

SHERRITT

2018 INVESTOR DAY

Welcome to Fort Saskatchewan

May 30, 2018

sherritt

Today's presenters



David Pathe
President and CEO



Andrew Snowden
Chief Financial Officer



Steve Wood
Chief Operating Officer



Elvin Saruk
*Senior Vice President
Oil & Gas / Power*



John Marsh
Director, Technologies Projects



Lyle Trytten
GM of Sustainability

Today's agenda

- Strategy & Outlook
 - Financial Discussion
 - Review of Operations
 - Oil and Gas Outlook
 - Technologies Development
 - History of Fort Site & Site Tour
 - Closing Remarks
- David Pathe
Andrew Snowden
Steve Wood
Elvin Saruk
John Marsh/David Pathe
Lyle Trytten
David Pathe

Forward-looking statements

The materials and presentations comprising the 2018 Investor Day for Sherritt International Corporation (“Sherritt” or the “Corporation”) presented on May 30, 2018 contain 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.

Forward looking statements are not based on historical facts, but rather on current expectations, assumptions and projections about future events, including commodity and product supply, demand and prices; the level of liquidity and access to funding; share price volatility; production results; Net Direct Cash Costs; realized prices for production; earnings and revenues; market potential for electric vehicles and bitumen upgrading;; capital spending; capital projects, costs and timelines; equipment availability; development and exploration wells and enhanced oil recovery in Cuba, including in relation to Block 10; environmental rehabilitation provisions; availability of regulatory approvals; compliance with applicable environmental laws and regulations; debt repayments; collection of accounts receivable; and certain corporate objectives, goals and plans. 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.

The Corporation cautions readers of these materials and those attending the 2018 Investor Day, in person or otherwise, not to place undue reliance on any forward looking statement as a number of factors could cause actual future results, conditions, actions or events to differ materially from the targets, expectations, estimates or intentions expressed in the forward looking statements. These risks, uncertainties and other factors include, but are not limited to, changes in the global price for nickel, cobalt, oil and gas or certain other commodities; share price volatility; level of liquidity; access to capital; access to financing; risks related to the liquidity of the Ambatovy Joint Venture; the risk to Sherritt’s entitlements to future distributions from the Ambatovy Joint Venture; risk of future non-compliance with debt restrictions and covenants; risks associated with the Corporation’s joint venture partners; variability in production at Sherritt’s operations in Madagascar and Cuba; potential interruptions in transportation; uncertainty of gas supply for electrical generation; uncertainty of exploration results and Sherritt’s ability to replace depleted mineral and oil and gas reserves; the Corporation’s reliance on key personnel and skilled workers; the possibility of equipment and other failures; the potential for shortages of equipment and supplies; risks associated with mining, processing and refining activities; uncertainty of resources and reserve estimates; uncertainties in environmental rehabilitation provisions estimates; risks related to the Corporation’s corporate structure; political, economic and other risks of foreign operations; risks related to Sherritt’s operations in Cuba; risks related to the U.S. government policy toward Cuba, including the U.S. embargo on Cuba and the Helms-Burton legislation; risks related to Sherritt’s operations in Madagascar; risks associated with Sherritt’s development, construction and operation of large projects generally; risks related to the accuracy of capital and operating cost estimates; reliance on significant customers; foreign exchange and pricing risks; compliance with applicable environment, health and safety legislation and other associated matters; risks associated with governmental regulations regarding greenhouse gas emissions; maintaining the Corporation’s social license to grow and operate; risks relating to community relations; credit risks; shortage of equipment and supplies; competition in product markets; future market access; interest rate changes; risks in obtaining insurance; uncertainties in labour relations; uncertainty in the ability of the Corporation to enforce legal rights in foreign jurisdictions; uncertainty regarding the interpretation and/or application of the applicable laws in foreign jurisdictions; legal contingencies; risks related to the Corporation’s accounting policies; risks associated with future acquisitions; uncertainty in the ability of the Corporation to obtain government permits; risks to information technologies systems and cybersecurity; failure to comply with, or changes to, applicable government regulations; bribery and corruption risks, including failure to comply with the *Corruption of Foreign Public Officials Act* or applicable local anti-corruption law; uncertainties in growth management; and certain corporate objectives, goals and plans for 2018; and the Corporation’s ability to meet other factors listed from time to time in the Corporation’s continuous disclosure documents. Readers are cautioned that the foregoing list of factors is not exhaustive and should be considered in conjunction with the risk factors described in the Corporation’s other documents filed with the Canadian securities authorities, including the Corporation’s Annual information Form for the year ended December 31, 2017.

At the 2018 Investor Day, the Corporation may also make oral forward-looking statements. The Corporation advises that the above paragraph and the risk factors described in this presentation release 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 the 2018 Investor Day presentations 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 in and presented at the 2018 Investor Day 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 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.

STRATEGY & OUTLOOK

David Pathe

President and CEO

May 30, 2018

sherritt

Since our last investor day...

\$1.5B

Amount of debt eliminated
from balance sheet

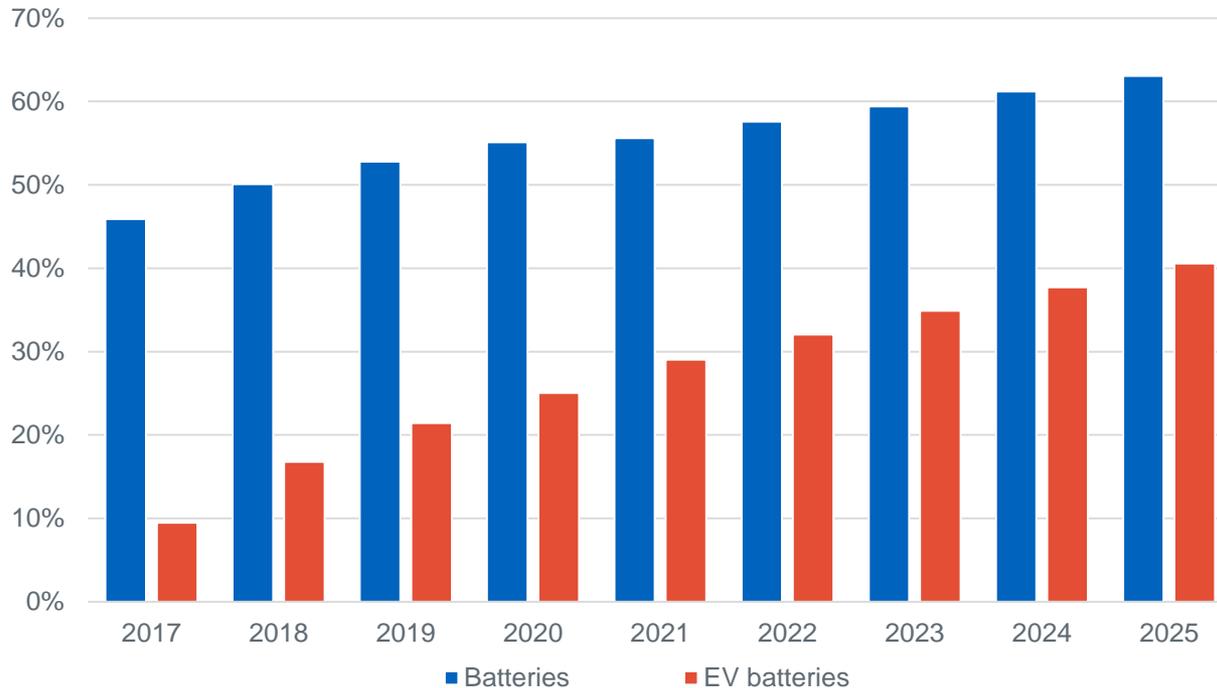
1M

Number of electric vehicles
to be sold in China in 2018

Outlook for Sherritt is strongest in years

Near-term outlook for cobalt is strong

Cobalt demand coming from the battery sector

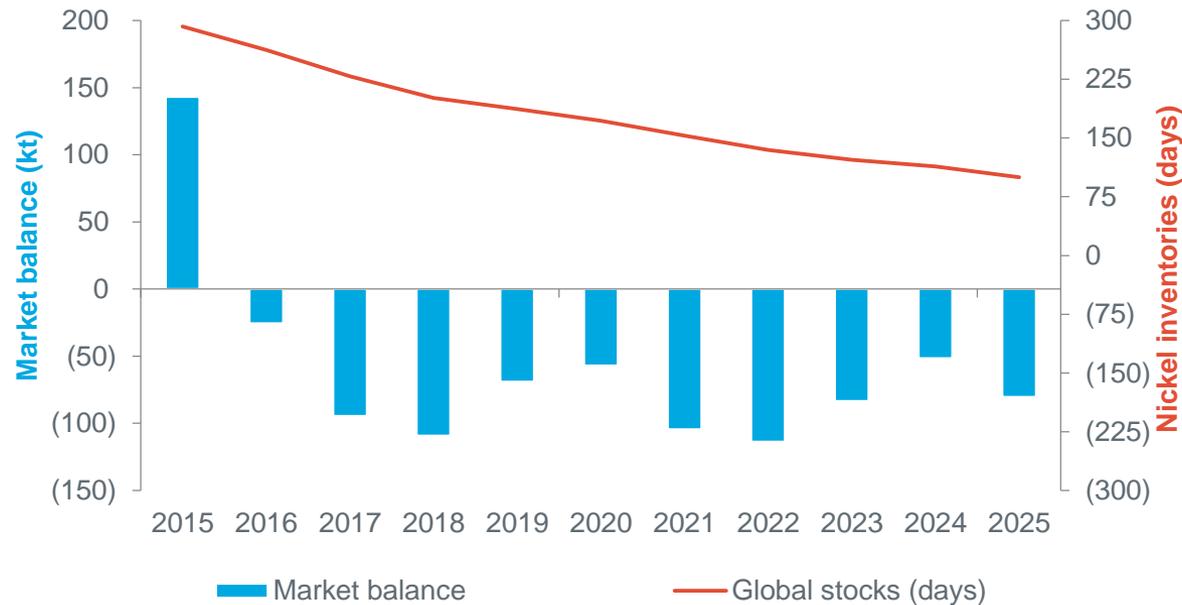


Electric vehicles will consume 40% of the world's cobalt supply by 2025

Source: CRU

Nickel supply deficit is accelerating

Global nickel supply/demand market balance (kt)



- Supply deficit expected to grow through 2025
- Demand is tied to EV battery requirements
- Current LME inventory is below 300,000 tonnes

Provides Sherritt with favorable outlook

Sources: Wood Mackenzie, Q1 2018 market balance
Wood Mackenzie Global nickel short-term outlook (April 2018)

2018 priorities

1

Preserve liquidity and enhance balance sheet strength

2

Uphold global leadership in finished nickel laterite production

3

Optimize opportunities in Cuban energy business

The pillars of Sherritt's strategy

Strategic priorities scorecard

Strategic Priority	2018 Results YTD
Strengthen balance sheet & preserve liquidity	<ul style="list-style-type: none"> • Cash position increased to \$237.3M – Q1 • \$121.2M debenture purchased for \$110.3M – Q1 • \$10 million debenture purchase – Q2
Optimize Cuban energy business opportunities	<ul style="list-style-type: none"> • PSC at PE/Yumori extended to 2021 – Q1 • Technology for Block 10 drilling identified – Q1
Uphold leadership position in nickel production	<ul style="list-style-type: none"> • Operations at Moa JV and Ambatovy JV had zero lost time incidents – Q1 • NDCC at Moa JV was \$2.06/lb; 4th consecutive quarter in the lowest cost quartile – Q1

Sherritt continues to execute against its strategy

Pillars are underpinned by commitment to innovation



1,700

Patents since 1948

- Pioneered commercialization of high pressure hydrometallurgy
- 35+ operations use Sherritt technology around the world
- R&D, external services and operations support

Fort Site – a centre of innovation for 60+ years

Today's discussions

1 Sherritt's transformation and balance sheet initiatives

2 Near-term outlook for production and costs

3 Opportunities for growth and commercialization of innovation

4 Site tour of our production facilities

Goal is to be informative and interactive

Questions?

David Pathe
President and CEO

sherritt

FINANCIAL REVIEW

Andrew Snowden

Senior Vice President and CFO

May 30, 2018

sherritt

Today's discussion

1

Recent balance sheet initiatives & strategic priorities

2

Cash flow from operations – How Sherritt generates cash

3

Sherritt's sensitivity to commodity prices

Strategic focus - balance sheet initiatives

2014

- Sold non-core coal assets for \$946M and repaid \$425M in debentures

2016

- Extended debenture maturities by 3 years
- Repurchased \$30M of debentures at a discount - Q2 2016

2017

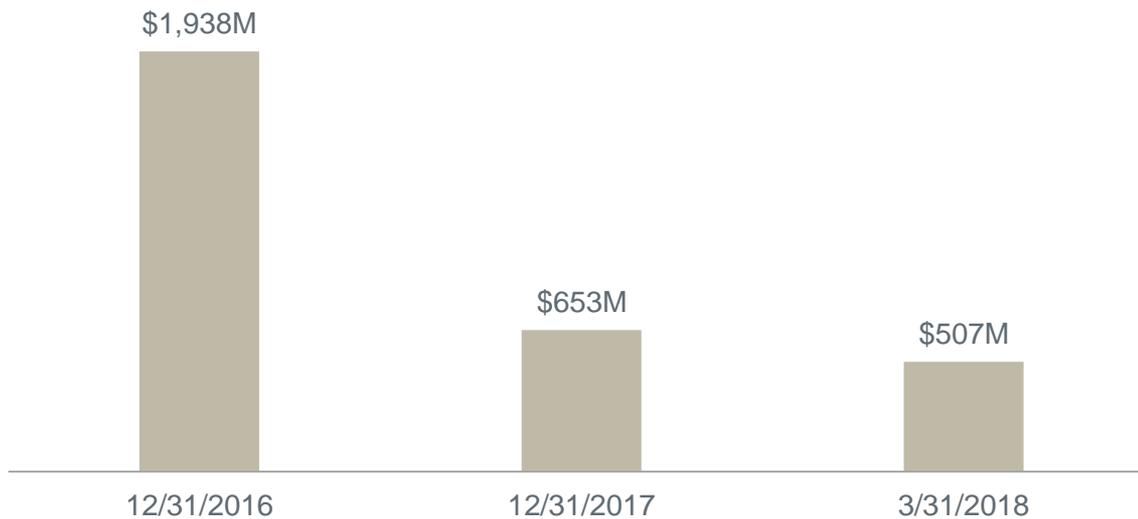
- Restructured Ambatovy JV & eliminated \$1.4B of debt

2018

- Repurchased \$120M of debentures for \$110M
- Additional \$10M repurchased in May

