sherritt

FOR IMMEDIATE RELEASE

Sherritt International posts quarterly earnings of $22.4 million or $0.17 per share

Toronto, Ontario. April 29, 2002. Sherritt International Corporation today announced quarterly net earnings of $22.4 million or $0.17 per restricted voting share (share) for the first three months of 2002 compared with earnings of $22.3 million or $0.23 per share for the first quarter of 2001.

Three months ended March 31 (thousands of dollars, except per share amounts)	**2002**	2001
Revenue	**$ 184,237**	$ 99,153
Operating earnings	**31,140**	13,072
Net earnings	**22,399**	22,334
Earnings per share		
Basic	**0.17**	0.23
Diluted	**0.13**	0.16
Weighted average number of shares (thousands)	**97,712**	72,554
Shareholders' equity	**1,333,847**	1,218,224

Consolidated revenue for the first quarter of 2002 was $184 million compared with $99.2 million for the same period in 2001. The Coal business acquired in May 2001 contributed $75.9 million to revenue during the quarter. The remaining increase in revenue resulted from higher Oil and Gas revenue, primarily due to higher oil sales volumes, and revenue from the soybean-based food processing operations, which commenced production during the second quarter of 2001.

Operating, selling, general and administrative costs of $117 million for the first quarter were $53.9 million higher than the same period last year, primarily due to the inclusion of costs from the Coal business.

Depletion and amortization expense for the quarter increased by $13.7 million over the first quarter of 2001 to $33.6 million, due to inclusion of results from the Coal business and higher depletion and amortization in the Oil and Gas business.

Higher interest expense from the inclusion of Luscar Coal's indebtedness, lower foreign exchange gains and lower interest income due to lower average cash balances and lower interest rates resulted in a net financing expense of $4.2 million for the quarter compared with net financing income of $11.3 million for the first quarter last year.

Cash and short-term investments at March 31, 2002 was $211 million compared with $148 million at the end of 2001. Cash generated from operating activities before working capital changes for the first three months of 2002 was $57.5 million compared with $43.9 million in the prior year period. Non-cash working capital decreased by $33.8 million and included the collection of $30.0 million of Cuban oil receivables scheduled for December 2001 that was received in January 2002. Cash used for investing activities during the quarter of $25.2 million primarily comprised capital expenditures, offset by proceeds from the sale of marketable investments.

The Corporation’s total assets at March 31, 2002 were $2.0 billion, consistent with the balance at December 31, 2001. Accounts receivable decreased by $32.0 million during the first quarter to $226 million at the end of March 2002, primarily due to the collection of Cuban oil receivables. Accounts payable increased by $28.8 million during the quarter primarily reflecting accrued interest on the convertible debentures and Luscar’s 9.75% senior notes.

OPERATING HIGHLIGHTS

COAL

Three months ended March 31	2002 [6]
Financial (thousands) [1]	
Revenue	**$ 75,856**
Expenses	
Operating expenses	**54,375**
Site restoration and abandonment	**1,849**
Operating margin	**19,632**
Selling and administrative	**937**
Depletion and amortization	**10,594**
Operating earnings	**$ 8,101**
Capital Expenditures (thousands) [1]	**$ 4,821**
Sales Volumes (thousands of tonnes) [1]	
Domestic coal [2]	**4,069**
Export coal	**526**
	4,595
Average Realized Prices (per tonne)	
Domestic coal	**$ 11.07**
Export coal	**58.62**
Export Reference Prices (U.S. per tonne)	
Japanese metallurgical coal [3][5]	**$ 42.15**
Japanese thermal coal [4][5]	**34.50**

(1) Represents the Corporation’s 50% share of Luscar Energy Partnership.
(2) Primarily comprises sale of thermal coal to domestic power-generating utilities and contract mining operations.
(3) Reference price for Canadian hard coking metallurgical coal sold to Japanese steel mills, free on board vessel at the Port of Vancouver. Prices are from publications of The Tex Report Ltd. for the year beginning April 1, 2001.
(4) Reference price for 12,530 Btu/lb air dried basis, Canadian bituminous thermal coal sold to Japanese utilities free on board vessel at the Port of Vancouver. Prices are from publications of The Tex Report Ltd. for the year beginning April 1, 2001.
(5) Reference prices for the year commencing April 1, 2002 have not yet been established.
(6) Luscar Energy Partnership was formed on February 20, 2001 and acquired Luscar Coal Income Fund and related companies on May 11, 2001, hence comparative results for the first quarter of 2001 are not applicable.

