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Q1 Earnings Call

April 26, 2019

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, statements set out in the “2019 Guidance”” section of this presentation and certain expectations regarding production volumes, operating costs and capital spending; supply, demand and pricing outlook in the nickel and cobalt markets; demand in the stainless steel and electric vehicle markets; anticipated payments of outstanding receivables; future distributions from the Moa Joint Venture, funding of future Ambatovy Joint Venture cash calls; equipment availability, drill plans and results on exploration wells; the impact of Title III of the Helms-Burton Act on operations; and amounts of certain other commitments.

Forward looking statements are not based on historical facts, but rather on current expectations, assumptions and projections about future events, including commodity and product prices and demand; the level of liquidity and access to funding; share price volatility; production results; realized prices for production; earnings and revenues; development and exploration wells and enhanced oil recovery in Cuba; 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 this presentation 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, fertilizers or certain other commodities; security market fluctuations and price volatility; level of liquidity; access to capital; access to financing; risks related to the liquidity and funding of the Ambatovy Joint Venture; the risk to Sherritt’s entitlements to future distributions from the Moa and Ambatovy joint ventures; risk of future non-compliance with debt restrictions and covenants and mandatory repayments; uncertainty of exploration results and Sherritt’s ability to replace depleted mineral and oil and gas reserves; risks associated with the Corporation’s joint venture partners; variability in production at Sherritt’s operations in Cuba and Madagascar; 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; potential interruptions in transportation; uncertainty of gas supply for electrical generation; the Corporation’s reliance on key personnel and skilled workers; the possibility of equipment and other failures; risks associated with mining, processing and refining activities; uncertainty of resources and reserve estimates; the potential for shortages of equipment and supplies; risks related to environmental liabilities including liability for reclamation costs, tailings facility failures and toxic gas releases; risks related to the Corporation’s corporate structure; political, economic and other risks of foreign operations; risks related to Sherritt’s operations in Madagascar; risks associated with Sherritt’s operation of large projects generally; risks related to the accuracy of capital and operating cost estimates; foreign exchange and pricing risks; compliance with applicable environment, health and safety legislation and other associated matters; risks associated with governmental regulations regarding climate change and greenhouse gas emissions; risks relating to community relations and maintaining the Corporation’s social license to grow and operate; credit risks; 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; identification and management of growth opportunities; 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; the ability to accomplish corporate objectives, goals and plans for 2019; 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 this press release and in the Corporation’s other documents filed with the Canadian securities authorities, including without limitation the Annual Information Form of the Corporation dated February 13, 2019 for the period ending December 31, 2018, which is available on SEDAR at www.sedar.com.

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 release and in the Corporation’s 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 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. See Sherritt’s Management’s Discussion and Analysis for the three months ended March 31, 2019 for further information and reconciliation of non-GAAP measures to the most directly comparable IFRS measure.

Participants

David Pathe *President & CEO*	
Steve Wood *Executive Vice President & COO*	
Andrew Snowden *Senior Vice President & CFO*	

