

Electra signs Battery Recycling and Cobalt Supply Agreement with Marubeni

TORONTO, ON – (January 19, 2022) - **Electra Battery Materials Corporation (TSX-V: ELBM; OTCQX: ELBMF)** (“Electra”) is pleased to announce that it has signed a battery recycling and cobalt sulfate supply agreement with Japanese conglomerate Marubeni Corporation (“Marubeni”).

HIGHLIGHTS

- Memorandum of understanding encompasses sourcing of black mass derived from recycled lithium-ion batteries for Electra’s Canadian refinery and marketing of Electra’s cobalt sulfate in Japan
- Marubeni’s wide network of battery recyclers in Asia and elsewhere will assist in the sourcing of lithium-ion battery material for Electra’s hydrometallurgical recycling operation in Ontario, Canada
- Electra intends to market a portion of its cobalt production into existing lithium-ion battery supply chains in Japan that are serving the North American market, as the Company develops its domestic Battery Materials Park
- Electra is on track to commission its near-zero carbon cobalt refinery in late 2022, positioning the Company as the only producer of battery grade cobalt in North America

With this agreement, Electra and Marubeni are committing to providing electric vehicle manufacturers and battery cell makers with high-quality, low carbon and traceable battery materials.

Electra will benefit from Marubeni’s expansive network of battery cell recyclers worldwide to secure a stable source of black mass and other recyclable materials for the Company’s recycling operation, which is slated for commissioning in 2023. Electra will also leverage Marubeni’s strong presence in Japan and Asia as a preferred facilitator of battery raw material flows into the regional EV supply chain.

Electra remains on track to commission its near-zero carbon cobalt refinery in late 2022, positioning the Company as the only producer of battery grade cobalt in North America. The cobalt facility is the first of a four-phased project that will result in North America’s only integrated battery materials park, refining cobalt, nickel and black mass and converting the material into cathode precursor material for lithium-ion batteries.

“Marketing a portion of our cobalt production in Japan will lay the groundwork for further expansion opportunities as the North American market develops,” said Trent Mell, CEO of Electra. “This partnership with Marubeni reflects the strong demand for North American battery materials as an alternative to legacy supply chains.”

Michael Insulan, VP Commercial at Electra added: “The Japanese lithium-ion battery industry is very well established and will continue to grow. Marubeni’s wide network of industry contacts in the battery cell and materials space, as well as in the recycling community, will help Electra to diversify its black mass sourcing options for our lithium-ion battery recycling operations.”

Incentive Plan Grants

In accordance with the Company's 2021 Long-Term Incentive Plan, the Company has issued 639,959 Deferred Shares Units (DSUs), 205,000 Restricted Share Units (RSUs), 325,000 Performance Share Units (PSUs) and 4,000,935 stock options to Directors, Officers, Employees and Contractors of the Company. Long-term incentive grants are an important retention and incentive tool for key employees, and a mechanism to align interests with shareholders. DSUs vest immediately but may not be exercised until a director or officer ceases to serve the Company. RSUs will vest in three equal tranches and will be settled in shares. PSUs will be subject to achievement of strategic priorities relating to the refinery project and will vest in two equal tranches, settling in shares. The stock options grant employees the right to purchase common shares of Electra at yesterday's closing price of \$0.30 for a period of five years and vest over a three-year period. All grants are subject to the approval of the TSX Venture Exchange.

About Marubeni Corporation

Marubeni Corporation and its consolidated subsidiaries use their broad business networks, both within Japan and overseas, to conduct importing and exporting (including third country trading), as well as domestic business, encompassing a diverse range of business activities across wide-ranging fields including lifestyle, ICT & real estate business, forest products, food, agri business, chemicals, energy, metals & mineral resources, power business, infrastructure project, aerospace & ship, finance & leasing business, construction, industrial machinery & mobility, and next generation business development.

About Electra Battery Materials

Electra is building North America's only fully integrated, localized and environmentally sustainable battery materials park. Leveraging the Company's own mining assets and business partners, the Electra Battery Materials Park will host cobalt and nickel sulfate production plants, a large-scale lithium-ion battery recycling facility, and battery precursor materials production, which will serve both North American and global customers. Electra also owns the advanced exploration-stage Iron Creek cobalt-copper project in Idaho, USA. Electra Battery Materials is an integral part of the North American battery supply chain, providing low-carbon, sustainable and traceable raw materials for the region's fast growing electric vehicle industry.

On behalf of Electra Battery Materials.

Trent Mell
Chief Executive Officer

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"occur" or "be achieved". Forward-looking statements involve risks, uncertainties and other factors that could cause actual results, performance, and opportunities to differ materially from those implied by such forward-looking statements. Factors that could cause actual results to differ materially from these forward-looking statements are set forth in the management discussion and analysis and other disclosures of risk factors for Electra Battery Materials Corporation, filed on SEDAR at www.sedar.com. Although Electra Battery Materials Corporation believes that the information and assumptions used in preparing the forward-looking statements are reasonable, undue reliance should not be placed on these statements, which only apply as of the date of this news release, and no assurance can be given that such events will occur in the disclosed times frames or at all. Except where required by applicable law, Electra Battery Materials Corporation disclaims any intention or obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.