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Q1 Earnings Call

Review of Financial and Operational Results

May 11, 2023

New slurry preparation plant
Moa Cuba

Presenters

Leon Binedell *President & CEO*	
Yasmin Gabriel *CFO*	

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 regarding strategies, plans and estimated production amounts resulting from expansion of mining operations at the Moa Joint Venture, growing and increasing nickel and cobalt production, optimizing mine planning and performance, extending the Moa life of mine, conversion of mineral resources to reserves, expansion program update as it relates to the Slurry Preparation Plant and Moa Processing Plant, commercializing Technologies projects and growing shareholder value; statements set out in the “Outlook” section of this presentation and certain expectations regarding production volumes and increases, inventory levels, operating costs and capital spending and intensity; sales volumes; revenue, costs and earnings; the availability of additional gas supplies to be used for power generation; Sherritt’s strategy, plans, targets and goals in respect of environmental and social governance issues, including climate change and greenhouse gas emissions reduction targets; anticipated payments under the Cobalt Swap, the anticipated repayment of all outstanding receivables through dividends, including in the form of finished cobalt or cash; and the timing, and amount of cobalt dividend distributions; distributions from the Corporation’s Moa Joint Venture in general; the anticipated second lien secured notes becoming due in 2026; the impact of the U.S. sanctions on Cuba; anticipated economic conditions in Cuba; sufficiency of working capital management and capital project funding; strengthening the Corporation’s capital structure 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; global demand for electric vehicles and the anticipated corresponding demand for cobalt and nickel; the commercialization of certain proprietary technologies and services; advancements in environmental and greenhouse gas (GHG) reduction technology; GHG emissions reduction goals and the anticipated timing of achieving such goals, if at all; statistics and metrics relating to Environmental, Social and Governance (ESG) matters which are based on assumptions or developing standards; environmental rehabilitation provisions; environmental risks and liabilities; compliance with applicable environmental laws and regulations; risks related to the U.S. government policy toward Cuba; and certain corporate objectives, goals and plans for 2023. 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 the 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, security market fluctuations and price volatility; level of liquidity and the related ability of the Moa Joint Venture to pay dividends; access to capital; access to financing; the risk to Sherritt’s entitlements to future distributions (including pursuant to the Cobalt Swap) from the Moa Joint Venture, the impact of infectious diseases (including the COVID-19 pandemic), the impact of global conflicts; changes in the global price for nickel, cobalt, oil, gas, fertilizers or certain other commodities; 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; political, economic and other risks of foreign operations; 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; 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; maintaining social license to grow and operate; risks related to environmental liabilities including liability for reclamation costs, tailings facility failures and toxic gas releases; uncertainty about the pace of technological advancements required in relation to achieving ESG targets; risks to information technologies systems and cybersecurity; identification and management of growth opportunities; the ability to replace depleted mineral reserves; 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 Cuba; risks associated with mining, processing and refining activities; potential interruptions in transportation; uncertainty of gas supply for electrical generation; reliance on key personnel and skilled workers; growth opportunity risks; the possibility of equipment and other failures; uncertainty of resources and reserve estimates; the potential for shortages of equipment and supplies, including diesel; supplies quality issues; risks related to the Corporation’s corporate structure; risks associated with the operation of large projects generally; risks related to the accuracy of capital and operating cost estimates; foreign exchange and pricing risks; 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; legal contingencies; risks related to the Corporation’s accounting policies; uncertainty in the ability of the Corporation to obtain government permits; 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 2023; and the ability to meet other factors listed from time to time in the Corporation’s continuous disclosure documents.

The Corporation, together with its Moa Joint Venture is pursuing a range of growth and expansion opportunities, including without limitation, process technology solutions, development projects, commercial implementation opportunities, life of mine extension opportunities and the conversion of mineral resources to reserves. In addition to the risks noted above, factors that could, alone or in combination, prevent the Corporation from successfully achieving these opportunities may include, without limitation: identifying suitable commercialization and other partners; successfully advancing discussions and successfully concluding applicable agreements with external parties and/or partners; successfully attracting required financing; successfully developing and proving technology required for the potential opportunity; successfully overcoming technical and technological challenges; successful environmental assessment and stakeholder engagement; successfully obtaining intellectual property protection; successfully completing test work and engineering studies, prefeasibility and feasibility studies, piloting, scaling from small scale to large scale production, , procurement, construction, commissioning, ramp-up to commercial scale production and completion; and securing regulatory and government approvals. There can be no assurance that any opportunity will be successful, commercially viable, completed on time or on budget, or will generate any meaningful revenues, savings or earnings, as the case may be, for the Corporation. In addition, the Corporation will incur costs in pursuing any particular opportunity, which may be significant. 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 without limitation the “Managing Risk” section of the Management’s Discussion and Analysis for the three months ended March 31, 2023 and the Annual Information Form of the Corporation dated March 31, 2023 for the period ending December 31, 2022, 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 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 AND OTHER FINANCIAL MEASURES

Management uses the following non-GAAP and other financial measures in this presentation: adjusted EBITDA, unit operating cost/net direct cash cost (NDCC), average-realized price, and spending on capital.

Management uses these and other non-GAAP measures 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/or to evaluate the results of its underlying business. These measures are intended to provide additional information, not to replace International Financial Reporting Standards (IFRS) measures and they do not have a standard definition under IFRS. They 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.