Eliminated \$2 billion of debt over past 4 years

Impact of balance sheet initiatives



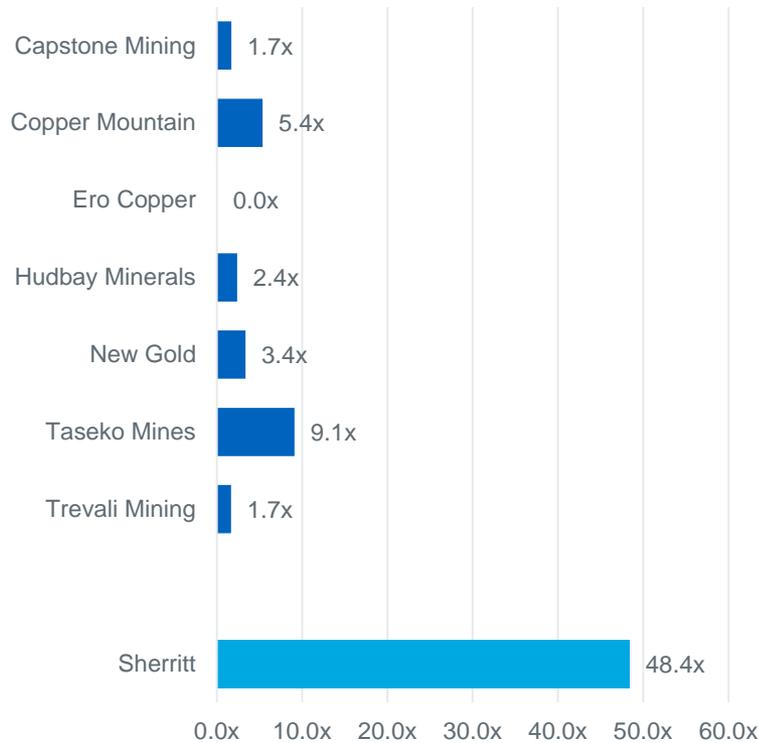
74%

Decrease in net debt since 2016⁽¹⁾

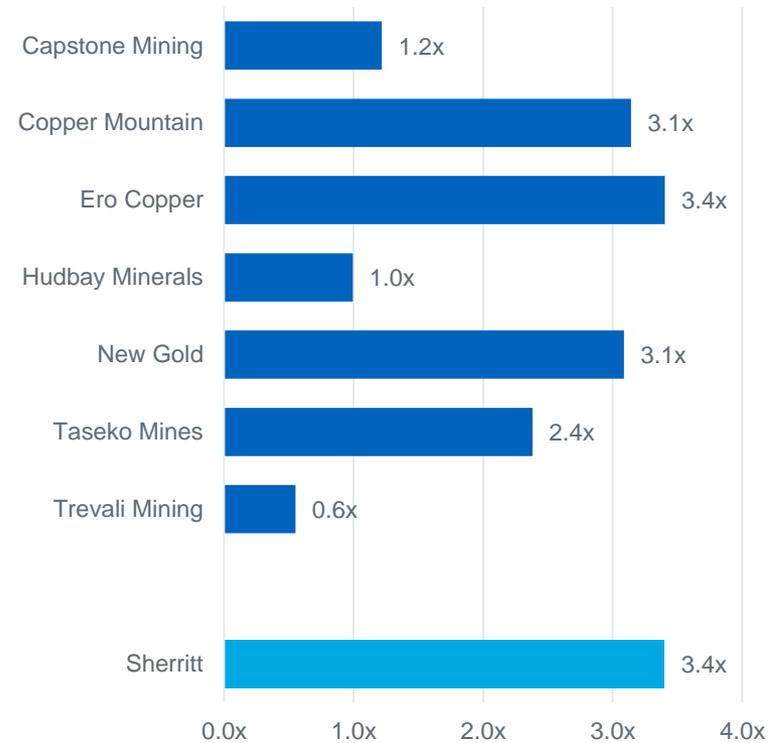
Reducing debt remains a key strategic priority

Debt metrics are improving

Net debt / LTM EBITDA⁽¹⁾ (year-end 2016)



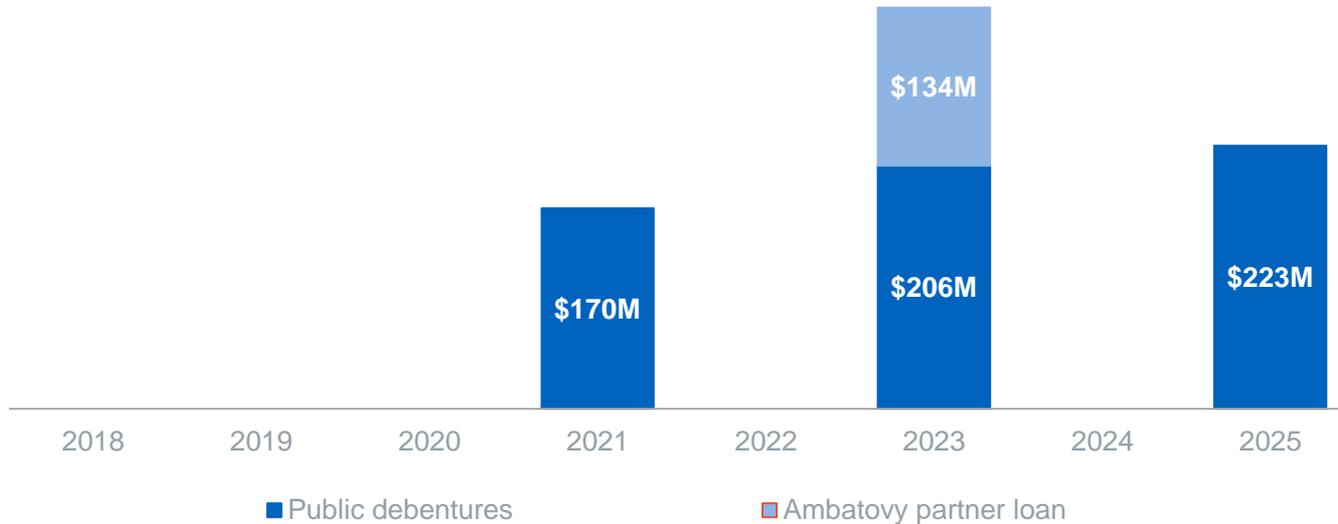
Net debt / LTM EBITDA⁽¹⁾



Sherritt's debt profile is now comparable to peer group

Source: CIQ

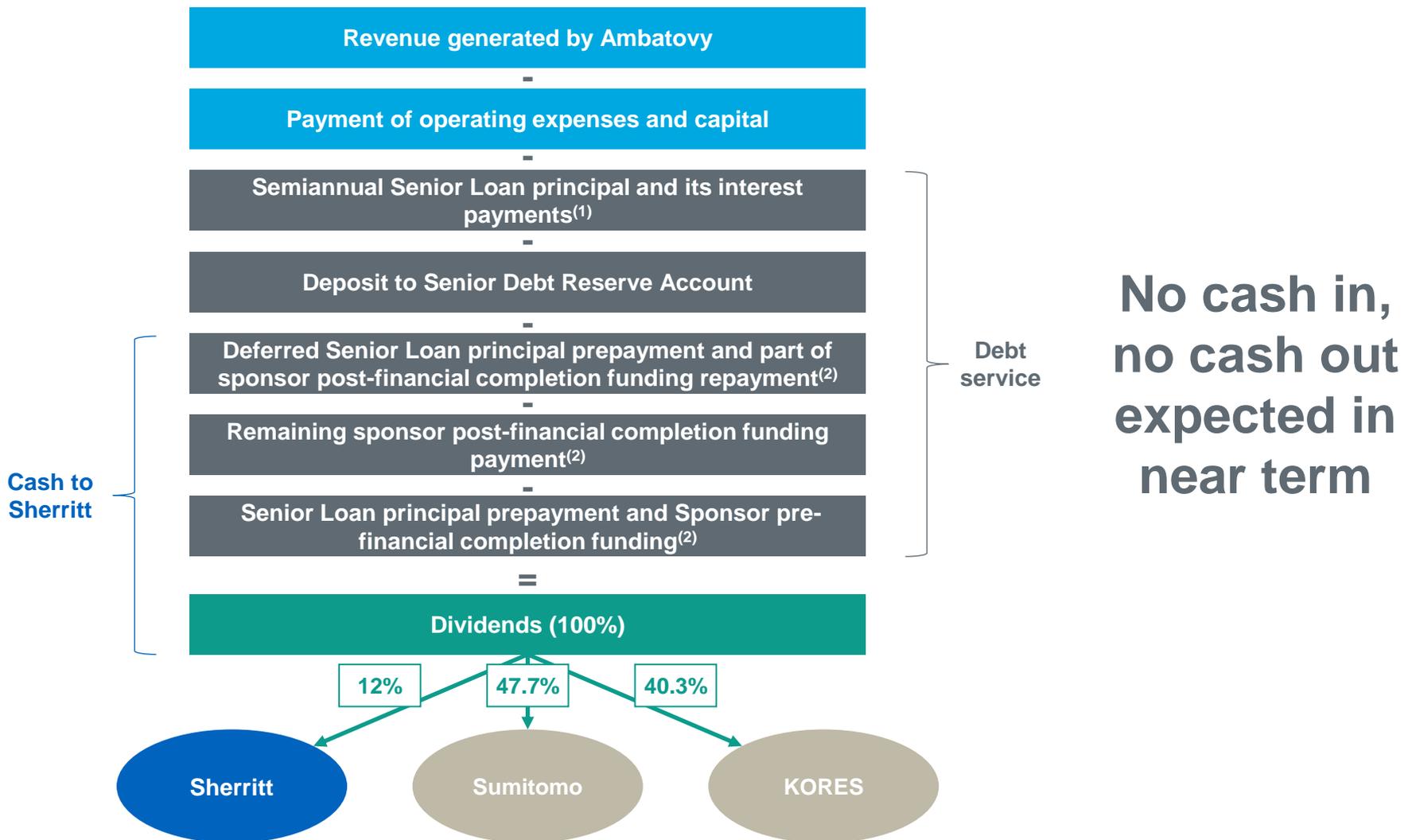
3+ year runway before major liabilities are due⁽¹⁾



- Sherritt has the option to repay its Ambatovy partner loan in:
 - Shares;
 - Cash and shares; or
 - 10 equal semi-annual payments commencing in December 2024

No debt maturities until Q4 2021

Ambatovy distributable cash flow



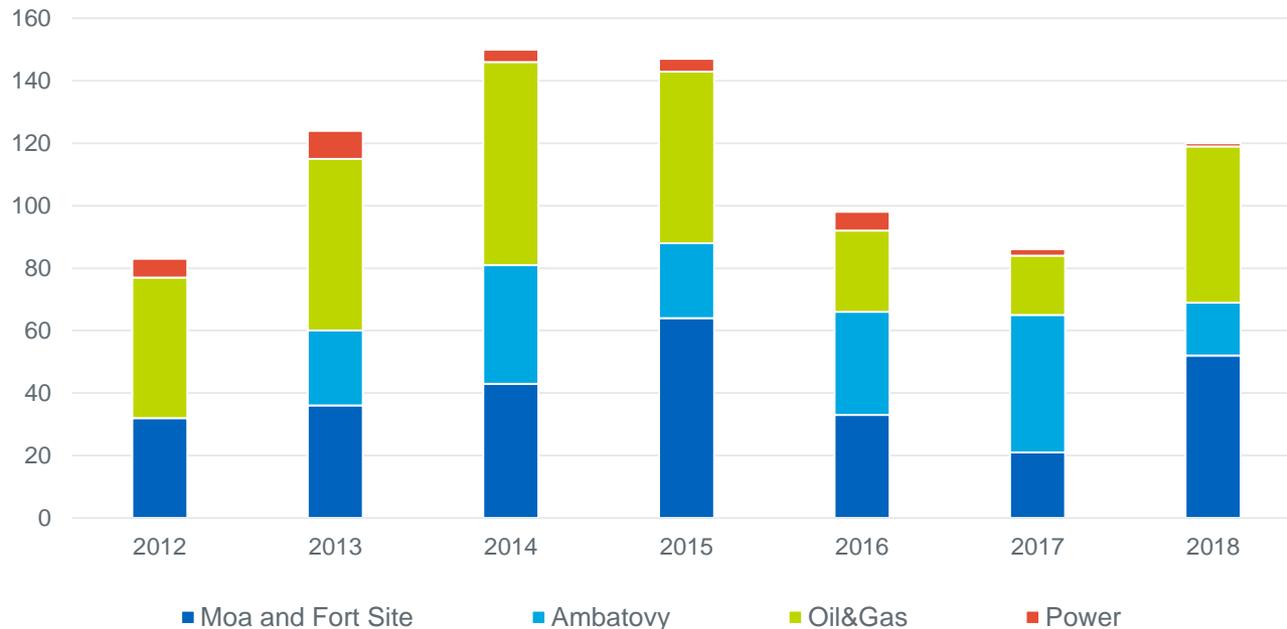


Strategic priorities

sherritt

Disciplined capital allocation

Capital spending (\$M)⁽¹⁾



- Moa JV and Fort Site: normalized sustaining capex of ~ \$40M
- Oil & Gas: timing of capital spending will be linked to the collection of overdue receivables

Capital spending largely funded through joint venture cash flow

Reducing operating and head-office costs

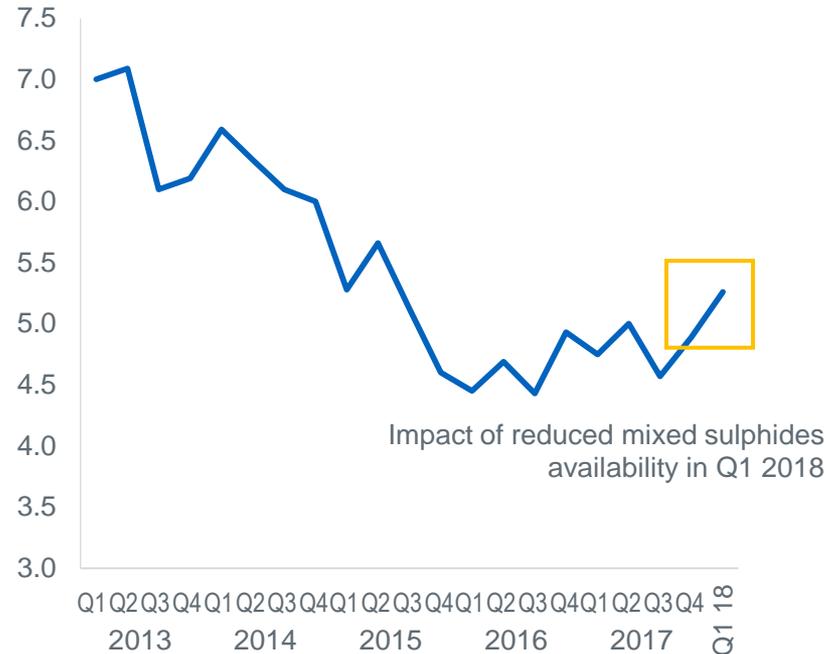
Operations

- Focus on reduction of controllable costs
 - 3rd acid plant reduced operating costs
 - New fleet to increase truck availability
- Lower NDCC aided by rising cobalt prices

Corporate

- Administrative expenses reduced by 37% between 2013 and 2017
- Annual interest expenses reduced by ~\$10M due to \$120M debenture re-purchase in February
- Additional \$10M repurchased in May
- Ongoing initiatives to reduce SG&A costs and increase efficiency
 - Relocation of the headquarters expected to generate \$1M in annual savings beginning in 2019
 - Executive compensation frozen since 2015

Moa MPR ⁽¹⁾ costs (US\$/lb, excl. by-product credits)



Sherritt is a low-cost, premium quality producer

Reducing overdue receivables

US\$M	Q1 progress			
	Q4 overdue	Expected/due	Received	Q1 overdue
Oil & Gas receivables	\$41.4	\$21.5	(\$27.4)	\$35.5
Power receivables	\$91.2	\$13.3	(\$13.3)	\$91.2
Total Cuban energy receivables	\$132.6	\$34.8	(\$40.7)	\$126.7

- Overdue receivables have always fluctuated over the years
- Timing of payments linked to foreign currency availability

Sherritt has always collected 100% of overdue receivables

A tall, cylindrical industrial tank with a worker on a yellow ladder against a blue sky. The tank is made of corrugated metal and has a spiral staircase on the left side. The worker is wearing a dark uniform and a hard hat. The sky is clear and blue.

