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Sherritt Provides Important Information and Update on Key Dates for its Transaction to Improve its Capital Structure and Stakeholder Meetings

Toronto, ON, June 29, 2020 - Sherritt International Corporation ("**Sherritt**" or the "**Corporation**") (TSX:S) announced today the filing of an amended version of the plan of arrangement (the "**Plan of Arrangement**") pursuant to which its previously announced transaction to improve its capital structure (the "**Transaction**"), described in the Corporation's management information circular dated March 6, 2020 (the "**Information Circular**"), is to be implemented in the Corporation's proceedings under the *Canada Business Corporations Act* (the "**CBCA**"). The amended Plan of Arrangement reflects the amendments to the terms of the Transaction (the "**Amended Terms**") announced by the Corporation in its news release on June 10, 2020 (the "**June 10 News Release**"). Sherritt has also filed the revised form of New Second Lien Notes Indenture (as defined below) and the form of New Junior Notes Indenture (as defined below), in each case also reflecting the Amended Terms.

In addition, the Corporation also announced today the revised date of **July 23, 2020** (the "**Meetings Date**") for (i) the previously postponed meeting of Debtholders (as defined below) for Debtholders to consider and vote on a resolution (the "**Debtholders' Arrangement Resolution**") to approve the Plan of Arrangement (the "**Debtholders' Meeting**"), and (ii) the previously postponed meeting of the holders of the Corporation's common shares (the "**Shareholders**") to consider and vote on a resolution (the "**Stated Capital Reduction Resolution**") to approve the reduction of stated capital of the Corporation's common shares (the "**Shareholders' Meeting**"), and together with the Debtholders' Meeting, the "**Meetings**"). The Debtholders' Meeting will be held at 10:00 a.m. (Toronto time) and the Shareholders' Meeting will be held at 11:00 a.m. (Toronto time) on the Meetings Date. In consideration of COVID-19 and to ensure the health and welfare of our securityholders, employees and other stakeholders, the Meetings will be held in a virtual only format.

In aggregate, Noteholders (as defined below) holding approximately \$100 million of Existing Notes (as defined below) have entered into support agreements with the Corporation (the "**Support Agreements**"), pursuant to which such Noteholders have agreed to vote in favour of the Plan of Arrangement (the "**Supporting Noteholders**"). The approximately \$100 million of Existing Notes held by the Supporting Noteholders to be voted in favour of the Plan of Arrangement are in addition to the approximately \$230 million of Existing Notes that have been voted in favour of the Plan of Arrangement as at the end of April 7, 2020.

Debtholders and Shareholders who have already cast their votes in respect of the Debtholders' Arrangement Resolution or the Stated Capital Reduction Resolution, respectively, do not need to re-submit their votes. For Debtholders and Shareholders who have not cast their votes, or who wish to change their votes, the voting deadline in respect of the Meetings has been extended **to 5:00 p.m. (Toronto time) on July 21, 2020** (the "**Voting Deadline**").

The early consent date by which Noteholders must vote in favour of the Plan of Arrangement in order to be eligible to receive Noteholder Early Consent Cash Consideration (as defined below) as additional consideration for the exchange of their Existing Notes pursuant to the Plan of Arrangement (subject to the terms and conditions thereof) has been extended to **July 13, 2020** (the “**Early Consent Date**”). Noteholders who previously submitted their votes in favour of the Plan of Arrangement prior to the previous early consent date of April 7, 2020 do not need to re-submit their votes in order to be eligible for Noteholder Early Consent Cash Consideration, provided such Noteholders do not withdraw or change their previously submitted votes and otherwise comply with the requirements under the Plan of Arrangement.

Amendments to the Transaction and Plan of Arrangement and Filing of Related Documents

The terms of the Transaction announced on February 26, 2020 and key related information are set out in detail in the Information Circular previously mailed to Debtholders and Shareholders as at the record date of March 6, 2020 (the “**Record Date**”) and made available on Sherritt’s SEDAR profile at www.sedar.com and on Sherritt’s website at www.sherritt.com. In addition, the Amended Terms are set out in the June 10 News Release.