Operating earnings were $8.1 million on revenues of $75.9 million for the three months ended March 31, 2002.

Domestic revenue for the three months ended March 31, 2002 was $45.0 million, a significant part of which was derived from the supply of thermal coal to major Canadian electric utilities by mine-mouth operations located at or near power generating facilities in Alberta and Saskatchewan. Sales volumes to these utilities for the first quarter were slightly higher than the prior quarter. Other domestic revenue was also derived from short-term contracts for the sale of coal to industrial customers, other electric utilities and contract mining at the Highvale mine. For the three months ended March 31, 2002 domestic operating margins were $15.2 million or $3.73 per tonne compared with $17.7 million or $4.48 per tonne in the fourth quarter of 2001. The decrease in margin largely resulted from a one-time retroactive price increase recorded in the fourth quarter of 2001 relating to a new supply agreement with a major customer.

Export revenue for the three months ended March 31, 2002 was $30.9 million and was derived from the sale of metallurgical and thermal coal. Export operating margins were $4.4 million or $8.48 per tonne for the first quarter, up from the prior quarter of $6.52 per tonne, primarily due to higher realized prices. Average realized prices in the export market for the first quarter were $58.62 per tonne up from $56.51 per tonne in the fourth quarter of 2001, primarily due to a greater proportion of higher-priced metallurgical coal sales. Annual negotiations are currently underway between export coal suppliers and customers to set prices for the 2002 contract year. At this time no significant price settlements have been reported. Supported by the strength of metallurgical coal prices, mining operations at the Luscar mine have been extended by one year to the end of 2003. Luscar mine is now expected to produce 2.2 million tonnes of coal in 2002 and an additional 1.3 million tonnes in 2003. In 2001, production at the Luscar mine was 2.9 million tonnes of coal.

Capital expenditures amounted to $4.8 million for the quarter compared with $3.4 million in the fourth quarter of 2001. Expenditures were largely used to maintain and upgrade mine operations.

METALS

.

Three months ended March 31	**2002**	2001
Financial (thousands)		
Revenue	**$ 56,614**	$ 57,054
Expenses		
Operating, selling, general and administrative	**40,361**	49,712
Depletion and amortization	**4,793**	4,757
Provision for site restoration and abandonment	**263**	563
Operating earnings	**$ 11,197**	$ 2,022
Capital Expenditures (thousands)	**$ 1,419**	$ 3,179
Sales Volumes		
Nickel (thousands of pounds) [(1)]	**9,113**	8,249
Cobalt (thousands of pounds) [(1)]	**860**	815
Fertilizers (tonnes)	**19,743**	29,143
Production Volumes (tonnes) [(1)]		
Mixed sulphides containing nickel and cobalt	**4,199**	3,885
Nickel	**4,061**	3,405
Cobalt	**392**	356
Average Realized Prices (per pound)		
Nickel	**$ 4.56**	$ 4.31
Cobalt	**11.60**	17.54
Average Reference Prices (U.S. per pound)		
Nickel – London Metal Exchange	**$ 2.82**	$ 2.97
Cobalt – Metal Bulletin 99.3%	**6.95**	11.27

(1) Represents the Corporation's 50% share of the Metals Enterprise and the Corporation's marketing and trading activities in commodity metals.

The Metals business generated operating earnings of $11.2 million on revenue of $56.6 million during the first quarter of 2002 compared with operating earnings of $2.0 million on revenue of $57.1 million for the same period last year. The increase in operating earnings primarily resulted from lower incremental costs due to higher production volumes and lower energy costs, partially offset by lower cobalt prices.

