the Test Period then most recently ended, noting therein (i) all variances, on a cumulative basis, from the Budgeted Cash Receipts, the Budgeted Disbursement Amounts and the Budgeted Professional Fee Amounts, for such period as set forth in the Approved Budget as in effect for such period and (ii) containing an indication as to whether each Material Variance, if any, is temporary or permanent and analysis and explanations for all Material Variances and (iii) certifying compliance or non-compliance in such Variance Testing Period with the Permitted Variances.</p> <p>“<u>Actual Cash Receipts</u>” means with respect to any period, the actual amount that corresponds to the line item “Total Receipts” as determined by reference to the Budget as then in effect.</p> <p>“<u>Actual Operating Disbursement Amounts</u>” means with respect to any period, the amount that corresponds to the line item “Total Cash Disbursements” in the Budget as then in effect.</p> <p>“<u>Actual Professional Fee Amounts</u>” means with respect to any period, the amount that corresponds to the line item “Total Professional Fees” in the Budget as then in effect.</p> <p>“<u>Budgeted Cash Receipts</u>” means with respect to any period, the amount that corresponds to the line item “Total Receipts” in the Budget, as then in effect.</p> <p>“<u>Budgeted Disbursement Amounts</u>” means with respect to any period, the amount that corresponds to the line item “Total Cash Disbursements” in the Budget as then in effect.</p> <p>“<u>Budgeted Professional Fee Amounts</u>” means with respect to any period, the amount that corresponds to the line item “Total Professional Fees” in the Budget as then in effect.</p> |
| 23. VARIANCE TESTING: | <p>As of the end of each Test Period (as defined below), (i) the aggregate sum of the DIP Loan Parties’ Actual Operating Disbursement Amounts to third parties during such Test Period shall not exceed 110% of the projected Budgeted Disbursement Amounts (which shall, in each case, include capital expenditures), (ii) the aggregate sum of the DIP Loan Parties’ Actual Professional Fee Amounts to third parties during such Test Period shall not exceed 110% of the projected Budgeted Professional Fee Amounts and (iii) the aggregate sum of the DIP Loan Parties’ Actual Cash Receipts from third parties during such Term Period shall not be less than 90% of the Budgeted Cash Receipts for such Test Period as set forth in the Budget (the “<u>Permitted Variance</u>”); provided that to the extent</p> |

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| | <p>the Actual Operating Disbursement Amounts, <u>the Actual Professional Fee Amounts, or the Actual Cash Receipts</u> to third parties is<u>during such Test Period are</u> less than the <u>applicable</u> Permitted Variance for such Test Period, the Borrower may carryforward such unused Permitted Variance capacity to any subsequent Test Periods.</p> <p>“Test Period” shall mean, with respect to actual cash receipts and operating cash disbursements, (x) initially, the four-week period following the Effective Date and (y) thereafter, each rolling four-week period ending two weeks after the previously ended Test Period.</p> |
| 24. NEGATIVE COVENANTS: | <p>The Borrower covenants and agrees not to do the following or permit any subsidiary to do the following while any DIP Obligations remain outstanding, other than with the prior written consent of the DIP Lender or pursuant to an Order of the Court, provided that the following covenants shall be subject to the exceptions and thresholds set forth in the Original Senior Secured Glencore Note with respect to the corresponding negative covenant, if any (<u>provided</u>, that (x) such exceptions and thresholds are not specific to the DIP Facility and (y) the following exceptions and thresholds set forth in Sections 1(k), 1(p), 2(n), 3(b) and 4(k) in Annex A-2 of the Original Secured Glencore Note shall not be applicable):</p> <ul style="list-style-type: none"> (a) transfer, lease or otherwise dispose of all or any part of its property, assets or undertaking except in the ordinary course of their businesses or pursuant to any Intercompany Loans; (b) make any payment of principal or interest in respect of any indebtedness outstanding prior to the commencement of the CCAA Proceeding including, without limitation, the Existing Secured Debt, (collectively, the “<u>Existing Indebtedness</u>”) other than as may be expressly permitted or required herein; (c) create or permit to exist indebtedness for borrowed money other than: (i) indebtedness for borrowed money existing on the date hereof; (ii) debt contemplated by this DIP Term Sheet or the DIP Credit Agreement, as applicable; and (iii) post-filing trade credit obtained in the ordinary course of business, in accordance with the Budget; (d) permit any new liens to exist on any Collateral other than the DIP Charge, the Administration Charge, the D&O Charge, the KERP Charge, the Bid Procedure Charge, the Transaction Fee Charge, the Intercompany Charge and Permitted Liens (as defined in the Original Senior Secured Glencore Note (other than liens that are permitted under Section 2(n) of the Original Secured Glencore Note), or as otherwise permitted pursuant to the Court Orders; (e) either: (i) change its name, amalgamate, consolidate with or merge into, or enter into any similar transaction with any |

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| | <p>other entity; or (ii) make any changes to its organizational documents that could be materially adverse to the DIP Lender in its capacity as such;</p> <p>(f) other than the Intercompany Loans or as otherwise permitted herein, make any acquisitions, investments or loans to any person or guarantee the obligations of any person, other than those in existence as of the date hereof and previously disclosed to the DIP Lender in writing;</p> <p>(g) <u>except in connection with the Pre-Acquisition Reorganization Steps (as defined in the Purchase Agreement)</u> enter into any transaction with any affiliate or related person (provided, that Glencore and its affiliates shall not constitute affiliates or related persons for purposes of this clause (g)), unless such transaction is on terms that are not less favorable to the Borrower or such subsidiary, as the case may be, other than any Intercompany Loans and <u>than</u> those that might be obtained at the time in a comparable arm's-length transaction from a person who is not an affiliate or related person (as reasonably determined by the Borrower in good faith);</p> <p>(h) pay any dividends, distributions or advances to shareholders of the DIP Loan Parties, or any management bonus or similar payments, except to the extent expressly provided for in the approved Budget;</p> <p>(i) engage in material line of business other than the business engaged in by the Borrower or any subsidiary on the date hereof or any line of business that is reasonably related or ancillary thereto;</p> <p>(j) change its fiscal year;</p> <p>(k) issue any equity;</p> <p>(l) take any action (or support the taking of any action by another person) that has, or may have, a material adverse impact on the rights and interests of the DIP Lender, including, without limitation, any action in furtherance of challenging the validity, enforceability or amount of the obligations owing in respect of the DIP Facility;</p> <p>(m) except in accordance with the Purchase Agreement or the SISP Order, commence, continue or seek any stakeholder or court approval for any sale, restructuring transaction or plan without the prior written consent of the DIP Lender in its sole and absolute discretion;</p> <p>(n) to the extent legally permitted, undertake to ensure and, if requested, not to consent to any, voluntary filing for the commencement of bankruptcy or receivership proceedings (or comparable proceedings under applicable local insolvency laws) by either of the Swiss Subsidiary or the German Subsidiary;</p> |
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| | <p>(o) not to hold or use any bank accounts other than the bank accounts listed on a schedule attached hereto as <u>Schedule “G”</u> (or as scheduled to the DIP Credit Agreement, as applicable) (the “<u>Bank Accounts</u>”) or otherwise notified to the DIP Lender in writing; and</p> <p>(p) amend, vary, novate, supplement, supersede, waive or terminate any agreements documenting the Intercompany Loans (if any).</p> |
| 25. FINANCIAL COVENANTS: | <p>(i) Weekly compliance with the Budget, tested on an aggregate cumulative basis, subject to the Permitted Variance and (ii) minimum liquidity of \$0.5 million, tested weekly), with liquidity being defined as unrestricted cash of the Borrower on a consolidated basis.</p> |
| 26. EVENTS OF DEFAULT: | <p>The occurrence of any one or more of the following events, without the prior written consent of the DIP Lender, in its sole and absolute discretion, shall constitute an event of default (“<u>Event of Default</u>”):</p> <ul style="list-style-type: none"> (i) the issuance of an order terminating the CCAA Proceeding or the Chapter 15 Proceeding or lifting the stay in the CCAA Proceeding or the Chapter 15 Proceeding to permit the enforcement of any security against the DIP Loan Parties, or any of the Collateral, or the appointment of a receiver and manager, receiver, interim receiver or similar official or the making of a bankruptcy order against the DIP Loan Parties, the Swiss Subsidiary, any DIP Loan Party, or any of the Collateral, or the termination or expiry (without further extension) of the stay of proceedings provided in the CCAA Proceeding or the Chapter 15 Proceeding in any respect; (ii) the issuance of an order granting a lien of equal or superior status to that of the DIP Charge, other than the Administration Charge, the D&O Charge and the KERP Charge; (iii) the issuance of any Court Order in the CCAA Proceedings or Chapter 15 Proceedings: (i) staying, reversing, vacating or otherwise modifying the DIP Charge, the Amended and Restated Initial Order, or the SISP Order (and in each case including any Chapter 15 recognition order with respect thereto), as the case may be, in a manner that adversely impacts or could reasonably be expected to adversely impact the rights and interests of the DIP Lender; (ii) that is materially inconsistent with the terms of this Term Sheet, or (iii) that adversely impacts or could reasonably be expected to |

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| | <p>adversely impact the rights and interests of the DIP Lender in connection with the Collateral or under this DIP Term Sheet or the DIP Credit Agreement, as applicable, or the Amended and Restated Initial Order or the SISP Order (and in each case including any Chapter 15 recognition order with respect thereto), as the case may be, as determined by the DIP Lender, in its sole and absolute discretion;</p> <p>(iv) failure of any DIP Loan Party to pay any principal, interest fees or any other amounts, in each case when due and owing under this DIP Term Sheet or the DIP Credit Agreement, as applicable;</p> <p>(v) any adverse deviation of more than the Permitted Variance from the amount set forth under the Budget for any Budget Period;</p> <p>(vi) any representation or warranty made by any DIP Loan Party herein or in any Drawdown Certificate delivered by such DIP Loan Party to the DIP Lender shall be incorrect or misleading in any material respect as of the date made or deemed made and, solely to the extent such misrepresentation is capable of being cured, such incorrect representation and warranty continues unremedied for a period of five (5) Business Days;</p> <p>(vii) a court order is made (whether in the CCAA Proceeding, the Chapter 15 Proceedings or otherwise), the US Bankruptcy Court refuses to recognize any order in the CCAA Proceeding, a liability arises or an event occurs, including any change in the business, assets, or conditions, financial or otherwise, of the DIP Loan Parties, that, in each case, has or that could reasonably be expected to have a Material Adverse Effect;</p> <p>(viii) any material breach of any Court Order upon receipt by the Borrower or a Guarantor of notice from the DIP Lender of such breach by the Borrower or a Guarantor;</p> <p>(ix) failure of any DIP Loan Party to perform or comply in any material respect with any negative covenant or financial covenant in this DIP Term Sheet;</p> <p>(x) failure of any DIP Loan Party to perform or comply with any other term or covenant under this DIP Term Sheet or the DIP Credit Agreement, as applicable, and such default shall continue unremedied for a period of five (5) Business Days after the earlier of (i) delivery of notice given by the DIP Lender to the Borrower, or (ii) the Borrower's</p> |
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| | <p>knowledge of such failure to perform or comply;</p> <p>(xi) any change of control of any DIP Loan Party, except in accordance with the Purchase Agreement;</p> <p>(xii) the seeking of, or support by, any DIP Loan Party, or the issuance of, any court order (in the CCAA Proceeding, the Chapter 15 Proceedings or otherwise) that is, in the sole and absolute discretion of the DIP Lender, adverse to the interests of the DIP Lender or otherwise not in form and substance satisfactory to the DIP Lender, acting reasonably;</p> <p>(xiii) any of the Sellers (as defined in the Purchase Agreement) rescinds or purports to rescind (in writing) or repudiates or purports to repudiate (in writing) the Purchase Agreement, the Purchase Agreement, or any Collateral;</p> <p>(xiv) any of the Sellers (as defined in the Purchase Agreement) has breached any of the representations, warranties or covenants under the Purchase Agreement;</p> <p>(xv) the Swiss Subsidiary or the German Subsidiary suspends or ceases to carry on all or a material portion of its business;</p> <p>(xvi) any of the Borrower, any Guarantor, the Swiss Subsidiary or the German Subsidiary is overindebted or is declared unable to pay its debts under applicable law or admits its inability or fails generally to pay its debts as they become due (taking into account any drawings under the DIP Loan<u>Facility</u> or the Intercompany Loans, as applicable); or</p> <p>(xvii) (A) any action, legal proceeding or formal procedure or step is taken for the commencement of bankruptcy, insolvency, receivership or moratorium proceedings (or comparable proceedings under applicable local insolvency laws) in respect of any of the Borrower, any Guarantor, the Swiss Subsidiary or the German Subsidiary under any insolvency laws, or (B) the Swiss Subsidiary is compelled under any applicable law to apply for the commencement of such proceedings as a result of it being over-indebted (überschuldet) or illiquid (zahlungsunfähig).</p> |
| 27. [RESERVED] | |
| 28. INDEMNITY: | The DIP Loan Parties, jointly and severally, indemnify and hold harmless the DIP Lender and each of its respective affiliates, |