The non-GAAP and other financial measures used in this presentation are reconciled to their most directly comparable IFRS measures in the appendix to this presentation.

Q1 Highlights

- Positive earnings from operations and Adjusted EBITDA[1] despite lower cobalt prices
- Filed NI 43-101 Technical Report supporting an estimated 26-year mine life
- Successfully implemented Cobalt Swap
- Drilled new gas well for power generation

Maintained positive momentum and delivered on significant milestones

1. Non-GAAP financial measures. For additional information see the Non-GAAP and other financial measures section in the Appendix to this presentation.

2023 Strategic Priorities

Leading Green Metals Producer

- Execute on Moa JV expansion
- Rank in lowest cost quartile for HPAL nickel producers
- ✓ Publish NI 43-101 Report

Achieve Balance Sheet Strength

- ✓ Effectively leverage collections on Cobalt Swap
- Maximize available liquidity to support growth strategy
- Continue to optimize costs to reflect operating footprint

Leverage Technologies for Growth

- ✓ Support Moa JV expansion, operational improvements and Life of Mine extension
- Advance Technology solutions toward commercialization

Maximize Value from Energy Business

- ✓ Access additional gas supply to increase electrical power generation
- Maximize value from Oil and Gas business

Be a Sustainable Organization

- Deliver on Sustainability Report actions
- Achieve YoY ESG improvements
- Deliver on ‘Diversity and Inclusion” global framework

Strong Q1 execution on achieving 2023 strategic priorities

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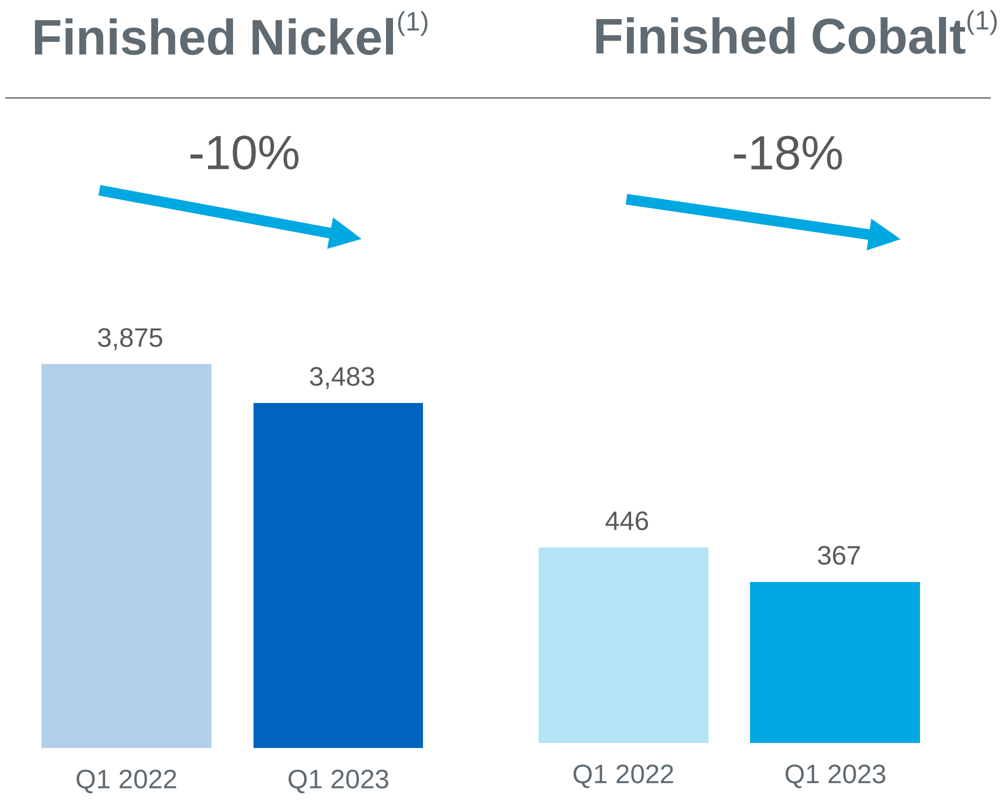
Review of operations

