



ELECTRA BATTERY MATERIALS CORPORATION

DISCLOSURE POLICY

Adopted APRIL 8, 2022

This disclosure policy (this “**Disclosure Policy**”) has been adopted by the board of directors (the “**Board**”) of Electra Battery Materials Corporation (the “**Company**”).

I. PURPOSE

As a publicly traded company, the Company will be subject to securities legislation and reporting public obligations in both the United States and Canada. We have adopted this Disclosure Policy to ensure that our external communications are timely, accurate, complete and broadly distributed in compliance with all applicable legal and regulatory requirements.

The purpose of this Disclosure Policy is to comply with selective disclosure laws. Selective disclosure laws require that Material Information (as defined below) about the Company be disclosed broadly to the public and not to selected individuals. Selective disclosure occurs when a company discloses non-public Material Information to one or more individuals or companies before it broadly discloses the information to the investing public. Subject to certain limited exceptions, securities laws and regulations and stock exchange rules generally require immediate disclosure of all non-public Material Information.

Violating these laws could subject the Company to civil and criminal penalties, is unfair to investors and may damage the Company’s reputation as a public company. See the Insider Trading Policy for further detail.

The Chief Financial Officer, or such other person as may from time to time be determined by resolution of the Board (such person, the “**Disclosure Official**”), has the overall responsibility for the administration of this Disclosure Policy. It is the responsibility of the Disclosure Official to determine if, when and how to disclose Material Information related to the Company. The Disclosure Official, in conjunction with management and consistent with this Disclosure Policy, will make sure that non-public Material Information is publicly disclosed via press release forthwith upon either the Material Information becoming known to the Company, or upon it becoming apparent that the information is Material Information.

II. APPLICATION

The Disclosure Policy applies to all external disclosures or communications in any form, written or oral, including:

- information disclosed on the Company website or on the Company’s social media channels;

- information disclosed on personal social media or blog postings;
- information disclosed in press releases, mass emails or letters to shareholders; and
- oral statements made in media interviews, speeches or conference presentations, or in meetings, conversations and conference calls with analysts and investors or presentations at investor or industry conferences.

Who does this Disclosure Policy apply to?

This Disclosure Policy applies to all Company directors, officers, employees and other personnel that the Company may determine should be subject to this Disclosure Policy, such as contractors or consultants, anyone authorized to speak on behalf of the Company and any other person or company in a “**special relationship**” with the Company.

People or entities in a special relationship with the Company include, among others:

- directors, officers or employees of the Company;
- insiders (as defined under Canadian securities laws) of the Company (for example, directors, executive officers or shareholders holding, directly or indirectly, >10% of shares);
- people or entities engaging in professional or business activities with or on our behalf; and
- anyone who learns of non-public Material Information and knows or should know that the person who communicated the information is in a special relationship with the Company.

What is Material Information?

Material Information means:

- any fact that significantly affects, or would reasonably be expected to have a significant effect on, the market price or value of an issuer’s securities;
- information if there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision;
- information that would significantly alter the total mix of information available to investors;
- material changes, meaning any change in the business, operations or capital of the Company that would reasonably be expected to have a significant effect on the market price or value of the Company’s securities; and
- if the Board or executive team has made a decision to implement a material change – even if the change has not yet occurred – the decision itself would be Material Information.

Either good or bad information may be Material Information. Some examples of information that may be considered to be Material Information are listed in Appendix “A” hereto. Designated spokespeople should be cognizant of the fact that the disclosure of Material Information is not limited to express, spoken language. Material information can be conveyed through non-verbal communication, such as through the tone of your voice, emphasis on certain words or even your body language and demeanor, and through “code words” and “winks and nods.”

III. CONFIDENTIALITY

All non-public Material Information shall be kept confidential. Material Information about the Company should be considered non-public unless it has been widely distributed by the Company in a manner making it generally available to investors, such as by issuing a press release or a filing with Canadian securities regulators and/or the U.S. Securities and Exchange Commission.

Only designated spokespeople can speak, write or post on behalf of the Company. If information is widely available but has not been distributed by the Company – for example, an unauthorized article in the media, or someone not related to the Company gives an interview about the Company – that information is considered to be non-public, even if the information is accurate. Any discussions or disclosures of previously non-public Material Information about the Company on social media or anywhere else should be immediately reported to a member of management.

After Material Information has been disclosed by the Company, a reasonable period of time must pass before it is considered to be public. Markets must have an opportunity to react to the information.

Confidential matters should not be discussed – and confidential documents should not be read or displayed – in public places where they may be overheard or viewed, such as elevators, taxis, trains, airplanes, coffee shops or restaurants.

Keep confidential documents, both in hard and soft copy, secure. Hard copies that are discarded should be shredded. In the case of special confidential projects, code names should be used whenever possible.