In connection with the Amended Terms, the Corporation has made available the following documents on Sherritt’s SEDAR profile at www.sedar.com and/or on Sherritt’s website at www.sherritt.com:

- the amended Plan of Arrangement and a blackline of the amended Plan of Arrangement to the version included in the Information Circular;
- the amended form of new second lien notes indenture (the “**New Second Lien Notes Indenture**”) pursuant to which the new 8.50% second lien notes (the “**New Second Lien Notes**”) will be issued to Noteholders by Sherritt as partial consideration in exchange for the Corporation’s outstanding (i) 8.00% senior unsecured debentures due 2021, (ii) 7.50% senior unsecured debentures due 2023, and (iii) 7.875% senior unsecured notes due 2025 (collectively, the “**Existing Notes**”) pursuant to the Plan of Arrangement, and a blackline of the revised form of New Second Lien Notes Indenture to the version filed by Sherritt on SEDAR on March 24, 2020; and
- the form of new junior notes indenture (the “**New Junior Notes Indenture**”, and together with the New Second Lien Notes Indenture, the “**Indentures**”) pursuant to which the new 10.75% unsecured notes (the “**New Junior Notes**”) will be issued to Noteholders by Sherritt as additional consideration in exchange for the Existing Notes pursuant to the Plan of Arrangement.

In addition to the Amended Terms discussed in the June 10 News Release, the Indentures also reflect, as applicable, that Sherritt’s subsidiary, CNWL Oil (España), S.A., will not be a guarantor and will be an unrestricted subsidiary pursuant to the terms of the Indentures, and that Sherritt’s subsidiary, SICOG Oil and Gas Limited (formerly Sherritt International (Cuba) Oil and Gas Limited), will not deliver security in connection with its guarantee of the New Second Lien Notes. CNWL Oil (España), S.A. will also not guarantee, and SICOG Oil and Gas Limited will not deliver security in connection with its guarantee of, Sherritt’s bank facility.

Certain key terms of the New Junior Notes are also set out in a Schedule to this news release.

The summary of the Amended Terms, the amended terms of the New Second Lien Notes and the terms of the New Junior Notes described in the June 10 News Release and this news release is not intended to be complete in and of itself. Debtholders are urged to review in detail the amended Plan of Arrangement, the amended form of New Second Lien Notes Indenture and the form of New Junior Notes Indenture for the detailed terms of the Transaction, the New Second Lien Notes and the New Junior Notes. The summary information contained in the June 10 News Release and this news release is qualified in its entirety by reference to the detailed information contained in the amended Plan of Arrangement, the amended form of New Second Lien Notes Indenture and the form of New Junior Notes Indenture made available on Sherritt's SEDAR profile and on Sherritt's website.

Certain Canadian Federal Income Tax Considerations

Debtholders and Shareholders are urged to carefully read the summary of certain Canadian federal income tax considerations of the Transaction located under the heading "*Certain Canadian Federal Income Tax Considerations*" in the Information Circular, as supplemented by the Material Change Report of the Corporation filed on or about the date hereof in connection with the Amended Terms, and to consult their own tax advisors for advice as to the tax considerations in respect of the Transaction having regard to their particular circumstances.

Opinions of Paradigm Capital

Paradigm Capital Inc. ("**Paradigm Capital**"), an independent financial advisor to the board of directors of Sherritt (the "**Board of Directors**"), has provided updated opinions to the Board of Directors that: (i) the Noteholders and the CFA Lenders (as defined below), respectively, would be in a better position, from a financial point of view, under the Transaction, as amended by the Amended Terms, than if the Corporation were liquidated; and (ii) the Transaction, as amended by the Amended Terms, is fair, from a financial point of view, to the Corporation (the "**Updated Paradigm Capital Opinions**").

The Updated Paradigm Capital Opinions supplement the opinions provided by Paradigm Capital to the Board of Directors dated February 25, 2020, copies of which were included in the Information Circular. The full text of the Updated Paradigm Capital Opinions which set out, among other things, the assumptions made, information reviewed and matters considered by Paradigm Capital in rendering the Updated Paradigm Capital Opinions, as well as the limitations and qualifications the opinions are subject to, are attached as Schedule D to the Material Change Report of the Corporation filed on or about the date hereof and have been made available on Sherritt's SEDAR profile at www.sedar.com and on Sherritt's website at www.sherritt.com. Debtholders are urged to read the Updated Paradigm Capital Opinions in their entirety. The summaries of the Updated Paradigm Capital Opinions in this news release are qualified in their entirety by reference to the full text of such opinions. The Updated Paradigm Capital Opinions do not constitute a recommendation to any Debtholder as to how such Debtholder should vote with respect to the Debtholders' Arrangement Resolution.