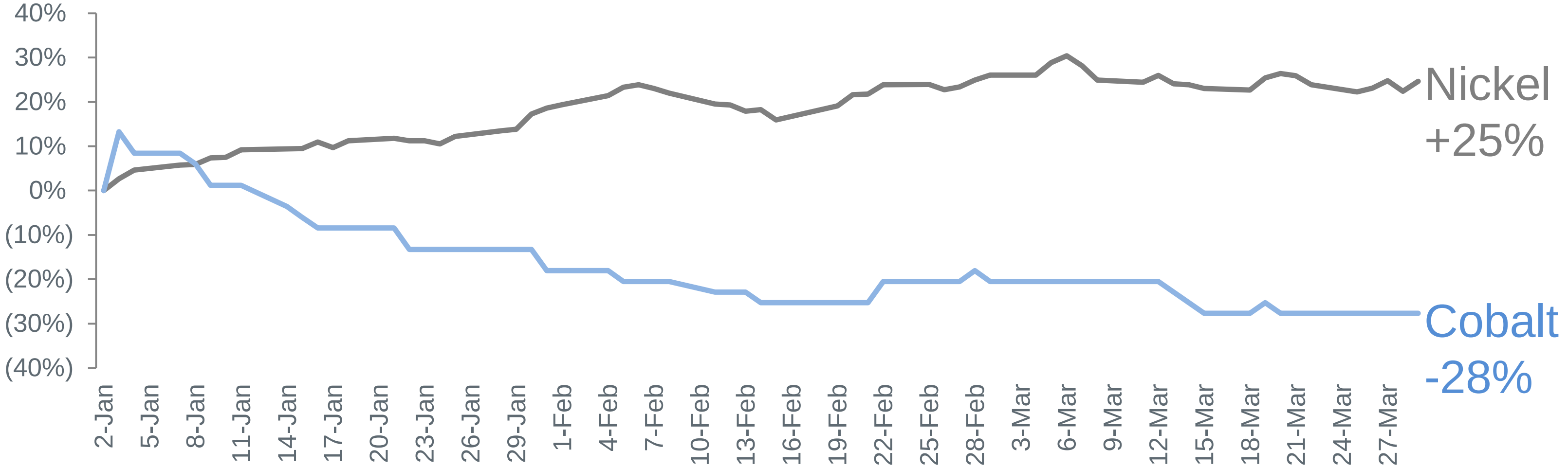
Highlights for Q1

1. Record first quarter nickel and cobalt production at Moa JV
2. 3B tonne production milestone at Fort Saskatchewan refinery
3. Continued progress with operational excellence initiatives
4. Financial results impacted by 70% decline in realized cobalt prices

Production improvements offset by volatile commodity prices

Market environment

Q1 - A tale of two commodity prices



Contributed to lower by-product revenue and higher NDCC in Q1

Source: Capital IQ

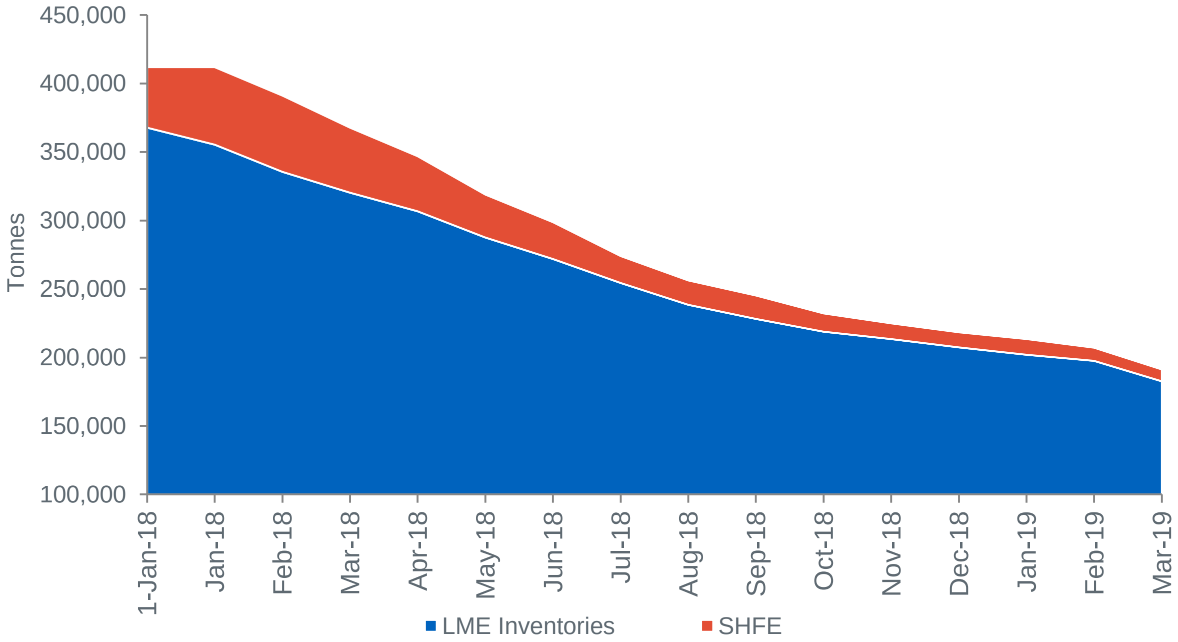
Trends that drove commodity prices in Q1