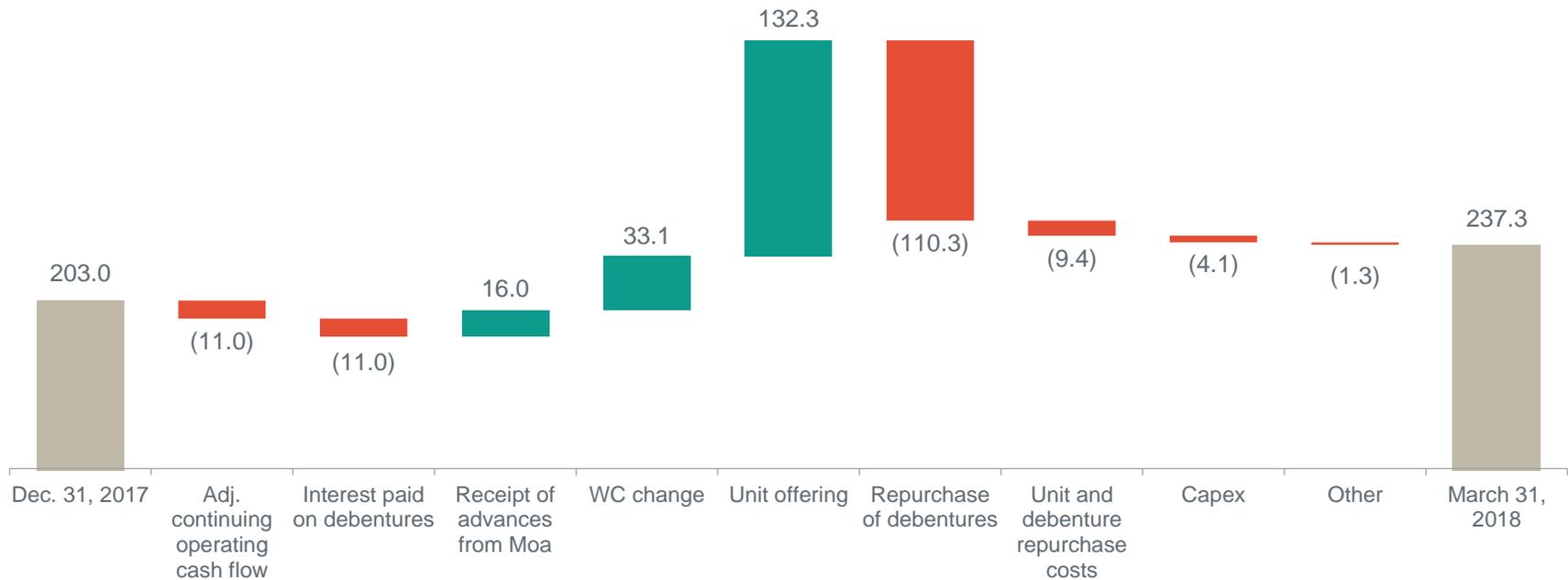
Cash flow from operations

How Sherritt generates cash

sherritt

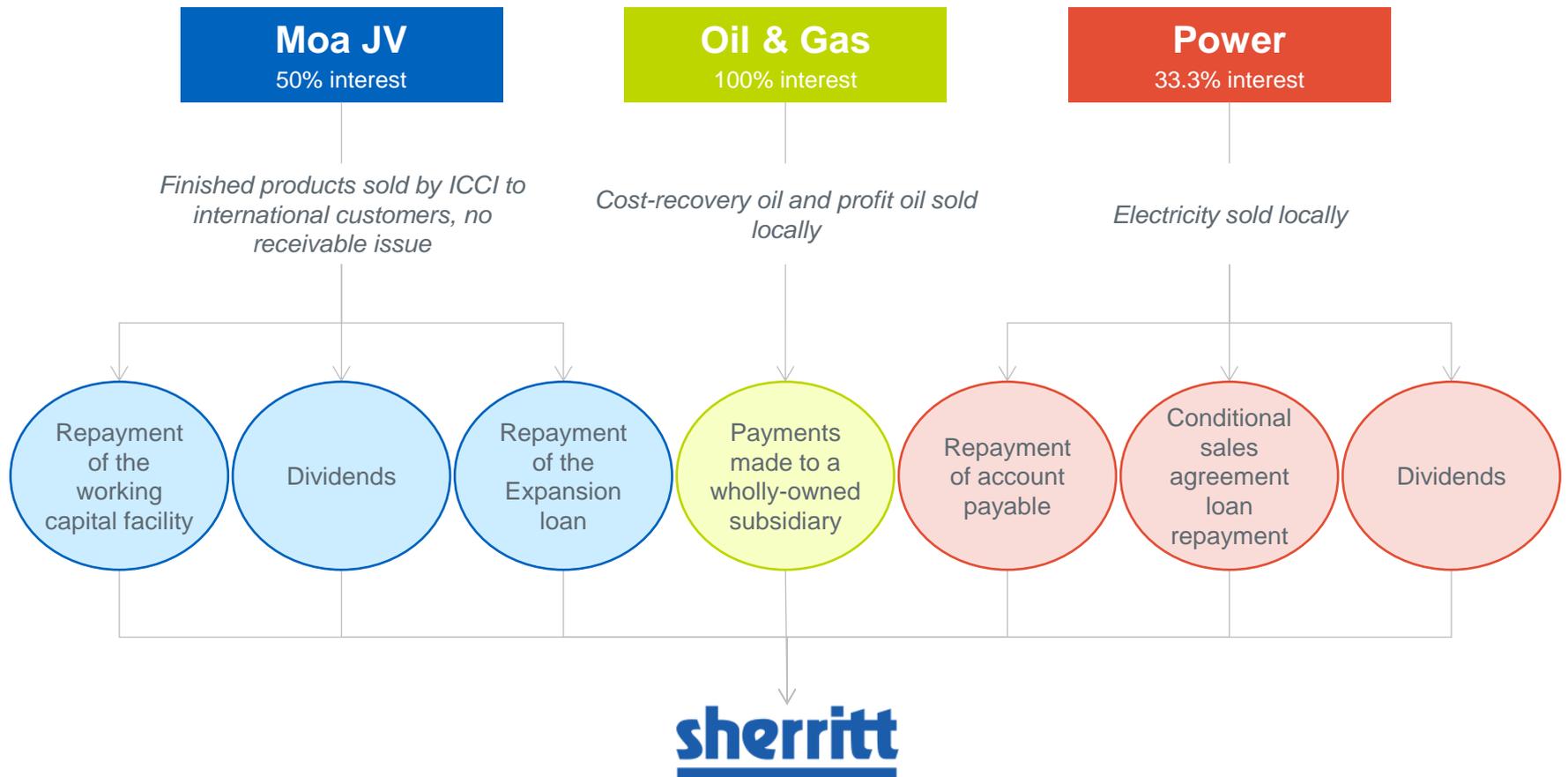
Q1 impact of liquidity initiatives & working capital changes

\$ millions



Q2 cash position will be impacted by seasonality factors

How cash is generated from Cuba



No overdue receivables emanate from the Moa JV

Overview of Sherritt's financial assets⁽¹⁾ in Cuba

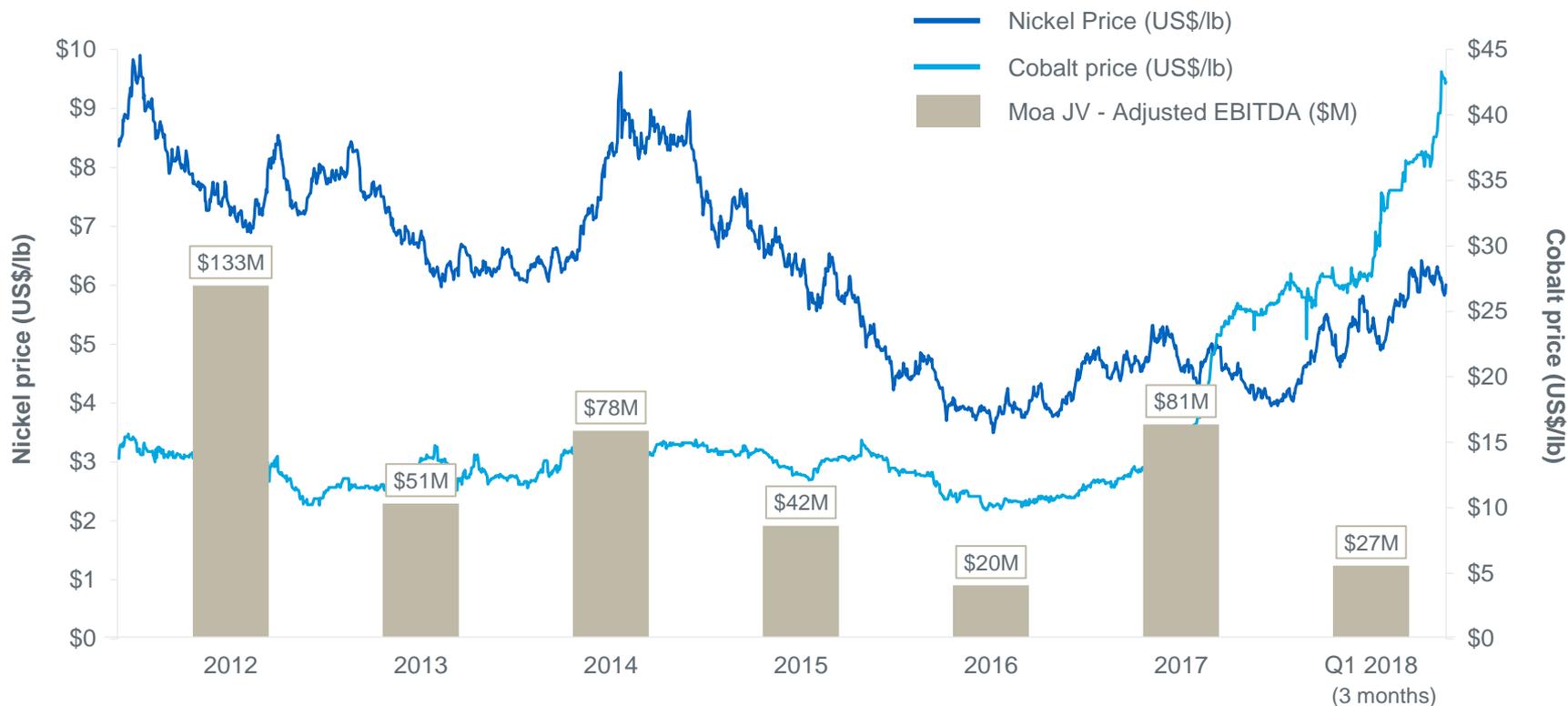
	Moa JV		Power
	Working capital facility	Expansion loan	Energas conditional sales agreement (CSA)
Outstanding amount (Q1 2018)	<ul style="list-style-type: none"> \$9M 	<ul style="list-style-type: none"> \$242M 	<ul style="list-style-type: none"> \$210M
Interest rate	<ul style="list-style-type: none"> Prime + 3.50% or bankers' acceptance + 4.50% 	<ul style="list-style-type: none"> 6.5% Interest suspended until Q2 2019 	<ul style="list-style-type: none"> 8%
Description	<ul style="list-style-type: none"> Working capital facility provided by Sherritt to the Moa JV 	<ul style="list-style-type: none"> Loan provided by the JV partners to the JV to fund the Expansion projects 	<ul style="list-style-type: none"> CSA loan to finance construction of power facilities Income generated by these assets is used to repay the loan
Other considerations	<ul style="list-style-type: none"> In Jan. 2018, its maturity was extended to Jan. 30, 2019 and the maximum credit available was increased from \$39M to \$45M 	<ul style="list-style-type: none"> Repayment based on the cash generated by the production of mixed sulphides > 33,000 tonnes 	<ul style="list-style-type: none"> Sherritt retains title to the constructed assets until the loan is fully repaid



Sensitivity to commodity prices

sherritt

Adj. EBITDA⁽¹⁾ shows the sensitivity to nickel and cobalt prices



Average reference price:

- Nickel	\$7.95/lb	\$6.81/lb	\$7.65/lb	\$5.37/lb	\$4.36/lb	\$4.72/lb	\$6.03/lb
- Cobalt	\$13.48/lb	\$12.77/lb	\$14.16/lb	\$12.99/lb	\$11.77/lb	\$26.53/lb	\$39.01/lb

Sherritt is benefitting from nickel and cobalt price recoveries

Moa – Cash flow sensitivity to nickel and cobalt prices

Impact of US\$1/lb nickel price increase

\$40M

Low-end of guidance

Impact of US\$5/lb cobalt price increase

\$20M

Low-end of guidance

Upside leverage to improving nickel and cobalt prices

Review of 2018 NDCC forecasts

Moa



- Due to higher cobalt prices

Ambatovy



- Driven by higher cobalt prices offset by changes to cobalt ore grade

NDCC will benefit from higher than anticipated cobalt prices

Summary

1

Sherritt's debt reduced and now aligned with peer group

2

Cost reduction and disciplined capital allocation remain key strategic priorities

3

Sherritt has strong upside leverage to rising nickel and cobalt prices

Balance sheet and liquidity initiatives are transforming Sherritt

Questions?