Sherritt and Board of Directors' Recommendation

Sherritt believes that the Transaction is in the best interests of the Corporation and its stakeholders considering all current circumstances. Sherritt believes that the Amended Terms provide additional benefits to the holders of the Existing Notes, are fair and reasonable, and are in the best interests of the Corporation and its stakeholders in the circumstances. Sherritt and its

Board of Directors recommend that all affected Debtholders vote in favour of the amended Plan of Arrangement to implement the Transaction.

Court Approval and Implementation

If the Plan of Arrangement is approved by the requisite majority at the Debtholders' Meeting, Sherritt and its subsidiary, 11722573 Canada Ltd. (collectively the "**Applicants**"), will attend a hearing before the Ontario Superior Court of Justice (Commercial List) (the "**Court**") on July 29, 2020 at 9:00 a.m., or on such other date as may be approved by the Court, to seek Court approval of the Plan of Arrangement.

Completion of the Transaction pursuant to the Plan of Arrangement will be subject to, among other things, approval of the Plan of Arrangement by the requisite majority of the Debtholders at the Debtholders' Meeting, approval of the Plan of Arrangement by the Court and the satisfaction or waiver of the other applicable conditions precedent to the Plan of Arrangement. If all requisite approvals are obtained and the other conditions to completion of the Transaction are satisfied or waived, it is expected that the Transaction will be completed at the end of August 2020. Upon implementation, the Plan of Arrangement would bind all Debtholders of the Corporation.

As part of the Court approval of the Plan of Arrangement, the Applicants expect to seek a permanent waiver of potential defaults resulting from the commencement of the CBCA proceedings or the steps or transactions related to the CBCA proceedings or Transaction, on the terms set forth in the Plan of Arrangement.

Extension of the Early Consent Date

In connection with the amendments to the Plan of Arrangement, and in order to provide holders of the Existing Notes ("**Noteholders**") with additional time to become entitled to receive early consent cash consideration in an amount equal to 3% of the principal amount of the Existing Notes voted in favour of the Plan of Arrangement by the Early Consent Date and held by such Noteholders on the implementation date of the Plan of Arrangement (the "**Noteholder Early Consent Cash Consideration**") as additional consideration for the exchange of their Existing Notes pursuant to the Plan of Arrangement, the Corporation is extending the Early Consent Date to **July 13, 2020**. Noteholders must vote in favour of the Plan of Arrangement before 5:00 p.m. (Toronto time) on the Early Consent Date, and otherwise comply with the requirements under the Plan of Arrangement, in order to be eligible to receive Noteholder Early Consent Cash Consideration pursuant to the Plan of Arrangement. Noteholders who previously submitted their votes in favour of the Plan of Arrangement prior to the previous early consent date of April 7, 2020 will not be required to re-submit their votes in order to be eligible for Noteholder Early Consent Cash Consideration, provided such Noteholders do not withdraw or change their previously submitted votes and otherwise comply with the requirements under the Plan of Arrangement.

Further information regarding the Noteholder Early Consent Cash Consideration is also set out in the Information Circular. Noteholders with questions regarding early consent matters are reminded that they may contact Kingsdale Advisors, the Corporation's proxy, information and exchange agent (the "**Proxy, Information and Exchange Agent**"), by telephone at 1-800-749-9197 or 416-867-2272, or by email at contactus@kingsdaleadvisors.com.

Meetings

On April 8, 2020, Sherritt announced that, in connection with ongoing discussions with key stakeholders in respect of the Transaction, it had postponed the Meetings. The Debtholders' Meeting will now be held at 10:00 a.m. Toronto time) on July 23, 2020 and the Shareholders' Meeting will now be held at 11:00 a.m. (Toronto time) on July 23, 2020.

The Debtholders' Meeting is being held for Debtholders to consider and vote upon the Debtholders' Arrangement Resolution, and the Shareholders' Meeting is being held for Shareholders to consider and vote upon the Stated Capital Reduction Resolution. As described in the Information Circular, the reduction of stated capital of the Corporation's common shares to \$575 million (the "**Stated Capital Reduction**") is a preliminary step to the implementation of the Transaction.