1. Easing of trade war concerns
2. Ongoing nickel inventory declines
3. De-stocking of cobalt inventory by consumers
4. Softened cobalt demand due to declining prices

Nickel market trends have been consistent over past 12 months

Source: Capital IQ

Nickel market fundamentals remain strong



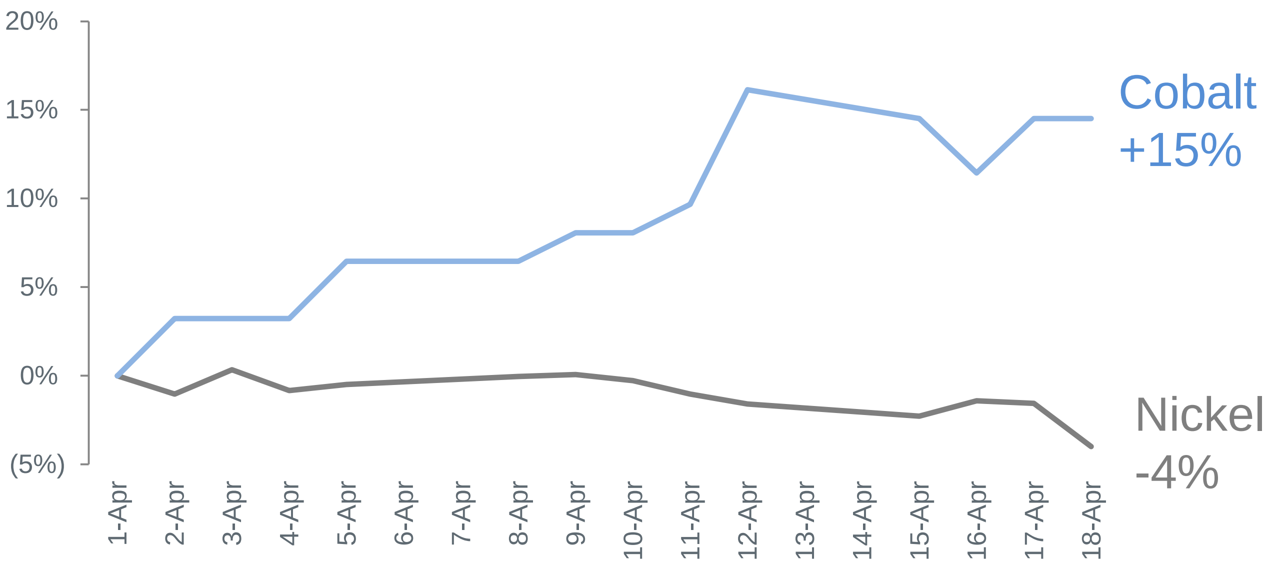
54%

Decline in inventory since Jan 1 2018

Supply deficit for Class 1 nickel is accelerating

Source: LME, SHFE

Q2 marked by cobalt price recovery



Higher cobalt prices being driven by renewed consumer buying

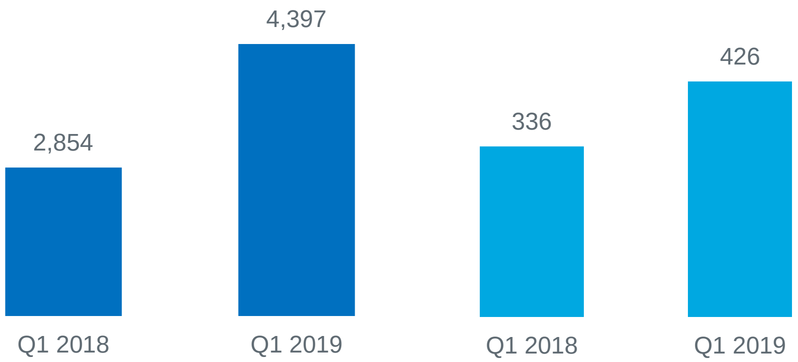
Source: Capital IQ

Operations

Metals highlights - Moa JV

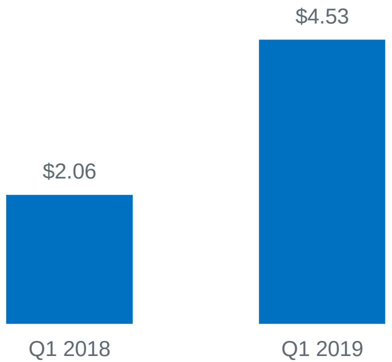
Production[1] (tonnes)

Nickel | Cobalt



- New record Q1 total nickel and cobalt production
- Growth driven by new mining equipment and operational excellence initiatives
- Q2 to be impacted by annual maintenance shutdown at Fort Saskatchewan refinery

NDCC (US$/lb)



- Q1 2019 NDCC impacted by 70% reduction in realized cobalt prices
- Settlement of Q4 2018 provisional prices in Q1 2019 added US$0.40/lb to NDCC