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| | <p>officers, directors, fiduciaries, employees, agents, advisors, attorneys and representatives from and against all losses, claims, liabilities, damages, and expenses (limited in the case of professional fees to the actual, reasonable and documented out-of-pocket fees and disbursements of counsel) in connection with any investigation or proceeding, or the preparation of any defense in respect thereof, litigation arising out of or relating to the DIP Facility or the transactions contemplated in this DIP Term Sheet, including the Intercompany Loans <u>(if any)</u>, or the DIP Credit Agreement, as applicable, or the Glencore Notes.</p> <p>The foregoing indemnities and the indemnities granted under this DIP Term Sheet or the DIP Credit Agreement, as applicable, shall survive any termination of the DIP Facility.</p> |
| 29. REMEDIES: | <p>Upon the occurrence and during the continuance of an Event of Default, and subject to the Court Orders, whether or not there is availability under the DIP Facility, (a) without any notice to the Borrower, the Borrower shall have no right to receive any additional DIP Loans or other accommodation of credit from the DIP Lender except in the sole and absolute discretion of the DIP Lender; and (b) the DIP Lender may immediately terminate the DIP Facility and demand immediate payment of all DIP Obligations (other than contingent indemnification obligations) by providing such a notice and demand to the Borrower, with a copy to the Monitor. With not less than five (5) Business Days' notice to the Borrower after the occurrence and during the continuance of an Event of Default, the DIP Lender shall have the right to enforce the DIP Charge and to exercise all other rights and remedies in respect of the DIP Obligations and the DIP Charge and, if applicable, the Intercompany Loan Security Assignments and other local law security, including the right to realize on all Collateral and to apply to the Court for the appointment of a Court-appointed receiver (subject to the application of a portion of the proceeds of realization to Administration Charge, as applicable) and the right to enforce the Intercompany Loans <u>(if any)</u> and the Intercompany Loan Security Assignment Agreements <u>(if any)</u> and to exercise all rights and remedies thereunder against the Swiss Subsidiary and the German Subsidiary consistent therewith. No failure or delay by the DIP Lender in exercising any of its rights hereunder or at law shall be deemed a waiver of any kind, and the DIP Lender shall be entitled to exercise such rights in accordance with the DIP Credit Agreement at any time. No further Intercompany Loans shall be made by the Borrower after the occurrence of an Event of Default, unless such Event of Default is cured or waived in writing by the DIP Lender, or the DIP Lender otherwise agrees in writing.</p> |
| 30. COSTS AND EXPENSES; LEGAL FEES: | <p>Each party shall be responsible for their own costs and expenses (including legal fees), <u>provided, however</u>, that the Borrower shall be responsible for the out-of-pocket legal fees, costs and</p> |

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| | expenses incurred by the DIP Lender in connection with the enforcement of the DIP Facility. |
| 31. DIP LENDER APPROVALS: | Any consent, approval, instruction or other expression of the DIP Lender to be delivered in writing may be delivered by any written instrument, including by way of email, by the DIP Lender (including by its counsel) pursuant to the terms hereof. |
| 32. TAXES: | <p>All payments by the DIP Loan Parties under the DIP Credit Agreement to the DIP Lender, shall be made free and clear of, and without reduction for or on account of, any taxes.</p> <p>Subject to the Purchase Agreement being the successful bid in the SISP, in accordance with the SISP Order, the DIP Lender agrees to supply additional cash necessary to pay any applicable withholding taxes in respect of the interest paid on the DIP Loans.</p> |
| 33. FURTHER ASSURANCES: | The Borrower and each DIP Guarantor shall, at its sole cost and expense, from time to time do, execute and deliver, or will cause to be done, executed and delivered, all such further acts, documents and things as the DIP Lender may reasonably request for the purpose of giving effect to the provisions of the DIP Credit Agreement. Without limiting the foregoing, the Borrower and each DIP Guarantor agrees that if so requested by the DIP Lender, acting reasonably, it shall promptly execute and deliver to the DIP Lender any general security agreement, real property security, intellectual property security, security over the Intercompany Loans <u>(if any)</u> , or other security documents securing its obligations to the DIP Lender hereunder in forms reasonable and customary for debtor in possession financings, provided however that the execution of any such security document shall not be a condition precedent to funding the Maximum Amount or DIP Loans. |
| 34. ENTIRE AGREEMENT: | This DIP Term Sheet (until the effectiveness of the DIP Credit Agreement, if applicable) constitutes the entire agreement between the parties relating to the subject matter hereof. |
| 35. AMENDMENTS, WAIVERS, ETC.: | No waiver or delay on the part of the DIP Lender in exercising any right or privilege hereunder will operate as a waiver hereof or thereof unless made in writing and delivered in accordance with the terms of this DIP Term Sheet. Any amendment to the terms of this DIP Term Sheet shall be made in writing and signed by the parties hereto. |
| 36. ASSIGNMENT: | <p>The DIP Lender may assign this DIP Term Sheet or the DIP Credit Agreement, as applicable, and its rights and obligations hereunder, in whole or in part, to an affiliate, in its sole and absolute discretion and shall provide notice to the Borrower and the Monitor of such assignment.</p> <p>Neither this DIP Term Sheet nor any right and obligation hereunder may be assigned by the Borrower or any DIP Guarantor.</p> |

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| 37. SEVERABILITY: | Any provision that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof or affecting the validity or enforceability of such provision in any other jurisdiction. |
| 38. COUNTERPARTS AND SIGNATURES: | This DIP Term Sheet may be executed in any number of counterparts and by electronic transmission, each of which when executed and delivered shall be deemed to be an original, and all of which when taken together shall constitute one and the same instrument. Any party may execute this DIP Term Sheet by signing any counterpart of it. |
| 39. NOTICES: | <p>Any notice, request or other communication hereunder to any of the parties shall be in writing and be well and sufficiently given if delivered personally or sent by electronic mail to the attention of the person as set forth below:</p> <p><u>(a) In the case of the DIP Loan Parties:</u></p> <p>Li-Cycle Holdings Corp. 66 Wellington St W</p> <p>Suite 53000</p> <p>Toronto, ON M5K 1E6</p> <p>Attention: Bill Aziz</p> <p>Email: baziz@bluetreadvisors.com</p> <p><u>With a copy to:</u></p> <p>Freshfields Bruckhaus Deringer LLP</p> <p>3 World Trade Center</p> <p>175 Greenwich Street</p> <p>New York, NY 10007</p> <p>Attention: Andrea M. Basham, Madlyn Primoff and Allison Liff Andrea.Basham@Freshfields.com, Madlyn.Primoff@Freshfields.com and Allison.Liff@Freshfields.com</p> |

And

McCarthy Tétrault LLP

66 Wellington St W

Suite 5300

Toronto, ON M5K 1E6

Attention: Robert Hansen, Fraser Bourne

Email: rhansen@mccarthy.ca, fbourne@mccarthy.ca

And with a copy to the Monitor:

Alvarez & Marsal Canada Inc.

Royal Bank Plaza, South Tower

200 Bay Street, Suite 3501

Toronto, ON M5J 2J1

Attention: Melanie MacKenzie & Joshua Nevsky

Email: mmackenzie@alvarezandmarsal.com;
jnevsky@alvarezandmarsal.com

And with a copy to the Monitor's Counsel:

Osler, Hoskin & Harcourt LLP

First Canadian Place

100 King St. W Suite 6200

Toronto, ON M5X 1 B8

Attention: Michael De Lellis & Martino Calvaruso

Email: mdelellis@osler.com; mcalvaruso@osler.com

(b) In the case of the DIP Lender:

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| | <p>Glencore International AG</p> <p>Baarermattstrasse 3</p> <p>P.O. Box</p> <p>6341 Baar</p> <p>Switzerland</p> <p>Attention: General counsel</p> <p>Email: general.counsel@glencore.comgeneral.counsel@glencore.com</p> <p>Weil, Gotshal & Manges LLP 767 5th Avenue New York, NY 010153</p> <p>Attention: David Avery-Gee; Matt Barr, Justin D. Lee, Mariel Cruz, Chase Bentley and Brendan Conley</p> <p>Email: David.Avery-Gee@weil.com; Matt.Barr@weil.com; Justin.d.Lee@weil.com; Mariel.Cruz@weil.com; Chase.Bentley@weil.com and Brendan.Conley@weil.com</p> <p>and</p> <p>Torys LLP</p> <p>79 Wellington Street East</p> <p>Suite 3000</p> <p>Toronto, ON M5K 1N2</p> <p>Attention: Scott Bomhof</p> <p>Email: sbomhof@torys.com</p> <p>Any such notice shall be deemed to be given and received, when received, unless received after 5:00 EST or on a day other than a Business Day, in which case the notice shall be deemed to be received the next Business Day.</p> |
| 40. GOVERNING LAW: | Governed by, and construed in accordance with, the laws of the |

| | |
|---|--|
| | Province of Ontario and the federal laws of Canada applicable therein. |
| 41. CURRENT AND JUDGMENT CURRENCY: | <p>Unless otherwise specified herein, all dollar amounts are in the lawful currency of the United States of America. The Borrower shall pay to the DIP Lender all payments on account of principal and interest hereunder in lawful money of the United States of America.</p> <p>If in the recovery by the DIP Lender of any amount owing by the DIP Loan Parties hereunder in any currency, judgment can only be obtained in another currency and because of changes in the exchange rate of such currencies between the date of judgment and payment in full of the amount of such judgment, the amount received by the DIP Lender is less than the recovery provided for under the judgment, the DIP Loan Parties shall immediately pay any such shortfall to the DIP Lender and such shortfall can be claimed by the DIP Lender against the DIP Loan Parties as an alternative or additional cause of action.</p> |
| 42. COUNSEL TO THE DIP LENDER: | Weil, Gotshal & Manges LLP and Torys LLP |

IN WITNESS HEREOF, the parties hereby execute this DIP Term Sheet as at the date first above mentioned.

BORROWER

LI-CYCLE HOLDINGS CORP., as
Borrower

By:

Name:
Title:

By:

Name:
Title:

GUARANTOR

LI-CYCLE CORP., as Guarantor

By:

Name:
Title:

By:

Name:
Title:

[Signature page to the DIP Term Sheet]

GUARANTOR

LI-CYCLE AMERICAS CORP., as
Guarantor

By:

Name:
Title:

By:

Name:
Title:

GUARANTOR

LI-CYCLE U.S. INC., as Guarantor

By:

Name:
Title:

By:

Name:
Title:

GUARANTOR

LI-CYCLE INC., as Guarantor

By:

Name:
Title:

[Signature page to the DIP Term Sheet]

[Redacted]

By:

Name:
Title:

GUARANTOR

[Redacted]

**LI-CYCLE NORTH AMERICA HUB,
INC., as Guarantor**

By:

Name:
Title:

[Redacted]

By:

Name:
Title:

DIP LENDER

GLENCORE INTERNATIONAL AG, as
DIP Lender

By:

Name:

Title:

~~SCHEDULE "A"~~

SCHEDULE □ A □

FORM OF INTERCOMPANY LOAN

See attached.

[FORM OF]

DIP PROCEEDS INTERCOMPANY LOAN AGREEMENT

between

LI-CYCLE HOLDINGS CORP.