IV. DESIGNATED SPOKESPEOPLE

Only our designated spokespeople are permitted to speak on our behalf or to disclose non-public Material Information or information related to the Company’s securities.

Who are the Company’s designated spokespeople?

The Board may designate a limited number of designated spokespeople responsible for communications with the media, the general public and the investment community. The designated spokespeople of the Company are the Chief Executive Officer and the Chief Financial Officer.

Officers and employees who are not authorized spokespeople should not speak on the Company’s behalf or discuss non-public Material Information with the news media, industry analysts,

shareholders or the public, including via social media or online communications, without express authorization from the Chief Executive Officer or Chief Financial Officer.

V. DUTIES OF THE DISCLOSURE OFFICIAL

The Disclosure Official will have the following responsibilities and duties regarding external communications and disclosure:

- Implementing and administering this Disclosure Policy.
- Establishing procedures designed to avoid any selective disclosure of Material Information.
- Prior to their public disclosure, reviewing any public disclosure documents of the Company (including annual and interim financial statements and management's discussion and analysis (MD&A), annual reports, annual information forms, information circulars, material change reports, and press releases).
- As required, assessing materiality and approving the content and timing of dissemination of any public disclosure, or determining not to make any such public disclosure if it is not warranted.
- Ensuring that appropriate processes are in place for verifying the accuracy and completeness of documents that are filed with securities regulatory authorities or stock exchanges, or otherwise publicly disseminated or contained in public oral statements.
- Ensuring that if public disclosure requires correction, such as in the case of an inadvertent public disclosure of incorrect or misleading information, such correction is timely and appropriate.
- Approving the designation of spokespeople.
- Ensuring that appropriate processes are in place to monitor the Company's websites and online presence.
- Implementing appropriate safeguards in the event of any impending securities offerings to restrict and monitor all public statements made by or on behalf of the Company during such period.
- Educating directors, officers and appropriate employees about disclosure issues and this Disclosure Policy.
- Monitoring the effectiveness of and compliance with this Disclosure Policy.
- Reviewing and, if necessary, updating this Disclosure Policy to reflect developments and ensure compliance with changing regulatory requirements.

How does the Company determine what is Material Information?

In making decisions regarding whether information is Material Information or not, the Company should consider a number of factors, including, but not limited to, the nature of the information, the state of the business and operations, historical practice of the Company in disclosing information of the same or similar type, the volatility of our publicly traded securities at the relevant time and prevailing market conditions. Announcements of an intention to proceed with a transaction or activity will generally be made when a Board decision has been made to proceed with such transaction or activity. All disclosure by the Company will be factual and balanced. Unfavourable Material Information is to be disclosed as promptly and completely as favourable Material Information.

The Company will use a recognized news wire service that provides simultaneous distribution in North America to distribute press releases. Press releases will then be filed in accordance with applicable laws or exchange rules, and posted on our website. Disclosure documents, such as our financial statements and MD&A and similar documents that the Company is required by law to prepare and disclose, will be filed with the applicable securities regulators and subsequently posted on our website.

Should previously non-public Material Information be selectively disclosed inadvertently, the Company will issue a press release as soon as possible in order to fully disclose the information. If non-public Material Information is inadvertently selectively disclosed or leaked and appears to be affecting trading activity in the Company's securities, the Company will consider taking steps to issue a press release confirming or denying the information that has leaked, including contacting the relevant exchange(s) and asking that trading be halted pending the issuance of a press release.

Whenever possible, press releases containing Material Information should not be issued during trading hours, and should be made at least 30 minutes before trading begins (i.e., by 9:00 a.m. Eastern Standard Time).

How should forward-looking information be treated?

Whenever forward-looking information (as defined in applicable securities laws) is included in any public disclosure, it must be identified as forward-looking and accompanied by appropriate cautionary language that has been approved by legal counsel.

Except as required by law, the Company will not agree to update any forward-looking information, and the Company will not respond to any inquiries or rumors seeking reaffirmation of forward-looking information after the date that the information was originally provided, except by means of an appropriate public disclosure as provided in this Disclosure Policy.

Does the Company comment on rumors or speculation?

The Company's policy is not to comment on rumors or speculation. If a rumor is founded, either in whole or in part, the Company will consider whether to issue a press release to disclose the relevant information. If a market rumor is causing significant volatility or should a stock exchange

request that the Company make a definitive statement in response to a market rumor, the Company will consider the matter and proceed appropriately.

Does the Company comment on external developments outside of the Company?

The Company's policy is not to comment on external developments, such as external political, economic and social developments, unless these developments have had or are reasonably expected to have a direct effect on the Company that is both material to the Company and different from the effect generally experienced by other companies engaged in the same business or industry.

Does the Company observe Quiet Periods regarding the disclosure of Material Information?