The London Metal Exchange cash price for nickel averaged U.S.$2.82 per pound in the first quarter of 2002, up from the average of U.S.$2.29 per pound recorded in the fourth quarter of 2001, but down from the average of U.S.$2.97 per pound recorded in the first quarter of 2001. An increase in global economic activity supported nickel prices during the first quarter compared with the latter part of 2001. The Metal Bulletin 99.3% free market cobalt price averaged U.S.$6.95 per pound for the first quarter in 2002, compared with U.S.$11.27 per pound during the same period last year. The lower cobalt price reflected weak cobalt demand.

The Moa mining and processing facilities produced a total of 8,397 tonnes of nickel plus cobalt contained in mixed sulphides during the first quarter 2002, compared with 7,769 tonnes during the first quarter 2001. The Fort Saskatchewan refinery produced a total of 8,121 tonnes of finished nickel during the first quarter of 2002, compared with 6,809 tonnes during the first quarter of 2001. Total finished cobalt production for the first quarter of 2002 was 783 tonnes compared with 712 tonnes during the same period last year. The higher production rates reflected steady plant operations at all facilities and the benefits of higher ore grades at Moa.

Fertilizer sales volumes of 19,743 tonnes during the first quarter of 2002 were lower than the 29,143 tonnes sold during the same period in 2001. The lower sales volumes largely reflected the timing of shipments for the spring season. Operating earnings of $0.3 million were generated from the sale of fertilizer products during the first quarter 2002 compared with a loss of $2.0 million during the same period last year, largely due to lower energy costs and higher fertilizer prices.

Capital expenditures of $1.4 million in the first quarter of 2002 were primarily directed towards maintaining and upgrading plant operations and efficiency improvements.

OIL & GAS

Three months ended March 31		**2002**		2001
Financial (thousands)				
Revenue	**$**	**42,721**	$	37,623
Expenses				
Operating, selling, general and administrative		**8,883**		9,506
Depletion and amortization		**15,334**		12,837
Provision for site restoration and abandonment		**430**		470
Operating earnings	**$**	**18,074**	$	14,810
Capital Expenditures (thousands)	**$**	**21,737**	$	18,874
Gross Working Interest Production (thousands of barrels)				
Cuba [(1)]		**2,987**		2,334
Spain		**58**		76
		3,045		2,410
Net Sales Volumes (thousands of barrels)				
Cuba [(2)]		**1,824**		1,385
Spain		**58**		76
		1,882		1,461
Average Realized Prices (per barrel)				
Cuba	**$**	**21.07**	$	24.44
Spain		**34.02**		35.85
Average Reference Prices (U.S. per barrel)				
U.S. Gulf Coast Fuel Oil No. 6	**$**	**16.02**	$	19.05

(1) In the first quarter of 2002, the Corporation changed its presentation of Cuban oil production from gross operated production to gross working interest production. Gross operated production represented oil production before allocation to joint venture partners and agencies of the Cuban Government. Gross working interest production refers to oil production after allocation to joint venture partners but before allocation to agencies of the Cuban Government. Prior period production numbers have been restated to conform to this new disclosure methodology.

(2) Gross working interest production in Cuba is allocated to the Corporation and agencies of the Cuban Government in accordance with participation and production-sharing arrangements. Net working interest production or net sales volumes represents the Corporation’s share of gross working interest production. Net working interest production for each production-sharing arrangement comprises profit oil (which is based upon a negotiated percentage) and cost recovery oil (which is based upon the Corporation's development and operating costs). Development and operating costs, upon certification by agencies of the Cuban Government, are accumulated in cost recovery pools by each production-sharing arrangement and reduced by allocation of produced oil to the Corporation. Production allocated to agencies of the Cuban Government is considered to be royalty interests.

The Oil and Gas business generated operating earnings of $18.1 million during the first quarter of 2002 compared with operating earnings of $14.8 million for the same period last year. Revenue for the quarter of $42.7 million was $5.1 million higher than the same period last year due to increased oil sales volumes, offset in part by lower realized oil prices. Operating, selling, general and administrative costs decreased slightly compared with the prior year period, primarily reflecting lower treatment and transportation costs. Depletion and amortization expense per barrel, based on the Corporation's share of oil production, was $8.15 per barrel compared with $8.79 per barrel for the same period in 2001 and $5.44 per barrel for the last quarter of 2001 (excluding the ceiling test adjustment recorded at the end of 2001). The increase in the per-barrel depletion and amortization expense (which is based on gross reserves) over the prior quarter primarily reflected a lower proportion of cost recovery oil earned by the Corporation and capital expenditures during the quarter.