(as Lender)

and

LI-CYCLE GERMANY GMBH

(as Borrower)

This **DIP LOAN PROCEEDS INTERCOMPANY LOAN AGREEMENT** (the "**Agreement**") is made on May [●], 2025 between:

- (1) **LI-CYCLE HOLDINGS CORP.**, a business corporation existing under the laws of the Province of Ontario, Canada, with its registered office at 66 Wellington Street West, Suite 5300, Toronto, Ontario M5K 1E6, Canada, registered with the Ontario Business Registry under number 5051214 (the "**Lender**"); and
- (2) **LI-CYCLE GERMANY GMBH**, a limited liability company (*Gesellschaft mit beschränkter Haftung*) incorporated and existing under the laws of Germany, with its business address at Lange Göhren 4, 39171 Sülzetal OT Osterweddingen, Germany and registered with the commercial register (*Handelsregister*) of the local court (*Amtsgericht*) of Stendal under registration number HRB 32081 (the "**Borrower**").

The Lender and the Borrower are hereinafter referred to as the "**Parties**" and each a "**Party**".

PREAMBLE

- (1) Pursuant to the "Summary of Terms and Conditions for Debtor-in-Possession Financing" dated May 14, 2025, entered into between Glencore International AG (the "**DIP Lender**"), as lender, and the Lender, as borrower (the "**DIP Term Sheet**"), or (ii) if executed and delivered by the Lender at the request of the DIP Lender, a long-form debtor-in-possession credit agreement entered into between the DIP Lender, as lender, and the Lender, as borrower (the "**DIP Credit Agreement**"), the DIP Lender has agreed to provide debtor-in-possession financing to the Lender for the purpose of funding certain limited obligations of the Lender in connection with its proceedings under the *Companies' Creditors Arrangement Act* (Canada) (such financing, the "**DIP Facility**").
- (2) It is intended that certain portions of the proceeds of the DIP Facility will be loaned from the Lender to the Borrower to fund the Borrower's short-term liquidity needs, in accordance with the applicable Budget (as defined in the DIP Financing Agreement (as defined below)).
- (3) The Parties enter into this Agreement in order to document the on-lending of the relevant proceeds of the DIP Facility by the Lender to the Borrower.

The Parties agree the following:

1. DEFINED TERMS AND INTERPRETATIONS

1.1 Capitalized terms used but not defined herein shall have the meaning given to such terms in the DIP Financing Agreement.

1.2 In this Agreement:

"Business Day" means a day on which banks are open for general business in Toronto, Ontario, Canada and Baar, Switzerland.

"DIP Financing Agreement" means the DIP Term Sheet or, in the case of the execution of the DIP Credit Agreement, the DIP Credit Agreement.

"DIP Financing Interest" means the interest payable from time to time by the Lender on any DIP Loan drawn by the Lender under the DIP Financing Agreement and used for funding the liquidity needs of the Borrower in accordance with the Budget.

"DIP Loan" means any loan or advance that was made to the Lender by the DIP Lender under the DIP Financing Agreement.

"Maturity Date" has the meaning assigned to it in the DIP Financing Agreement.

"DIP Event of Default" means any event constituting an "Event of Default" under the DIP Financing Agreement.

1.3 A reference to any person in this Agreement includes such person's successors, transferees and assignees.

2. THE LOAN AND ITS PURPOSE

2.1 The Lender agrees to make available to the Borrower a loan in one or more instalments up to a total maximum amount of US\$1,500,000 (the **"Loan Facility"**). The Loan Facility may be made available by the Lender to the Borrower in multiple drawings in an aggregate amount not to exceed the Loan Facility on the dates set forth in the DIP Financing Agreement in each case in accordance with the Budget and on the terms and conditions contained in the DIP Financing Agreement. The loan advances made available by the Lender to the Borrower under the Loan Facility are hereinafter referred to as the **"Loans"** and each a **"Loan"**.

- 2.2** The proceeds of the Loan shall be applied by the Borrower solely in accordance with the Budget (subject to Permitted Variances) or as may otherwise be agreed to in writing by the DIP Lender, in its sole and absolute discretion, from time to time.
- 2.3** The Borrower will request utilization of the Loan Facility by delivery of a utilisation request to the Lender and the DIP Lender in writing (a "**Utilisation Request**"). Each Utilisation Request shall be substantially in the form set out in the Annex and contain (i) the proposed utilisation date (the "**Loan Utilisation Date**"), (ii) the principal amount of the Loan to be utilised (the "**Loan Principal Amount**"), (iii) a certification that the proceeds will be used in accordance with the relevant approved Budget and (iv) the proposed repayment date of the Loan to be utilised (the "**Loan Repayment Date**"). Upon acceptance of the relevant Utilization Request by the DIP Lender, the Lender or DIP Lender (on behalf of the Lender) will make the respective Loan available to the Borrower on the terms and conditions set out in the respective Utilisation Request and this Agreement.
- 2.4** If the Loan Utilisation Date is after the date on which the Lender receives funds under the DIP Financing Agreement, the funding of any Utilisation Request shall be subject to the following:
- (a) no DIP Event of Default shall have occurred and be continuing;
 - (b) all conditions precedent for the Lender (in its capacity as a borrower under the DIP Financing Agreement) to obtain a DIP Loan shall have been satisfied by the Lender or waived by the DIP Lender (in its capacity as the lender under the DIP Financing Agreement); and
 - (c) the Lender shall have cash on hand from the proceeds of such DIP Loans in an amount not less than the aggregate principal amount of requested Loans.
- 2.5** The Loan Facility will be available from the Effective Date until five (5) Business Days prior to the Maturity Date. During this period, subject to the terms and conditions of the DIP Financing Agreement, the Borrower may utilize the Loan Facility from time to time up to, but in aggregate amount not exceeding, the total amount of the Loan Facility. Each Utilisation Request shall be delivered at least five (5) Business Days prior to the respective Loan Utilisation Date. The latest possible Loan Repayment Date shall be the Maturity Date.
- 2.6** The relevant Loan Principal Amount shall not exceed the amount required by the Borrower as set out in the applicable Budget delivered by the Lender to the DIP Lender in accordance with the DIP Financing Agreement. Unless the relevant Loan Principal Amount is equal to the amount of the corresponding availability under the Loan Facility, the Loan Principal Amount shall be equal to or an integral multiple of amounts to be agreed under the DIP Financing Agreement.
- 2.7** Each Loan shall be disbursed to the Borrower's bank account with IBAN [DE32 5022 0085 3460 6000 16]. The Loans may be disbursed by the DIP Lender making direct payments (on behalf of the Lender)

to the Borrower, if and to the extent that, pursuant to the terms of the DIP Financing Agreement, such direct payment to the Borrower is deemed a utilization of the DIP Facility in the corresponding amount by the Lender under the DIP Financing Agreement.

3. GENERAL LOAN TERMS

Unless otherwise provided in this Agreement, the terms and conditions in relation to the Loans shall mirror, to the extent applicable and possible, the terms and conditions of the DIP Financing Agreement, whereas the Lender shall be regarded as "DIP Lender" and the Borrower shall be regarded as the "Borrower" under the DIP Financing Agreement. To the extent possible, the Loan shall be treated in all respects as conduit loan from the DIP Lender through the Lender to the Borrower.

4. INTEREST

4.1 All amounts outstanding under the Loan Facility shall bear interest at a rate equal to 11.3% *per annum*, which interest shall be paid solely in kind by capitalizing the amount thereof to principal on each one-month anniversary of the date of the Effective Date (the "**Interest**").

4.2 During the continuation of a DIP Event of Default, the Loans will bear interest at an additional 2.00% *per annum*, which shall be payable on demand.

4.3 The Interest on each Loan shall accrue on each advance of the Loans from and after the date of advance of such Loan to the Borrower to, but excluding, the date of repayment and shall be calculated and compounded on a monthly basis on the principal amount of such Loan and any overdue interest remaining unpaid from time to time and on the basis of the actual number of days elapsed in a year of 365 days.

5. SCHEDULED REPAYMENT

The Borrower will repay each Loan together with all unpaid Interest accrued thereon on the Maturity Date in accordance with the DIP Financing Agreement.

6. PREPAYMENT

6.1 The Borrower may terminate this Agreement and voluntarily prepay the outstanding amounts of the Loans in whole or in part, together with any Interest accrued thereon, at any time subject to a notice period of five (5) Business Days (or such shorter period as the Borrower and the Lender may agree) without premium or penalty, provided that the Parties are not prohibited from proceeding with such termination and prepayment under the DIP Financing Agreement.

6.2 Prepaid Loans or portions thereof may not be re-borrowed.

7. REMEDIES

- 7.1** Upon the occurrence and during the continuance of a DIP Event of Default (and provided the DIP Event of Default is not cured or waived in accordance with the terms of the DIP Financing Agreement), the Lender shall be entitled to terminate this Agreement with immediate effect and declare each of the Loans then outstanding to be immediately due and payable in whole or in part.
- 7.2** Upon the occurrence and during the continuance of a DIP Event of Default (and provided the DIP Event of Default is not cured or waived in accordance with the terms of the DIP Financing Agreement), the Lender (on behalf of the DIP Lender) shall be entitled to enforce any security granted to the DIP Lender by the Borrower and to exercise all rights and remedies in respect of such security; provided that, for the avoidance of doubt, this Section 7.2 shall not limit any of the rights and remedies of the DIP Lender under the DIP Financing Agreement upon the occurrence and during the continuance of a DIP Event of Default.
- 7.3** After (i) the occurrence and during the continuance of a DIP Event of Default and the termination of the DIP Facility by the DIP Lender in accordance with the DIP Financing Agreement, and (ii) the Court having issued an order authorizing the DIP Lender to do so (such order sought by the DIP Lender on not less than three (3) Business Days' notice to the Lender after the occurrence and during the continuance of a DIP Event of Default), the DIP Lender shall have the right to instruct the Lender to, and the Lender acting at the direction of the DIP Lender shall, pursue all remedies against the Borrower that are available to the Lender as a lender in connection with the Loans and this Agreement and applicable law.
- 7.4** No failure or delay by the Lender or the DIP Lender in exercising any of its rights hereunder or at law shall be deemed a waiver of any kind, and the Lender or the DIP Lender, as applicable, shall be entitled to exercise such rights in accordance with this Agreement or the DIP Credit Agreement, as applicable, at any time.

8. PAYMENTS

- 8.1** All payments made by the Borrower hereunder shall be made in US dollars without set-off or counterclaim and free and clear of and without deductions of, or withholding of any taxes or any charges whatsoever present or future. In the event the Borrower is required by law to make any such deduction or withholding from any payment hereunder, then the Borrower shall promptly notify the Lender and forthwith pay to the Lender such additional amount necessary to ensure that the Lender receives and retains (free from any liability relating to deduction or withholding) a net amount which, after deduction or withholding, is equal to the full amount which the Lender would have received, had no such deduction or withholding been made.
- 8.2** In the event of the Lender receiving payments or being credited with amounts in a currency other than the currency in which the payment is owed by the Borrower (be it in cash, as a remittance or by utilizing cash deposits or the like), the Lender will credit the Borrower with the amount of such currency, which it may

obtain by exchanging such currency at the spot rate of exchange in the foreign exchange market at the relevant date.

8.3 In case of doubt, the Lender is authorised to apply any payment received from the Borrower, in its discretion, in or towards satisfaction of any sum due and owed to the Lender hereunder.

8.4 If any payment falls due hereunder on a day, which is not a Business Day, the Borrower shall effect payment on the next Business Day in the same month (if there is one) or the preceding Business Day (if there is not).

9. QUALIFIED SUBORDINATION

9.1 All present and future claims of the Lender under the Loan Agreement, including but not limited to repayment and interest ("**Subordinated Claims**"), shall, in accordance with section 39 para. 2 German Insolvency Code (*Insolvenzordnung*, "InsO"), be subordinated to present and future claims of other creditors of the Borrower pursuant to section 39 para. 1 nos. 1 to 5 InsO, however ranking before the capital restitution claims (*Kapitalrückgewähransprüche*) of the Borrower's shareholders (section 199 sentence 2 InsO).