All Noteholders and holders of the Corporation's Ambatovy Joint Venture partner loans (the "**CFA Lenders**") and, collectively with the Noteholders, the "**Debtholders**") will vote as one class in respect of the Plan of Arrangement at the Debtholders' Meeting. The aggregate principal amount of debt held by all Debtholders entitled to vote on the Plan of Arrangement as one class at the Debtholders' Meeting is approximately \$733 million.

Procedures for Voting Before the Meetings, and for Attending and Voting at the Meetings

On March 24, 2020, the Corporation announced that due to the impact of COVID-19 and the need to ensure the health and welfare of our securityholders, employees and other stakeholders, the Meetings would be held in a virtual only format whereby parties may attend and participate in the Meetings via live audio webcast.

Set out below are the procedures to be followed to vote before, vote at and attend each Meeting. **The procedures outlined below supersede the procedures set out in the Corporation's news release dated March 24, 2020.**

Debtholders and Shareholders who have already cast their votes in respect of the Debtholders' Arrangement Resolution or the Stated Capital Reduction Resolution, respectively, do not need to re-submit their votes.

How to Vote Before the Meetings and Voting Deadline

The holding of the Meetings in a virtual format does not impact the ability of Debtholders or Shareholders as of the Record Date to vote in advance of their respective Meeting. The steps for voting by proxy in advance of the Meetings remain as set forth in the Corporation's Information Circular, subject to the revised Early Consent Date and revised Voting Deadline discussed above.

Debtholders and Shareholders who have already cast their votes in respect of the Debtholders' Arrangement Resolution or the Stated Capital Reduction Resolution, respectively, do not need to re-submit their votes. For Debtholders and Shareholders as at the Record Date who have not cast their votes, or who wish to change their votes, the deadline to submit their proxies or voting instructions in order to vote by proxy on the items to be considered at the applicable Meeting is 5:00 p.m. (Toronto time) on the Voting Deadline of July 21, 2020.

Sherritt has designated the individuals named on the proxy, voting information and/or election forms previously distributed to Debtholders and Shareholders, as applicable, as persons whom a Debtholder or Shareholder may appoint as their proxyholders for the applicable Meeting. The individuals named in the proxy, voting information and/or election forms are directors and/or officers of the Corporation. If a Debtholder or Shareholder wishes to appoint an individual not named on the relevant proxy, voting information and/or election form (including himself or herself) to represent such Debtholder or Shareholder at the applicable Meeting that the Debtholder or Shareholder is entitled to attend, such Debtholder or Shareholder must follow the instructions set out below under “How to Appoint a Proxyholder”.

Before the Debtholders’ Meeting, Noteholders as of the Record Date, or those who have acquired beneficial ownership of Existing Notes prior to the Voting Deadline (or such earlier date as their bank, broker or other intermediary (collectively, “**Intermediaries**”) may advise), may vote in accordance with the instructions provided on the Noteholder voting information and election form (the “**Noteholder VIEF**”). In order to cast a vote at the Debtholders’ Meeting by proxy, beneficial Noteholders must submit to their respective Intermediaries by the Voting Deadline, or such earlier deadline as their Intermediary may advise, their duly completed Noteholder VIEF (or such other documentation or information as their Intermediary may customarily request for purposes of obtaining voting and election instructions) in accordance with the instructions set forth in the Noteholder VIEF and any instructions provided by the Intermediary or the Proxy, Information and Exchange Agent, as applicable.

As described in the Information Circular, beneficial Noteholders shall be deemed to transfer their rights to vote on the Debtholders’ Arrangement Resolution and attend the Debtholders’ Meeting associated with their Existing Notes upon the transfer of their beneficial ownership of such Existing Notes to any transferee of such Existing Notes on or prior to the Voting Deadline, or such earlier date as their Intermediary may advise.

