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THE NAME IN NICKEL

Fourth Quarter and 2016 Results

February 17, 2017

Forward-looking statements

This presentation contains certain forward-looking statements. Forward-looking statements can generally be identified by the use of statements that include such words as “believe”, “expect”, “anticipate”, “intend”, “plan”, “forecast”, “likely”, “may”, “will”, “could”, “should”, “suspect”, “outlook”, “potential”, “projected”, “continue” or other similar words or phrases. Specifically, forward-looking statements in this document include, but are not limited to guidance and certain expectations about capital costs and expenditures; production volumes; capital project completion and ramp up dates; future price of key commodities; sales volumes; revenue, costs, and earnings; sufficiency of working capital and capital project funding; results of on-going discussions regarding the partnership structure and future financing arrangements at the Ambatovy Joint Venture; results of discussions regarding timing of ongoing Cuban payments; completion of development and exploration wells; and amounts of certain joint venture commitments.

Forward-looking statements are not based on historic facts, but rather on current expectations, assumptions and projections about future events. By their nature, forward-looking statements require the Corporation to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that predictions, forecasts, conclusions or projections will not prove to be accurate, that those assumptions may not be correct and that actual results may differ materially from such predictions, forecasts, conclusions or projections.

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The Corporation may, from time to time, make oral forward-looking statements. The Corporation advises that the above paragraph and the risk factors described in this presentation and in the Corporation’s other documents filed with the Canadian securities authorities should be read for a description of certain factors that could cause the actual results of the Corporation to differ materially from those in the oral forward-looking statements. The forward-looking information and statements contained in this presentation are made as of the date hereof and the Corporation undertakes no obligation to update publicly or revise any oral or written forward-looking information or statements, whether as a result of new information, future events or otherwise, except as required by applicable securities laws. The forward-looking information and statements contained herein are expressly qualified in their entirety by this cautionary statement.

Non-GAAP Measures

Management uses combined results, Adjusted EBITDA, average-realized price, unit operating cost, adjusted earnings, adjusted operating cash flow per share, free cash flow and Net Investment in Ambatovy to monitor the financial performance of the Corporation and its operating divisions and believes these measures enable investors and analysts to compare the Corporation’s financial performance with its competitors and evaluate the results of its underlying business. These measures do not have a standard definition under IFRS and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. As these measures do not have a standardized meaning, they may not be comparable to similar measures provided by other companies.

Q4 and 2016 full year highlights - Selected growth investments in a challenging environment

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Key highlights

- Improvements to unit operating costs
- Lower capex (US$75 million) and 2016 combined free cash flow of ($112) million down 13% from 2015, despite a larger average drop in nickel and oil prices

Timeline

2016 — **2017**

February — July — August — October

Debenture extension (July)

Repayment of $35 million line of credit (February)

Ambatovy principal payment deferrals (August)

Block 10 drilling (August)

Acid plant completed (October)

Repaid $65.7 million of loans and borrowings, with the first public maturity date extended to 2021

Ambatovy negotiations progressed from principal payment deferrals on the senior project debt to end stages of "40 for 12" partner negotiations