1. Sherritt's share - 50% basis

Operational excellence initiatives at Moa JV

Improve mining equipment availability

- Goal is to increase production
- 24 new mining trucks acquired in Q1 2019
- Benefits include reduced maintenance and CAPEX costs

Increase ore stockpiles

- Goal is to mitigate the impact of the rainy season

Improve mining efficiencies

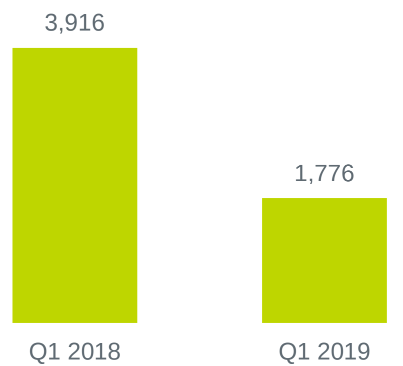
- “Dump Pocket” commissioned in Q1 2019
- Goal is to improve ore throughput
- Benefits include reduced waste haulage

Truck equipment availability in Q1 2019 exceeded minimum guarantee levels

Efforts are increasing production reliability and lower operating costs

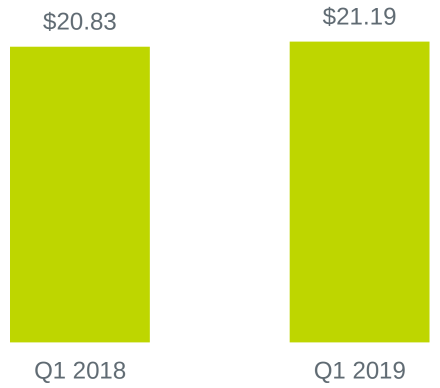
Oil and Gas highlights

Oil Production (total NWI, boepd)[(1)]



- Production decrease due to natural reservoir declines and reduction in profit oil percentage
- Q1 2018 includes higher profit oil percentage at PE/ Yumuri

Unit operating costs (Cuba GWI, $/bbl)[(2)]

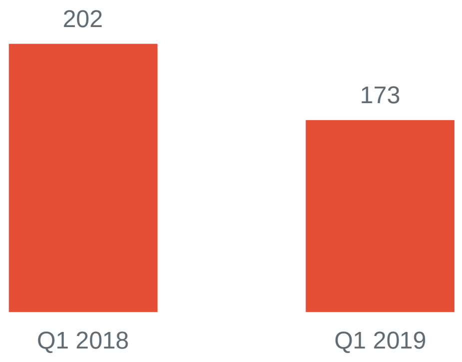


- Cost increase due to lower production volumes
- Costs also negatively impacted by a stronger $U.S.