Andrew Snowden
Senior Vice President and CFO

sherritt

REVIEW OF OPERATIONS

Steve Wood

EVP & Chief Operating Officer

May 30, 2018

sherritt

Today's discussion

1

Commitment to safety and sustainability

2

Review of operations and recent progress

3

Optimization initiatives and outlook

Focus on safety

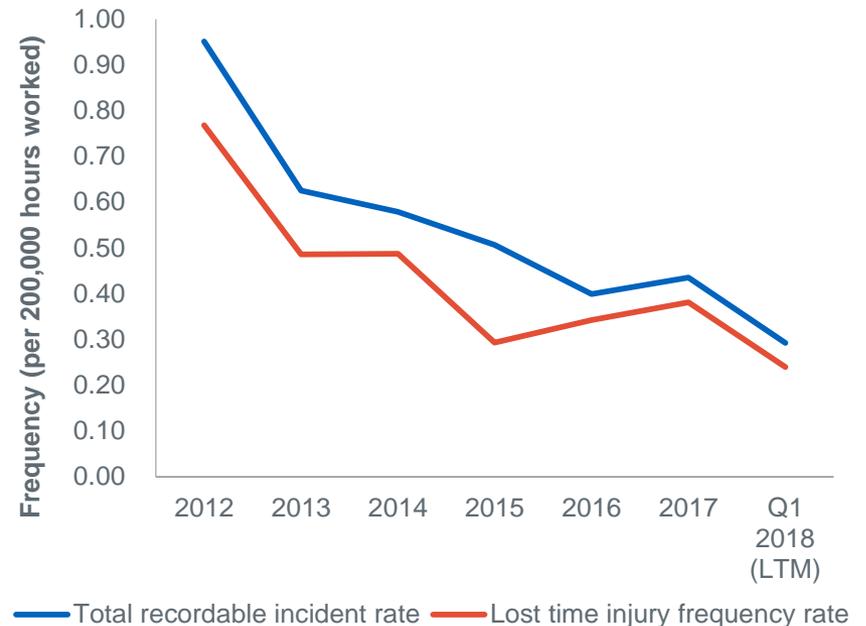
Q1 2018 results

- Zero lost time incidents
- 7 million hours without a lost time incident
- Safest record since Q3 2005

Global commitment

- Implementing Towards Sustainable Mining standards at all operations
- Significant progress made with fatality prevention measures at the Moa JV

Moa JV - Work-related incidents



Commitment to safety driving improvements to injury and incident rates

Commitment to sustainability

Recent efforts

- Supported Hurricane Irma and Cyclone Ava relief efforts
- Signed 3-year partnership with UNICEF Canada for road safety for youth in Cuba
- Launched Five-year Sustainability Goals to drive continuous improvement

Awards and recognition

- Corporate Knights Future 40 Responsible Corporate Leaders in Canada (2017)
- Sustainability Report received three awards from ASPC including Best Overall CSR Report
- Shortlisted for the Nature Inspiration Award for our commitment to biodiversity

Ongoing sustainability initiatives and programs



The Extractive Sector
Transparency Measures Act
(ESTMA)



Commitment to sustainability resulting in stronger local stakeholder relationships and engagement



Review of operations & recent progress

sherritt

Moa joint venture overview

1 Moa Nickel S.A.

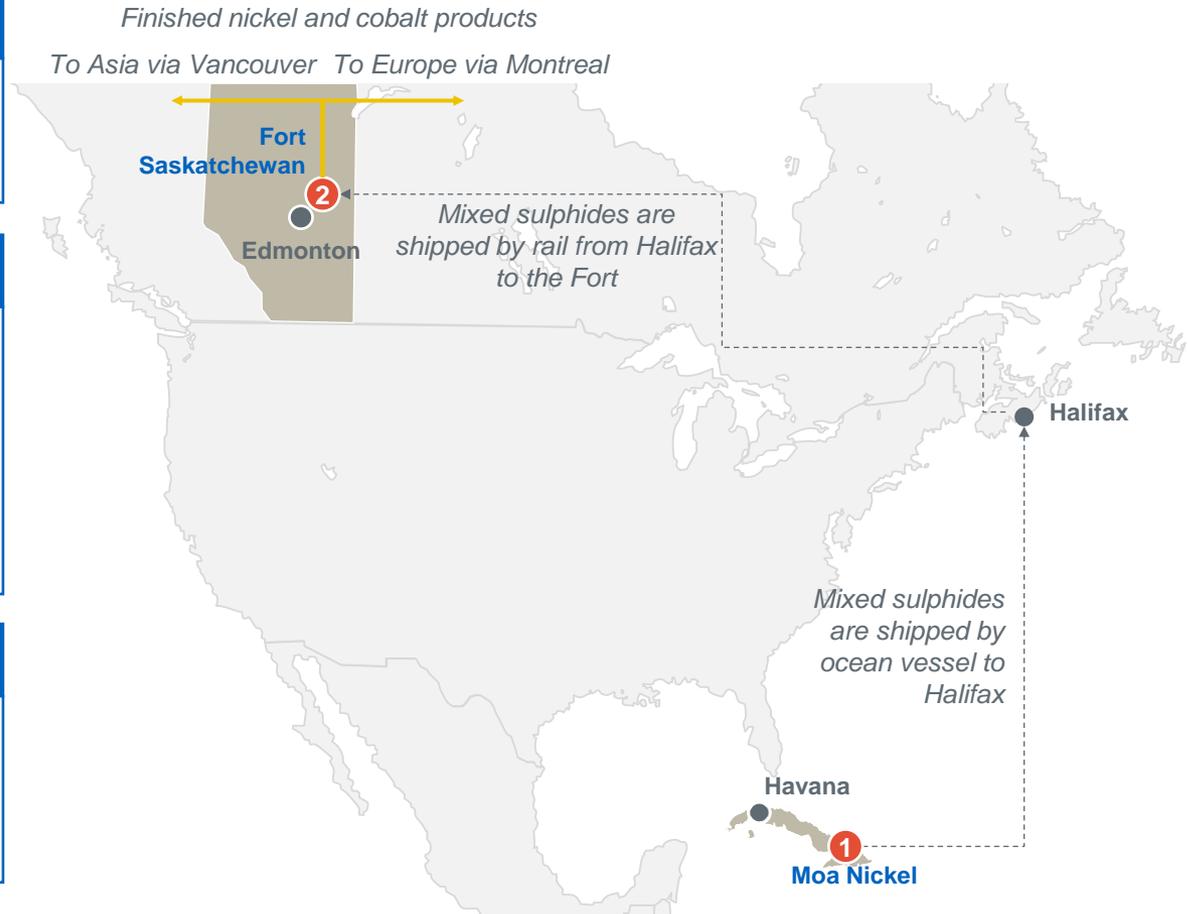
- Mines and processes nickel and cobalt from lateritic ore bodies
- High cobalt-to-nickel production ratio

2 Cobalt Refining Company (CRC)

- Refines Moa and 3rd-party mixed sulphides
- Produces finished nickel and cobalt in briquette and powder form
- Sherritt owns 100% of business that provides ammonia, sulphuric acid, utilities provided to CRC

3 International Cobalt Co. (ICCI)

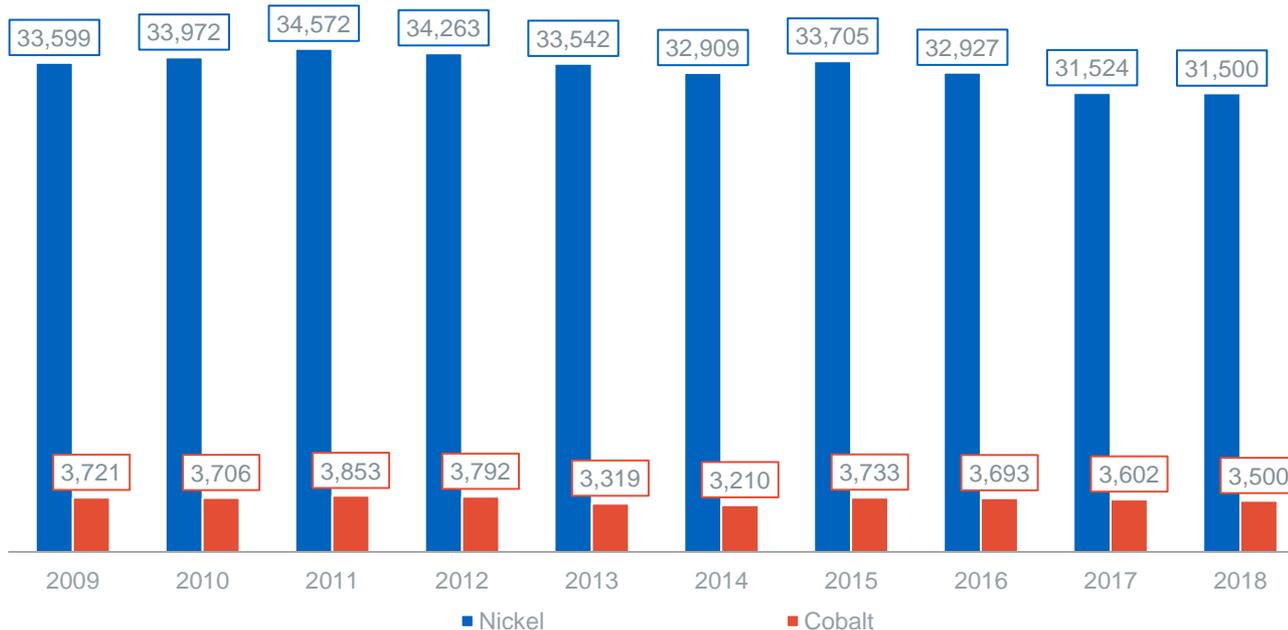
- Marketing arm of the JV
- Located in the Bahamas
- Owns and sells toll refined by CRC
- Customers in Europe, Japan and China



No overdue receivables emanate from Moa JV

Moa is a long-life asset

Nickel and cobalt production (tonnes, 100% basis)



- A vertically integrated mining, processing and refining enterprise
- 60+ years HPAL experience
- 15+ years of proven reserve life
- High cobalt-to-nickel production ratio

With a long track record of stable nickel and cobalt production

Moa is a low-cost asset

Net direct cash cost (US\$/lb)



- Substantial cobalt and fertilizer by-products produced ensure the Moa JV remains competitive throughout the cycle
- Moa's NDCC has been in the lowest cost quartile for four consecutive quarters

Consistently generated positive gross margins – even in depressed price environments

Moa production update

- Q1 mixed sulphides production and availability impacted by:
 - Heaviest rainfall in 20+ years
 - Spill-over effect from heavy rains in Q4
 - Reduced ore stockpiles
 - Higher levels of impurities due to excess water
 - Rail service delays
- Q2 developments:
 - Production at Moa back to normal
 - Ore stockpiles recovery ongoing
 - Rail issue resolved by service provider
 - Fort Site scheduled for planned shutdown in June



Moa is on track for lower end of 2018 production guidance

Ambatovy joint venture overview

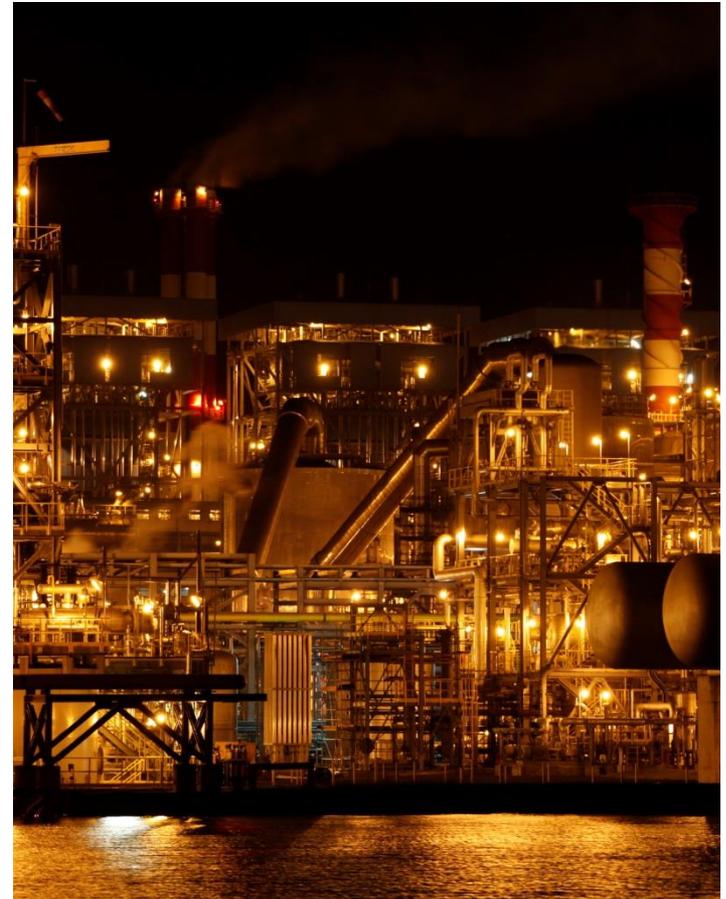


- Partnership with Sumitomo and Kores
- Integrated mining, processing and refining plant in Madagascar
- Class 1 nickel and high purity cobalt production
- Operator at least through 2024

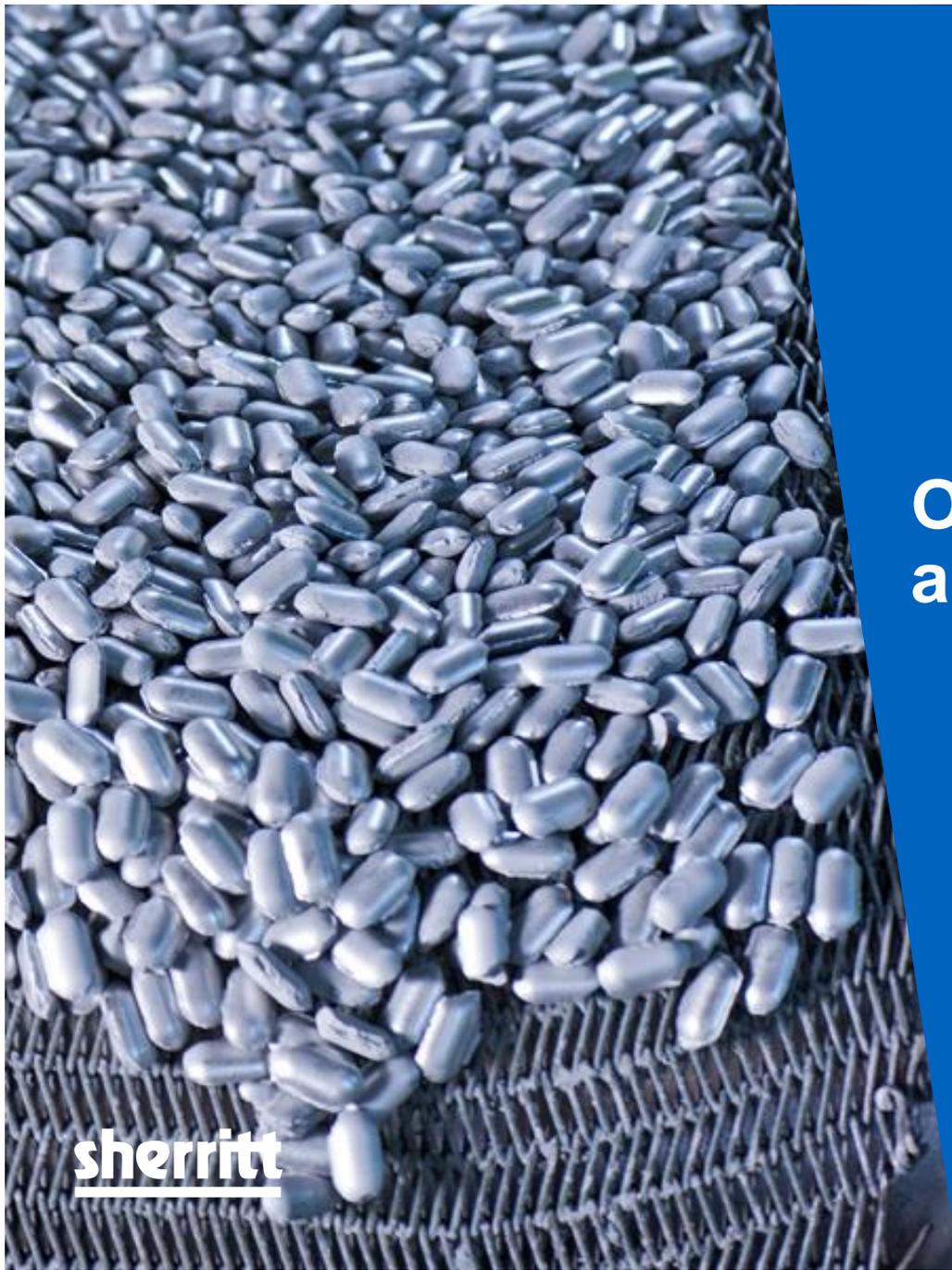
Ownership interest reduced to 12% with JV restructuring