Block 10 drilling in progress, first results expected in Q1 2017

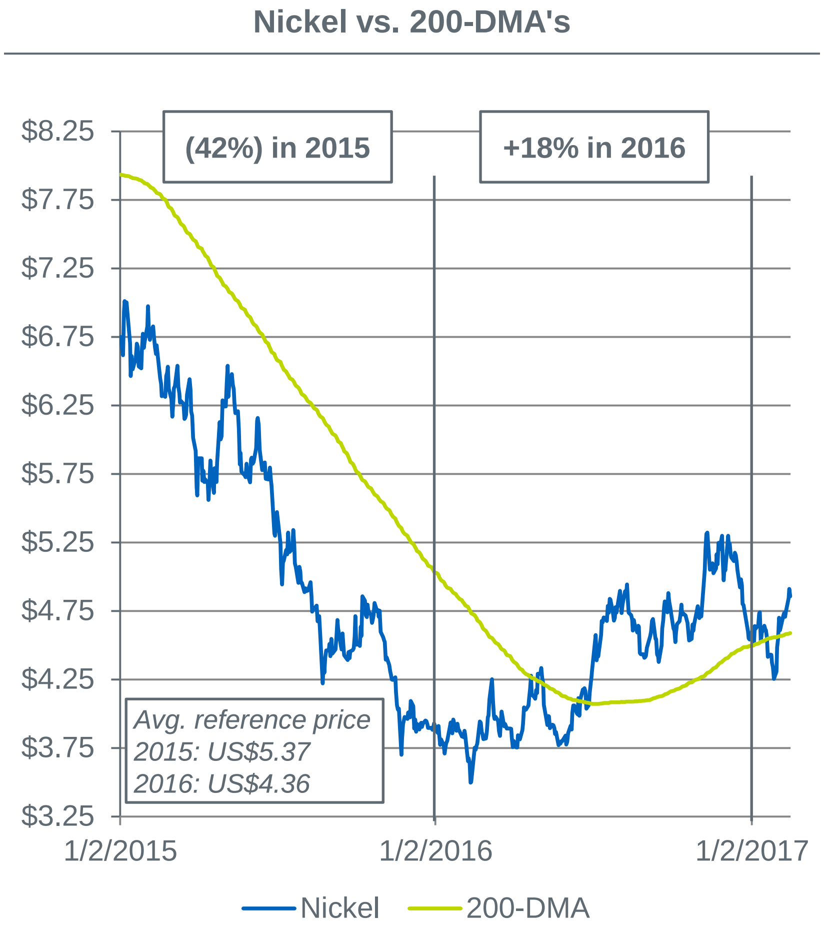
Moa third acid plant completed and operational, the first major construction project at Moa since 2009