Gross working interest oil production for the quarter was 33,830 barrels per day, 26% higher than production for the same period in 2001. In Cuba, the increased production came from new wells in the Puerto Escondido, Yumuri and Canasi fields. Natural declines contributed to a 24% decrease in production from Spain. The Corporation's net working interest in oil production from Cuba during the quarter under the production sharing arrangements was 20,270 barrels per day compared with 15,384 barrels for the same period last year.

First quarter 2002 gross working interest oil production was slightly below the 34,734 barrels per day produced in the fourth quarter of 2001. New production from recently drilled development and exploration wells largely matched the lower production from existing wells due to natural declines. In addition, temporary operational issues restricted production from the Varadero West and Puerto Escondido fields. Resolution of these issues and continued development drilling are expected to maintain or increase gross production during the second quarter. The Corporation's net working interest in oil production declined during the first quarter of 2002, as compared to the fourth quarter of 2001, as its share of production from the enhanced recovery fields decreased following the recovery of investment in this block.

The average realized oil price decreased from $25.03 per barrel in the first quarter of 2001 to $21.47 per barrel in the first quarter of 2002. The U.S. Gulf Coast Fuel Oil No. 6 reference price averaged U.S.$16.02 per barrel for the first three months of 2002 compared with U.S.$19.05 per barrel for the same period in 2001.

The Corporation participated in five wells in Cuba during the first quarter of 2002, comprising four development wells and one exploration well. In the Yumuri field, a development well was drilled. The well encountered mechanical problems that are currently being addressed. Three development wells at Yumuri, Canasi and Varadero were started in late March and are still in progress. In the Majaguillar East area of Block 9, an exploration well was drilled and is currently undergoing completion. The Faustino-1 well drilled in 2001 and under testing at year end, had an initial stable production rate of 600 barrels per day and is now on production. In addition to the development wells currently underway, the Corporation anticipates drilling three wells during the second quarter of 2002.

OTHER BUSINESSES

Three months ended March 31	**2002**	2001
Financial (thousands)		
Revenue	**$ 9,046**	$ 4,476
Expenses		
Operating, selling, general and administrative	**7,307**	2,239
Depletion and amortization	**1,837**	1,229
Operating earnings (loss)	**$ (98)**	$ 1,008
Share of earnings (loss) of equity investments	**$ (231)**	$ 436
Capital expenditures	**$ 96**	$ 1,168

A first quarter operating loss of $0.1 million was sustained from Other Businesses compared with operating earnings of $1.0 million for the first quarter of 2001. The reduction in operating earnings largely resulted from losses of the soybean-based food processing operation. The reduction in Sherritt's share of equity earnings resulted from lower income from hotel operations, which had reduced occupancy after September 11, 2001 and increased losses from the Sherritt Power investment, largely due to increased financing costs, as construction of the final phase at the Varadero facility nears completion.

Sherritt International Corporation is a widely held Canadian public company with 97.7 million shares and $600 million convertible debentures, which trade on The Toronto Stock Exchange under the symbol S and S.DB, respectively.

For further information, please contact:

Ernie Lalonde
Vice-President, Investor Relations and Corporate Affairs
Sherritt International Corporation
(416) 924-4551