9.2 The Lender undertakes vis-à-vis the Borrower not to assert and enforce Subordinated Claims insofar as and as long as payment on the Subordinated Claims would result in or intensify grounds for opening of insolvency proceedings pursuant section 17 or section 19 InsO.

9.3 Irrespective of whether insolvency proceedings have been initiated, payments on the Subordinated Claims can only be made from freely available assets (*ungebundenes Vermögen*), i.e. from current and/or future (i) annual net incomes (*Jahresüberschüsse*), (ii) balance sheet profits (*Bilanzgewinne*), (iii) a liquidation surplus (*Liquidationsüberschüsse*) and/or (iv) any other assets which exceed the liabilities of the Borrower (*sonstiges freies Vermögen*).

9.4 The effectiveness of this Subordination Agreement shall not be affected by any change in the legal form or ownership of the Borrower. This Subordination Agreement can and may only be terminated (*kündigen*), cancelled (*aufheben*) or restricted (*beschränken*) by the Lender and the Borrower outside of a crisis of the Borrower, i.e. if and to the extent such termination, cancellation or restriction does not cause nor threaten to cause an over-indebtedness (section 19 InsO) or illiquidity (section 17 InsO) of the Borrower.

9.5 This subordination agreement shall not constitute a waiver of the Subordinated Claims by the Lender, in particular shall the claims under the Loan Agreement accrue interest also in a period in which the Borrower is not obligated to repay the Subordinated Claims due to the subordination agreement.

10. RELATIONSHIP TO DIP FINANCING AGREEMENT; ORDER OF PRECEDENCE

Notwithstanding the provisions of this Agreement, the Lender and the Borrower agree that:

- (a) each of their rights and obligations under this Agreement are, at all times, subject to the terms of the DIP Financing Agreement;
- (b) in the event of any conflict between the terms of this Agreement and the terms of the DIP Financing Agreement, the terms of the DIP Financing Agreement shall control and take precedence over the terms of this Agreement;
- (c) no payment of interest or other distribution in relation to the Loans nor any repayment or prepayment of any principal amount or any other payment in relation to the Loans shall be made if it would constitute a breach of the terms of the DIP Financing Agreement; and
- (d) to the extent of any conflict or inconsistency between this Agreement and the DIP Order, the DIP Order shall govern.

11. MISCELLANEOUS PROVISIONS

- 11.1** Other than as collateral security for the DIP Facility, the rights and obligations of the Lender in relation to the Loan may be assigned and/or transferred (whether in whole or in part) to third parties only with the prior consent of the DIP Lender.
- 11.2** No failure to exercise or delay in exercising on the part of the Lender, any right, remedy or power hereunder shall operate as a waiver nor shall any single or partial exercise preclude further or other exercise of any right, remedy or power.
- 11.3** Any amendments to this Agreement (including amendments to this Section 10.3) shall be valid only if made in writing, unless mandatory law requires another form.
- 11.4** Any notice, request or other communication to be made hereunder to any of the Parties shall be made in writing and be well and sufficiently given if delivered personally or sent by electronic mail to the attention of the person as set forth below:

- (a) In the case of the Lender:

Li-Cycle Holdings Corp.
66 Wellington St W
Suite 5300
Toronto, ON M5K 1E6
Attention: Bill Aziz
Email: baziz@bluetreadvisors.com

With a copy to:

Freshfields Bruckhaus Deringer LLP
3 World Trade Center
175 Greenwich Street
New York, NY 10007

Attention: Andrea M. Basham, Madlyn Primoff and Allison Liff
Email: Andrea.Basham@Freshfields.com, Madlyn.Primoff@Freshfields.com,
Allison.Liff@Freshfields.com

And

McCarthy Tétrault LLP
66 Wellington St W
Suite 5300
Toronto, ON M5K 1E6

Attention: Robert Hansen, Fraser Bourne
Email: rhansen@mccarthy.ca, fbourne@mccarthy.ca

(b) In the case of the Borrower:

Li-Cycle Germany GMBH
Lange Göhren 4, 39171 Sülzetal OT Osterweddingen, Germany
Attention: Bill Aziz
Email: baziz@bluetreadvisors.com

With a copy to:

Freshfields Bruckhaus Deringer LLP
3 World Trade Center
175 Greenwich Street
New York, NY 10007

Attention: Andrea M. Basham, Madlyn Primoff and Allison Liff
Email: Andrea.Basham@Freshfields.com, Madlyn.Primoff@Freshfields.com,
Allison.Liff@Freshfields.com

And

McCarthy Tétrault LLP
66 Wellington St W
Suite 5300
Toronto, ON M5K 1E6

Attention: Robert Hansen, Fraser Bourne
Email: rhansen@mccarthy.ca, fbourne@mccarthy.ca

Any such notice shall be deemed to be given and received, when received, unless received after 5:00 EST or on a day other than a Business Day, in which case the notice shall be deemed to be received the next Business Day.

12. GOVERNING LAW AND JURISDICTION

This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein. Any action or proceeding arising out of or based upon or relating to this Agreement, or the transactions contemplated hereby or thereby may be instituted in the courts of the Province of Ontario, and each party irrevocably submits to the non-exclusive

jurisdiction of such courts in any such action or proceeding. The parties irrevocably and unconditionally waive any objection to the venue of any action or proceeding in such courts and irrevocably waive and agree not to plead or claim in any such court that any such action or proceeding brought in any such court has been brought in an inconvenient forum. Nothing herein or in any security document or agreement granted in connection with this shall affect any right that the Lender may otherwise have to bring any action or proceeding relating to this Agreement or any agreement or document pursuant to this Agreement against the Borrower or its properties in the courts of any jurisdiction.

13. COUNTERPARTS

This Agreement may be executed in any number of copies which taken together shall constitute the same Agreement.

14. PARTIAL INVALIDITY

If any provision of this Agreement should be or become invalid or unenforceable in whole or in part, this shall not affect the validity or enforceability of the remaining provisions hereof. The invalid or unenforceable provision shall be replaced by such valid and enforceable provision or agreement that best meets the intended purpose of the provision required to be replaced. The same shall apply in the event that this Agreement does not contain a provision that it needs to contain in order to achieve the intended economic purpose as expressed herein.

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Annex
Utilization Request

From: **LI-CYCLE GERMANY GMBH**
(the "**Borrower**")

To: **LI-CYCLE HOLDINGS CORP.**
(the "**Lender**")

With copy to : Kristave AG

Dated: [], 2025

1. We refer to the loan agreement (the "**Loan Agreement**") between ourselves as Borrower and you as Lender dated May [●], 2025 whereby a loan facility has been made available.
2. We wish to borrow a Loan on the following terms:

Loan Utilization Date: [●]

Loan Principal Amount: [●]

Loan Repayment Date: [●]
3. The proceeds of this Loan should be credited to the bank account of the Borrower with [IBAN DE32 5022 0085 3460 6000 16] and applied solely in accordance with the relevant approved Budget in accordance with the terms and conditions of the DIP Facility.

Yours faithfully,

[●]

SIGNATORIES

LI-CYCLE HOLDINGS CORP.

as Lender

By: _____

Name: Ajay Kochhar

Title: Chief Executive Officer

By: _____

Name: Bill Aziz

Title: Chief Restructuring Officer

LI-CYCLE GERMANY GMBH

as Borrower

By: _____

Name: Elewout Depicker

Title: Managing Director

By: _____

Name: Frank Pommerenke

Title: Managing Director

[FORM OF]

DIP PROCEEDS INTERCOMPANY LOAN AGREEMENT

between

LI-CYCLE HOLDINGS CORP.

(as Lender)

and

LI-CYCLE EUROPE AG

(as Borrower)

This **DIP LOAN PROCEEDS INTERCOMPANY LOAN AGREEMENT** (the "**Agreement**") is made on May [●], 2025 between:

- (1) **LI-CYCLE HOLDINGS CORP.**, a business corporation existing under the laws of the Province of Ontario, Canada, with its registered office at 66 Wellington Street West, Suite 5300, Toronto, Ontario M5K 1E6, Canada, registered with the Ontario Business Registry under number 5051214 (the "**Lender**"); and
- (2) **LI-CYCLE EUROPE AG**, a stock corporation (*Aktiengesellschaft*) established under the laws of Switzerland with its corporate seat in Baar, Switzerland and its business address at Neuhofstrasse 8, 6340 Baar, Switzerland and registered in the commercial register of the canton of Zug, Switzerland under company registration number CHE-276.781.098 (the "**Borrower**").

The Lender and the Borrower are hereinafter referred to as the "**Parties**" and each a "**Party**".

PREAMBLE

- (1) Pursuant to the "Summary of Terms and Conditions for Debtor-in-Possession Financing" dated May 14, 2025, entered into between Glencore International AG (the "**DIP Lender**"), as lender, and the Lender, as borrower (the "**DIP Term Sheet**"), or (ii) if executed and delivered by the Lender at the request of the DIP Lender, a long-form debtor-in-possession credit agreement entered into between the DIP Lender, as lender, and the Lender, as borrower (the "**DIP Credit Agreement**"), the DIP Lender has agreed to provide debtor-in-possession financing to the Lender for the purpose of funding certain limited obligations of the Lender in connection with its proceedings under the *Companies' Creditors Arrangement Act* (Canada) (such financing, the "**DIP Facility**").
- (2) It is intended that certain portions of the proceeds of the DIP Facility will be loaned from the Lender to the Borrower to fund the Borrower's short-term liquidity needs, in accordance with the applicable Budget (as defined in the DIP Financing Agreement (as defined below)).
- (3) The Parties enter into this Agreement in order to document the on-lending of the relevant proceeds of the DIP Facility by the Lender to the Borrower.

The Parties agree the following:

1. DEFINED TERMS AND INTERPRETATIONS

1.1 Capitalized terms used but not defined herein shall have the meaning given to such terms in the DIP Financing Agreement.

1.2 In this Agreement:

"Business Day" means a day on which banks are open for general business in Toronto, Ontario, Canada and Baar, Switzerland.

"DIP Financing Agreement" means the DIP Term Sheet or, in the case of the execution of the DIP Credit Agreement, the DIP Credit Agreement.

"DIP Financing Interest" means the interest payable from time to time by the Lender on any DIP Loan drawn by the Lender under the DIP Financing Agreement and used for funding the liquidity needs of the Borrower in accordance with the Budget.

"DIP Loan" means any loan or advance that was made to the Lender by the DIP Lender under the DIP Financing Agreement.

"Maturity Date" has the meaning assigned to it in the DIP Financing Agreement.

"DIP Event of Default" means any event constituting an "Event of Default" under the DIP Financing Agreement.

1.3 A reference to any person in this Agreement includes such person's successors, transferees and assignees.

2. THE LOAN AND ITS PURPOSE

2.1 The Lender agrees to make available to the Borrower a loan in one or more instalments up to a total maximum amount of US\$1,500,000 (the **"Loan Facility"**). The Loan Facility may be made available by the Lender to the Borrower in multiple drawings in an aggregate amount not to exceed the Loan Facility on the dates set forth in the DIP Financing Agreement in each case in accordance with the Budget and on the terms and conditions contained in the DIP Financing Agreement. The loan advances made available by the Lender to the Borrower under the Loan Facility are hereinafter referred to as the **"Loans"** and each a **"Loan"**.