Nickel briquettes
Fort Saskatchewan, Canada

6

Moa JV highlights – Q1 Production

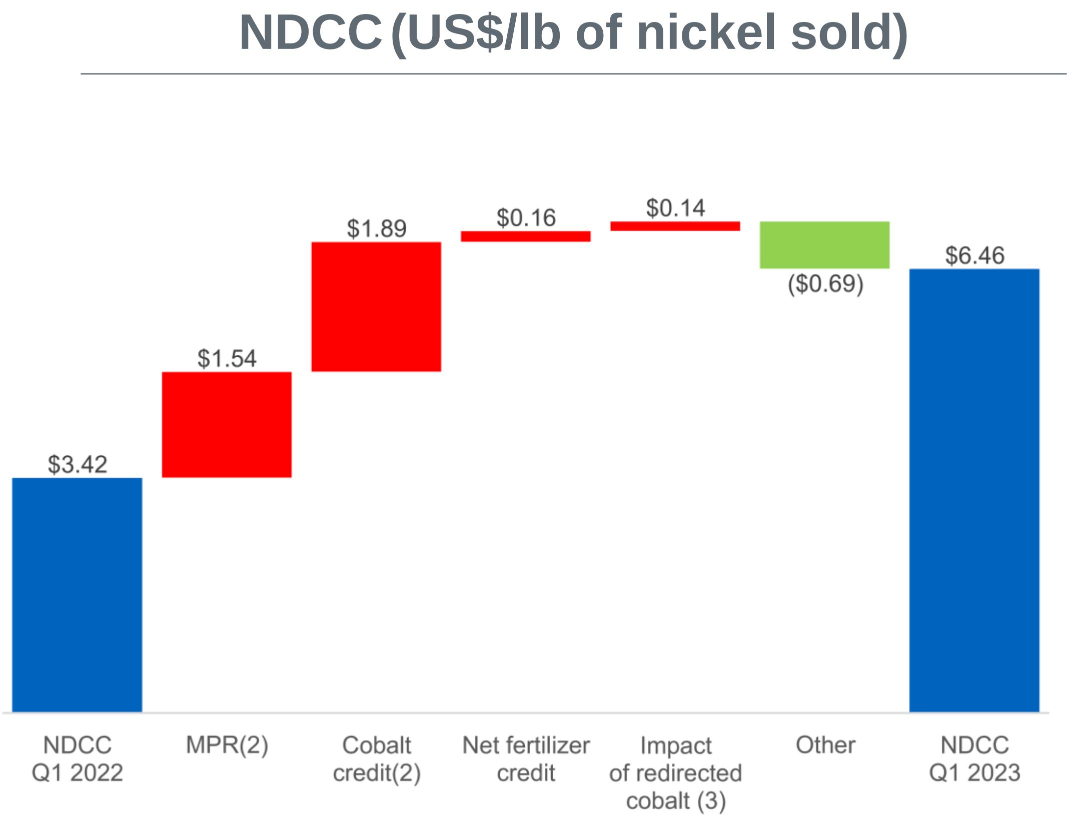


- Lower mixed sulphide (MSP) feed availability at refinery due to lower ore grade and unplanned maintenance due to feed characteristics at Moa

New ore body access and blending changes will improve MSP production

1. Tonnes, Sherritt's share - 50% basis

Moa JV highlights – Q1 NDCC(1)



- Cobalt price 54% lower
- Higher MPR costs due to higher opening inventory costs, lower production volumes and higher diesel costs
- No significant impact from the Cobalt Swap

Input commodity prices improved in Q1 compared to Q4 2022

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1. Net direct cash cost. A non-GAAP financial measure. For additional information see the Non-GAAP and other financial measures section in the Appendix to this presentation.
2. Mining Processing and Refining (MPR) and cobalt by-product credits include the cost and cobalt revenue, respectively, on cobalt sold from Sherritt's 50% share of cobalt received under the Cobalt Swap.
3. "Impact of redirected cobalt" includes the finished cobalt cost less cobalt by-product credits per pound of nickel sold on the cobalt sold from GNC's redirected cobalt received by Sherritt under the Cobalt Swap.

Moa JV NI 43-101 filed in Q1

26 Year mine life

- Proven and Probable Reserves increased >100%
- Favourable economics NPV (8%) of US$1.5 billion (100% basis)[1]
- Completion of expansion program will increase economics


Nickel briquettes

Underpins our strategy for establishing Sherritt as a leading green metals supplier

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1. See NI 43-101 Technical Report for details. “Alternative Scenario” using recent (~March 2023) analysts forecast commodity prices. The economic analysis including the NPV calculation is for the Moa JV and production from the Moa mine only and does not consider the impact of operating results of Sherritt’s 100% owned fertilizer business, potential third-party feed opportunities, and the impact of the current Moa JV expansion on timing of production and capital cost estimates.

Moa JV Expansion update

Low capital intensity of US$13k per additional tonne of contained nickel

- 80% of structural steel erected on SPP[1]
- Feasibility study for MPP[1] approved by Cuban authorities
- All significant long-term contracts have or are being awarded for Sixth Leach Train and are on budget
- Preliminary engineering completed on acid storage tanks

Slurry Preparation Plant in construction
Moa, Cuba

On budget and schedule for completion in early 2024 (SPP) and end of 2024 (MPP)

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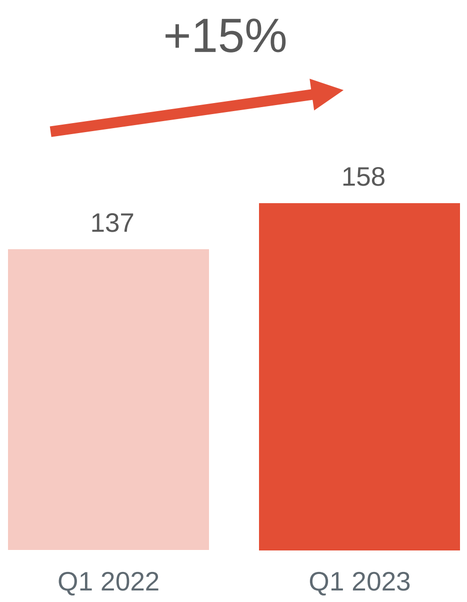
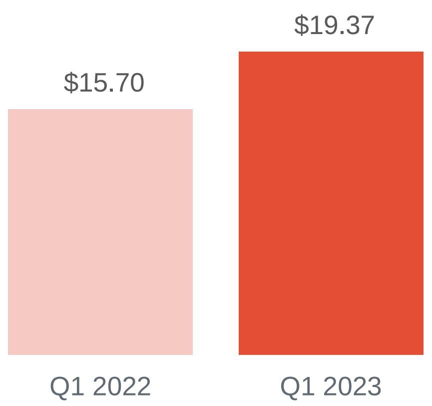
1. SPP = Slurry Preparation Plant, MPP = Moa Processing Plant. For further details on the expansion program see the MD&A for the year ended December 31, 2022..