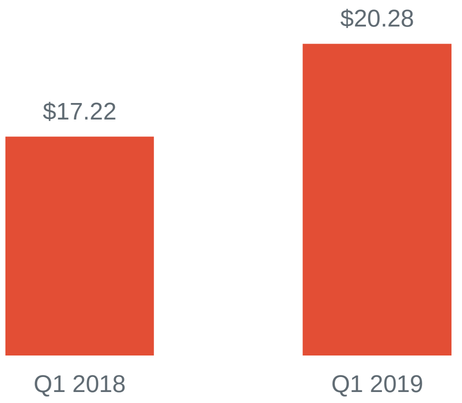
1. NWI = Net Working Interest; BOEPD = Barrels of oil equivalent per day
2. GWI = Gross Working interest; bbl = barrel

Power highlights

Electricity production (33⅓% GWh[1])



Unit operating costs ($/MWh[2])



- Production impacted by reduced natural gas supply and scheduled maintenance activities

- Unit costs increased due to lower production total and stronger $U.S.

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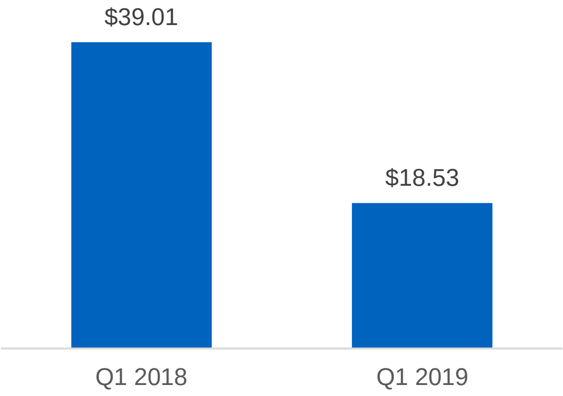
1. GWh = Gigawatt hours
2. MWh = Megawatt hours

Financial highlights

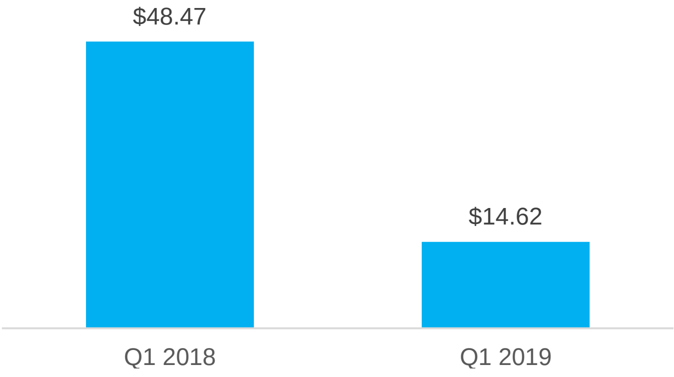
Impact of lower cobalt prices

Cobalt reference prices $US/lb



- 52% decline year-over-year
- Driven by inventory de-stocking by consumers and deferred purchasing in declining price environment
- Contributed to $20M decline in cobalt by-product revenue

Cobalt realized prices $CDN/lb



- 70% decline year-over-year
- Includes settlement of Q4 2018 provisional pricing (mark-to-market adjustment)
- Resulted in approx. $0.40/lb increase in NDCC