- 2.2** The proceeds of the Loan shall be applied by the Borrower solely in accordance with the Budget (subject to Permitted Variances) or as may otherwise be agreed to in writing by the DIP Lender, in its sole and absolute discretion, from time to time.
- 2.3** The Borrower will request utilization of the Loan Facility by delivery of a utilisation request to the Lender and the DIP Lender in writing (a "**Utilisation Request**"). Each Utilisation Request shall be substantially in the form set out in the Annex and contain (i) the proposed utilisation date (the "**Loan Utilisation Date**"), (ii) the principal amount of the Loan to be utilised (the "**Loan Principal Amount**"), (iii) a certification that the proceeds will be used in accordance with the relevant approved Budget and (iv) the proposed repayment date of the Loan to be utilised (the "**Loan Repayment Date**"). Upon acceptance of the relevant Utilization Request by the DIP Lender, the Lender or DIP Lender (on behalf of the Lender) will make the respective Loan available to the Borrower on the terms and conditions set out in the respective Utilisation Request and this Agreement.
- 2.4** If the Loan Utilisation Date is after the date on which the Lender receives funds under the DIP Financing Agreement, the funding of any Utilisation Request shall be subject to the following:
- (a) no DIP Event of Default shall have occurred and be continuing;
 - (b) all conditions precedent for the Lender (in its capacity as a borrower under the DIP Financing Agreement) to obtain a DIP Loan shall have been satisfied by the Lender or waived by the DIP Lender (in its capacity as the lender under the DIP Financing Agreement); and
 - (c) the Lender shall have cash on hand from the proceeds of such DIP Loans in an amount not less than the aggregate principal amount of requested Loans.
- 2.5** The Loan Facility will be available from the Effective Date until five (5) Business Days prior to the Maturity Date. During this period, subject to the terms and conditions of the DIP Financing Agreement, the Borrower may utilize the Loan Facility from time to time up to, but in aggregate amount not exceeding, the total amount of the Loan Facility. Each Utilisation Request shall be delivered at least five (5) Business Days prior to the respective Loan Utilisation Date. The latest possible Loan Repayment Date shall be the Maturity Date.
- 2.6** The relevant Loan Principal Amount shall not exceed the amount required by the Borrower as set out in the applicable Budget delivered by the Lender to the DIP Lender in accordance with the DIP Financing Agreement. Unless the relevant Loan Principal Amount is equal to the amount of the corresponding availability under the Loan Facility, the Loan Principal Amount shall be equal to or an integral multiple of amounts to be agreed under the DIP Financing Agreement.
- 2.7** Each Loan shall be disbursed to the Borrower's bank account with IBAN [●]. The Loans may be disbursed by the DIP Lender making direct payments (on behalf of the Lender) to the Borrower, if and to the extent

that, pursuant to the terms of the DIP Financing Agreement, such direct payment to the Borrower is deemed a utilization of the DIP Facility in the corresponding amount by the Lender under the DIP Financing Agreement.

3. GENERAL LOAN TERMS

Unless otherwise provided in this Agreement, the terms and conditions in relation to the Loans shall mirror, to the extent applicable and possible, the terms and conditions of the DIP Financing Agreement, whereas the Lender shall be regarded as "DIP Lender" and the Borrower shall be regarded as the "Borrower" under the DIP Financing Agreement. To the extent possible, the Loan shall be treated in all respects as conduit loan from the DIP Lender through the Lender to the Borrower.

4. INTEREST

4.1 All amounts outstanding under the Loan Facility shall bear interest at a rate equal to 11.3% *per annum*, which interest shall be paid solely in kind by capitalizing the amount thereof to principal on each one-month anniversary of the date of the Effective Date (the "**Interest**").

4.2 During the continuation of a DIP Event of Default, the Loans will bear interest at an additional 2.00% *per annum*, which shall be payable on demand.

4.3 The Interest on each Loan shall accrue on each advance of the Loans from and after the date of advance of such Loan to the Borrower to, but excluding, the date of repayment and shall be calculated and compounded on a monthly basis on the principal amount of such Loan and any overdue interest remaining unpaid from time to time and on the basis of the actual number of days elapsed in a year of 365 days.

5. SCHEDULED REPAYMENT

The Borrower will repay each Loan together with all unpaid Interest accrued thereon on the Maturity Date in accordance with the DIP Financing Agreement.

6. PREPAYMENT

6.1 The Borrower may terminate this Agreement and voluntarily prepay the outstanding amounts of the Loans in whole or in part, together with any Interest accrued thereon, at any time subject to a notice period of five (5) Business Days (or such shorter period as the Borrower and the Lender may agree) without premium or penalty, provided that the Parties are not prohibited from proceeding with such termination and prepayment under the DIP Financing Agreement.

6.2 Prepaid Loans or portions thereof may not be re-borrowed.

7. REMEDIES

- 7.1** Upon the occurrence and during the continuance of a DIP Event of Default (and provided the DIP Event of Default is not cured or waived in accordance with the terms of the DIP Financing Agreement), the Lender shall be entitled to terminate this Agreement with immediate effect and declare each of the Loans then outstanding to be immediately due and payable in whole or in part.
- 7.2** Upon the occurrence and during the continuance of a DIP Event of Default (and provided the DIP Event of Default is not cured or waived in accordance with the terms of the DIP Financing Agreement), the Lender (on behalf of the DIP Lender) shall be entitled to enforce any security granted to the DIP Lender by the Borrower and to exercise all rights and remedies in respect of such security; provided that, for the avoidance of doubt, this Section 7.2 shall not limit any of the rights and remedies of the DIP Lender under the DIP Financing Agreement upon the occurrence and during the continuance of a DIP Event of Default.
- 7.3** After (i) the occurrence and during the continuance of a DIP Event of Default and the termination of the DIP Facility by the DIP Lender in accordance with the DIP Financing Agreement, and (ii) the Court having issued an order authorizing the DIP Lender to do so (such order sought by the DIP Lender on not less than three (3) Business Days' notice to the Lender after the occurrence and during the continuance of a DIP Event of Default), the DIP Lender shall have the right to instruct the Lender to, and the Lender acting at the direction of the DIP Lender shall, pursue all remedies against the Borrower that are available to the Lender as a lender in connection with the Loans and this Agreement and applicable law.
- 7.4** No failure or delay by the Lender or the DIP Lender in exercising any of its rights hereunder or at law shall be deemed a waiver of any kind, and the Lender or the DIP Lender, as applicable, shall be entitled to exercise such rights in accordance with this Agreement or the DIP Credit Agreement, as applicable, at any time.

8. PAYMENTS

- 8.1** All payments made by the Borrower hereunder shall be made in US dollars without set-off or counterclaim and free and clear of and without deductions of, or withholding of any taxes or any charges whatsoever present or future. In the event the Borrower is required by law to make any such deduction or withholding from any payment hereunder, then the Borrower shall promptly notify the Lender and forthwith pay to the Lender such additional amount necessary to ensure that the Lender receives and retains (free from any liability relating to deduction or withholding) a net amount which, after deduction or withholding, is equal to the full amount which the Lender would have received, had no such deduction or withholding been made.
- 8.2** In the event of the Lender receiving payments or being credited with amounts in a currency other than the currency in which the payment is owed by the Borrower (be it in cash, as a remittance or by utilizing cash deposits or the like), the Lender will credit the Borrower with the amount of such currency, which it may

obtain by exchanging such currency at the spot rate of exchange in the foreign exchange market at the relevant date.

- 8.3** In case of doubt, the Lender is authorised to apply any payment received from the Borrower, in its discretion, in or towards satisfaction of any sum due and owed to the Lender hereunder.
- 8.4** If any payment falls due hereunder on a day, which is not a Business Day, the Borrower shall effect payment on the next Business Day in the same month (if there is one) or the preceding Business Day (if there is not).

9. RELATIONSHIP TO DIP FINANCING AGREEMENT; ORDER OF PRECEDENCE

Notwithstanding the provisions of this Agreement, the Lender and the Borrower agree that:

- (a) each of their rights and obligations under this Agreement are, at all times, subject to the terms of the DIP Financing Agreement;
- (b) in the event of any conflict between the terms of this Agreement and the terms of the DIP Financing Agreement, the terms of the DIP Financing Agreement shall control and take precedence over the terms of this Agreement;
- (c) no payment of interest or other distribution in relation to the Loans nor any repayment or prepayment of any principal amount or any other payment in relation to the Loans shall be made if it would constitute a breach of the terms of the DIP Financing Agreement; and
- (d) to the extent of any conflict or inconsistency between this Agreement and the DIP Order, the DIP Order shall govern.

10. MISCELLANEOUS PROVISIONS

- 10.1** Other than as collateral security for the DIP Facility, the rights and obligations of the Lender in relation to the Loan may be assigned and/or transferred (whether in whole or in part) to third parties only with the prior consent of the DIP Lender.
- 10.2** No failure to exercise or delay in exercising on the part of the Lender, any right, remedy or power hereunder shall operate as a waiver nor shall any single or partial exercise preclude further or other exercise of any right, remedy or power.
- 10.3** Any amendments to this Agreement (including amendments to this Section 10.3) shall be valid only if made in writing, unless mandatory law requires another form.

10.4 Any notice, request or other communication to be made hereunder to any of the Parties shall be made in writing and be well and sufficiently given if delivered personally or sent by electronic mail to the attention of the person as set forth below:

(a) In the case of the Lender:

Li-Cycle Holdings Corp.
66 Wellington St W
Suite 5300
Toronto, ON M5K 1E6
Attention: Bill Aziz
Email: baziz@bluetreadvisors.com

With a copy to:

Freshfields Bruckhaus Deringer LLP
3 World Trade Center
175 Greenwich Street
New York, NY 10007

Attention: Andrea M. Basham, Madlyn Primoff and Allison Liff
Email: Andrea.Basham@Freshfields.com, Madlyn.Primoff@Freshfields.com,
Allison.Liff@Freshfields.com

And

McCarthy Tétrault LLP
66 Wellington St W
Suite 5300
Toronto, ON M5K 1E6

Attention: Robert Hansen, Fraser Bourne
Email: rhansen@mccarthy.ca, fbourne@mccarthy.ca

(b) In the case of the Borrower:

Li-Cycle Europe AG
Neuhofstrasse 8, 6340 Baar, Switzerland
Attention: [●]
Email: [●]

With a copy to:

Freshfields Bruckhaus Deringer LLP
3 World Trade Center
175 Greenwich Street
New York, NY 10007

Attention: Andrea M. Basham, Madlyn Primoff and Allison Liff
Email: Andrea.Basham@Freshfields.com, Madlyn.Primoff@Freshfields.com,
Allison.Liff@Freshfields.com

And

McCarthy Tétrault LLP
66 Wellington St W
Suite 5300
Toronto, ON M5K 1E6

Attention: Robert Hansen, Fraser Bourne

Email: rhansen@mccarthy.ca, fbourne@mccarthy.ca

Any such notice shall be deemed to be given and received, when received, unless received after 5:00 EST or on a day other than a Business Day, in which case the notice shall be deemed to be received the next Business Day.

11. GOVERNING LAW AND JURISDICTION

This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein. Any action or proceeding arising out of or based upon or relating to this Agreement, or the transactions contemplated hereby or thereby may be instituted in the courts of the Province of Ontario, and each party irrevocably submits to the non-exclusive jurisdiction of such courts in any such action or proceeding. The parties irrevocably and unconditionally waive any objection to the venue of any action or proceeding in such courts and irrevocably waive and agree not to plead or claim in any such court that any such action or proceeding brought in any such court has been brought in an inconvenient forum. Nothing herein or in any security document or agreement granted in connection with this shall affect any right that the Lender may otherwise have to bring any action or proceeding relating to this Agreement or any agreement or document pursuant to this Agreement against the Borrower or its properties in the courts of any jurisdiction.

12. COUNTERPARTS

This Agreement may be executed in any number of copies which taken together shall constitute the same Agreement.

13. PARTIAL INVALIDITY

If any provision of this Agreement should be or become invalid or unenforceable in whole or in part, this shall not affect the validity or enforceability of the remaining provisions hereof. The invalid or unenforceable provision shall be replaced by such valid and enforceable provision or agreement that best meets the intended purpose of the provision required to be replaced. The same shall apply in the event that this Agreement does not contain a provision that it needs to contain in order to achieve the intended economic purpose as expressed herein.

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Annex
Utilization Request

From: **LI-CYCLE EUROPE AG**
(the "**Borrower**")

To: **LI-CYCLE HOLDINGS CORP.**
(the "**Lender**")

With copy to : Kristave AG

Dated: [], 2025

1. We refer to the loan agreement (the "**Loan Agreement**") between ourselves as Borrower and you as Lender dated May [●], 2025 whereby a loan facility has been made available.
2. We wish to borrow a Loan on the following terms:

 Loan Utilization Date: [●]

 Loan Principal Amount: [●]

 Loan Repayment Date: [●]
3. The proceeds of this Loan should be credited to the bank account of the Borrower with [●] and applied solely in accordance with the relevant approved Budget in accordance with the terms and conditions of the DIP Facility.