Power highlights – Q1

Electricity production (33⅓% GWh[1])



Unit operating costs[2] ($/MWh[1])



- Higher production due to greater equipment/gas availability
- Unit cost increase due to timing of maintenance activities
- Moa Swap has been successful in providing liquidity required to effectively manage operations

New wells will provide additional gas for electricity production

1. GWh = Gigawatt hours, MWh = Megawatt hours
2. A non-GAAP financial measure. For additional information see the Non-GAAP and other financial measures section in the Appendix to this presentation

Technologies

- Supported Moa JV expansion, operational improvements, ECOG[1] implementation and life of mine extension
- Received NRCan funding commitment to evaluate using MHP[1] as an additional refinery feed
- Signed agreement with Aurora Hydrogen to support development of hydrogen production technology and demonstration plant
- Signed agreement with a major mining company to advance Sherritt's NGL[1] technology on specific laterite opportunities

A key differentiator for Sherritt

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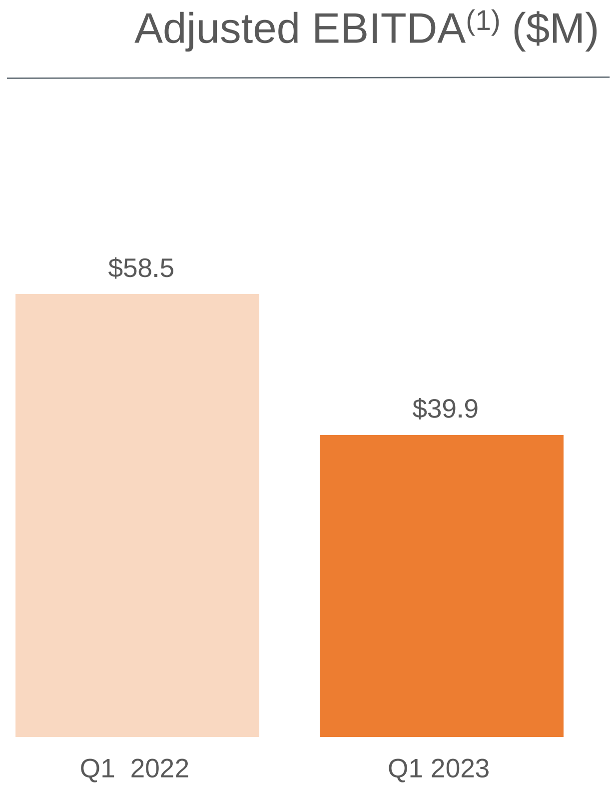
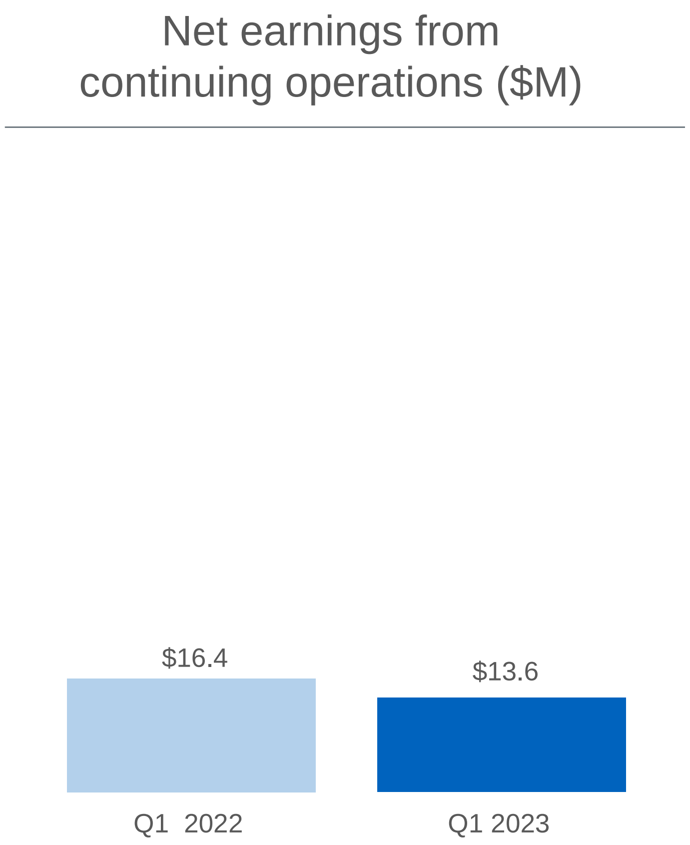
1. ECOG = Economic cut off grade, MHP = Mixed hydroxide precipitate, NGL = Next generation laterite.