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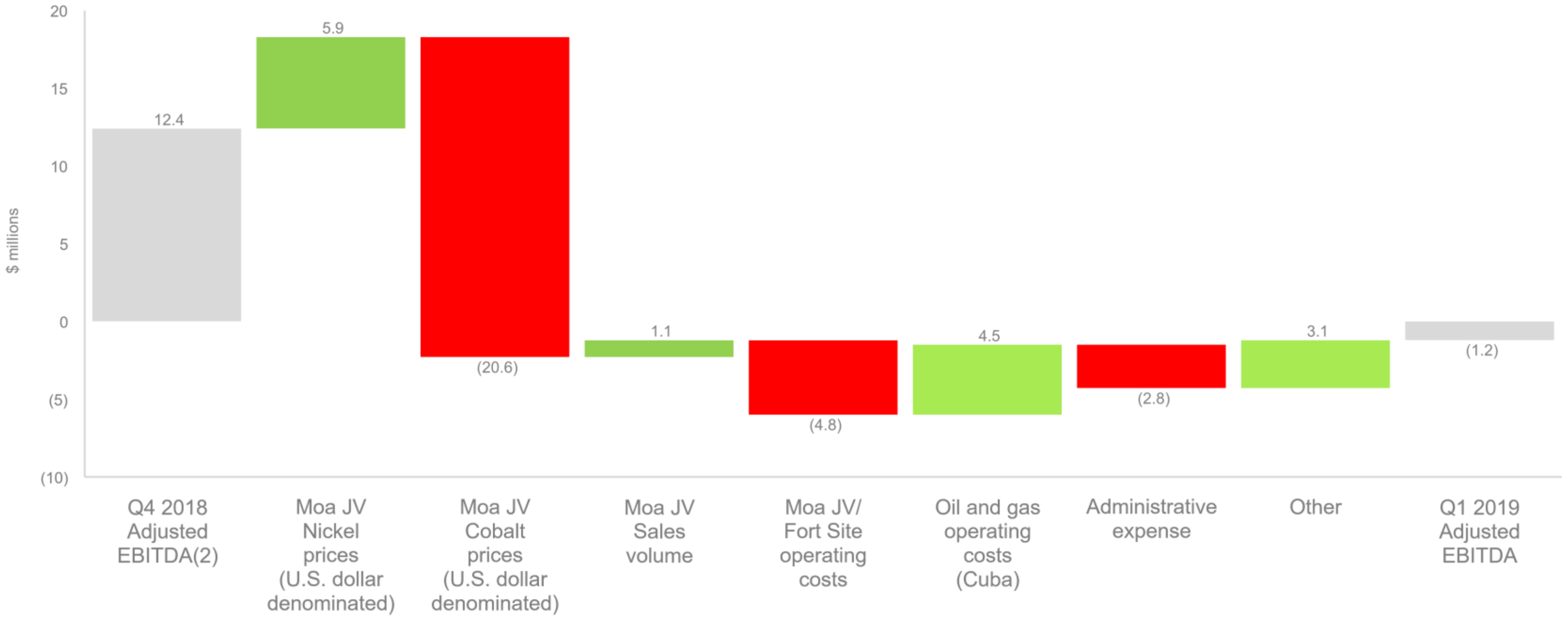
Adjusted EBITDA[(1)] waterfall from Q4 2018 to Q1 2019