www.sherritt.com

CONSOLIDATED BALANCE SHEETS

[THOUSANDS OF CANADIAN DOLLARS]	**March 31 2002 (unaudited)**	December 31 2001 (audited)
ASSETS		
Current assets		
Cash and short-term investments	**$ 211,267**	$ 147,907
Advance and loans receivable	**43,492**	42,181
Accounts receivable	**225,660**	257,614
Inventories	**118,686**	111,430
Overburden removal costs	**14,548**	14,113
Prepaid expenses	**14,211**	9,402
Future income taxes	**4,338**	1,954
	632,202	584,601
Capital assets	**1,134,348**	1,139,007
Investments	**138,827**	143,407
Future income taxes	**28,587**	27,736
Other assets	**101,453**	103,663
	$ 2,035,417	$ 1,998,414
LIABILITIES AND SHAREHOLDERS' EQUITY		
Current liabilities		
Short-term debt	**$ 34,145**	$ 36,027
Accounts payable and accrued liabilities	**131,928**	103,097
Current portion of long-term debt	**1,683**	1,607
Site restoration and abandonment	**10,501**	10,501
Future income taxes	**2,268**	1,400
Swaps and forward contracts	**1,347**	2,162
	181,872	154,794
Long-term debt	**257,439**	259,254
Site restoration and abandonment	**44,628**	44,325
Future income taxes	**212,738**	217,783
Swaps and forward contracts	**672**	1,411
Minority interest	**4,221**	3,989
	701,570	681,556
Shareholders' equity (note 2)		
Convertible debentures	**587,314**	587,314
Capital stock Contributed surplus	**450,716**	450,716
Retained earnings	**199,787**	199,787
	96,030	79,041
	1,333,847	1,316,858
	$ 2,035,417	$ 1,998,414

CONSOLIDATED STATEMENTS OF OPERATIONS

Three months ended March 31 (unaudited)

[THOUSANDS OF CANADIAN DOLLARS EXCEPT PER SHARE AMOUNTS]	2002	2001
Revenue	**$ 184,237**	$ 99,153
Operating, selling, general and administrative	**116,988**	63,078
Earnings before under noted items	**67,249**	36,075
Depletion and amortization	**33,567**	19,896
Amortization of goodwill	**-**	338
Provision for site restoration and abandonment	**2,542**	1,033
Share of loss (earnings) of equity investments	**231**	(436)
Net financing expense (income)	**4,233**	(11,340)
Minority interest	**232**	309
Earnings before income taxes	**26,444**	26,275
Income taxes		
Current	**5,530**	1,697
Future	**(1,485)**	2,244
	4,045	3,941
Net earnings	**$ 22,399**	$ 22,334
Earnings per restricted voting share (note 3)		
Basic	**$ 0.17**	$ 0.23
Diluted	**0.13**	0.16

CONSOLIDATED STATEMENTS OF RETAINED EARNINGS

Three months ended March 31 (unaudited)

[THOUSANDS OF CANADIAN DOLLARS]	2002	2001
Beginning of period	**$ 79,041**	$ 71,168
Net earnings	**22,399**	22,334
Interest on convertible debentures (note 2)	**(5,410)**	(5,410)
Dividend on restricted voting shares	**-**	(7,261)
End of period	**$ 96,030**	$ 80,831

CONSOLIDATED STATEMENTS OF CASH FLOW
Three months ended March 31
(unaudited)

[THOUSANDS OF CANADIAN DOLLARS]	2002	2001
Operating activities		
Net earnings	**$ 22,399**	$ 22,334
Items not affecting cash		
Depletion and amortization	**33,567**	19,896
Amortization of goodwill	**-**	338
Site restoration and abandonment	**303**	1,033
Future income taxes	**(1,485)**	(2,634)
Other items	**2,686**	2,929
Cash provided before working capital changes	**57,470**	43,896
Decrease (increase) in non-cash working capital		
Accounts receivable	**31,954**	(3,974)
Inventories	**(7,256)**	(3,772)
Overburden removal costs	**(435)**	-
Prepaid expenses	**(4,809)**	1,043
Accounts payable and accrued liabilities	**14,326**	17,950
	33,780	11,247
Cash provided from operating activities	**91,250**	55,143
Investing activities		
Capital expenditures	**(28,147)**	(23,329)
Net proceeds from sale of capital assets	**223**	7,848
Investments	**3,012**	(6,608)
Other assets	**(250)**	4,382
Cash used for investing activities	**(25,162)**	(17,707)
Financing activities		
Short-term debt	**(1,882)**	8,039
Long-term debt	**(846)**	-
Dividends on restricted voting shares	**-**	(7,261)
Issue of restricted voting shares	**-**	452
Cash provided from (used for) financing activities	**(2,728)**	1,230
Increase in net cash	**63,360**	38,666
Net cash at beginning of period	**147,907**	261,343
Net cash at end of period	**$ 211,267**	$ 300,009

Net cash consists of cash and short-term investments.