Financial Highlights

Key Financial Metrics



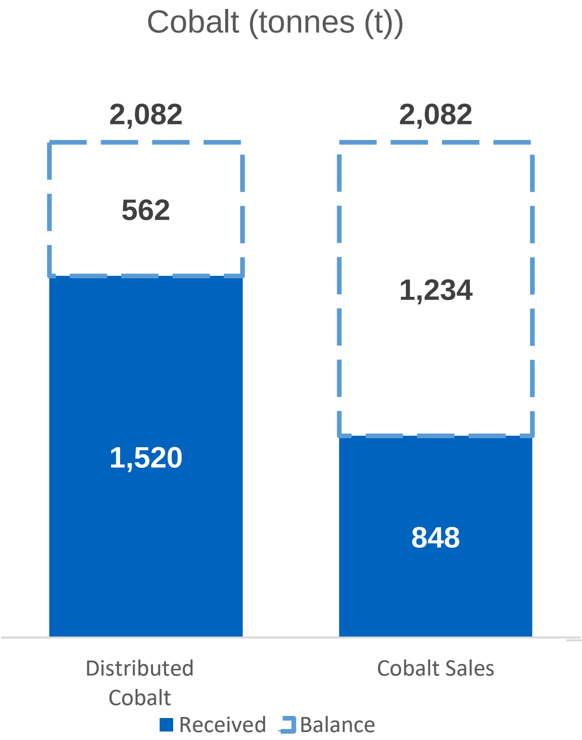


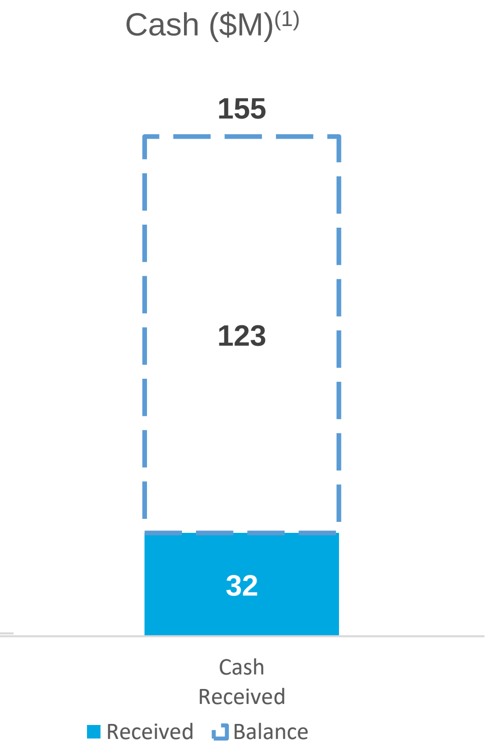
- Higher nickel average-realized price[1] offset by lower production
- Cobalt average-realized price 54% lower
- Higher MPR costs on higher opening inventory costs, lower volumes and higher diesel prices

Strong Adjusted EBITDA despite weak cobalt prices

1. A non-GAAP financial measure. For additional information see the Non-GAAP and other financial measures section in the Appendix to this presentation

Cobalt Swap Update





73% of annual maximum cobalt received

To May 9, 2023 (100% basis)

- Received – 1,520t of cobalt – $67M
- Reduced GNC[2] receivable – $34M
- Sold – 848t of cobalt – $37M
- Cash received on sales – $32M

Balance of year

- Cobalt distributions and cash top up of US$114M to be received by mid-year
- All cash on sale of cobalt expected to be received by year-end

US$114M to be received in cobalt and cash annually for next five years

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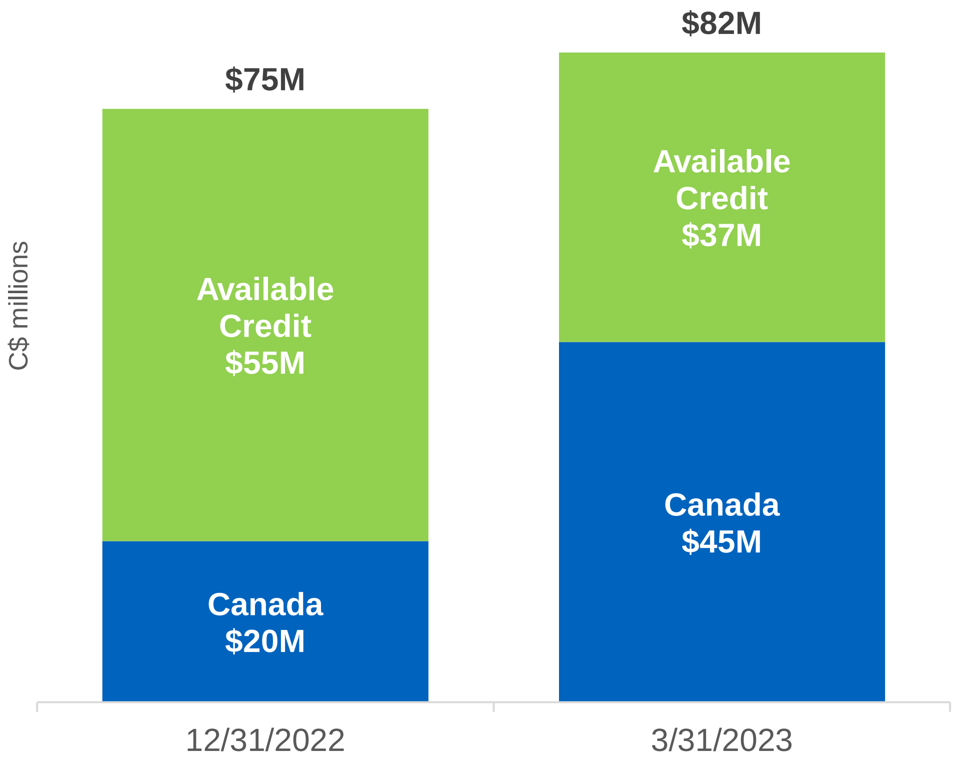
1. Minimum annual amount to be received – US$114M (C$155M)
2. General Nickel Company (GNC), Sherritt's Moa JV partner, assumed all of the Cuban liability under the Cobalt Swap.