Ambatovy production update

- Q1 production impacted by:
 - Cyclone Ava
 - Shutdown and repairs
 - Acid Plant 1 operating at 50% capacity
- Q2 developments:
 - Replacement of economizer in Acid Plant 1
 - Acid Plant 1 shutdown expected for ~ 3 weeks
 - Acid Plant 2 is operating normally
- Ongoing focus on improved asset reliability
 - Acid plant refurbishment
 - HPAL equipment upgrade
 - Maintenance system improvements



Ambatovy production ramp up expected through Q3

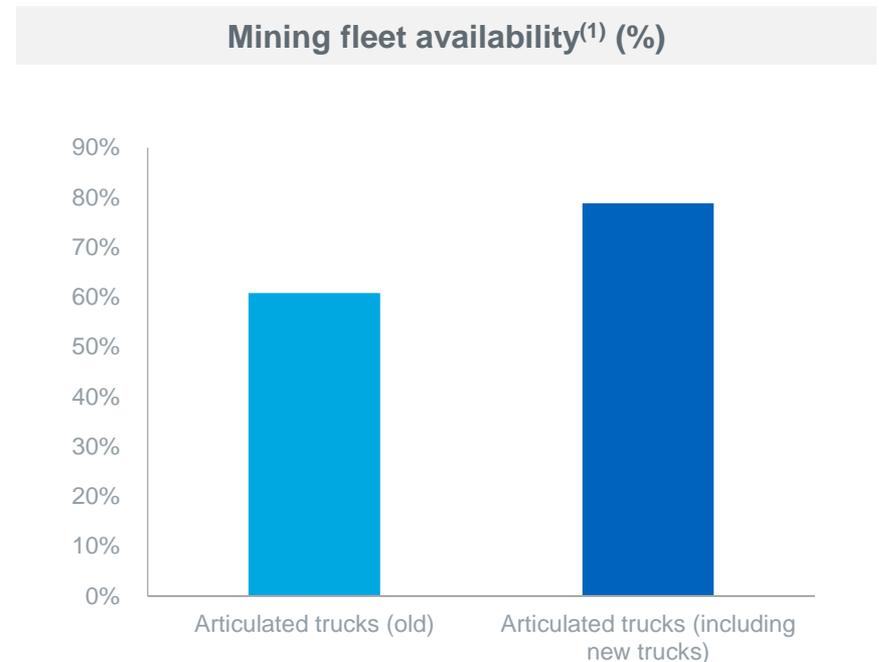


Optimization initiatives and outlook

sherritt

Initiatives to optimize performance and efficiency

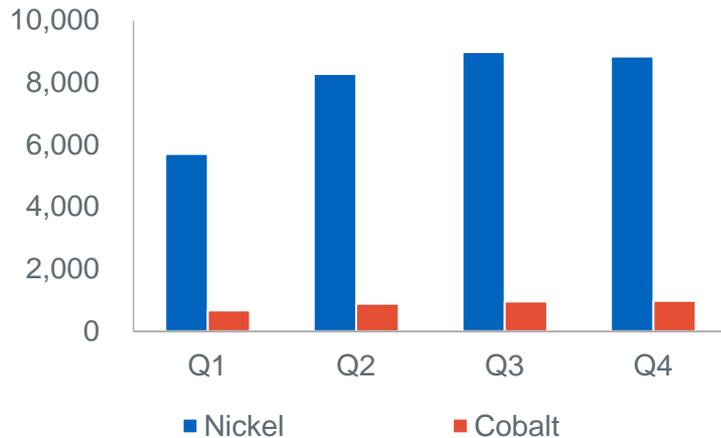
- Slurry preparation plant “dump pocket”
 - Goal is to improve screening of ore
 - Benefits include shorter haul distances and increased throughput
 - 54% constructed with 2005 expansion project
 - Commissioning expected in 2018
 - \$6M of capital funding (50% basis)
- Improve mining fleet availability
 - Goal is to bring fleet to best in class standards
 - Benefits include reduced maintenance and capex costs going forward
 - Truck supplier has guaranteed availability rate at 83%



Efforts will support cost reduction focus

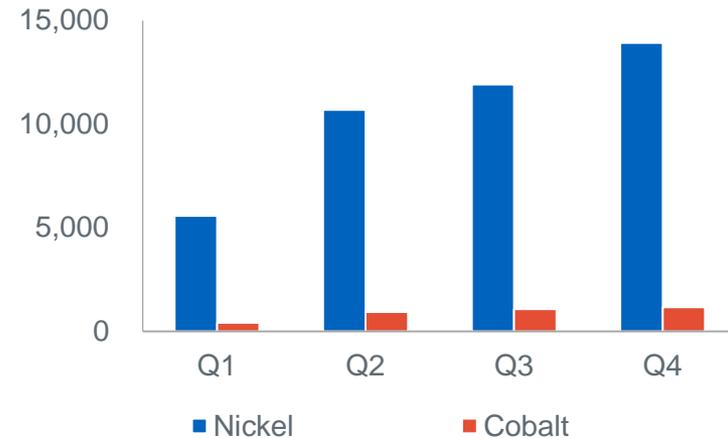
Review of 2018 production forecasts

Moa (100% basis, tonnes)⁽¹⁾



- Production expected at lower range of guidance
- Planned maintenance shutdown at Fort in June

Ambatovy (100% basis, tonnes)⁽²⁾



- Cobalt production guidance updated to grades consistent with mine plan

Production expected to be higher in the second half of the year

Summary

1

Q1 weather and logistical challenges now behind us

2

Initiatives underway to optimize efficiency and lower costs

3

On track for 2018 production and NDCC guidance targets

Questions?

Steve Wood
Chief Operating Officer

sherritt

OIL AND GAS UPDATE

Elvin Saruk

Senior Vice President, OGP

May 30, 2018

sherritt

Today's discussion

1 Sherritt's oil and gas experience

2 Cuba's north shore geology

3 Block 10 drilling and outlook

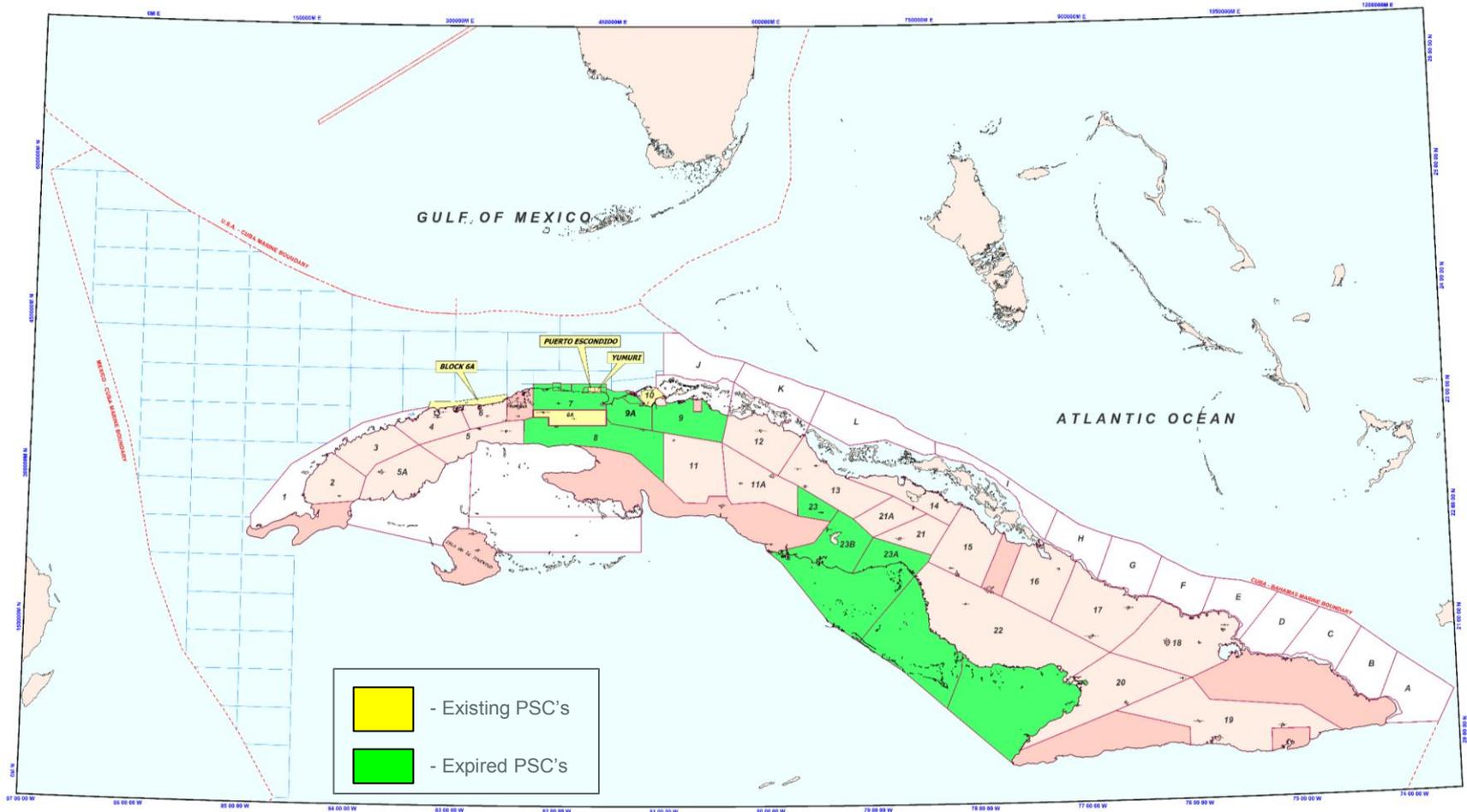
Sherritt's oil and gas experience

- Integrated operations in Cuba since 1992
 - Specialize in long-reach directional drilling from land-based locations
 - Own 2 drilling rigs
 - Own most of maintenance and service equipment
- Operate through Production Sharing Contracts
 - Cost recovery
 - Share of profit
- Results to date:
 - 4 Development PSCs
 - 11 Exploration PSCs
 - Drilled 210 wells

220M
Barrels of cumulative production

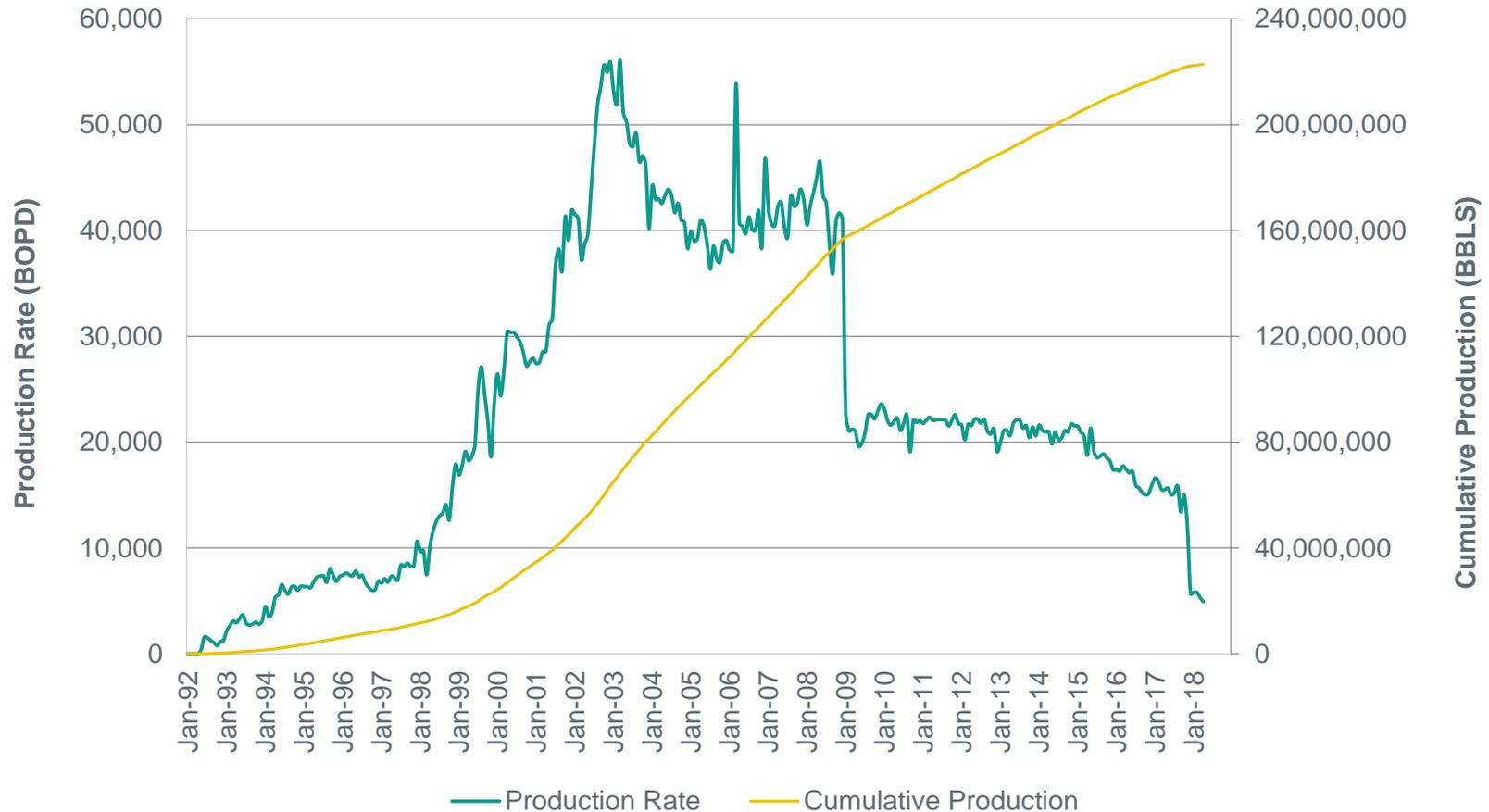
Sherritt is the largest independent oil producer in Cuba