For the three-month period, the Corporation received interest of $0.9 million (2001 - $4.3 million), paid interest on debt of $1.4 million (2001 - $0.2 million) and paid income taxes of $0.6 million (2001 - $1.5 million).

NOTES TO INTERIM CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)
(All tabular amounts expressed in thousands of Canadian dollars except per share amounts)

1. Summary of accounting policies

These interim consolidated financial statements follow the same accounting policies as the consolidated financial statements for the year ended December 31, 2001. The disclosures contained in these interim consolidated financial statements do not include all requirements of Canadian generally accepted accounting principles for annual financial statements. Accordingly, the interim consolidated financial statements should be read in conjunction with the consolidated financial statements for the year ended December 31, 2001.

During the first quarter of 2002, the Corporation adopted new recommendations of the Canadian Institute of Chartered Accountants ("CICA") on accounting for stock-based compensation and goodwill and intangible assets.

The Corporation's stock-based compensation plans are described in note 13 of its 2001 consolidated financial statements. Under the new accounting policy, grants of participation units under the stock-linked compensation plan are accounted for in accordance with the fair-value based methodology, whereby the difference between the market price and the exercise price is included in compensation expense over the period in which the participation units vest. No adjustments were required to opening retained earnings as a result of this change in accounting policy.

The Corporation applies the intrinsic value based method of accounting for stock-based compensation awards to employees. Accordingly, no compensation expense is recognized when stock options are issued under the Employee and Director Stock Option Plan or stock issued under the Employee Share Purchase Plan. Any consideration paid by employees on the exercise of stock options or the purchase of stock is credited to capital stock.

Under the new accounting policy for goodwill and intangible assets, the Corporation ceased amortization of goodwill on January 1, 2002 and now tests for impairment on an annual basis. This change in policy has been applied prospectively. No impairment loss was recognized for the three months ended March 31, 2002.

2. Shareholders' equity

Convertible debentures comprise $600 million (December 31, 2001 - $600 million) principal amount of 6% convertible unsecured subordinated debentures issued in November 1996. The debentures have a maturity date of December 15, 2006.

Interest on the convertible debentures for the three-month period is stated net of tax relief of $3.9 million (2001 - $3.9 million).

Issued capital stock comprises 97,711,764 (December 31, 2001 – 97,711,764) restricted voting shares and 100 (December 31, 2001 – 100) multiple voting shares. The multiple voting shares are convertible into restricted voting shares on a share-per-share basis upon the occurrence of certain events. If all of the convertible debentures were converted into shares at the option of the holders, up to 68,376,068 additional restricted voting shares may be issued on or before December 14, 2006.

On May 25, 2000, the shareholders approved the elimination of the Corporation's December 31, 1999 accumulated deficit of $6.9 million and the creation of a contributed surplus in the amount of $193 million by way of a $200 million reduction in the stated value of the Corporation's restricted voting shares. This contributed surplus may be utilized to eliminate or reduce any deficit which may arise as a result of the future payment or distribution of dividends or other distributions from time to time to holders of the restricted voting shares. Contributed surplus also includes $6.7 million arising from the repurchase of convertible debentures in 2000, representing difference between the cost and carrying amount of the debentures repurchased, net of related future taxes and deferred debenture interest.

3. Earnings per restricted voting share

The following table presents the calculation of basic and diluted earnings per restricted voting share for the three-month period.

	2002	2001
Net earnings	**$ 22,399**	$ 22,334
Interest on convertible debentures	**(5,410)**	(5,410)
Net earnings applicable to shareholders	**16,989**	16,924
Interest on convertible debentures	**5,410**	5,410
Net earnings applicable to shareholders plus assumed conversions	**$ 22,399**	$ 22,334
Weighted average number of shares (thousands)		
Basic	**97,712**	72,554
Weighted average effect of dilutive securities:		
Employee stock options	**214**	229
Convertible debentures	**68,376**	68,376
Weighted average number of shares for diluted calculation	**166,302**	141,159
Earnings per restricted voting share		
Basic	**$ 0.17**	$ 0.23
Diluted	**0.13**	0.16

4. Segmented information

Business Segments

Reference should be made to note 19 of the Corporation's consolidated financial statements for the year ended December 31, 2001 for a full description of the Corporation's operating segments.