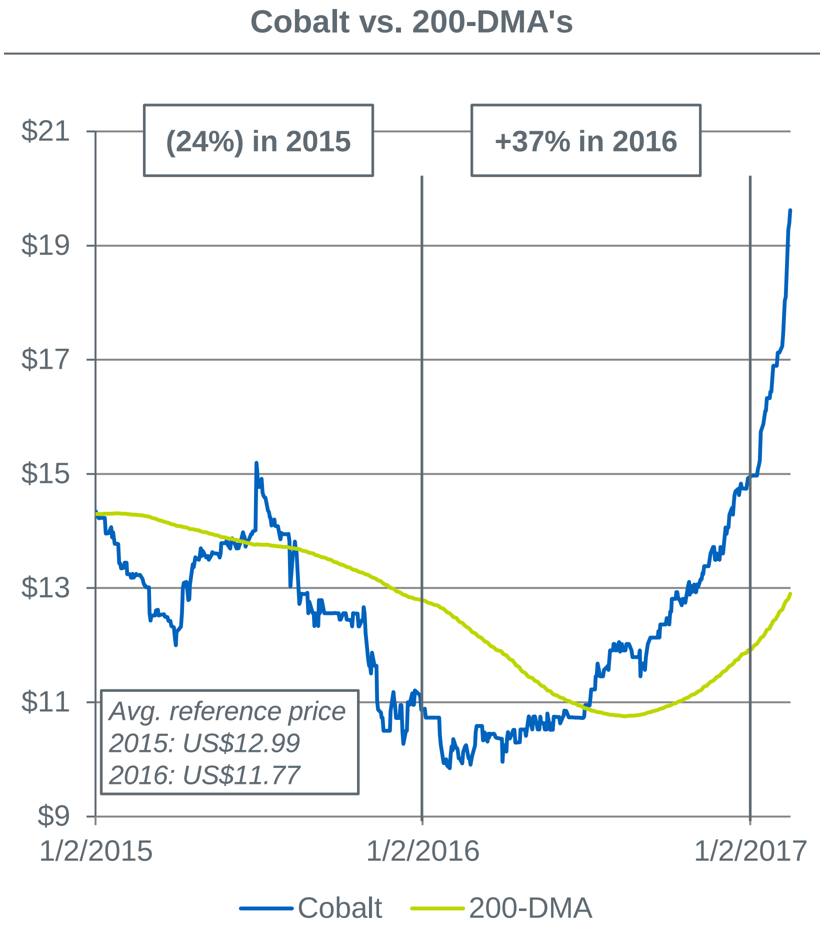
Positive impact on Moa NDCC

Growth / investment

Liquidity management

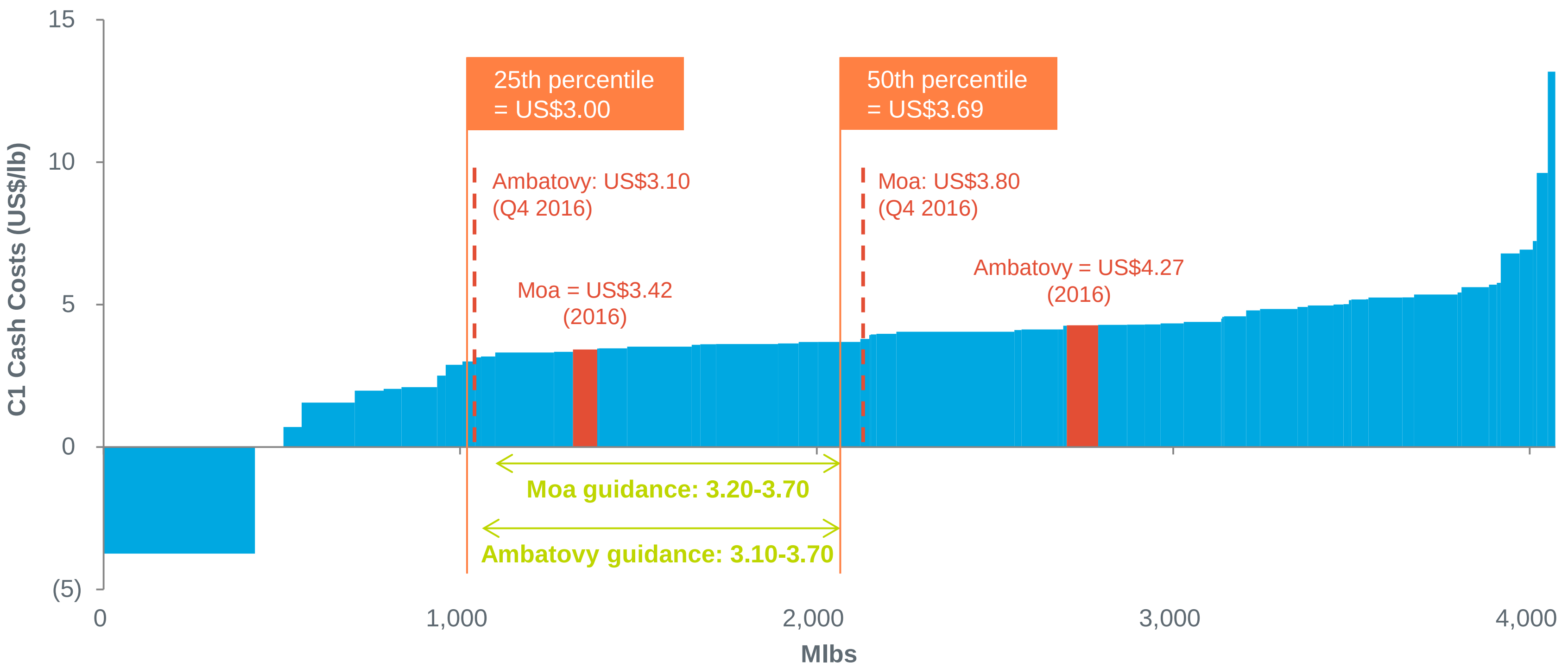
After making multi year lows in Q1 2016 Nickel +18% and cobalt +37% in 2016