Target production and exploration areas



Based on long-reach directional drilling from land-based locations

Sherritt's gross production in Cuba



Production rate declines due to PSC expiration and maturing fields

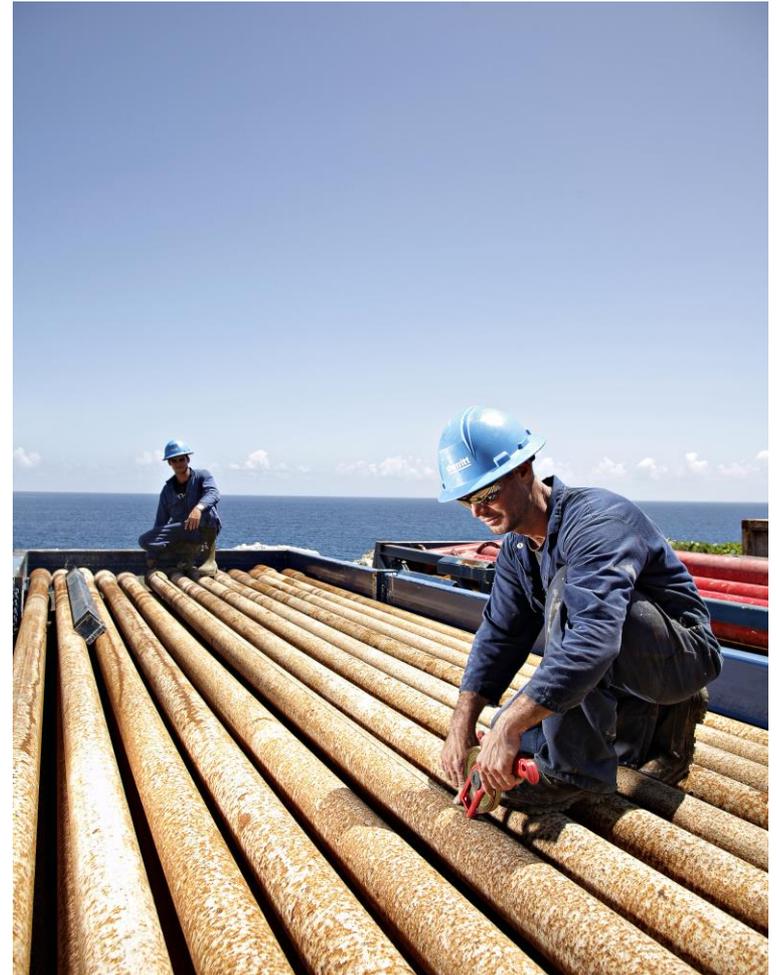


Cuba's north shore geology

sherritt

Cuba's north coast

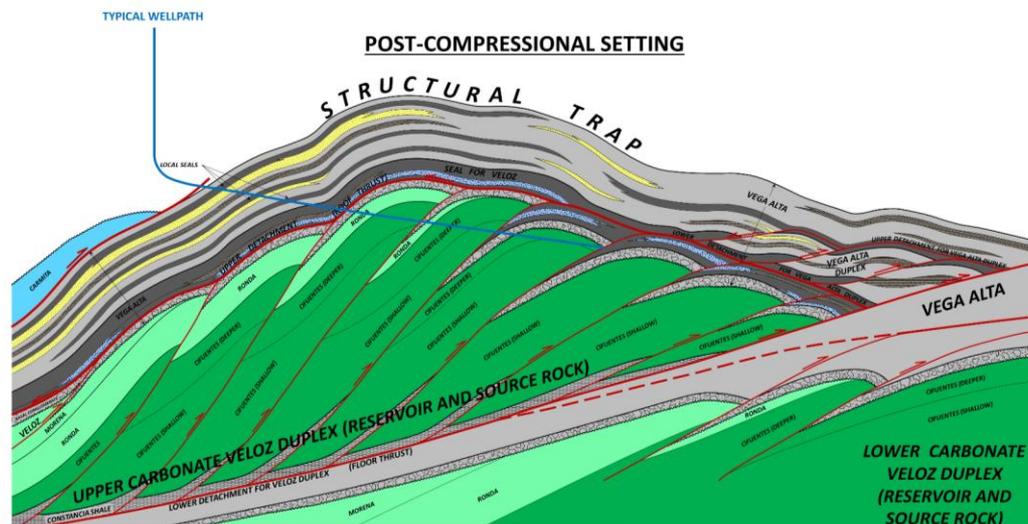
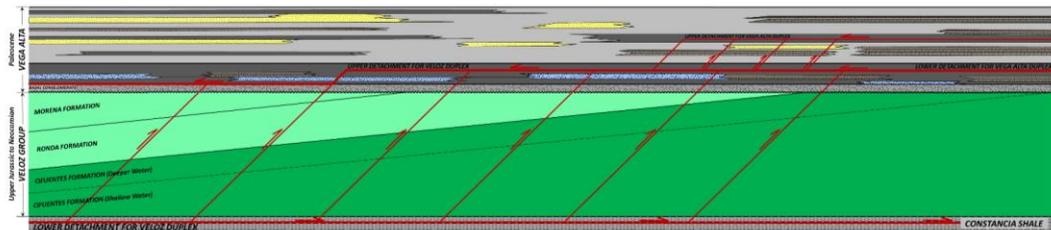
- Complex area
- Fold and thrust belt
- Multiple duplexes
- Each duplex has multiple thrusts
- Best reservoir at top of thrusts



25 years of experience has provided a thorough understanding of geology

North coast structural model

SOUTH **PUERTO ESCONDIDO/YUMURI, CUBA** NORTH
STRUCTURAL CONCEPT
PRE-COMPRESSIONAL SETTING



Complex fold and thrust geology



Block 10 drilling and outlook

sherritt

Current areas of focus

- Puerto Escondido/Yumuri PSC
 - Three-year extension to March 2021
 - Cost recovery preserved
 - Profit oil reduced to 6%
 - Main purpose of extension is to retain equipment and personnel
- Block 8A
 - Awaiting CUPET to approve seismic program
- Block 6A
 - PSC signed November 2017
 - Reprocess and interpret existing seismic and well data
- Block 10
 - Drilling to resume July 2018



Combining production, drilling and exploration activities

Our experience with Block 10

- CUPEY-1X drilled in 1994 tested 3750 barrels/day
- Reprocessed seismic resulting in a better definition of the Lower Veloz and encouraged of the Upper Veloz presence
- Additional potential identified
- Drilled initial wells from land location with current technology



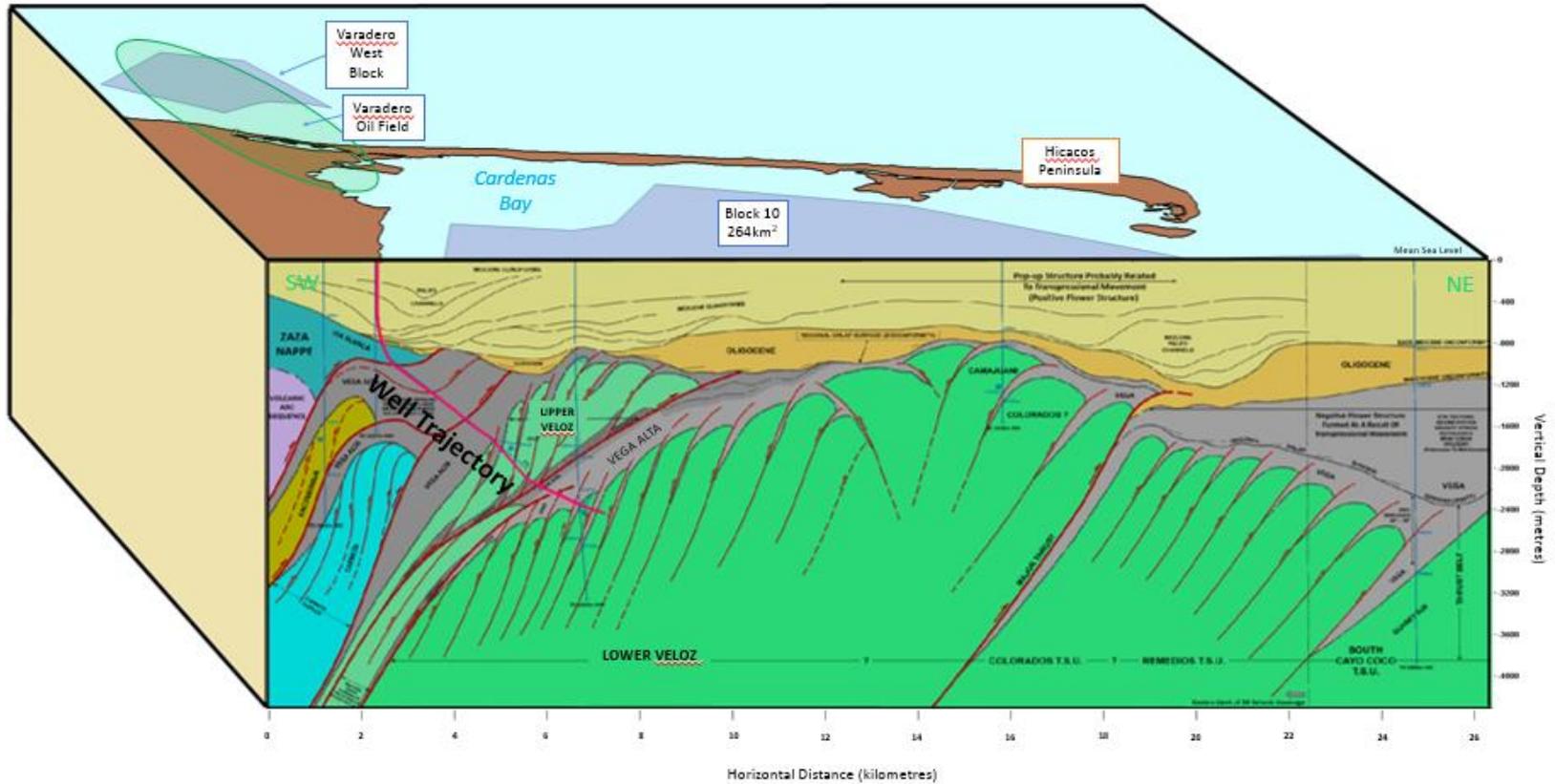
New drilling program to start in July

Block 10 target prospects



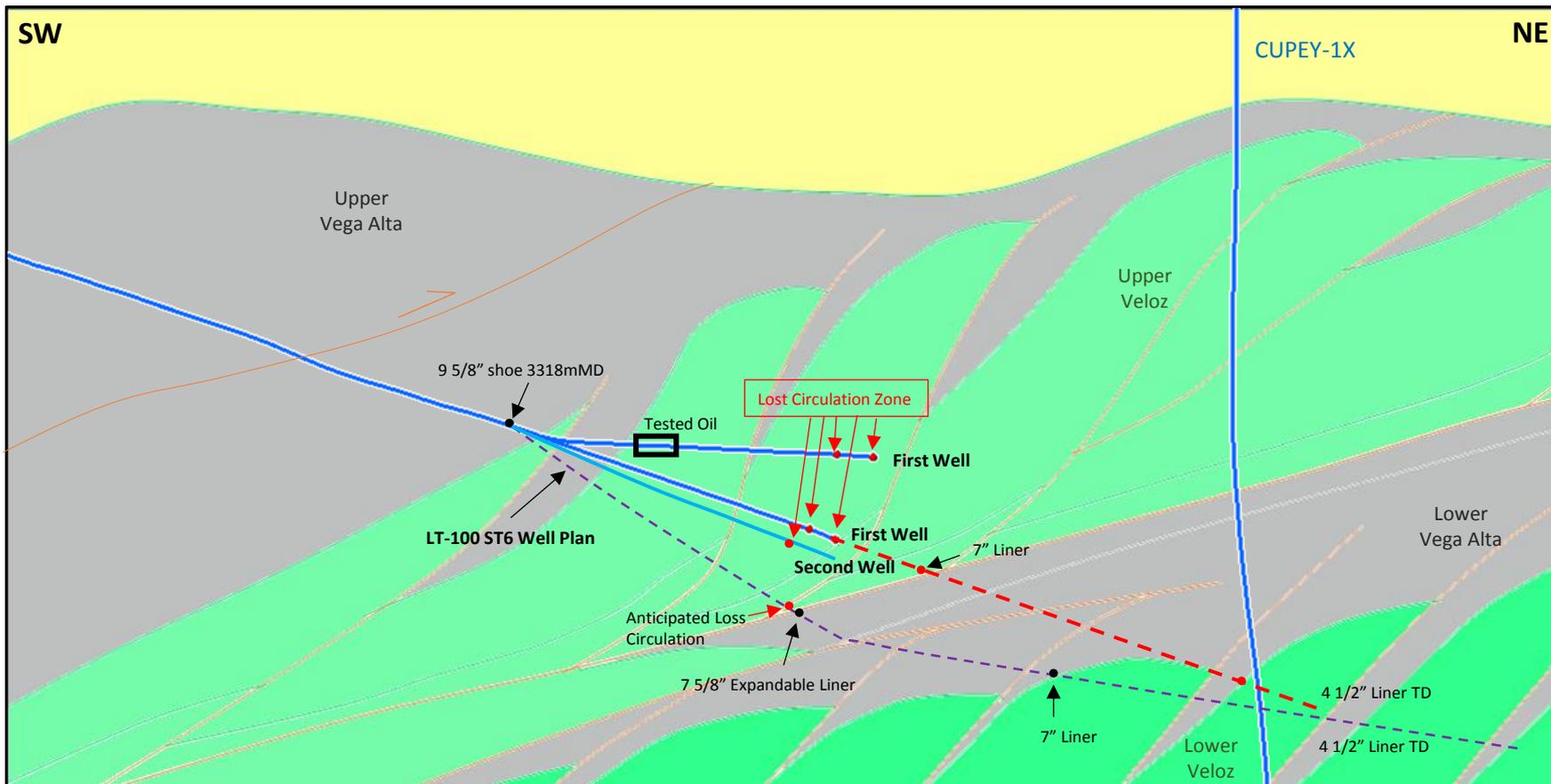
Primary target is the Litoral prospect

Overview of Block 10



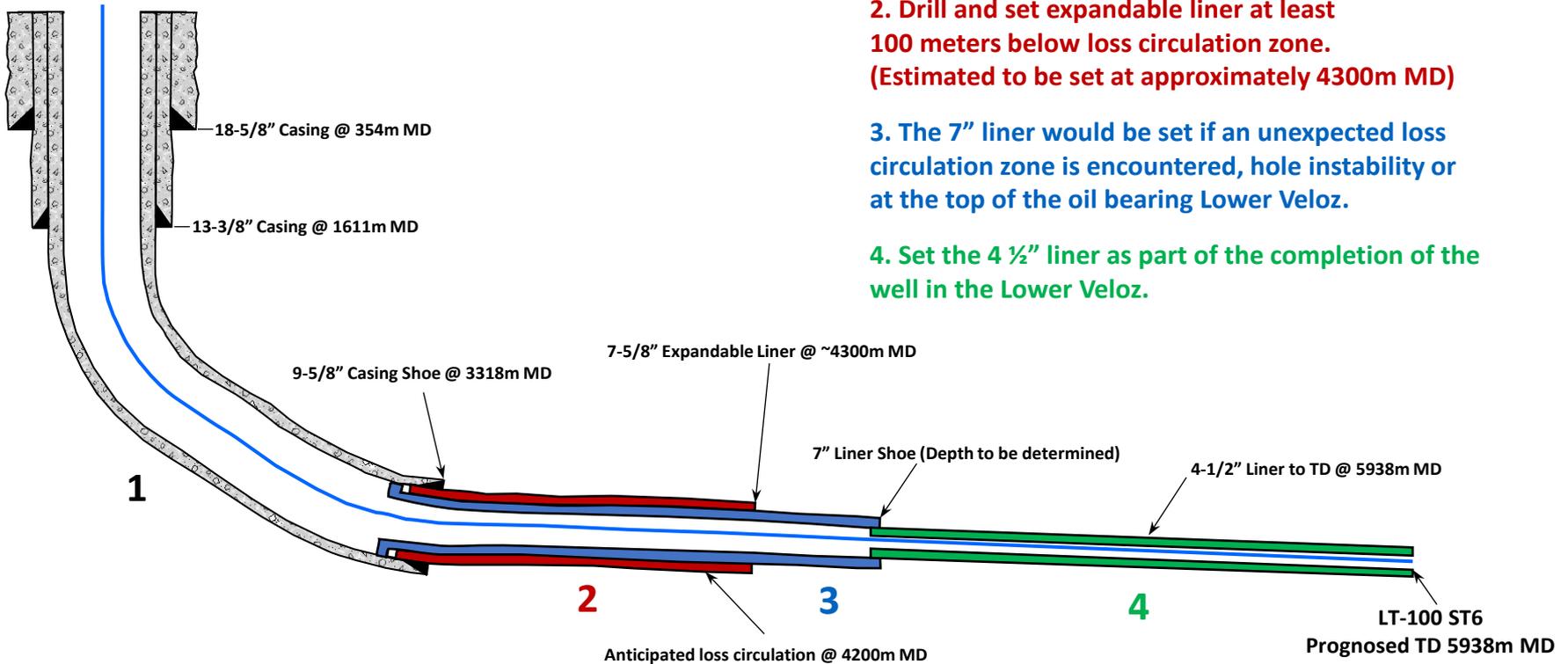
Target area requires approximately 6,000 metres of drilling