Adjusted EBITDA impacted by 70% lower cobalt realized prices

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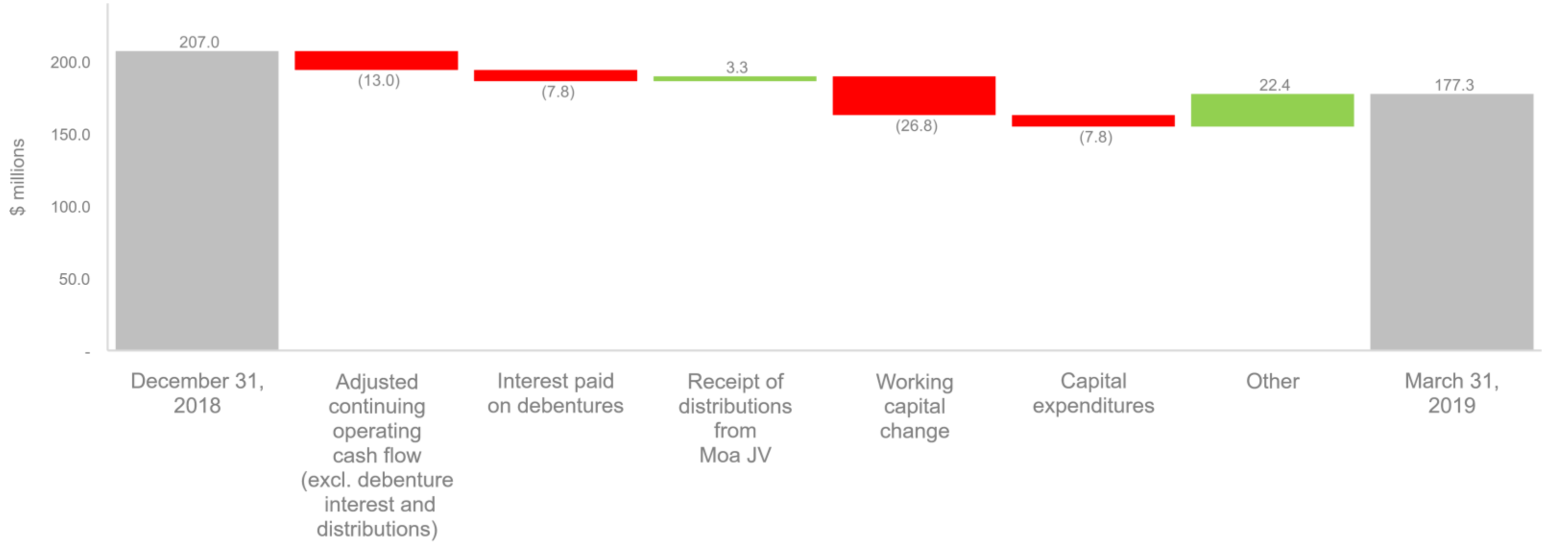
1. For additional information see Non-GAAP measures section
2. Adjusted to exclude Ambatovy JV Adjusted EBITDA of $5.3 million

Change in consolidated cash in Q1



Cash position impacted by working capital changes and timing of CAPEX spend

Ambatovy non-funding implications

Immediate impacts

- Loss of voting rights and representation at Board
- Reduced influence at local level

Ownership interest

- Potential for equity ownership dilution
- Triggered if Ambatovy JV shareholders elect to fund Sherritt's share

Economic interest

- New funding provided by Ambatovy JV shareholders repaid in priority
- No change to Sherritt's partner loans maturity or payment options

Operator status

- Sherritt continues to serve as operator through 2024

Disclosure

- Ambatovy is no longer an operating segment
- Reduced financial disclosure in MD&A
- Sherritt's partner loans reclassified as short-term liabilities

No cash in will be continued focus

Recent developments and outlook

Status of Helms-Burton Act

1. Title III takes effect for first time on May 2nd
2. No legal precedent
3. Helms-Burton and Title III are unenforceable in Canada
4. Sherritt maintains no U.S. operations or assets

Sherritt's Cuban operations continue to run business as usual

International response to Title III

Joint Statement by EU High Representative/Vice President Federica Mogherini, Minister of Foreign Affairs of Canada Chrystia Freeland and EU Commissioner for Trade Cecilia Malmström on the decision of the United States to further activate Title III of the Helms Burton (Libertad) Act

From: Global Affairs Canada

Statement

April 17, 2019 - Ottawa, Ontario - Global Affairs Canada

The decision by the United States to renege on its longstanding commitment to waive Title III of the Helms-Burton (LIBERTAD) Act is regrettable, and will have an important impact on legitimate EU and Canadian economic operators in Cuba. The EU and Canada consider the extraterritorial application of unilateral Cuba-related measures contrary to international law. We are determined to work together to protect the interests of our companies in the context of the WTO and by banning the enforcement or recognition of foreign judgements based on Title III, both in the EU and Canada. Our respective laws allow any US claims to be followed by counter-claims in European and Canadian courts, so the US decision to allow suits against foreign companies can only lead to an unnecessary spiral of legal actions.