Nickel cash cost curve

2016 Nickel industry, normal C1 cash cost grouped by operation and ranked by cash cost (C1) existing operations and base case

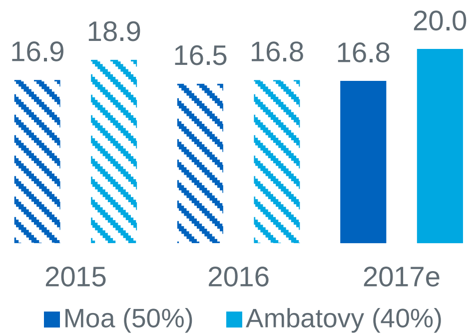


Source: Wood Mackenzie, Dataset: Q4 2016

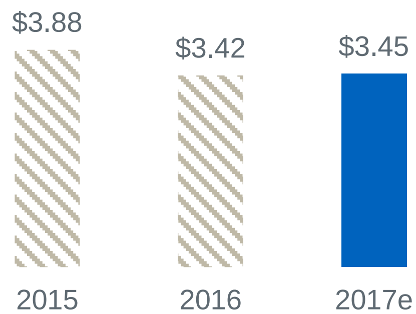
FOURTH QUARTER AND FULL YEAR RESULTS

Metals highlights

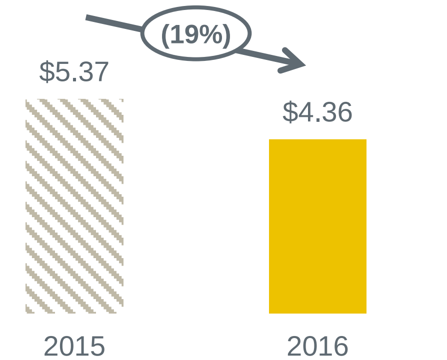
Nickel production (k tonnes)



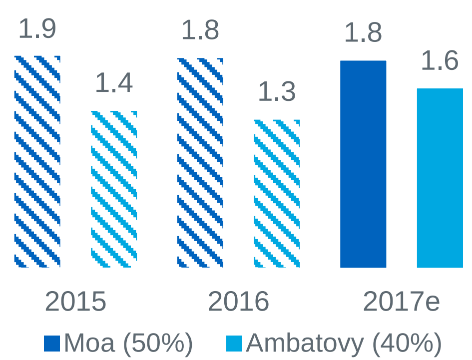
Moa: NDCC



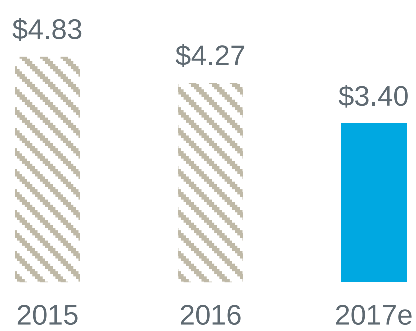
Avg. reference price: nickel (US$)



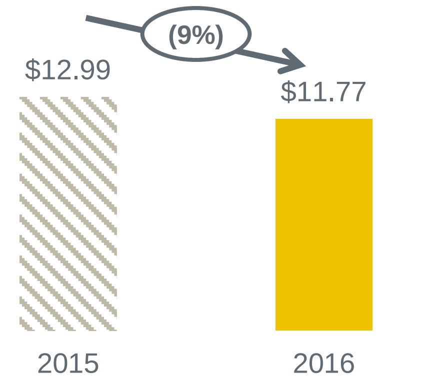
Cobalt production (k tonnes)