Block 10 well status



Access to proven technology will help address lost circulation zone

Block 10 drilling profile



Block 10 development potential

- Exploration PSC:
 - Cost Recovery
 - Profit Oil
- Two target zones:
 - Upper and Lower Veloz
- Average cost per well:
 - US\$13 to \$15 million
- Opex:
 - ~US\$10/barrel
- Potential production:
 - 25,000 bopd GWI



Development plan to be finalized pending drilling results in Q3

Summary

1

Sherritt has extensive oil and gas experience in Cuba

2

Block 10 development potential is significant

3

Preliminary Block 10 drilling results expected in Q3

QUESTIONS?

Elvin Saruk

Senior Vice President, OGP

May 30, 2018

sherritt

PARTIAL UPGRADING OF BITUMEN

David Pathe

President & CEO

John Marsh

Director, Technologies Projects

May 30, 2018

sherritt

Today's discussion

1 Why Sherritt is qualified

2 Market opportunity for bitumen upgrading

3 Overview of Sherritt's process and pilot testing results

4 Next steps and timeline

Sherritt has a long track record of innovation



1,700

Patents since 1948

- Pioneered commercialization of high pressure hydrometallurgy
- 35+ operations use Sherritt technology around the world
- Technologies group provides R&D, external services and operations support

Experience with coal liquefaction key to bitumen process

Logical extension into hydrocarbon processing

Heavy oil operations



Hydrometallurgical reactor design



Bitumen
Upgrading

Direct coal liquefaction

sherritt

RioTinto

Proximity to Alberta's oil sands



Opportunity to capitalize on our experience and proximity to bitumen producers

A tall, cylindrical industrial tower with a corrugated metal exterior. A worker in a dark uniform and hard hat is standing on a yellow metal ladder or platform attached to the side of the tower. The sky is clear and blue. The right side of the image is a solid teal color.

Market opportunity for bitumen upgrading

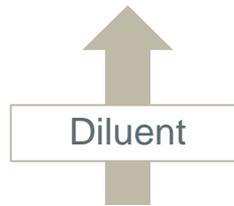
sherritt

Bitumen producers currently need diluent for transportation

	Bitumen	+	Diluent	=	Bitumen blend
API Gravity	8.0		67.5		> 19
Viscosity (cSt)	> 450,000		0.62		< 350



Highly viscous material at room temperature



Light, low viscosity hydrocarbon stream used to improve flow characteristics
Represents ~30% of the bitumen blend

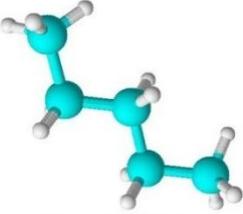
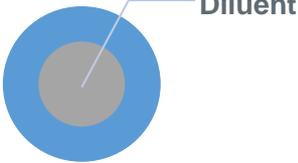


Bitumen blend meeting all pipeline transportation specifications

Adding bitumen is expensive, impacts pipeline capacity and reduces shipment value

Represents huge market potential

Estimated industry benefit (US\$ bn / year)⁽¹⁾

			2017	2030
	Diluent Avoidance	Net cost of diluent for blending with bitumen and heavy crudes	\$6bn	\$15bn
	Transportation Benefit	Increased bitumen blend shipments occupy vacated pipeline space	\$1bn	\$3bn
	Refining Value Premium	Value uplift as a result of improved properties derived from upgrading process	\$1bn	\$2bn

Removing diluent would save bitumen producers \$billions

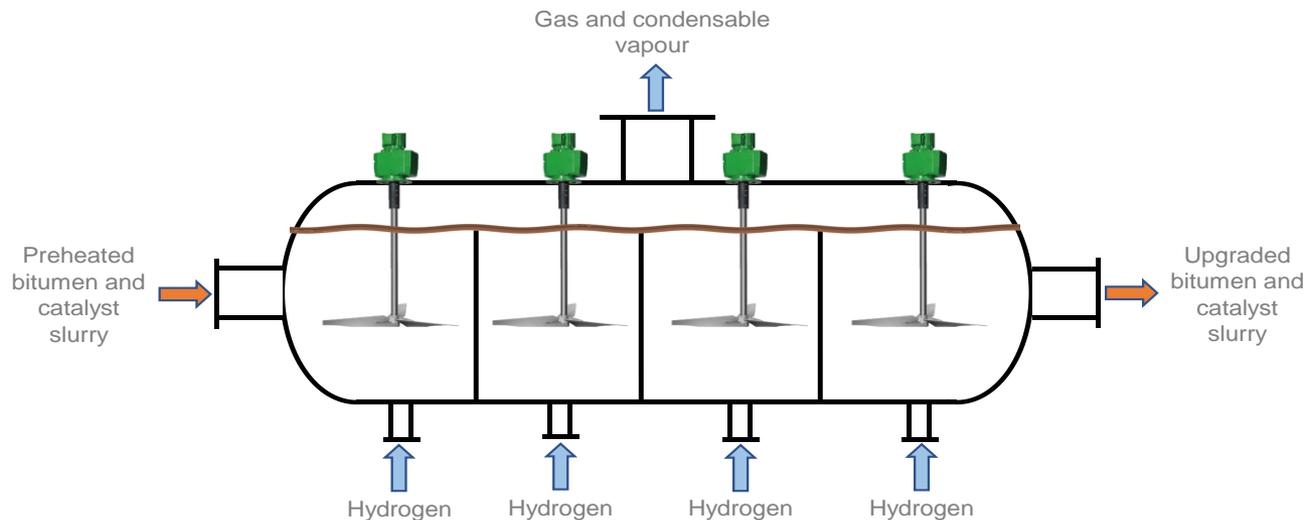


Overview of Sherritt's process and pilot testing results

sherritt

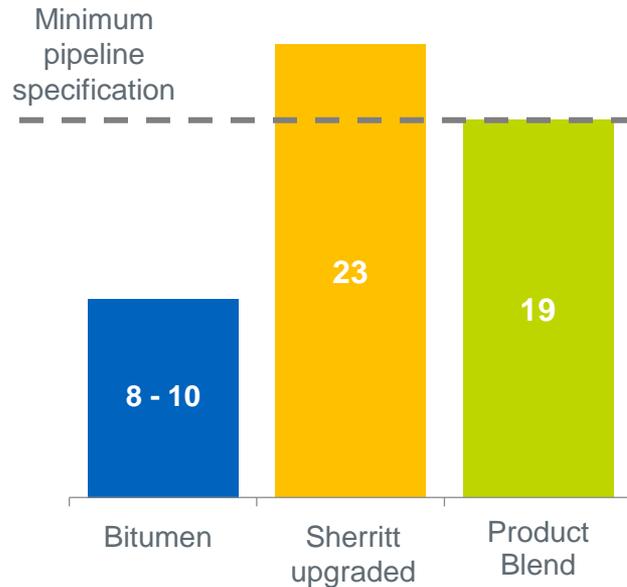
Sherritt's technology

- Upgrading bitumen may be accomplished by rejecting carbon or adding hydrogen
 - ✗ Carbon rejection methods produce 20%-30% of low value coke or asphaltene product and have low liquid yields
 - ✗ Typical hydrogen addition techniques are reliant on highly active and expensive catalysts
- Sherritt's partial upgrading of bitumen is different
 - ✓ Mechanically agitated vessel is similar to those employed in many hydrometallurgical operations around the world, including the one in Fort Saskatchewan
 - ✓ Minimal coke or asphaltene product
 - ✓ Low cost catalyst and rapid dissolution of hydrogen

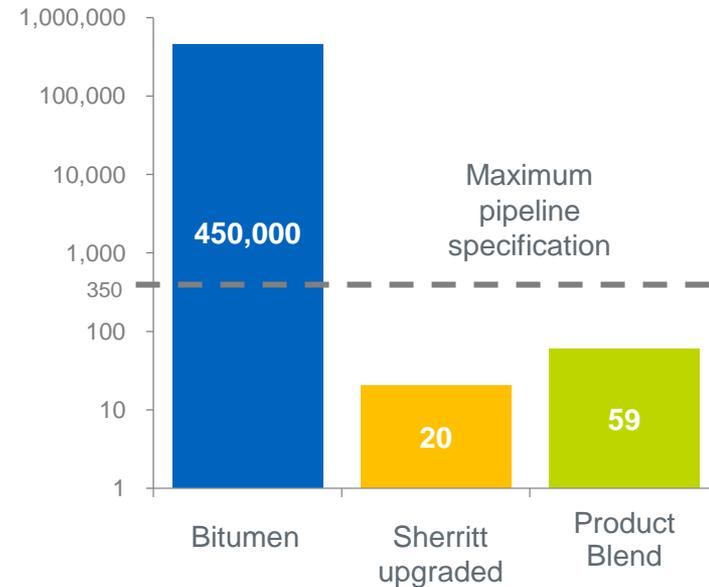


Pilot test results - Pipeline critical properties

API gravity (°)



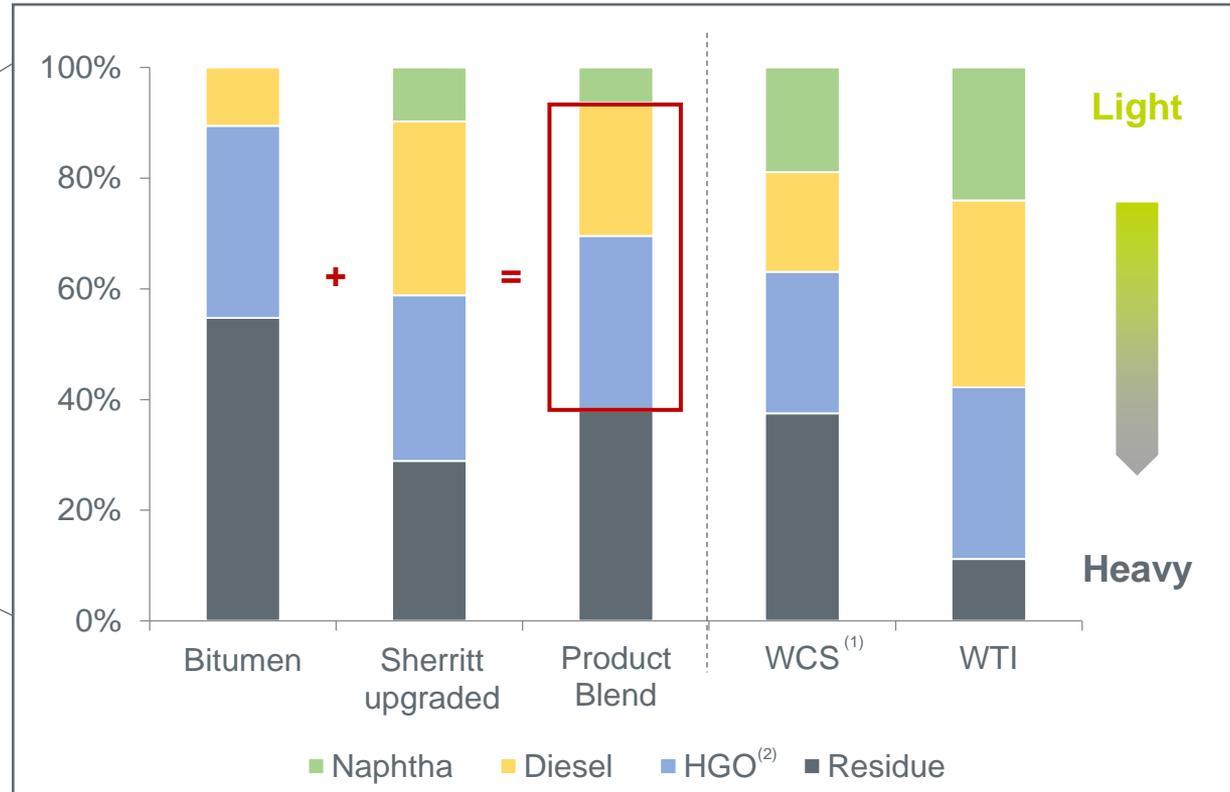
Viscosity (Centistokes)



Sherritt's process yields a product that meets required API specifications in all seasons

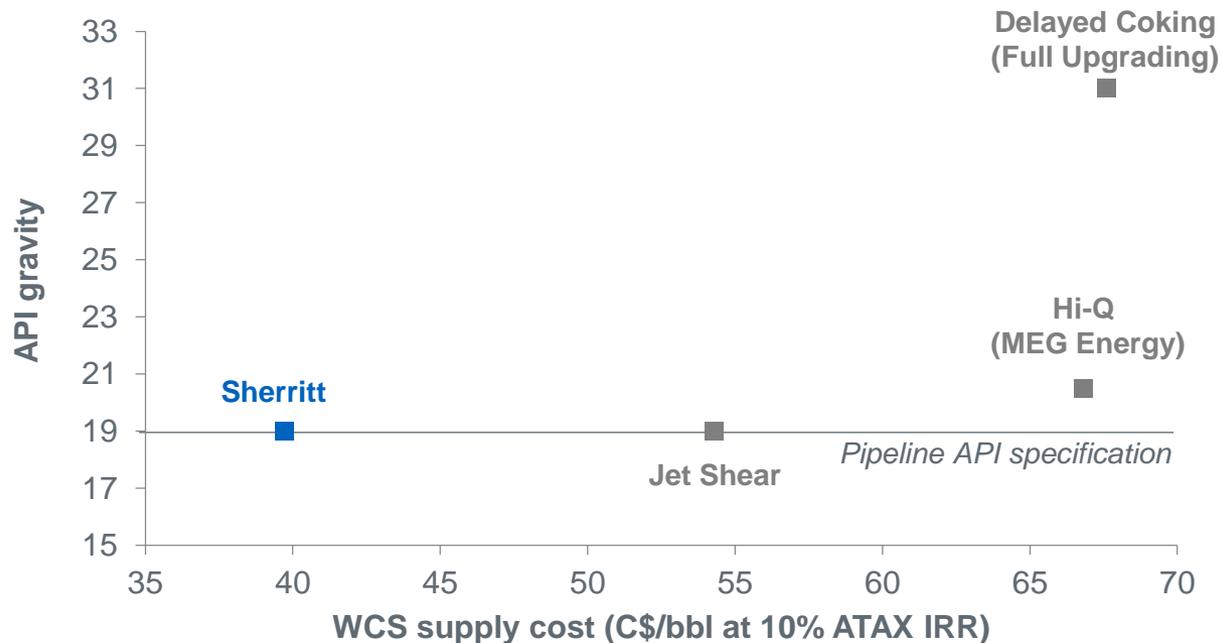
Pilot test results - Product yield improvement

What is inside an oil barrel?