Available liquidity in Canada(1)



Net increase includes:

- Receipts on sale of cobalt
- Strong Fort Site fertilizer pre-buys
- Payment of share-based compensation obligation

Subsequent to the quarter-end:

- Received $13M on cobalt sales
- Paid $9M interest on second lien notes
- No mandatory redemption required on second lien notes

Cobalt Swap receipts in 2023 continue to improve liquidity

1. Available liquidity in Canada includes cash and cash equivalents held in Canada and amounts available under Sherritt's syndicated revolving-term credit facility. Excludes cash in other countries, which primarily includes amounts held by Energas in Cuba – $89M as at March 31, 2023 ($97M, December 31. 2022).

Outlook

Moa, Cuba

2023 Guidance

Moa JV and Fort Site

Production (100% basis) & Unit Costs	
Finished nickel	30,000 – 32,000 tonnes
Finished cobalt	3,100 – 3,400 tonnes
Net direct cash cost(1)	US$5.00 - $5.50/lb

Spending on capital (Sherritt's share)(1)(2)	
Sustaining capital	C$70M
Growth capital	C$20M
Total planned spending:	C$90M

Power

Production (33-⅓% basis) & Unit Costs	
Electricity production	575 – 625 GWh
Unit cost(1)	$28.50 - $30.00/MWh

2023 Guidance amount unchanged

- Monitoring volatile cobalt prices
- Additional gas may lead to electricity production update when flow rates confirmed

Transforming operations for long-term success

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1. Non-GAAP financial measures. See the Non-GAAP and other financial measures section in the appendix for reconciliations of full year actual amounts to the most directly comparable IFRS measures.
2. Sustaining capital spend is 50% of expenditures at Moa JV and 100% expenditures for the Fort Site fertilizers and utilities, Growth capital is 50% of expenditures at Moa JV .

Q1 Take aways

- Earnings from operations and Adjusted EBITDA[(1)] strong despite lower cobalt prices
- Accessing new mining areas in 2023 will reduce Q1 operating challenges at the Moa mine
- NI 43-101 Technical Report supports an estimated 26-year mine life
- Moa JV expansion program remains on time and on budget
- The Cobalt Swap is operating effectively and will continue to improve liquidity
- New gas wells will increase power generation

We continue to strengthen the balance sheet and pursue growth opportunities

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1. Non-GAAP financial measures. For additional information see the Non-GAAP and other financial measures section in the Appendix to this presentation

Q&A Discussion

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Appendix

Adjusted EBITDA

The Corporation defines Adjusted EBITDA as earnings (loss) from operations and joint venture, which excludes net finance expense and loss from discontinued operations, net of tax, as reported in the financial statements for the period, adjusted for: depletion, depreciation and amortization; impairment losses on non-current non-financial assets and investments; and gains or losses on disposal of property, plant and equipment of the Corporation and the Moa Joint Venture. The exclusion of impairment losses eliminates the non-cash impact of the losses.

Management uses Adjusted EBITDA internally to evaluate the cash generation potential of Sherritt's operating divisions on a combined and individual basis as an indicator of ability to fund working capital needs, meet covenant obligations, service debt and fund capital expenditures, as well as provide a level of comparability to similar entities. Management believes that Adjusted EBITDA provides useful information to investors in evaluating the Corporation's operating results in the same manner as management and the Board of Directors.

The tables below reconcile earnings (loss) from operations and joint venture per the financial statements to Adjusted EBITDA:

$ millions, for the three months ended March 31	Metals[1]	Power	Techno-logies	Oil and Gas	Corporate	Adjustment for Moa Joint Venture	Total 2023
Earnings (loss) from operations and joint venture per financial statements	$ 31.0	$ 5.9	$ (4.5)	$ (1.4)	$ (5.5)	$ (3.9)	$ 21.6
Add:							
Depletion, depreciation and amortization	2.3	0.5	-	0.1	0.3	-	3.2
Adjustments for share of earnings of Moa Joint Venture:							
Depletion, depreciation and amortization	11.2	-	-	-	-	-	11.2
Net finance expense	-	-	-	-	-	0.4	0.4
Income tax expense	-	-	-	-	-	3.5	3.5
Adjusted EBITDA	$ 44.5	$ 6.4	$ (4.5)	$ (1.3)	$ (5.2)	$ -	$ 39.9

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Adjusted EBITDA, cont.