The Company will observe a "Quiet Period" commencing on the fifteenth day of the third month of each quarter (i.e., March 15, June 15, September 15 and December 15) and ending at the end of the next full trading day after the day the results of the previous financial quarter are publicly disclosed.

During a Quiet Period, the Company may initiate or participate in meetings, conferences or discussions related to factual matters or non-earnings information, but only if they relate to only publicly available or non-Material Information. During a Quiet Period, the Company will not discuss matters relating to earnings prospects or other financial information.

VI. CONFERENCE CALLS/WEBCASTS

Media and analyst conference calls and webcasts will typically be held in connection with quarterly earnings announcements and major corporate developments, unless the Chief Executive Officer or the Chief Financial Officer determines, after consultation with the Board, that such calls/webcasts are unnecessary.

Whenever possible, the Company will ensure that advance notice of a conference call or webcast is provided by issuing a media advisory announcing the date, time and subject of the call/webcast, and providing information as to how interested parties may access it. The information will also be posted on the Company's website. The Company may send invitations to analysts, institutional investors, the media and others.

VII. ANALYST REPORTS

The Company will not generally review analyst reports before they are issued, however it is permitted to identify publicly disclosed factual information that may affect an analyst's model, or to point out inaccuracies or omissions with reference to publicly available information about the Company. The Company will not redistribute an analyst's report to its employees or to people outside the Company apart from its advisors or people who have a need to know such information. Non-public Material Information shall not be disclosed to analysts under any circumstances.

Only the designated spokespeople may communicate with credit rating agencies, financial institutions and investment banking firms, when required in the necessary course of business.

VIII. PUBLIC ORAL STATEMENTS

To the extent possible and practicable, recordings or transcripts shall be made of public oral statements made by directors, officers or other employees at any media and analyst conference calls, meetings and webcasts.

After any conference call, meeting or webcast, a member of the Board or of management who attended or participated must verify the accuracy of the information disclosed and ensure that no non-public Material Information was disclosed. If any previously non-public Material Information was disclosed, the member of the Board or of management shall immediately report to the Board such inadvertent disclosure as soon as possible.

IX. ENFORCEMENT

Anyone subject to this Disclosure Policy who violates it may face disciplinary action, including termination of his or her relationship with the Company. Violations of this Disclosure Policy may also violate securities laws and stock exchange rules, which may have additional consequences for violators, such as penalties, fines or imprisonment.

The Board may, from time to time, permit departures from the terms hereof, either prospectively or retrospectively, and no provision contained herein is intended to give rise to civil liability to shareholders, competitors, employees or other persons, or to any other liability whatsoever.

APPENDIX “A”

The following are examples of the types of events or information that may be Material Information. This list is not exhaustive and is not a substitute for companies exercising their own judgment in making materiality determinations. In making materiality judgments, it is necessary to take into account a number of factors that cannot be captured in a single bright-line standard or test.

Changes in Corporate Structure

- changes in share ownership that may affect control of the Company
- major reorganizations, amalgamations or mergers
- take-over bids, issuer bids or insider bids

Changes in Capital Structure

- the public or private sale of additional securities
- planned repurchases or redemptions of securities
- planned splits of shares or offerings of warrants or rights to buy shares
- any share consolidation, share exchange or stock dividend
- the possible initiation of a proxy fight
- material modifications to rights of security holders

Changes in Financial Results

- a significant increase or decrease in earnings
- unexpected changes in the financial results for any periods
- shifts in financial circumstances, such as cash flow reductions, major asset write-offs or write-downs
- changes in the value or composition of the Company’s assets
- any material change in the Company’s accounting policy

Changes in Business and Operations

- any development that affects the Company’s products or markets
- a significant change in capital investment plans or corporate objectives
- government inspections
- significant new contracts, products or patents or significant losses of contracts or business

- changes to the board of directors or executive management
- the commencement of, or developments in, material legal proceedings or regulatory matters
- waivers of corporate ethics and conduct rules for directors, officers and other key employees
- any notice that reliance on a prior audit is no longer permissible
- de-listing of the Company's securities or their movement from one quotation system or exchange to another
- a cybersecurity incident or risk that may adversely impact the Company's business, reputation or share value

Transactions

- significant acquisitions or dispositions of assets, property or joint venture interest
- acquisitions of other companies, including a take-over bid, or merger with, another company
- partnerships and collaborations; co-marketing and co-promotion agreements; acquisitions or other business combinations and strategic equity investments

Changes in Credit Arrangements

- the borrowing or lending of a significant amount of money
- any mortgaging or encumbering of the Company's assets
- defaults under debt obligations, agreements to restructure debt or planned enforcement procedures by a bank or any other creditors
- changes in rating agency decisions
- significant new credit arrangements