Yours faithfully,

[●]

SIGNATORIES

LI-CYCLE HOLDINGS CORP.

as Lender

By: _____

Name: Ajay Kochhar

Title: Chief Executive Officer

By: _____

Name: Bill Aziz

Title: Chief Restructuring Officer

LI-CYCLE EUROPE AG

as Borrower

By: _____

Name:

Title:

By: _____

Name:

Title:

~~SCHEDULE "B"~~

SCHEDULE □ B □

BUDGET

(Part A and Part B)

See attached.

Li-Cycle

Accelerated Process Cash Flow (Excl. EMEA)

Draft - For Discussion Purposes Only

Private & Confidential

\$USD

| \$ in USD Thousands | Week 1 | Week 2 | Week 3 | Week 4 | Week 5 | Week 6 | Week 7 | Week 8 | Week 9 | Week 10 | | | |
|---|-----------|-----------|-----------|----------|-----------|-----------|-----------|----------|-----------|-----------|------------|----------|---------|
| For the Week Ended: | 5/16/2025 | 5/23/2025 | 5/30/2025 | 6/6/2025 | 6/13/2025 | 6/20/2025 | 6/27/2025 | 7/4/2025 | 7/11/2025 | 7/18/2025 | Thereafter | Total | Notes |
| Cash Inflows | | | | | | | | | | | | | |
| Product Sales | 203 | 467 | - | 800 | - | 27 | 3 | - | - | 58 | - | 1,559 | Note 1 |
| AR Recovery | - | - | - | - | - | 128 | - | - | - | - | 165 | 293 | |
| Total Cash Inflows | 203 | 467 | - | 800 | - | 154 | 3 | - | - | 58 | 165 | 1,852 | |
| Spoke Operating Disbursements | | | | | | | | | | | | | |
| People Costs | (30) | (30) | (30) | (19) | (19) | (19) | (39) | (50) | (39) | (39) | (39) | (354) | |
| Rent & Leases | (64) | - | (365) | - | - | - | - | (365) | - | - | - | (794) | Note 2 |
| Projected AP Payments | - | (30) | (188) | (262) | (74) | (74) | (115) | (115) | (115) | (115) | - | (1,085) | |
| Existing AP Payments | - | - | - | - | - | - | - | - | - | - | - | - | |
| Total Spoke Operating Disbursements | (94) | (60) | (583) | (281) | (93) | (93) | (154) | (529) | (154) | (154) | (39) | (2,234) | |
| Hub Holding Cost Disbursements | | | | | | | | | | | | | |
| People Costs | - | - | - | - | - | - | - | - | - | - | - | - | |
| Rent & Leases | (1,059) | (7) | (263) | (7) | - | - | - | (253) | - | - | - | (1,590) | Note 3 |
| Winddown Costs | - | - | - | - | - | - | - | - | - | - | - | - | |
| Projected AP Payments | (850) | - | (23) | (154) | (48) | (54) | (48) | (48) | (48) | (48) | - | (1,321) | Note 4 |
| Existing AP Payments | - | - | - | - | - | - | - | - | - | - | - | - | |
| Total Hub Holding Costs | (1,909) | (7) | (286) | (161) | (48) | (54) | (48) | (301) | (48) | (48) | - | (2,911) | |
| Overhead Disbursements | | | | | | | | | | | | | |
| People Costs | (64) | (227) | (64) | (227) | (64) | (227) | (64) | (227) | (64) | (227) | (321) | (1,776) | |
| Rent & Leases | - | - | - | (20) | - | - | - | (20) | - | - | - | (40) | |
| Projected AP Payments | (39) | - | (50) | (123) | (50) | (119) | (67) | (60) | (67) | (167) | (330) | (1,072) | Note 5 |
| Existing AP Payments | - | - | - | - | - | - | - | - | - | - | - | - | |
| Total Overhead Disbursements | (104) | (227) | (114) | (370) | (114) | (346) | (131) | (307) | (131) | (394) | (651) | (2,887) | |
| Total Disbursements | (2,107) | (295) | (983) | (812) | (255) | (494) | (332) | (1,137) | (332) | (596) | (689) | (8,032) | |
| Net Operating Cash Flow | (1,904) | 173 | (983) | (12) | (255) | (339) | (329) | (1,137) | (332) | (537) | (524) | (6,181) | |
| Non-Operating Disbursements | | | | | | | | | | | | | |
| Professional Fees | (993) | (791) | (353) | (599) | (390) | (429) | (328) | (529) | (620) | (482) | (1,052) | (6,567) | Note 6 |
| Asset Sale Success Fee | - | - | - | - | - | - | - | - | - | - | (700) | (700) | Note 7 |
| Deposits | (300) | - | - | - | - | - | - | - | - | - | - | (300) | Note 8 |
| D&O Run-Off & Side A Policy | (3,288) | - | - | - | - | - | - | - | - | - | - | (3,288) | Note 9 |
| Winddown Costs | - | - | - | - | - | - | - | - | - | - | (500) | (500) | Note 10 |
| KERP / Advisory Fees / ESA / Vacation Pay | (1,675) | (58) | (50) | - | - | - | (50) | - | - | - | - | (1,833) | Note 11 |
| Total Non-Operating Disbursements | (6,256) | (849) | (403) | (599) | (390) | (429) | (378) | (529) | (620) | (482) | (2,252) | (13,189) | |
| Net Cash Flow | (8,160) | (676) | (1,386) | (611) | (645) | (769) | (708) | (1,667) | (953) | (1,019) | (2,776) | (19,369) | |

| Liquidity Summary | | | | | | | | | | | | |
|--|--------------|--------------|--------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|-----------------|-----------------|
| Opening Cash Balance (Excl. EMEA) | 10,601 | 2,441 | 1,765 | 378 | (233) | (878) | (1,647) | (2,354) | (4,021) | (4,974) | (5,992) | 10,601 |
| Net Cash Flow | (8,160) | (676) | (1,386) | (611) | (645) | (769) | (708) | (1,667) | (953) | (1,019) | (2,776) | (19,369) |
| Ending Cash Balance (Excl. EMEA) | 2,441 | 1,765 | 378 | (233) | (878) | (1,647) | (2,354) | (4,021) | (4,974) | (5,992) | (8,768) | (8,768) |
| Risk Adjustment | (203) | (467) | - | (800) | - | (154) | (3) | - | - | (58) | (165) | (1,852) |
| Risk Adjusted Cash Position without Financing | 1,885 | 741 | (645) | (2,057) | (2,702) | (3,625) | (4,336) | (6,002) | (6,955) | (8,032) | (10,620) | (10,620) |

Notes

- 1 Includes the sale of on-hand black mass and shredded metal, based on commercial sales forecasts
- 2 Includes monthly payments for the Arizona and Alabama Spoke and Warehouse. Rent and leases for the week ended 5/16/2025 relate half month payment of the Arizona Warehouse lease post filing and May rent was not paid on time
- 3 The 5/16/2025 outflow includes the full payment of Hub property taxes and payment on the Hub leases for the period between filing and May 31, 2025
- 4 Includes the payment of builders risk insurance for the week ended 5/16/2025 to insurance all equipment held on the hub site and stored in the hub warehouse
- 5 Reflective of Board of Directors and Special Committees, ongoing corporate IT/Finance/HR related costs
- 6 Includes Freshfields, McCarthy's, A&M Corporate Finance, IP Counsel, A&M Monitor fees and associated counsel (Oslers/Skadden), CRO, and CFO fees. Refer to the Rest. Prof Fees (Weekly) tab for vendor by vendor detail
- 7 Includes success fees for Blue Tree Advisors (\$500k) and Maplebriar Holdings (\$200k)
- 8 Relates to an estimate for potential deposits which may be required for certain critical vendors (i.e. utilities, security) for the duration of the CCAA process.
- 9 Inclusive of a 6-year run off policy and a one year Side A policy
- 10 Reflective of estimated wind down costs for the North American entities following transaction closing of an asset scope inclusive of the Hub, Spokes, and IP
- 11 Inclusive of KERP (19 individuals at the corporate level including C-Suite and select key employees within finance/legal/IT/HR and 6 individuals at the operations/commercial level), accrued vacation for US employees, and ongoing advisory fees for the former CFO and CEO

| Li-Cycle Europe AG - Cash Flow (Consolidated) | | | | | | | | | | | | | Total | | Notes |
|---|--|-----------|-------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|------------|-------------|---------|-------|
| Week Ended: | | 5/16/2025 | 5/23/2025 | 5/30/2025 | 6/6/2025 | 6/13/2025 | 6/20/2025 | 6/27/2025 | 7/4/2025 | 7/11/2025 | 7/18/2025 | Thereafter | | | |
| Revenue, Intake & Refining | | | | | | | | | | | | | | | |
| Product Sales | | | | | | | | | | | | | | | |
| Product Sales | | 376,191 | 235,810 | 867,188 | 180,000 | 39,550 | 49,482 | 34,518 | 414,689 | - | 417,356 | 418,423 | 3,033,206 | | |
| AR Collection | | 81,069 | - | - | - | - | - | 391,440 | - | - | - | - | 472,509 | | |
| Total | | 457,260 | 235,810 | 867,188 | 180,000 | 39,550 | 49,482 | 425,958 | 414,689 | - | 417,356 | | 3,505,715 | Note 1 | |
| Intake Revenue & Cost | | | | | | | | | | | | | | | |
| Tipping Fees | | - | 99,221 | - | 96,758 | - | 96,758 | - | 119,100 | - | 119,100 | | 530,935 | Note 2 | |
| Refining Costs | | | | | | | | | | | | | | | |
| Remondis | | - | (250,000) | - | (68,791) | - | (68,791) | - | (68,791) | - | (68,791) | (69,774) | (594,938) | Note 3 | |
| Polblume | | (60,590) | - | (60,590) | - | (60,590) | - | (60,590) | - | (60,590) | - | (60,590) | (363,540) | Note 4 | |
| Total | | (60,590) | (250,000) | (60,590) | (68,791) | (60,590) | (68,791) | (60,590) | (68,791) | (60,590) | (68,791) | (130,364) | (958,478) | | |
| Total Revenue, Intake & Refining | | 396,670 | 85,030 | 806,598 | 207,966 | (21,040) | 77,448 | 365,368 | 464,997 | (60,590) | 467,665 | (130,364) | 1,003,445 | | |
| Li-Cycle Europe AG | | | | | | | | | | | | | | | |
| People Costs | | (11,926) | (11,926) | (164,290) | (11,926) | (11,926) | (11,926) | (164,290) | (11,926) | (11,926) | (11,926) | (164,290) | (588,278) | | |
| Existing AP Payments | | (61,771) | (61,771) | (61,771) | (61,771) | (61,771) | (61,771) | (29,036) | - | - | - | - | (399,662) | Note 5 | |
| Go-Forward Overhead Costs | | - | - | - | - | - | - | (22,735) | (21,771) | (21,771) | (21,771) | - | (88,047) | | |
| Winddown Costs | | - | - | - | - | - | - | - | - | - | - | (200,000) | (200,000) | Note 6 | |
| Restricted Cash Release | | - | 1,444,444 | - | - | - | - | - | - | - | - | - | 1,444,444 | Note 7 | |
| Total | | (73,697) | 1,370,748 | (226,061) | (73,697) | (73,697) | (73,697) | (216,061) | (33,697) | (33,697) | (33,697) | | 168,457 | | |
| Germany GmbH Costs | | | | | | | | | | | | | | | |
| People Costs | | (12,601) | (12,601) | (240,672) | (12,601) | (12,601) | (12,601) | (240,672) | (12,601) | (12,601) | (12,601) | (240,672) | (822,821) | Note 8 | |
| Rent & Leases | | (118,000) | - | (166,049) | - | - | - | (166,049) | - | - | - | - | (450,098) | Note 9 | |
| Existing AP Payments | | (382,114) | (172,617) | (52,430) | - | - | - | - | - | - | - | - | (607,161) | Note 5 | |
| Go-Forward Operating Costs | | - | - | (205,333) | (97,230) | (111,230) | (259,887) | (175,404) | (97,230) | (97,230) | (259,887) | - | (1,303,433) | Note 10 | |
| Total Cost | | (512,715) | (185,218) | (664,485) | (109,831) | (123,831) | (272,488) | (582,125) | (109,831) | (109,831) | (272,488) | | (3,183,514) | | |
| Li-Cycle Norway AS Costs | | (8,590) | (7,590) | (88,430) | (2,590) | (2,590) | (2,590) | (12,106) | (76,915) | (2,590) | (2,590) | (12,106) | (218,688) | Note 11 | |
| Li-Cycle France SARL Costs | | (755) | (755) | (755) | (755) | (755) | (755) | (755) | (755) | (755) | (755) | (755) | (8,302) | Note 12 | |
| Li-Cycle United Kingdom Ltd. Costs | | (2,196) | (2,196) | (17,286) | (2,196) | (2,196) | (2,196) | (17,286) | (2,196) | (2,196) | (2,196) | (17,286) | (69,425) | Note 13 | |
| Total Cash Inflow (Outflow) | | (201,282) | 1,260,020 | (190,418) | 18,898 | (224,109) | (274,278) | (462,964) | 241,604 | (209,659) | 155,939 | (160,510) | (46,760) | | |
| Liquidity Summary | | | | | | | | | | | | | | | |
| Opening Cash | | 2,317,450 | 2,116,168 | 3,376,187 | 3,185,769 | 3,204,667 | 2,980,558 | 2,706,280 | 2,243,315 | 2,484,920 | 2,275,261 | 2,431,200 | 2,317,450 | | |
| Total Cash Inflow (Outflow) | | (201,282) | 1,260,020 | (190,418) | 18,898 | (224,109) | (274,278) | (462,964) | 241,604 | (209,659) | 155,939 | (160,510) | (46,760) | | |
| Ending Cash | | 2,116,168 | 3,376,187 | 3,185,769 | 3,204,667 | 2,980,558 | 2,706,280 | 2,243,315 | 2,484,920 | 2,275,261 | 2,431,200 | 2,270,690 | 2,270,690 | | |
| Risk Adjustment | | | | | | | | | | | | | | | |
| Product Sales | | - | - | - | - | - | - | - | (414,689) | - | (417,356) | (418,423) | (1,250,468) | | |
| AR Collection | | (81,069) | - | - | - | - | - | (391,440) | - | - | - | - | (472,509) | | |
| Restricted Cash Release | | - | (1,444,444) | - | - | - | - | - | - | - | - | - | (1,444,444) | | |
| Total Risk Adjustment | | (81,069) | (1,444,444) | - | - | - | - | (391,440) | (414,689) | - | (417,356) | (418,423) | (3,167,421) | | |
| Consol Cash After Risk Adjustment | | 2,035,098 | 1,850,673 | 1,660,255 | 1,679,153 | 1,455,044 | 1,180,766 | 326,362 | 153,278 | (56,381) | (317,798) | (896,732) | (896,732) | | |