$ millions, for the three months ended March 31	Metals[1]	Power	Techno-logies	Oil and Gas	Corporate	Adjustment for Moa Joint Venture	Total
							2022
Earnings (loss) from operations and joint venture per financial statements	$ 67.1	$ 0.5	$ (4.0)	$ 1.6	$ (23.6)	$ (18.1)	$ 23.5
Add (deduct):							
Depletion, depreciation and amortization	2.6	3.9	-	0.5	0.3	-	7.3
Gain on disposal of property, plant and equipment	-	-	-	(1.3)	-	-	(1.3)
Adjustments for share of earnings of Moa Joint Venture:							
Depletion, depreciation and amortization	10.9	-	-	-	-	-	10.9
Net finance income	-	-	-	-	-	2.2	2.2
Income tax expense	-	-	-	-	-	15.9	15.9
Adjusted EBITDA	$ 80.6	$ 4.4	$ (4.0)	$ 0.8	$ (23.3)	$ -	$ 58.5

(1) Adjusted EBITDA of Metals for the three months ended March 31, 2023 is composed of Adjusted EBITDA at Moa Joint Venture of $45.0 million (50% basis), Adjusted EBITDA at the Fort Site of $3.1 million, and Adjusted EBITDA at Metals Marketing of $(3.6) million (for the three months ended March 31, 2022 - $76.9 million, $4.3 million and $(0.6) million, respectively).

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Average-realized price

Average-realized price is generally calculated by dividing revenue by sales volume for the given product in a given division. The average-realized price for power excludes by-product revenue, as this revenue is not earned directly for power generation. Transactions by a Moa Joint Venture marketing company, included in other revenue, are excluded.

Management uses this measure, and believes investors use this measure, to compare the relationship between the revenue per unit and direct costs on a per unit basis in each reporting period for nickel, cobalt, fertilizer and power and provide comparability with other similar external operations.

Average-realized price for fertilizer is the weighted-average realized price of ammonia and various ammonium sulphate products.

Average-realized price for nickel and cobalt are expressed in Canadian dollars per pound sold, while fertilizer is expressed in Canadian dollars per tonne sold and electricity is expressed in Canadian dollars per megawatt hour sold.

The tables below reconcile revenue per the financial statements to average-realized price:

$ millions, except average-realized price and sales volume, for the three months ended March 31							2023
	Metals						
	Nickel	Cobalt	Fertilizer	Power	Other[1]	Adjustment for Moa Joint Venture	Total
Revenue per financial statements	$ 121.4	$ 30.8	$ 16.9	$ 10.3	$ 10.1	$ (130.9)	$ 58.6
Adjustments to revenue:							
By-product revenue	-	-	-	(1.1)			
Revenue for purposes of average-realized price calculation	121.4	30.8	16.9	9.2			
Sales volume for the period	7.4	1.6	29.9	158			
Volume units	Millions of pounds	Millions of pounds	Thousands of tonnes	Gigawatt hours			
Average-realized price[2][3][4]	$ 16.47	$ 19.11	$ 566.93	$ 58.33			

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Average-realized price, cont.

$ millions, except average-realized price and sales volume, for the three months ended March 31							2022
	Metals						
	Nickel	Cobalt	Fertilizer	Power	Other[1]	Adjustment for Moa Joint Venture	Total
Revenue per financial statements	$ 123.0	$ 36.6	$ 20.6	$ 9.0	$ 13.0	$ (168.1)	$ 34.1
Adjustments to revenue:							
By-product revenue	-	-	-	(1.5)			
Revenue for purposes of average-realized price calculation	123.0	36.6	20.6	7.5			
Sales volume for the period	8.3	0.9	31.4	137			
Volume units	Millions of pounds	Millions of pounds	Thousands of tonnes	Gigawatt hours			
Average-realized price[2][3][4]	$ 14.85	$ 41.66	$ 654.55	$ 54.73			

(1) Other revenue includes revenue from the Oil and Gas, Technologies and Corporate reportable segments.
(2) Average-realized price may not calculate exactly based on amounts presented due to foreign exchange and rounding.
(3) Power, average-realized price per MWh.
(4) Fertilizer, average-realized price per tonne.

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Unit operating costs/Net direct cash cost

With the exception of the Moa Joint Venture, which uses NDCC, unit operating cost is generally calculated by dividing cost of sales as reported in the financial statements, less depreciation, depletion and amortization in cost of sales, the impact of impairment losses, gains and losses on disposal of property, plant, and equipment and exploration and evaluation assets and certain other non-production related costs, by the number of units sold.

The Moa Joint Venture's NDCC is calculated by dividing cost of sales, as reported in the financial statements, adjusted for the following: depreciation, depletion, amortization and impairment losses in cost of sales; cobalt by-product, fertilizer and other revenue; third-party finished nickel costs; and other costs primarily related to the impact of opening and closing inventory values, by the number of finished nickel pounds sold in the period, expressed in U.S. dollars.

Unit operating costs for nickel and electricity are key measures that management and investors uses to monitor performance. NDCC of nickel is a widely-used performance measure for nickel producers. Management uses unit operating costs/NDCC to assess how well the Corporation's producing mine and power facilities are performing and to assess overall production efficiency and effectiveness internally across periods and compared to its competitors.