Ambatovy: NDCC



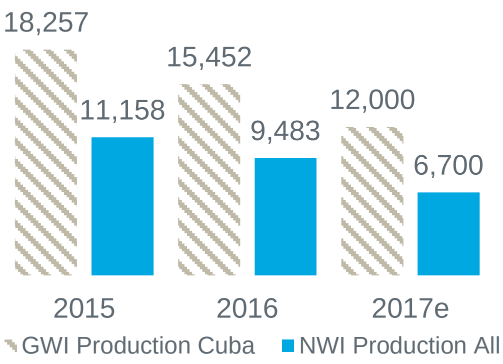
Avg. reference price: cobalt (US$)



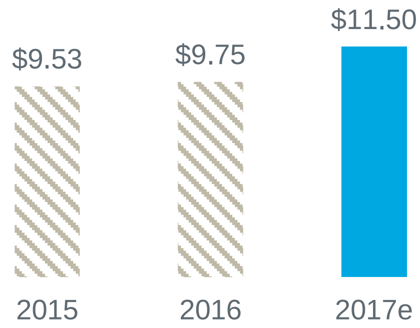
Note: 2017e data represent the mid points of 2017 guidance

Oil & Gas and Power highlights

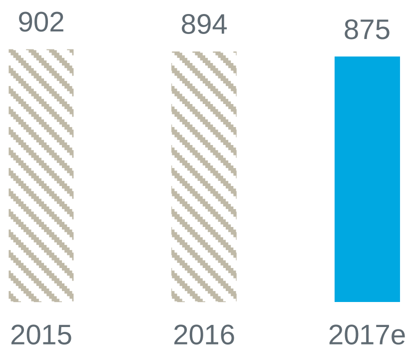
Oil: Cuba GWI and total NWI



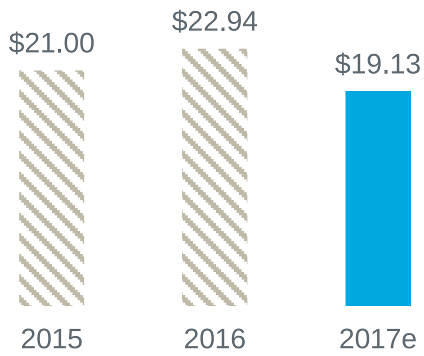
Oil: Cuba unit operating costs



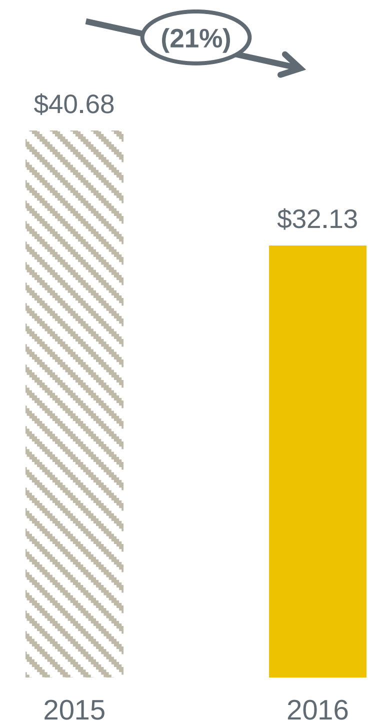
Power (33$^{1/3}$% basis) GWh



Power: unit operating costs



Avg. reference price Fuel Oil No. 6 (US$)



Note: 2017e data represent the mid points of 2017 guidance

Operational excellence and organizational effectiveness

Operational excellence program

- Initial deployment at Moa JV in 2016, followed by deployment at Ambatovy in 2017
- Transformation employing Lean Thinking methodology to eliminate waste and solve problems
- Involvement at all levels of the organization to generate continuous improvement sustainably
- 5S+Safety deployment at Moa JV to install visual management of workplace Safety and Productivity
- Significant improvements in Safety, Production Quality, and Cost