Notes

- 1 Sales through 6/27/2025 are based on active contract negotiations

2 Inflows based on commercial intake forecast

3 \$250,000 outflow on 5/23/25 is a catch-up of invoices for historical services rendered

4 Polblume refines excess feedstock intake and produces black mass for sale

5 The Existing AP Payments line includes all AP currently in Net Suite, excluding lease bills and refining costs

6 Expected costs to wind down smaller EMEA entities

7 Release of \$1.4m restricted cash on hand related to the Germany Spoke (Held with UBS)
- 8 People costs and associated benefits

9 Germany Spoke Lease

10 Spoke operating costs including carbon, utilities, parts, tools and consumables, and professional fees

11 Includes lease payments for the Norway Spoke, but excludes lease exit settlement costs

12 Inclusive of professional fees associated with wind-down efforts

13 Inclusive of people costs, third party accounting costs and audit fees

Li-Cycle

EMEA - 13 week Cash Flow by Entity
\$USD

Draft - For Discussion Purposes Only
Private & Confidential

| Li-Cycle Europe AG - Cash Balance Summary (Consolidated) | Week Ended: | 5/16/2025 | 5/23/2025 | 5/30/2025 | 6/6/2025 | 6/13/2025 | 6/20/2025 | 6/27/2025 | 7/4/2025 | 7/11/2025 | 7/18/2025 | Thereafter | 12 Weeks | Notes |
|--|-------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|------------|-------------|----------------|
| Europe AG Opening Cash | | 421,845 | 1,522,596 | 2,978,374 | 3,036,071 | 3,058,314 | 2,837,550 | 2,566,618 | 2,116,513 | 2,361,805 | 2,152,901 | 2,309,595 | 421,845 | |
| Europe AG Cash Inflows (Outflows) | | 322,974 | 1,455,778 | 580,537 | 134,270 | (94,737) | 3,751 | 149,307 | 431,300 | (94,287) | 433,968 | (130,364) | 3,192,496 | |
| Intercompany Inflows (Outflows) | | 777,778 | - | (522,840) | (112,027) | (126,027) | (274,684) | (599,411) | (186,008) | (114,617) | (277,274) | (29,392) | (1,464,502) | Note 1 |
| Europe AG Ending Cash | | 1,522,596 | 2,978,374 | 3,036,071 | 3,058,314 | 2,837,550 | 2,566,618 | 2,116,513 | 2,361,805 | 2,152,901 | 2,309,595 | 2,149,839 | 2,149,839 | |
| Germany Opening Cash | | 897,047 | 384,332 | 199,114 | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 | 897,047 | Note 2 |
| Germany Cash Inflows (Outflows) | | (512,715) | (185,218) | (664,485) | (109,831) | (123,831) | (272,488) | (582,125) | (109,831) | (109,831) | (272,488) | - | (2,942,842) | |
| Intercompany Inflows (Outflows) | | - | - | 515,370 | 109,831 | 123,831 | 272,488 | 582,125 | 109,831 | 109,831 | 272,488 | - | 2,095,795 | Note 3 |
| Germany Ending Cash | | 384,332 | 199,114 | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 | |
| Norway AS Opening Cash | | 137,420 | 128,830 | 121,239 | 32,810 | 30,219 | 27,629 | 25,038 | 12,933 | 10,000 | 10,000 | 10,000 | 137,420 | |
| Norway AS Cash Inflows (Outflows) | | (8,590) | (7,590) | (88,430) | (2,590) | (2,590) | (2,590) | (12,106) | (76,915) | (2,590) | (2,590) | (12,106) | (218,688) | |
| Intercompany Inflows (Outflows) | | - | - | - | - | - | - | - | 73,982 | 2,590 | 2,590 | 12,106 | 91,268 | Note 4 |
| Norway AS Ending Cash | | 128,830 | 121,239 | 32,810 | 30,219 | 27,629 | 25,038 | 12,933 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | |
| France SARL Opening Cash | | 836,930 | 58,398 | 57,643 | 56,888 | 56,133 | 55,379 | 54,624 | 53,869 | 53,115 | 52,360 | 51,605 | 836,930 | |
| France SARL Cash Inflows (Outflows) | | (755) | (755) | (755) | (755) | (755) | (755) | (755) | (755) | (755) | (755) | (755) | (8,302) | |
| Intercompany Inflows (Outflows) | | (777,778) | - | - | - | - | - | - | - | - | - | - | (777,778) | Note 1, Note 4 |
| France SARL Ending Cash | | 58,398 | 57,643 | 56,888 | 56,133 | 55,379 | 54,624 | 53,869 | 53,115 | 52,360 | 51,605 | 50,850 | 50,850 | |
| United Kingdom Ltd. Opening Cash | | 24,208 | 22,012 | 19,816 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 24,208 | |
| United Kingdom Ltd. Cash Inflows (Outflows) | | (2,196) | (2,196) | (17,286) | (2,196) | (2,196) | (2,196) | (17,286) | (2,196) | (2,196) | (2,196) | (17,286) | (69,425) | |
| Intercompany Inflows (Outflows) | | - | - | 7,470 | 2,196 | 2,196 | 2,196 | 17,286 | 2,196 | 2,196 | 2,196 | 17,286 | 55,217 | Note 4 |
| United Kingdom Ltd. Ending Cash | | 22,012 | 19,816 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 | |
| Consolidated EMEA Opening Cash | | 2,317,450 | 2,116,168 | 3,376,187 | 3,185,769 | 3,204,667 | 2,980,558 | 2,706,280 | 2,243,315 | 2,484,920 | 2,275,261 | 2,431,200 | 2,317,450 | |
| Consolidated EMEA Cash Inflows (Outflows) | | (201,282) | 1,260,020 | (190,418) | 18,898 | (224,109) | (274,278) | (462,964) | 241,604 | (209,659) | 155,939 | (160,510) | (46,760) | |
| Consolidated EMEA Intercompany Inflows (Outflows) | | - | - | - | - | - | - | - | - | - | - | - | - | |
| Consolidated EMEA Ending Cash | | 2,116,168 | 3,376,187 | 3,185,769 | 3,204,667 | 2,980,558 | 2,706,280 | 2,243,315 | 2,484,920 | 2,275,261 | 2,431,200 | 2,270,690 | 2,270,690 | |

Notes

- 1 Europe AG expects to repatriate ~\$780,000 from France SARL related to exiting the France Spoke lease
- 2 As a standalone entity, Germany does not generate cash inflows, and requires injections from Europe AG to maintain a positive cash balance
- 3 Europe AG injects sufficient cash into Germany GmbH so that the cash balance does not fall below \$50,000
- 4 Europe AG injects cash into Norway AS, France SARL and United Kingston Ltd. once the subsidiaries' cash balances fall below \$10,000

~~SCHEDULE "C"~~

SCHEDULE □ C □

RESERVED

~~SCHEDULE "D"~~

SCHEDULE ☐ D ☐

FORM OF DRAWDOWN CERTIFICATE

DRAWDOWN CERTIFICATE

TO: Glencore International AG (the "DIP Lender")

FROM: Li-Cycle Holdings Corp. (the "Borrower")

DATE:

1. ~~1.~~ [This certificate is delivered to you, as DIP Lender, in connection with a request for a DIP Loan pursuant to the DIP Term Sheet made as of May 13, 2025, between, among others, the Borrower and the DIP Lender (as amended, supplemented, restated or replaced from time to time, the "DIP Term Sheet"). All defined terms used, but not otherwise defined, in this certificate shall have the respective meanings set forth in the DIP Term Sheet, unless the context requires otherwise.
2. ~~2.~~ The Borrower hereby requests a DIP Loan as follows:
 - (a) ~~(a)~~ Facility:
[North American Facility / European Facility]
 - (b) ~~(b)~~ Date of such DIP Loan: _____
 - (c) ~~(b)~~ Aggregate amount of such DIP Loan: \$
 - (d) ~~(c)~~ The location and number of the Bank Accounts to which proceeds of such DIP Loan are to be disbursed:
3. ~~3.~~ All of the representations and warranties of the DIP Loan Parties as set forth in the DIP Term Sheet are true and correct as at the date hereof, as though made on and as of the date hereof (except for any representations and warranties made as of a specific date, which shall be true and correct as of the specific date made).
4. ~~4.~~ All of the covenants of the DIP Loan Parties contained in the DIP Term Sheet, including the delivery of the Budget as specified in Section 22 (Budget Reporting) thereof, and all other terms and conditions contained in the DIP Term Sheet to be complied with by the DIP Loan Parties and their subsidiaries, and not waived in writing by or on behalf of the DIP Lender, have been complied with.
5. ~~5.~~ The DIP Loan Parties are in compliance with the Court Orders.

6. ~~6.~~ The proceeds of the DIP Loan hereby requested will be applied solely for the Permitted Uses and will be in accordance with the Budget (or as has been otherwise agreed to by the DIP Lender).

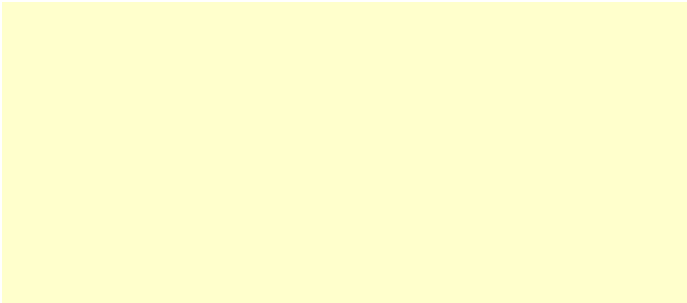
7. ~~7.~~ No Default or Event of Default has occurred and is continuing (other than a Default or Event of Default that has been cured or waived in writing by the DIP Lender) nor will any such event occur as a result of the DIP Loan hereby requested~~.~~

~~8.~~

8. [No Material Adverse Event has occurred.]¹

¹ Include for initial Advance.