Three months ended March 31, 2002

	COAL	METALS	OIL AND GAS	OTHER	CORPORATE	CONSOLIDATED
Revenue from external customers	$75,856	$56,614	$42,721	$ 9,046	$ -	$184,237
Intersegment revenues	-	-	-	288	-	288
Depletion and amortization	10,594	4,793	15,334	1,837	1,009	33,567
Provision for site restoration and abandonment	1,849	263	430	-	-	2,542
Operating earnings (loss)	8,101	11,197	18,074	(98)	(6,134)	31,140
Goodwill amortization	-	-	-	-	-	-
Share of loss of equity investments	-	-	-	(231)	-	(231)
Financing income (expense)	(4,635)	(229)	(440)	3,237	(2,166)	(4,233)
Minority interest	-	-	-	(232)	-	(232)
Earnings (loss) before taxes	3,466	10,968	17,634	2,676	(8,300)	26,444
Capital expenditures	4,821	1,419	21,737	96	74	28,147
Assets	776,952	337,054	495,888	217,529	207,994	2,035,417

Three months ended March 31, 2001

	METALS	OIL AND GAS	OTHER	CORPORATE	CONSOLIDATED
Revenue from external customers	$57,054	$37,623	$ 4,476	$ -	$99,153
Intersegment revenues	-	-	276	-	276
Depletion and amortization	4,757	12,837	1,229	1,073	19,896
Provision for site restoration and abandonment	563	470	-	-	1,033
Operating earnings (loss)	2,022	14,810	1,008	(4,768)	13,072
Goodwill amortization	-	-	(338)	-	(338)
Gain on sale of asset	-	-	-	2,074	2,074
Share of earnings of equity investments	-	-	436	-	436
Financing income (expense)	(161)	6,890	(1,190)	5,801	11,340
Minority interest	-	-	(309)	-	(309)
Earnings (loss) before taxes	1,861	21,700	(393)	3,107	26,275
Capital expenditures	3,179	18,874	1,168	108	23,329
Assets	342,407	413,612	216,015	416,967	1,389,001

Geographic Segments

Three months ended March 31, 2002

	REVENUE	CAPITAL ASSETS AND GOODWILL
Canada	$ 73,581	$ 746,116
Cuba	49,998	386,424
Europe	28,649	10,362
Asia	20,897	6,543
Other foreign countries	11,112	1
	$ 184,237	$1,149,446

Three months ended March 31, 2001

	REVENUE	CAPITAL ASSETS AND GOODWILL
Canada	$ 10,253	$ 133,080
Cuba	39,686	361,799
Europe	39,398	20,834
Asia	9,712	6,474
Other foreign countries	104	10
	$ 99,153	$ 522,197

5. Financial instruments

Unutilized lines of credit as at March 31, 2002 were $50.8 million. Cash and short-term investments includes cash subject to restrictions on use of $26.6 million.

6. Stock compensation plans

For the three months ended March 31, 2002, no options were issued under the Employee and Director Stock Option Plan, no shares were issued under the Employee Share Purchase Plan and no participation units were issued under the stock-linked compensation plan.

7. Net financing income (expense)

Net financing income (expense) for the quarter included $1.1 million (2001 - $5.8 million) of foreign exchange gains.

8. Goodwill transitional disclosure

The earnings and earnings per share impact of adopting the new CICA recommendation on goodwill and intangible assets are as follows:

	THREE MONTHS ENDED	
	MARCH 31, 2002	MARCH 31, 2001
Net earnings, as reported	$ 22,399	$ 22,334
Add back: goodwill amortization	-	338
Adjusted net earnings	$ 22,399	$ 22,672
Basic earnings per restricted voting share		
Reported net earnings	$ 0.17	$ 0.23
Goodwill amortization	-	0.01
Adjusted net earnings	$ 0.17	$ 0.24
Fully diluted earnings per restricted voting share		
Reported net earnings	$ 0.13	$ 0.16
Goodwill amortization	-	-
Adjusted net earnings	$ 0.13	$ 0.16

9. Comparative amounts

Certain comparative amounts have been reclassified to conform to the presentation adopted in the current period.