Organizational effectiveness

- Foster a culture of continuous improvement, that recognizes employees for making problems visible
- Optimize organization design and HR management systems, reducing capability gaps and removing non-value add work
- Increase focus on Diversity and Inclusion

Two-pronged approach:

STRATEGY
Top-down

Strategic alignment

Current state base line

Future state design

Improvement roadmap

EXECUTION
Bottom-up

Waste elimination

Root cause analysis

Workplace organization (5S)

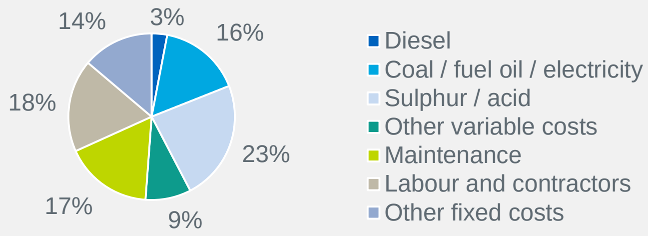
Standard work

FINANCIAL HIGHLIGHTS

NDCC drivers for Moa and Ambatovy

Moa

2016 mining, processing and refining costs



Other key drivers of NDCC

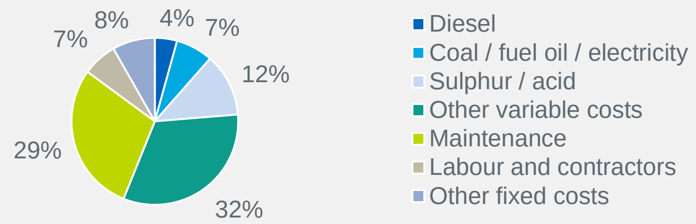
- Third party feed usage and cobalt and fertilizer credit