Dated as of the first date written above.



LI-CYCLE HOLDINGS CORP.

By: _____
Name:
Title:



SCHEDULE E

LITIGATION

1. Arbitration proceedings commenced by MasTec Industrial Corp., under the terms of the Construction Agreement for the Rochester Hub.
2. Subject to obtaining interim relief under Chapter 15, (i) the litigation and claims involving Li-Cycle Inc. related to the Alabama Spoke commenced by Hanna Steel Corporation, and (ii) the litigation and claims involving Li-Cycle North America Hub, Inc. including actions by contractors, suppliers and subcontractors who have filed mechanic's liens against the company's interests in the Rochester Hub and the Rochester Warehouse, the claims by UDN, Inc. and the claims by Virginia Transformer Corp.

SCHEDULE ☐ F ☐
PENSION PLANS

None.

SCHEDULE G
BANK ACCOUNTS

See attached.

| Schedule G - Bank Accounts | | | | |
|----------------------------------|--------------|---|----------|---------------------------------|
| Legal Entity | Jurisdiction | Bank | Currency | Account Number |
| Li-Cycle Holdings Corp. | Canada | CIBC | USD | 010-06962-0485217 |
| | | CIBC | USD | 010-06962-0474118 |
| | | CIBC | CAD | 010-06962-5839718 |
| | | BMO | USD | 001-00002-4531091 |
| | | BMO | USD | 001-00002-4506195 |
| | | BMO | CAD | 001-00002-1568279 |
| | | RBC | USD | 003-00002-4078655 |
| | | RBC | CAD | 003-00002-1322965 |
| | | BNS | USD | 002-47696-0732915 |
| | | BNS | CAD | 002-47696-0101117 |
| Li-Cycle Corp. | Canada | CIBC | CAD | 010-06962-2437511 |
| | | CIBC | CAD | 010-06962-2442116 |
| | | CIBC | USD | 010-06962-0212113 |
| Li-Cycle Americas Corp. | Canada | CIBC | USD | 010-06962-0576816 |
| | | CIBC | CAD | 010-06962-5842018 |
| Li-Cycle Inc | US | CIBC US | USD | 0002552981 (Routing: 071006486) |
| | | CIBC US | USD | 0002867370 (Routing: 071006486) |
| Li-Cycle North America Hub, Inc. | US | CIBC US | USD | 0002618656 (Routing: 071006486) |
| | | CIBC US | USD | 0002972352 (Routing: 071006486) |
| Li-Cycle U.S. Inc. | US | CIBC US | USD | 0002521946 (Routing: 071006486) |
| | | CIBC US | USD | 0002568861 (Routing: 071006486) |
| Li-Cycle APAC Pte. Ltd. | Singapore | HSBC (HSBCSGSG) | SGD | 141-512095-001 |
| | | HSBC | USD | 260-393517-178 |
| Li-Cycle Japan GK | Japan | Sumitomo Mitsui Banking Corporation (SMBC) (SMBCJPJT) | YEN | 7922854 |
| Li-Cycle Korea Co. Ltd. | Korea | Hana Bank (KOEXKRSE) | KRW | 115-910054-33104 |
| | | Hana Bank | USD | 115-910015-32338 |

Schedule G - Bank Accounts

| Legal Entity | Jurisdiction | Bank | Currency | Account Number |
|-----------------------------|--------------|----------------------------------|----------|--|
| Li-Cycle Europe AG | Switzerland | UBS SWITZERLAND AG (UBSWCHZH80A) | Euro | IBAN CH54 0023 0230 7999 9702 V |
| | | UBS SWITZERLAND AG | USD | IBAN CH71 0023 0230 7999 9761 X |
| | | UBS SWITZERLAND AG | CHF | IBAN CH23 0023 0230 7999 9701 A |
| | | UBS SWITZERLAND AG | EUR | IBAN CH92 0023 0230 7999 9703 N |
| | | UBS SWITZERLAND AG | EUR | IBAN CH32 0023 0230 7999 9704 X |
| Li-Cycle Germany GmbH | Germany | UBS Europe SE (SMHBDEFF) | USD | IBAN DE37 5022 0085 3460 6000 23 |
| | | UBS Europe SE | EUR | IBAN DE32 5022 0085 3460 6000 16 |
| | | UBS Europe SE | EUR | IBAN DE32 5022 0085 3460 6000 30 |
| Li-Cycle United Kingdom Ltd | UK | Barclays Bank PLC (BUKBGB22) | GBP | GB87BARC20473513326020 |
| | | Barclays Bank PLC | USD | GB63BARC20473553418977 |
| | | Barclays Bank PLC | Euro | GB71BARC20473588509844 |
| Li-Cycle Norway AS | Norway | DNB (DNBANOKK) | NOK | NO20 5081 0555 103 |
| | | DNB | USD | 1251 0587 063 |
| | | DNB | NOK | 1506 8701 969 |
| Li-Cycle France SARL | France | Societe General (SOGEFRPP) | EUR | IBAN FR76 3000 3033 9200 0204 8715 751 |
| | | Societe General | USD | IBAN FR76 3000 3033 9203 0204 8715 736 |

Appendix “B”

Li-Cycle Holdings Corp. et al.
Eight-Week Cash Flow Forecast
For the Period July 5, 2025 to August 29, 2025
(Unaudited, in 000s USD)

| Cash Flow Week | | <i>Week 1</i> | <i>Week 2</i> | <i>Week 3</i> | <i>Week 4</i> | <i>Week 5</i> | <i>Week 6</i> | <i>Week 7</i> | <i>Week 8</i> | 8-Week |
|------------------------------|--------------|------------------|------------------|------------------|-----------------|-----------------|------------------|------------------|------------------|----------------|
| Week Ending | <u>Notes</u> | 11-Jul-25 | 18-Jul-25 | 25-Jul-25 | 1-Aug-25 | 8-Aug-25 | 15-Aug-25 | 22-Aug-25 | 29-Aug-25 | Total |
| Receipts | [1] | 223 | 100 | - | 33 | - | - | - | - | 357 |
| Disbursements | | | | | | | | | | |
| Operating and Holding Costs | [2] | 281 | 252 | 122 | 121 | 62 | 163 | - | - | 1,001 |
| Occupancy Costs | [3] | 338 | - | - | 380 | - | 338 | - | - | 1,055 |
| Salaries and Benefits | [4] | 107 | 227 | 107 | 223 | 40 | 156 | 8 | 131 | 998 |
| Professional Fees | [5] | 701 | 714 | 696 | 1,075 | 230 | 201 | 200 | 357 | 4,174 |
| APAC Intercompany Settlement | [6] | - | - | - | 290 | - | - | - | - | 290 |
| Wind-Down Reserve | [7] | - | - | - | - | - | 500 | - | - | 500 |
| Total Disbursements | | 1,427 | 1,193 | 925 | 2,089 | 332 | 1,357 | 208 | 488 | 8,019 |
| Net Cash Flow | | (1,203) | (1,093) | (925) | (2,056) | (332) | (1,357) | (208) | (488) | (7,662) |
| Opening Cash Balance | | 1,425 | 1,021 | 528 | 500 | 2,144 | 2,592 | 1,235 | 1,027 | 1,425 |
| Net Cash Flow | | (1,203) | (1,093) | (925) | (2,056) | (332) | (1,357) | (208) | (488) | (7,662) |
| DIP Draws / (Repayment) | | 800 | 600 | 896 | 3,700 | 780 | - | - | - | 6,776 |
| Closing Cash Balance | | 1,021 | 528 | 500 | 2,144 | 2,592 | 1,235 | 1,027 | 539 | 539 |
| DIP Financing | | | | | | | | | | |
| Opening Balance | | 6,128 | 6,942 | 7,557 | 8,470 | 12,188 | 12,995 | 13,023 | 13,051 | 6,128 |
| DIP Facility Draw | [8] | 800 | 600 | 896 | 3,700 | 780 | - | - | - | 6,776 |
| DIP Interest | [9] | 13 | 15 | 16 | 18 | 26 | 28 | 28 | 28 | 175 |
| Ending DIP Financing | | 6,942 | 7,557 | 8,470 | 12,188 | 12,995 | 13,023 | 13,051 | 13,079 | 13,079 |

Li-Cycle Holdings Corp. et al.
Eight-Week Cash Flow Forecast
For the Period July 5, 2025 to August 29, 2025
Notes and Summary of Assumptions

Note to Reader:

*In preparing this cash flow forecast (the “**Forecast**”), the Applicants have relied upon unaudited financial information and have not attempted to further verify the accuracy or completeness of such information. The Forecast reflects assumptions including those discussed below with respect to the requirements and impact of a filing in Canada under the Companies' Creditors Arrangement Act (the “**CCA**”). Since the Forecast is based on assumptions about future events and conditions that are not ascertainable, the actual results achieved will vary from the Forecast, even if the assumptions materialize, and such variation may be material. There is no representation, warranty or other assurance that any of the estimates, forecasts or projections will be realized.*

The Forecast encompasses the Receipts and Disbursements of the Applicant entities only, encompassing the Li-Cycle Group's Canadian and U.S. operations. The Li-Cycle Group's European and Asian subsidiaries are non-Applicant subsidiaries, are not part of these CCA Proceedings and are not included in the Forecast.

The Forecast is presented in thousands of U.S. dollars.

1) Receipts

Includes collection of existing accounts receivable and sale of on-hand black mass and shredded metal that are anticipated to be collected during the Cash Flow Period.

2) Operating and Holding Costs

Includes security, maintenance, equipment rentals, utilities, insurance, software and IT and other disbursements required to maintain and secure the Applicants' facilities, which are mostly in care and maintenance.

3) Occupancy Costs

Occupancy costs include payments required to occupy the facilities during the Cash Flow Period, including third-party rents, property taxes, and common area maintenance (“**CAM**”) charges. Payment of monthly rents, including property taxes and CAM, are forecast to be paid in equal instalments on the 1st and 15th of each month while the leases remain in effect. Payments due July 15th will be made early in the week ending July 11th to ensure funds clear the bank prior to the due date.

4) Salaries and Benefits

Salaries and Benefits for Canadian and U.S. based employees are forecast to be paid in the normal course. No benefits are included in the forecast in August due to the cancellation of Li-Cycle's policies.

5) Professional Fees

Includes payments to Applicants' Canadian and U.S. legal counsel, the Monitor, the Monitor's Canadian and U.S. counsel, the Applicants' Financial Advisor, the CRO, the CFO, senior advisors and other professionals.

6) APAC Intercompany Settlement

Li-Cycle is required to pay personnel costs to the Asian subsidiaries in respect of personnel providing services to the Applicants and the broader Li-Cycle Group.

7) Wind-Down Reserve

Represents a reserve of \$500,000 intended to be used to wind down the Restructuring Proceedings.

8) DIP Facility Draw

Represents the draws during the Cash Flow Period of approximately \$6.8 million under the DIP Facility based on the anticipated cash requirements of the Applicants and the minimum unrestricted cash of \$0.5 million required by the DIP Term Sheet. These amounts exclude draws on the European portion of the DIP Facility that would be drawn by Holdings and advanced to the European Parent or German Spoke.

9) DIP Interest

DIP interest is forecast based on projected draws under the DIP Facility by the Applicants.

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED AND IN THE MATTER OF A PROPOSED PLAN OF COMPROMISE OR ARRANGEMENT WITH RESPECT TO LI-CYCLE HOLDINGS CORP. ET AL.

Court File No. CV-25-00743053-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

Proceeding Commenced at Toronto

FOURTH REPORT OF THE MONITOR

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Counsel for Alvarez & Marsal Canada Inc.,
solely in its capacity as Monitor of Li-Cycle
Holdings Corp. et al. and in no other capacity