Status of scheduled Cuban energy receivables

US$M	Q4 2018 overdue	Expected/due	Received	Q1 2019 overdue
Oil & Gas - Trade receivables	$37.7	$4.8	$(3.7)	$38.8
Power				
Trade receivables/other	$13.3	$5.8	$(2.0)	$17.1
Energas CSA	$101.5	$14.2	--	$115.7
Total Cuban energy receivables	$152.5	$24.8	$(5.7)	$171.6

- Overdue receivables include trade receivables and CSA loan repayments

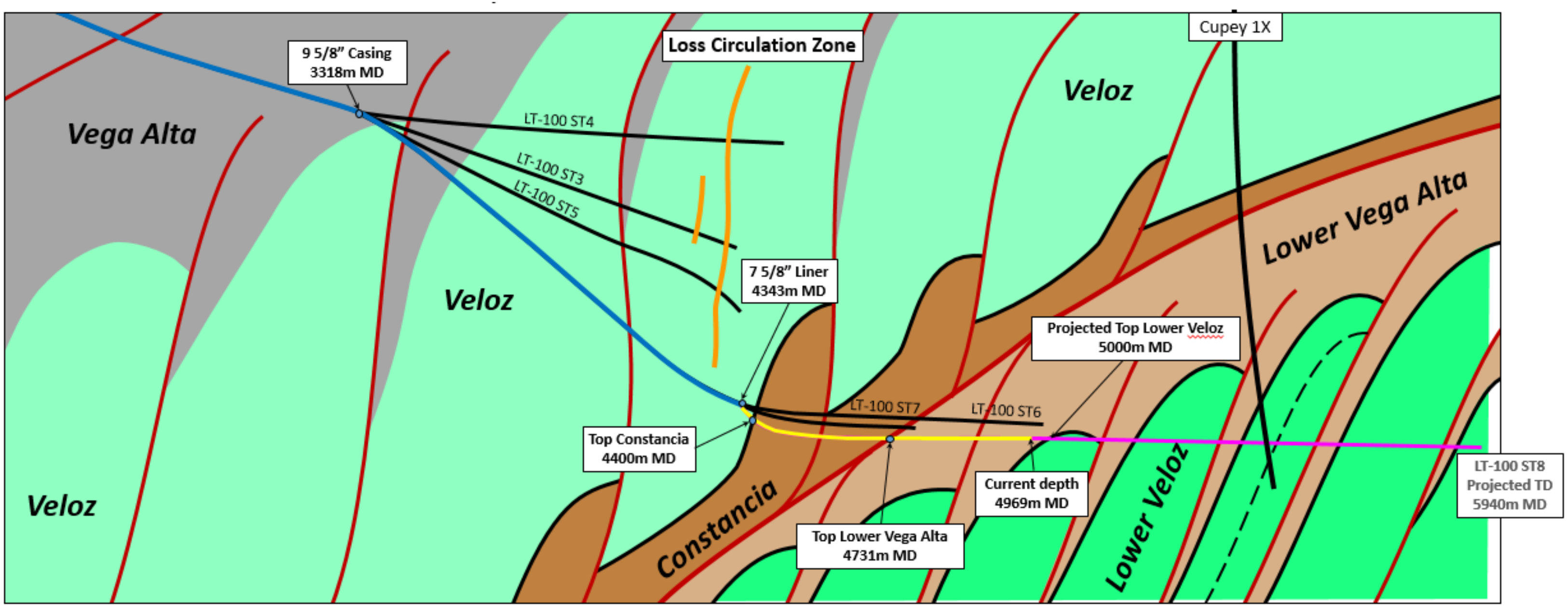
Agreement to pay down receivables is pending ratification by Cuban partner

Update on Block 10

- Drilling resumed on April 1st
- 3rd party experts assisted with data analysis and development of new drilling parameters
- Drilling to make use of casing while drilling
- Completion is expected in Q2

Prudent drilling and capital spending driven by complex geological formation

Current drilling on Block 10



Drilling is taking advantage of technology investments and 3rd party expertise

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Q&A Discussion

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