



New Flyer and Li-Cycle team up to complete heavy-duty lithium-ion battery recycling pilot

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Initial pilot sustainably recycles over 3,200 lbs of lithium-ion batteries; closing the loop and recovering critical battery materials from electric bus batteries

Winnipeg, Manitoba, Canada – January 8, 2021: (TSX: NFI) New Flyer Industries Canada ULC and New Flyer of America Inc. (together “New Flyer”), subsidiaries of NFI Group Inc. (“NFI”), one of the world’s leading independent global bus manufacturers, today announced the successful completion of a battery recycling pilot with North America’s largest lithium-ion battery recycler, Li-Cycle Corporation (“Li-Cycle”).

Li-Cycle offers a proprietary, closed loop lithium-ion battery resource recovery service producing minimal solid waste, and zero liquid and air emissions that can sustainably produce battery grade lithium, cobalt, and nickel products. The pilot is Li-Cycle’s first program in the heavy duty vehicle space.

New Flyer provided Li-Cycle with 45 end-of-life lithium-ion battery modules (used for research and development) totaling 3,200 pounds to be processed at Li-Cycle’s Spoke facility and turned into black mass, which is then further refined to recover critical materials such as nickel and cobalt.

“As our customers transition to zero-emission mobility, they do so with a focus on cradle to grave sustainability. The demand for battery recycling is growing, so too is the desire to lessen environmental impact on our communities. Our pilot with Li-Cycle is delivering just this and we are optimistic in offering battery recycling in future,” said Chris Stoddart, President, New Flyer and MCI. “We’re committed to providing sustainable mobility solutions from procurement through vehicle retirement. Working with Li-Cycle delivers a triple sustainability benefit: we recover critical resources and divert them from landfills, provide them for re-use in the battery supply chain, and do so through Li-Cycle’s proprietary clean recycling process that minimizes impact to surrounding environments.”

Li-Cycle’s patented Spoke & Hub technologies recover an impressive 95% of all lithium-ion battery materials – extracting high-grade materials for battery reproduction, at a cost lower than mined and refined material. Key differentiators of the Spoke & Hub model include an automated process at Spoke facilities where batteries are received in any state of charge and are mechanically shredded with no sorting, dismantling, discharging, or thermal processing needed. Patented Li-Cycle Hub technology then intakes the black mass produced at Spoke plants, processes the materials hydrometallurgically, and outputs high-purity battery chemicals to be redirected to the lithium-ion battery supply chain and broader economy.

Li-Cycle’s technology sets it apart from most other recycling facilities which use thermal processes to recover only a portion of the materials present in spent batteries. This approach only recaptures half the contents, as the lithium is lost, going up smokestacks and leading to further emissions. Li-Cycle’s wet-chemistry process requires lower energy consumption than traditional high temperature processes and is fully sustainable with no solid or liquid waste and zero impact air emissions.

“We are thrilled to work with New Flyer in spearheading closed-loop resource recovery of electric bus batteries. As of 2019, approximately 425,000 of the world’s buses are electric, and our goal is to support the growth of electrification with solutions to end-of-life challenges associated with lithium-ion batteries,” said Kunal Phalpher, Chief Commercial Officer, Li-Cycle. “This pilot program demonstrates how Li-Cycle is supporting the transition to sustainable transport, serving the dual purpose of reducing hazardous waste while recovering critical materials so they can be reintroduced into the supply chain. We are excited to work with New Flyer in closing the loop for electric bus products.”

New Flyer and Li-Cycle are both members of CALSTART, an international nonprofit dedicated to accelerating the pace of clean technology and the adoption of clean transportation.

Li-Cycle provides sustainable and safe customer centric solutions and technology to solve the global end of lifecycle lithium-ion battery opportunities, while meeting the rapidly growing demand for critical battery materials. Li-Cycle has won multiple industry awards for their innovative technology including the 2020 and 2021 Global Cleantech 100, the 2019 CV Energy Innovation Awards, and Li-Cycle’s Ajay Kochhar was named an Honouree of Canada’s prestigious Clean16 sustainable leaders list for 2020 alongside New Flyer’s own Jennifer McNeill. Li-Cycle currently operates two Spoke facilities across North America located in Kingston, Ontario, Canada and Rochester, NY, USA. For more information visit li-cycle.com.

New Flyer has been leading innovation in mobility for 90 years, and today supports growing North American cities with sustainable buses, technology, and infrastructure. It also operates the Vehicle Innovation Center, the first and only innovation lab of its kind dedicated to advancing bus and motor coach technology and providing essential workforce development through electric bus training, now available online. New Flyer is testing automated vehicle technology and remains committed to the development of technology standards that deliver safe, clean, sustainable, connected mobility options to communities.

About NFI

Leveraging 450 years of combined experience, NFI is leading the electrification of mass mobility around the world. With zero-emission buses and coaches, infrastructure, and technology, NFI meets today’s urban demands for scalable smart mobility solutions. Together, NFI is enabling more livable cities through connected, clean, and sustainable transportation.

With 8,000 team members in ten countries, NFI is a leading global bus manufacturer of mass mobility solutions under the brands New Flyer® (heavy-duty transit buses), MCI® (motor coaches), Alexander Dennis Limited (single and double-deck buses), Plaxton (motor coaches), ARBOC® (low-floor cutaway and medium-duty buses), and NFI Parts™. NFI currently offers the widest range of sustainable drive systems available, including zero-emission electric (trolley, battery, and fuel cell), natural gas, electric hybrid, and clean diesel. In total, NFI supports its installed base of over 105,000 buses and coaches around the world. NFI common shares are traded on the Toronto Stock Exchange under the symbol NFI. News and information is available at www.nfigroup.com, www.newflyer.com, www.mcicoach.com, www.arbocsv.com, www.alexander-dennis.com,

and www.nfi.parts.

About New Flyer

New Flyer is North America's heavy-duty transit bus leader and offers the most advanced product line under the Xcelsior[®] and Xcelsior CHARGE[™] brands. It also offers infrastructure development through New Flyer Infrastructure Solutions[™], a service dedicated to providing safe, sustainable, and reliable charging and mobility solutions. New Flyer actively supports over 35,000 heavy-duty transit buses (New Flyer, NABI, and Orion) currently in service, of which 8,600 are powered by electric motors and battery propulsion and 1,900 are zero-emission. Further information is available at www.newflyer.com.

Forward-Looking Statements

This press release may contain forward-looking statements relating to expected future events and financial and operating results of NFI Group that involve risks and uncertainties. Although the forward-looking statements contained in this press release are based upon what management believes to be reasonable assumptions, investors cannot be assured that actual results will be consistent with these forward-looking statements, and the differences may be material. Actual results may differ materially from management expectations as projected in such forward-looking statements for a variety of reasons, including market and general economic conditions and economic conditions of and funding availability for customers to purchase buses and to purchase parts or services, customers may not exercise options to purchase additional buses, the ability of customers to suspend or terminate contracts for convenience and the other risks and uncertainties discussed in the materials filed with the Canadian securities regulatory authorities and available on SEDAR at www.sedar.com. Due to the potential impact of these factors, the NFI Group disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, unless required by applicable law.

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