Before the Debtholders’ Meeting, CFA Lenders as of the Record Date may vote in accordance with the instructions provided on the CFA Lender proxy, voting and election form. In order to cast a vote at the Debtholders’ Meeting by proxy, CFA Lenders must submit to the Proxy, Information and Exchange Agent, by the Voting Deadline, their duly completed CFA Lender proxy, voting and election form in accordance with the instructions set forth in such form. CFA Lenders must also submit their election for consideration under the Plan of Arrangement by the Voting Deadline (as described further in CFA Lender proxy, voting and election form and the Information Circular).

Before the Shareholders’ Meeting, registered and non-registered Shareholders may vote in accordance with the instructions provided on the Shareholder proxy or voting instruction form, as applicable, using one of the available methods described therein. Registered Shareholders may submit their proxy to AST Trust Company (Canada) (the “**Transfer Agent**”) in accordance with the details provided in the Information Circular. In order to be effective, Shareholder proxies or voting instruction forms, as applicable, must be received by the Transfer Agent prior to the Voting Deadline.

Intermediaries that hold Existing Notes or common shares of Sherritt on a securityholder’s behalf may have internal deadlines that require such securityholders to submit their votes by an earlier date in advance of the Early Consent Date and/or Voting Deadline, as applicable, and may have internal requirements for the submission of voting instructions. Such securityholders are encouraged to contact their Intermediaries directly to confirm any such internal deadlines or voting instruction requirements.

Debtholders and Shareholders should refer to the Information Circular, which has been mailed to Debtholders and Shareholders and is also available on SEDAR (www.sedar.com) and Sherritt's website (www.sherritt.com), for additional information and instructions with respect to the process for submitting voting and election instructions and eligibility for Noteholder Early Consent Cash Consideration, as applicable. Debtholders and Shareholders with any questions are also encouraged to contact Kingsdale Advisors, the Corporation's Proxy, Information and Exchange Agent, at the contact information provided in this news release.

Entitlement to Attend and Vote at the Virtual Meetings

Debtholders and Shareholders who have already cast their votes in respect of the Debtholders' Arrangement Resolution or the Stated Capital Reduction Resolution, respectively, do not need to re-submit their votes. Debtholders and Shareholders who have not cast their votes, or who wish to change their votes, are encouraged to vote by proxy in advance of the applicable Meeting as discussed above, by following the instructions on the proxy, voting information and/or election forms previously distributed to Debtholders and Shareholders, as applicable. Such Debtholders and Shareholders, along with all other non-registered Shareholders (who hold their common shares through an Intermediary), Noteholders and CFA Lenders who have not duly appointed themselves as their own representatives for the applicable Meeting will be able to attend such Meeting as guests and submit questions in writing. Guests of a Meeting will not be able to vote at such Meeting.

Debtholders as of the Record Date, or those Noteholders who have acquired beneficial ownership of Existing Notes prior to the Voting Deadline (or such earlier date as their Intermediaries may advise), that in each case have duly appointed themselves as their proxyholder, or their duly appointed proxyholders, will be entitled to attend the Debtholders' Meeting, submit questions in writing and vote on the Debtholders' Arrangement Resolution, all in real time, online at <https://web.lumiagm.com/104887086>.

Registered Shareholders as of the Record Date or their duly appointed proxyholders, and non-registered Shareholders (who hold their common shares through an Intermediary) who have duly appointed themselves as their proxyholder, or their duly appointed proxyholders, will be entitled to attend the Shareholders' Meeting, submit questions in writing and vote on the Stated Capital Reduction, all in real time, online at <https://web.lumiagm.com/196537476>.

See also "How to Attend the Virtual Only Meetings" below for additional information.

How to Vote at the Meetings

Debtholders

Noteholders and CFA Lenders who wish to vote or have a proxyholder vote on their behalf at the Debtholders' Meeting may do so by logging in, or having such proxyholder log in, as applicable, to the Debtholders' Meeting using the control number to be obtained by contacting the Proxy, Information and Exchange Agent and voting by completing an online ballot, as further described below under "How to Attend the Virtual Only Meeting", and following any additional instructions provided at the Meeting. If you are a Noteholder or CFA Lender and wish to vote at the Debtholders' Meeting, or have a proxyholder do so on your behalf, you MUST insert your own name or the name of your proxyholder, as applicable, in the space provided on your applicable voting instruction and election form (or in the case of a beneficial Noteholder, provide such other