Sherritt's product delivers higher liquid yield, lower gasoline and higher diesel production than WCS

Competitive advantage vs. alternatives



Process	Provider	Capex intensity (C\$/bpd)
Jet Shear ⁽¹⁾	Fractal Systems	c. 6,000
Hi-Q	MEG Energy	c. 30,000
Delayed coking	Many vendors	c. 60,000

Sherritt process can meet pipeline specs and eliminate diluent with 100% liquid yield at lower capex and opex than competitors

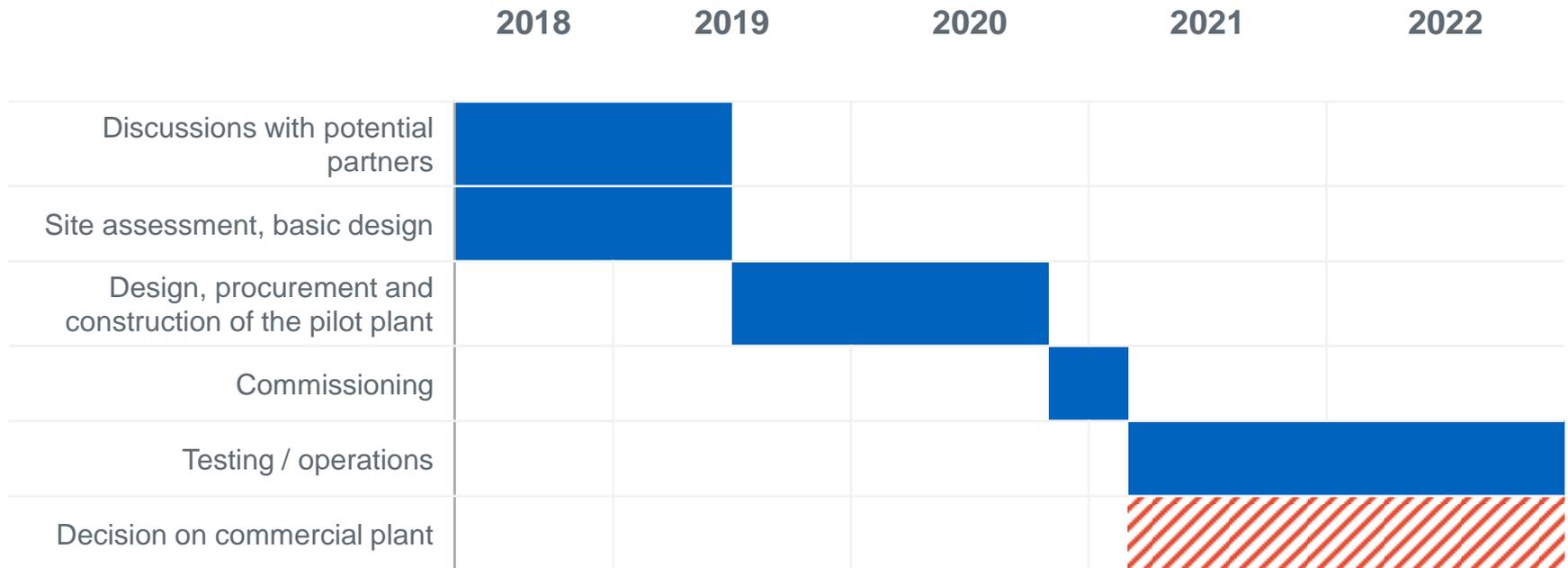
Source: Sherritt, CERI (Study Number 164 March 2017)



Next steps and timeline

sherritt

Sample timeline



Next steps

- Develop better understanding of commercial environment and potential economics
- Discussions initiated with:
 - Alberta Government agencies
 - Potential partners for demonstration plant
 - License and royalty structures to be determined



Potential to monetize process is being fully exploited

Summary

1

Sherritt has developed an innovative process that addresses significant bitumen industry need

2

Technology is based on Sherritt's processing capabilities and experience

3

Process has been proven in pilot testing

4

Timelines of additional testing and commercialization being developed

Questions?

David Pathe

President & CEO

John Marsh

Director, Technologies Projects

sherritt

Introduction to Sherritt Metals

Lyle Trytten

General Manager Sustainability

May 30, 2018

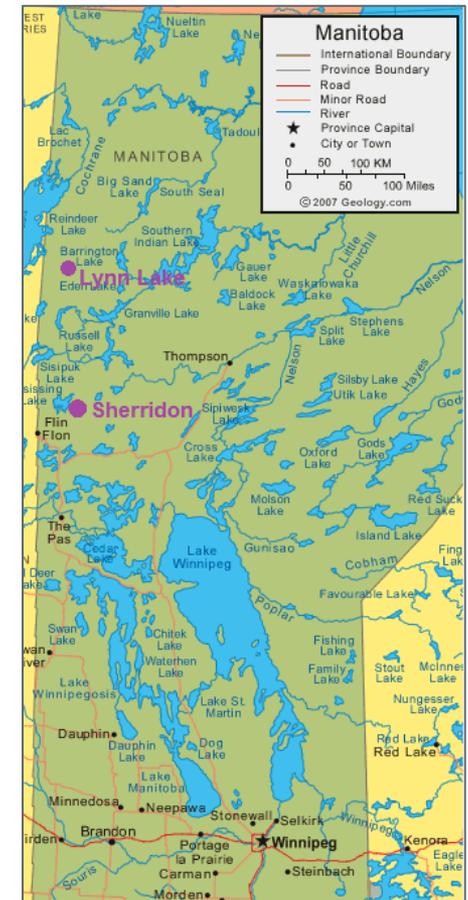
sherritt

Today's discussion

- Sherritt and site background
- Responsible production
- JV and Metals Refinery operations
- Utilities and Fertilizers operations
- Tour of facilities

Sherritt and site background

- Sherritt Gordon Mines Ltd
 - Started as a copper miner, discovered nickel (Sherridon - 1927)
(Lynn Lake - 1940s)
 - Developed hydrometallurgical technology (1950s)
- Fort Saskatchewan Refinery
 - Started operation in 1954
 - Lynn Lake mine closed mid-1970's
 - First Moa sulphides 1991



Long history of successful operation

Development over the years

- Developed a JV with Cuban nickel agency in 1994 to secure feed
 - 50% Sherritt, 50% General Niquel de Cuba
 - Moa Nickel – mining and processing in Cuba
 - Cobalt Refinery Company – refining nickel and cobalt in Canada
 - International Cobalt Company – marketing nickel and cobalt products
- Multiple companies operate on original site
- Other businesses developed since 1960:
 - Metallurgical Technologies – 1961 (first licensee in 1967)
 - Rolling Mill and Coinage Plant - 1961
 - Fertilizer facilities – 1965, 1983
 - Specialty Materials and Chemicals - 1976

Decades of innovation – business, products, and process

Sherritt Fort Site



Responsible production – Safety first

- The Fort Site employs ~750 workers
 - 360 Hourly Employees (Unifor) in Operations, Maintenance
 - No labour interruption in history of site (>60 yrs)
 - Culture of collaboration and being in touch with workforce
- Many long-term employees (more than 20 years of service)
 - Dedicated and committed employee base
- Safety focus on leading indicators, monitoring of lagging indicators

Fort Site 5 Year LTI-TRI Frequency/Rate						
	2013	2014	2015	2016	2017	Average
Year End LTI	0.24	0.24	0.20	0.00	0.11	0.16
Year End TRI	0.61	0.49	0.81	0.25	0.23	0.48

Committed workforce with deep knowledge

Responsible production - Environmental

- Greenhouse gases – regulated under Alberta law
 - Able to capture process CO2 emissions from Ammonia Plant for use
- Solid process “wastes” are byproducts sold to third parties
- Zero liquid effluent to river
 - Treated in regional sewage treatment plant, including storm water
- Continuous monitoring and improvement to ensure that we meet or exceed environmental standards
 - Regional management becoming the approach in Alberta
 - Smog-forming emissions, groundwater management

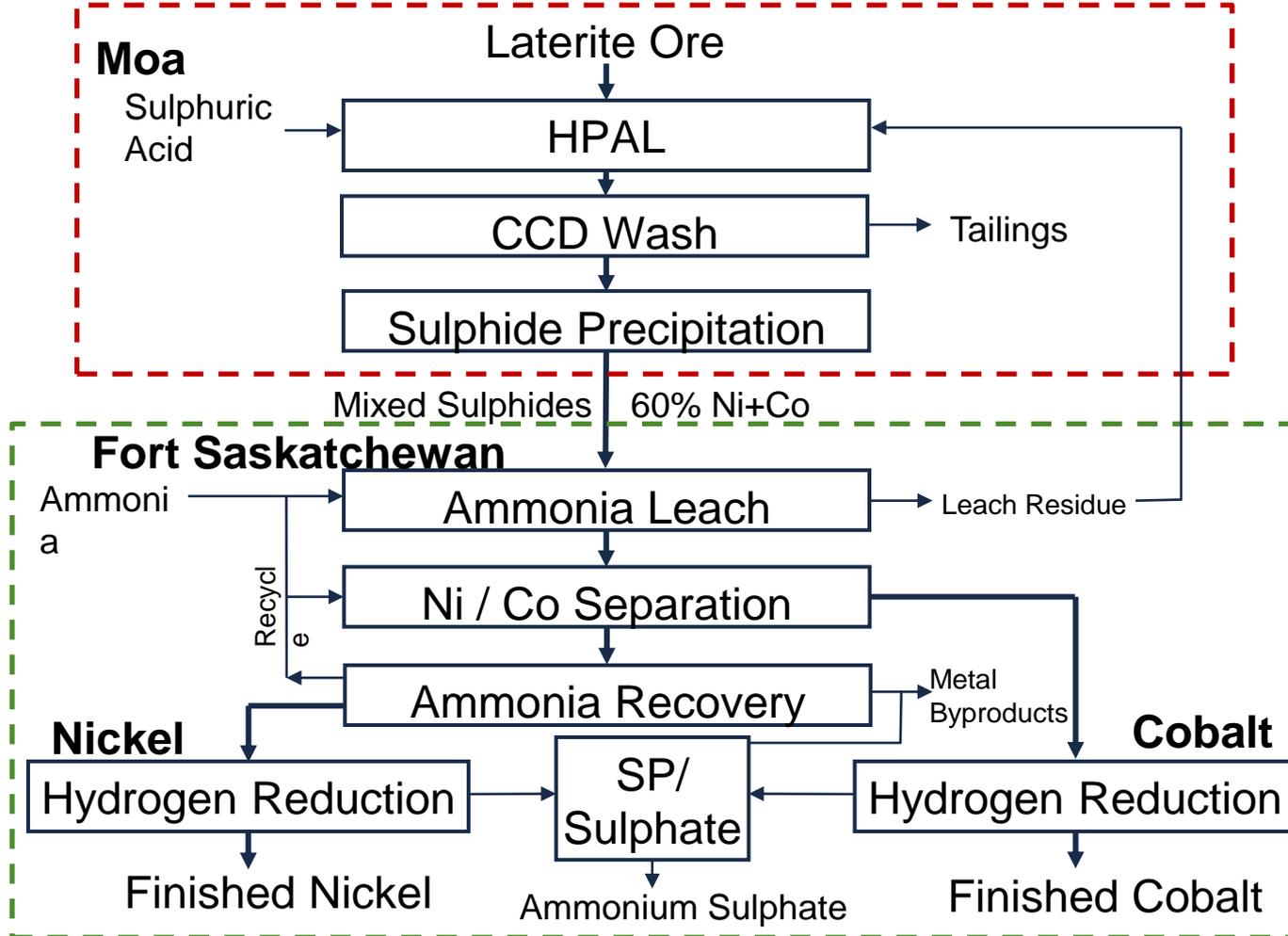
Good environmental performance, improvements continue

Responsible production – sustainable mining

- Supply chain transparency is important to our customers
- Core sustainability commitments: we will
 - Ensure our process feeds are free from human rights abuses
 - No child or forced labour
 - No feeds from identified conflict areas, artisanal and small-scale mining
 - Committed to VPSHR
- Identify risks and manage hazards throughout our business
 - Supply chain, ethics, safety, environment, production, etc.
- Contribute to development of the communities where we operate
- Implement effective engagement with our stakeholders
- Implement TSM (Towards Sustainable Mining) protocols

Committed to being a responsible producer

JOINT VENTURE OPERATIONS



Efficient process with high cobalt recoveries

Joint venture products

- Nickel Briquettes
 - Sintered, LME Grade, 99.8%
 - Unsintered, “Steel Grade”, 99.4% nickel
- Nickel Powders
 - Coarse, standard and fine grades
- Cobalt Briquettes
 - Sintered, 99.9%
 - Cobalt Powder
 - Coarse grade
- Ammonium Sulphate:
 - ~180,000 t/y
 - Coarse and fine grades



High purity products with good dissolving properties

Utilities and fertilizer operations

- Ammonia Plant
 - Produce up to 350 t/d for internal use and sale
 - Standard Haber-Bosch process
- Sulphuric Acid Plant
 - Produce up to 800 t/d for internal consumption and sale
 - Operating rate determined by external sales (managed by third party)
- Granulation Plant
 - Ammonium phosphate plant converted to ammonium sulphate in 2003
 - Produce up to 250 t/d granular ammonium sulphate for sale
- Utilities Plant
 - Provides services (steam, air, water, power) to multiple site users
 - Process site effluent, including storm water, for all site companies

Utilities and Fertilizers provide security and value

Questions?

Lyle Trytten
General Manager Sustainability

sherritt

CLOSING REMARKS

David Pathe

President and CEO

May 30, 2018

sherritt



sherritt

Sherritt International Corporation
181 Bay Street, 26th Floor, Brookfield Place
Toronto, Ontario, Canada M4T 2Y7

Investor Relations
Joe Racanelli
Telephone: 416.935.2457 Toll-Free: 1.800.704.6698
Email: investor@sherritt.com Website:
www.sherritt.com