2017 NDCC guidance

- US$3.20-3.70/lb

Ambatovy

2016 mining, processing and refining costs



Other key drivers of NDCC

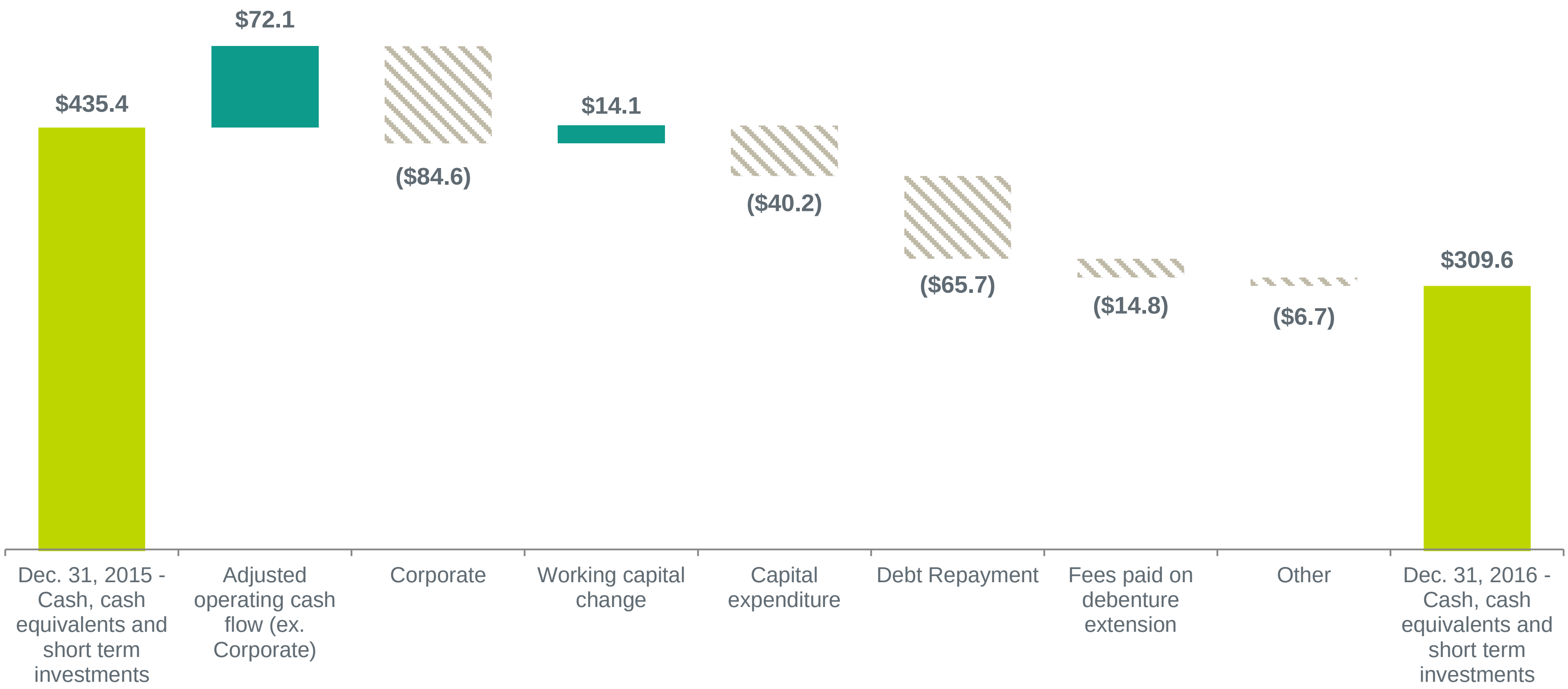
- Progress toward full capacity

2017 NDCC guidance

- US$3.10-3.70/lb

Balance sheet cash from Dec. 31, 2015 to Dec. 31, 2016

In million of dollars



2017 capital expenditure guidance - higher spending on capital due to the Oil and Gas growth plan

US$ millions / ($ millions)	2016 guidance	2016 actual	2017 guidance
Metals – Moa JV (50% basis), Fort Site (100% basis)	US$38	US$25 (33)	US$28 (38)
Metals – Ambatovy JV (40% basis)	US$25	US$25 (33)	US$45 (61)
Oil and Gas	US$27	US$20 (26)	US$55 (73)
Power (331/3% basis)	US$1	US$1 (1)	US$1 (2)
Power (331/3% basis) Pipeline Construction	US$4	US$4 (5)	-
Total capex	US$95	US$75 (98)	US$129 (173)

Metals

- Lower capital spending at Moa, which is consistent with 2016 levels excluding the acid plant, is offset by higher spending at Ambatovy required for additional mining fleet equipment and mine development works

Oil and Gas

- Completion of the first Block 10 well and the drilling of a second well (US$25 million),
- Equipment to support drilling in Block 10 (US$18 million)
- Shooting of seismic on Block 8A (US$7 million), which was deferred in 2016 but is required to satisfy the commitment expenditure on the block

KEY TAKEAWAYS

Strategic priorities

2016/17 strategic priorities	Status at Dec 31, 2016
Focusing on core nickel business	• Full year NDCC of US$3.42/lb at Moa, and US$4.27/lb at Ambatovy is a reduction at both divisions • Acid plant construction completed on time and under budget, and now in operation • In Q4, NDCC at Ambatovy was US$3.10/lb
Extending the life of Cuban energy business	• Oil production better than expected, strong free cash flow generation • Drilling on Block 10 started in Q3, results will dictate next steps
Maintaining strong balance sheet and reducing costs	• Cash position of $310M as at December 31, 2016 • 3-year extension of the maturity on all outstanding notes • Deferral on six Ambatovy principal payments • Non-funding for Ambatovy due to “40 for 12” issue

Key takeaways

- $310 million in cash and short-term investments, and no debt maturity before Q4 2021
- A long operating track record through all phases of the cycle
- The largest and best established foreign mining and energy business in Cuba

Nearing the end stages of Ambatovy negotiations and expecting Block 10 drill results

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