

**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.

Applicants

**FACTUM OF THE APPLICANT
(Stay Extension)
(Returnable July 7, 2025)**

July 2, 2025

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**FACTUM OF THE APPLICANTS
(Stay Extension)
(Returnable July 7, 2025)**

1. The Applicants bring this motion seeking an extension of the Stay Period until and including July 14, 2025 (the “**Requested Stay Extension Period**”).¹
2. The Applicants have conducted both the SISP and the Priority Claims and Cure Amounts Procedure (defined below). On June 30, 2025, the Stalking Horse Bidder was selected as the Successful Bid in the SISP and three Bids were selected as Back-Up Bids, subject to Court approval.²

¹ Capitalized terms used and not defined in this factum have the meanings given to them in the Affidavit of William E. Aziz sworn July 1, 2025 (“**Aziz Affidavit**”), Motion Record of the Applicants dated July 1, 2025 (“**Motion Record**”), Tab 2.

² Aziz Affidavit at paras. 6-7, Motion Record, Tab 2.

3. The Applicants have booked a further motion on July 14, 2025. The Applicants are seeking a short one-week stay extension to prepare materials, engage in further discussions with stakeholders and provide adequate notice of their motion to approve a transaction with the Stalking Horse Bidder and seek any necessary ancillary relief which will be sought on July 14, 2025.³

4. Section 11.02(2) of the *Companies' Creditors Arrangement Act* ("CCAA") gives the court the discretion to grant or extend a stay of proceedings, "for any period that the court considers necessary."⁴

5. Pursuant to section 11.02(3) of the CCAA, to exercise its discretion to extend the stay of proceedings, the court must be satisfied that:

- (a) circumstances exist that make the order appropriate; and
- (b) the applicant has acted, and is acting, in good faith and with due diligence during the CCAA proceedings.⁵

6. The court will also consider, among other factors, whether the debtor company has sufficient available cash resources during the proposed extension of the Stay Period, and whether the Monitor supports the requested stay extension.⁶

³ Aziz Affidavit at para. 7, Motion Record, Tab 2.

⁴ *Companies' Creditors Arrangement Act*, RSC 1985, c. C-36, s. 11.02(2).

⁵ *U.S. Steel Canada Inc., Re*, [2016 ONSC 3106](#) at para. 2; *9354-9186 Québec Inc v Callidus Capital Corp*, [2020 SCC 10](#) at para. 49.

⁶ *Canwest Global Communications Corp. (Re.)*, [2009 CanLII 63368](#) at para. 43 (SCJ).

7. The short Requested Stay Extension Period is necessary and appropriate and will further the purpose of the CCAA, as it will, among other things, facilitate a more orderly and efficient approval hearing. The SISP Order contemplated that the Applicants, in consultation with the Monitor and the Stalking Horse Bidder, could reschedule the approval motion on notice to the service list.⁷

8. The Applicants have acted in good faith and with due diligence over the course of the CCAA Proceedings, including by, among other things:

(a) carrying out, with the assistance of Alvarez & Marsal Corporate Securities ULC (the “**Financial Advisor**”) and in consultation with Alvarez & Marsal Canada Inc. in its capacity as the monitor of the Applicants (the “**Monitor**”) and Glencore Canada Corporation (the “**Stalking Horse Bidder**”), the stalking horse sale process for the property and business of the Applicants (the “**SISP**”) that was approved by this Court in an order dated May 22, 2025 (the “**SISP Order**”);

(b) carrying out, with the assistance of the Monitor, the procedures for the identification and resolution of Priority Claims and the procedures for the identification and resolution of Cure Amounts under certain Assumed Contracts (the “**Priority Claims and Cure Amounts Procedures**”) that were approved by this Court in an order dated June 9, 2025 (the “**Priority Claims and Cure**

⁷ Aziz Affidavit at para. 7, Motion Record, Tab 2.

Amounts Procedure Order” and each capitalized term in this subparagraph is as defined in that Order);

- (c) continuing to operate the business in accordance with the Initial Order;
- (d) providing reporting and information to, and engaging in discussions with, Glencore International AG (the “**DIP Lender**”);
- (e) meeting with and providing business updates and information to the Monitor; and
- (f) communicating with their various stakeholders, including employees, suppliers, customers, regulators and creditors to provide information and answer questions about these CCAA Proceedings.⁸

9. The Applicants are therefore seeking a short extension of the Stay Period of a week until and including July 14, 2025. The Applicants are projected to have adequate liquidity to fund their remaining operations and activities during this short stay extension.⁹

10. The Monitor, the DIP Lender and the Stalking Horse Bidder support the requested stay extension.¹⁰ No other creditor will be materially prejudiced by the proposed extension of the Stay Period.¹¹

⁸ Aziz Affidavit at para. 5, Motion Record, Tab 2.

⁹ Aziz Affidavit at para. 8, Motion Record, Tab 2.

¹⁰ Aziz Affidavit at para. 9, Motion Record, Tab 2.

¹¹ Aziz Affidavit at para. 10, Motion Record, Tab 2.

11. Accordingly, it is appropriate for the Court to grant the Requested Stay Extension Period until and including July 14, 2025.

ALL OF WHICH IS RESPECTFULLY SUBMITTED this 2nd day of July, 2025.

A handwritten signature in black ink, appearing to be 'J. McCarthy', is written above a horizontal line.

McCarthy Tétrault LLP
Lawyers for the Applicants

**SCHEDULE “A”
LIST OF AUTHORITIES**

Jurisprudence

1. *U.S. Steel Canada Inc., Re*, [2016 ONSC 3106](#)
2. *9354-9186 Québec Inc v Callidus Capital Corp*, [2020 SCC 10](#)
3. *Canwest Global Communications Corp. (Re.)*, [2009 CanLII 63368](#) (SCJ)

**SCHEDULE “B”
RELEVANT STATUTES**

Companies' Creditors Arrangement Act, RSC 1985, c C-36

General power of court

11 Despite anything in the *Bankruptcy and Insolvency Act* or the *Winding-up and Restructuring Act*, if an application is made under this Act in respect of a debtor company, the court, on the application of any person interested in the matter, may, subject to the restrictions set out in this Act, on notice to any other person or without notice as it may see fit, make any order that it considers appropriate in the circumstances.

Stays, etc. — other than initial application

11.02 (2) A court may, on an application in respect of a debtor company other than an initial application, make an order, on any terms that it may impose,

- (a) staying, until otherwise ordered by the court, for any period that the court considers necessary, all proceedings taken or that might be taken in respect of the company under an Act referred to in paragraph (1)(a);
- (b) restraining, until otherwise ordered by the court, further proceedings in any action, suit or proceeding against the company; and
- (c) prohibiting, until otherwise ordered by the court, the commencement of any action, suit or proceeding against the company.

Burden of proof on application

(3) The court shall not make the order unless

- (a) the applicant satisfies the court that circumstances exist that make the order appropriate; and
- (b) in the case of an order under subsection (2), the applicant also satisfies the court that the applicant has acted, and is acting, in good faith and with due diligence.

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

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

Proceeding Commenced at Toronto

FACTUM

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