documentation or information as may be required by your Intermediary) and follow any other instructions provided by your Intermediary or the Proxy, Information and Exchange Agent as applicable. You MUST ALSO register yourself as your proxyholder, or have your chosen proxyholder register themselves, as applicable, as described below under “How to Appoint a Proxyholder”. By doing so, you are instructing your Intermediary or the Proxy, Information and Exchange Agent, as applicable, to appoint you or another person as your proxyholder. It is important that you comply with the signature and return instructions provided by your Intermediary or the Proxy, Information and Exchange Agent, as applicable. All appointments must be received by the Proxy, Information and Exchange Agent **on the Voting Deadline of July 21, 2020, and before 5:00 p.m. (Toronto time) on July 21, 2020.**

Noteholders and CFA Lenders who wish to vote at the Debtholders’ Meeting and have not duly appointed themselves as proxyholder, as described below under “How to Appoint a Proxyholder”, will not be able to obtain a control number and will not be able to vote at the Debtholders’ Meeting but will be able to attend the Debtholders’ Meeting as guests.

Noteholders who wish to appoint a proxyholder (other than the individuals designated by the Corporation on the Noteholder VIEF) to vote at the Debtholders’ Meeting, will not have their voting instructions executed or tabulated until the Debtholders’ Meeting. Accordingly, the voting instructions of such Noteholders will not have been properly delivered prior to the Early Consent Date and such Noteholders will NOT be eligible to receive Noteholder Early Consent Cash Consideration even if such Noteholders vote in favour of the Debtholders’ Arrangement Resolution.

Shareholders

Registered Shareholders who have voted prior to the Shareholders’ Meeting need not vote at the Shareholders’ Meeting to have such vote counted. Registered Shareholders who wish to vote at the Shareholders’ Meeting may do so by logging in to the Shareholders’ Meeting using the individual control number included on the Shareholder form of proxy distributed to each such registered Shareholder and voting by completing an online ballot, as further described below under “How to Attend the Virtual Only Meeting”, and following any additional instructions provided at the Meeting.

Non-registered Shareholders who wish to vote at the Shareholders’ Meeting, or either registered or non-registered Shareholders wishing to have a proxyholder vote on their behalf, may do so by logging in, or having such proxyholder log in, as applicable, to the Shareholders’ Meeting using the control number to be obtained by contacting the Transfer Agent and voting by completing an online ballot, as further described below under “How to Attend the Virtual Only Meeting”, and following any additional instructions provided at the Meeting. If you are a non-registered Shareholder and wish to vote at the Shareholders’ Meeting, or if you are a non-registered or registered Shareholder and wish to have a proxyholder do so on your behalf, you MUST insert your own name or the name of your proxyholder, as applicable, in the space provided on the form of proxy or voting instruction form sent to you by your Intermediary or the Transfer Agent, as applicable, and follow all of the instructions provided by your Intermediary or the Transfer Agent, as applicable. If you are a non-registered Shareholder, you MUST ALSO register yourself as your proxyholder, or if you are a non-registered or registered Shareholder, have your chosen proxyholder register themselves, as applicable, as described below under “How to Appoint a Proxyholder”. By doing so, you are instructing your Intermediary or the Transfer Agent, as applicable, to appoint you or another person, as applicable, as your proxyholder. It is important

that you comply with the signature and return instructions provided by your Intermediary or the Transfer Agent, as applicable. All appointments must be received by the Transfer Agent with sufficient time in advance of the Voting Deadline of 5:00 p.m. (Toronto time) on July 21, 2020 in order for Shareholders or their proxyholders, as applicable, to also telephone the Transfer Agent to register and obtain a control number for the Shareholders' Meeting prior to the Voting Deadline (see "*How to Appoint a Proxyholder*" below).

Non-registered Shareholders who have not duly appointed themselves as proxyholder, as described below under "How to Appoint a Proxyholder", will not be able to obtain a control number and will not be able to vote at the Shareholders' Meeting but will be able to attend the Shareholders' Meeting as guests.

How to Appoint a Proxyholder

Sherritt has designated the individuals named on the proxy, voting information and/or election forms previously distributed to Debtholders and Shareholders, as applicable, as persons whom a Debtholder or Shareholder may appoint as their proxyholders at the applicable Meeting. The individuals named in the proxy, voting information and/or election forms are directors and/or officers of the Corporation. The following applies to Debtholders and Shareholders who wish to appoint a person other than the individuals designated by the Corporation in the relevant proxy, voting information and/or election form, including Debtholders and Shareholders who wish to appoint themselves as proxyholder (each, a "**third-party proxyholder**") to attend, participate or vote at the applicable Meeting.