Unit operating cost (NDCC) for nickel is expressed in U.S. dollars per pound sold, while electricity is expressed in Canadian dollars per megawatt hour sold.

The tables below reconcile cost of sales per the financial statements to unit operating cost/NDCC:

$ millions, except unit cost and sales volume, for the three months ended March 31					2023
	Metals	Power	Other[1]	Adjustment for Moa Joint Venture	Total
Cost of sales per financial statements	$ 144.5	$ 3.4	$ 7.7	$ (96.3)	$ 59.3
Less:					
Depletion, depreciation and amortization in cost of sales	(13.5)	(0.5)			
	131.0	2.9			
Adjustments to cost of sales:					
Cobalt by-product, fertilizer and other revenue	(55.1)	-			
Cobalt gain	(0.5)	-			
Impact of opening/closing inventory and other[2]	(11.0)	-			
Cost of sales for purposes of unit cost calculation	64.4	2.9			
Sales volume for the period	7.4	158			
Volume units	Millions of pounds	Gigawatt hours			
Unit operating cost[3][4]	$ 8.74	$ 19.37			
Unit operating cost (US$ per pound) (NDCC)[5]	$ 6.46				

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Unit operating costs/Net direct cash cost, cont.

$ millions, except unit cost and sales volume, for the three months ended March 31					2022
	Metals	Power	Other[1]	Adjustment for Moa Joint Venture	Total
Cost of sales per financial statements	$ 118.6	$ 6.0	$ 6.6	$ (100.8)	$ 30.4
Less:					
Depletion, depreciation and amortization in cost of sales	(13.5)	(3.9)			
	105.1	2.1			
Adjustments to cost of sales:					
Cobalt by-product, fertilizer and other revenue	(64.6)	-			
Impact of opening/closing inventory and other[2]	(4.7)	-			
Cost of sales for purposes of unit cost calculation	35.8	2.1			
Sales volume for the period	8.3	137			
Volume units	Millions of pounds	Gigawatt hours			
Unit operating cost[3][4]	$ 4.32	$ 15.70			
Unit operating cost (US$ per pound) (NDCC)[5]	$ 3.42				

(1) Other is composed of the cost of sales of the Oil and Gas and Technologies reportable segments.
(2) Other is primarily composed of royalties and other contributions, sales discounts and other non-cash items.
(3) Unit operating cost/NDCC may not calculate exactly based on amounts presented due to foreign exchange and rounding.
(4) Power, unit operating cost price per MWh.
(5) Unit operating costs in US$ are converted at the average exchange rate for the period.

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Spending on capital

The Corporation defines spending on capital for each segment as property, plant and equipment and intangible asset expenditures on a cash basis adjusted to the accrual basis in order to account for assets that are available for use by the Corporation and the Moa Joint Venture prior to payment and includes adjustments to accruals. The Moa Joint Venture and the Fort Site segment's spending on capital includes the Fort Site's expenditures, plus the Corporation's 50% share of the Moa Joint Venture's expenditures, which is accounted for using the equity method for accounting purposes.

Combined spending on capital is the aggregate of each segment's spending on capital or the Corporation's consolidated property, plant and equipment and intangible asset expenditures and the property, plant and equipment and intangible asset expenditures of the Moa Joint Venture on a 50% basis, all adjusted to the accrual basis.

Combined spending on capital is used by management, and management believes this information is used by investors, to analyze the Corporation and the Moa Joint Venture's investments in non-current assets that are held for use in the production of nickel, cobalt, fertilizers, oil and gas and power generation.

The table below reconciles property, plant and equipment and intangible asset expenditures per the financial statements to combined spending on capital, expressed in Canadian dollars:

$ millions, for the three months ended March 31						**2023**
	Metals	Power	Other[1]	Combined total	Adjustment for Moa Joint Venture	Total derived from financial statements
Property, plant and equipment expenditures[2]	$ **9.6**	$ **0.7**	$ **-**	$ **10.3**	$ **(6.7)**	$ **3.6**
Intangible asset expenditures[2]	**-**	**-**	**0.9**	**0.9**	**-**	**0.9**
	9.6	**0.7**	**0.9**	**11.2**	$ **(6.7)**	$ **4.5**
Adjustments:						
Accrual adjustment		**-**	**(0.7)**	**(0.7)**		
Spending on capital	$ **9.6**	$ **0.7**	$ **0.2**	$ **10.5**		

Spending on capital, cont.

$ millions, for the three months ended March 31							2022
		Metals	Power	Other[1]	Combined total	Adjustment for Moa Joint Venture	Total derived from financial statements
Property, plant and equipment expenditures[2]	$	10.7	$ 0.5	$ -	$ 11.2	$ (7.1)	$ 4.1
Intangible asset expenditures[2]		-	-	0.8	0.8	-	0.8
		10.7	0.5	0.8	12.0	$ (7.1)	$ 4.9
Adjustments:							
Accrual adjustment		5.3	-	-	5.3		
Spending on capital	$	16.0	$ 0.5	$ 0.8	$ 17.3		

(1) Includes property, plant and equipment and intangible asset expenditures of the Oil and Gas and Corporate segments.
(2) Total property, plant and equipment expenditures and total intangible asset expenditures as presented in the Corporation's consolidated statements of cash flow.

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