Debtholders

Debtholders who wish to appoint a third-party proxyholder (including Noteholders and CFA Lenders who wish to appoint themselves) to attend, participate and vote at the Debtholders' Meeting as their proxyholder must follow the steps below. **Failure to do so will result in such proxyholder not receiving a control number that is required to vote at the Debtholders' Meeting and only being able to attend as a guest.**

- **Step 1: Submit your Noteholder VIEF or CFA Lender proxy, voting and election form, as applicable.** To appoint a third-party proxyholder, insert that person's name in the blank space provided in the Noteholder VIEF or CFA Lender proxy, voting and election form, as applicable (or in the case of a beneficial Noteholder, provide such other documentation or information as may be required by your Intermediary), and follow the instructions for submitting such form to your Intermediary or the Proxy, Information and Exchange Agent, as applicable, prior to the Voting Deadline. The Noteholder VIEF must include a medallion guarantee from your Intermediary as of July 21, 2020, to verify the principal amount of Existing Notes held, underlying your voting entitlement as at July 21, 2020. **Therefore, a Noteholder VIEF appointing a third-party proxyholder must be sent to the Proxy, Information and Exchange Agent only on July 21, 2020, and before 5:00 p.m. (Toronto time) on July 21, 2020.** The Noteholder VIEF can be sent to the Proxy, Information and Exchange Agent via email (provided that the Noteholder VIEF has been scanned in colour and is clearly legible). This must be completed before contacting the Proxy, Information and Exchange Agent for a control number, which is an additional step to be completed by the third-party proxyholder once you have submitted your Noteholder VIEF or CFA Lender proxy, voting and election form, as applicable.

- **Step 2: Registration of proxyholder and obtaining a control number.** Your third-party proxyholder must telephone the Proxy, Information and Exchange Agent at 1-800-749-9197 or 416-867-2272 to obtain a control number via telephone or email, which will serve as their login credentials at the virtual Debtholders' Meeting. If you are a Noteholder, this must occur **after the Voting Deadline and prior to the Debtholders' Meeting**. If you are a CFA Lender, this must occur **at any time following the submission of your duly completed CFA Lender proxy, voting and election form and prior to the Debtholders' Meeting**. Without a control number, proxyholders will not be able to vote at the Debtholders' Meeting but will be able to participate as a guest.

Noteholders and CFA Lenders wishing to appoint a third-party proxyholder are strongly advised to contact the Proxy, Information and Exchange Agent for information and assistance with the above process.

Shareholders

Shareholders who wish to appoint a third-party proxyholder (including non-registered Shareholders who wish to appoint themselves) to attend, participate and vote at the Shareholders' Meeting as their proxyholder and vote their common shares must follow the steps below. **Failure to do so will result in such proxyholder not receiving a control number that is required to vote at the Shareholders' Meeting and only being able to attend as a guest.**

- **Step 1: Submit your form of proxy or voting instruction form:** To appoint a third-party proxyholder, insert that person's name in the blank space provided in the form of proxy or voting instruction form and follow the instructions for submitting such form to the Transfer Agent prior to the Voting Deadline. This must be completed before registering such proxyholder, which is an additional step to be completed by the third-party proxyholder once you have submitted your form of proxy or voting instruction form.
- **Step 2: Registration of proxyholder and obtaining control number:** You must also register the third-party proxyholder by contacting AST at 1-866-751-6315 (within North America) or 212-235-5754 (outside North America) **by no later than the Voting Deadline** and provide AST with the required proxyholder contact information, so that AST may provide the proxyholder with a control number via email, which will be required to log in to the Shareholders' Meeting. Without a control number, proxyholders will not be able to vote at the Shareholders' Meeting but will be able to participate as a guest.

If you are a non-registered Shareholder located **in the United States** and you wish to vote at the Shareholders' Meeting or appoint a third party as your proxyholder you must first obtain a valid legal proxy from your Intermediary and then you must register with the Transfer Agent. First, follow the instructions from your Intermediary to request a legal proxy form. After obtaining a valid legal proxy from your Intermediary, to then register yourself or your proxyholder to vote at the Shareholders' Meeting, you must submit a copy of your duly completed legal proxy to the Transfer Agent. Legal proxies should be returned by mail to AST Trust Company (Canada), Attention: Proxy Department, P.O. Box 721, Agincourt, Ontario M1S 0A1 and must be labeled "Legal Proxy". In addition, you or your proxyholder **MUST ALSO** contact AST at 1-866-751-6315 (within North America) or 1 (212) 235-5754 (outside of North America) **by no later than the Voting Deadline of 5:00 p.m. (Toronto time) on July 21, 2020** to receive a control number via e-mail. Failing to complete the foregoing steps will result in you or your proxyholder, as applicable, not receiving a

control number, which is required to vote at the Shareholders' Meeting. Without a control number you will only be able to log in to the Shareholders' Meeting as a guest and will not be able to vote.

How to Attend the Virtual Only Meetings

Attending the Debtholders' Meeting or the Shareholders' Meeting online enables registered Shareholders or their duly appointed proxyholders, and Noteholders, CFA Lenders and non-registered Shareholders who have duly appointed themselves as proxyholder, or their duly appointed proxyholders, to participate at, submit questions in writing and vote at the applicable Meeting, all in real time.

Guests, including Noteholders, CFA Lenders and non-registered Shareholders who have not duly appointed a third-party proxyholder, can log in to the applicable Meeting as set out below. Guests can listen to the applicable Meeting and submit questions in writing, but are not able to vote at such Meeting.

- Debtholders can log in online to the Debtholders' Meeting at <https://web.lumiagm.com/104887086> and Shareholders can log in online to the Shareholders' Meeting at <https://web.lumiagm.com/196537476> We recommend that you log in at least one hour before the applicable Meeting starts.
- Click "Login" and then enter your control number and Password "sherritt2020" (case sensitive).

OR

- Click "Guest" and then complete the online form.

Registered Shareholders: The control number located on your form of proxy is your control number.

Registered Shareholders appointing a third-party proxyholder, non-Registered Shareholders and Debtholders: A control number to vote at the applicable Meeting can be obtained by following the instructions described in "How to Appoint a Proxyholder" above.

If you attend a Meeting online, it is important that you are connected to the internet at all times during the applicable Meeting in order to vote when balloting commences. It is your responsibility to ensure connectivity for the duration of the applicable Meeting. You should allow ample time to check into the applicable Meeting online and complete the related procedure.

Debtholders and Shareholders with questions about the Transaction, the virtual Meetings, voting at the applicable Meeting and/or eligibility for the Noteholder Early Consent Cash Consideration, as applicable, are reminded that they may contact Kingsdale Advisors, the Corporation's Proxy, Information and Exchange Agent, by telephone at 1-800-749-9197 or 416-867-2272, or by email at contactus@kingsdaleadvisors.com.

Additional Information and Materials

Additional information and materials in respect of the Transaction (including the Amended Terms) are available on Sherritt's website under its "*Balance Sheet Initiative – Details*" page

<https://www.sherritt.com/English/Investor-Relations/Balance-Sheet-Initiative-Details/default.aspx>) including, among others:

- Information Circular
- June 10 News Release
- Material Change Report dated June 10, 2020 in connection with the June 10 News Release
- Material Change Report dated on or about the date hereof in connection with this news release
- Presentation on Balance Sheet Initiative and Amended Terms
- Copies of the Plan of Arrangement, form of New Second Lien Notes Indenture and form of New Junior Notes Indenture

This news release is not an offer of securities for sale in the United States. The securities to be issued pursuant to the Transaction have not been and will not be registered under the U.S. Securities Act of 1933 (the “**1933 Act**”), or the securities laws of any state of the United States, and may not be offered or sold within the United States except pursuant to an exemption from the registration requirements of the 1933 Act. The securities to be issued pursuant to the Transaction will be issued and distributed in reliance on the exemption from registration set forth in Section 3(a)(10) of the 1933 Act (and similar exemptions under applicable state securities laws).

About Sherritt

Sherritt is a world leader in the mining and refining of nickel and cobalt from lateritic ores with projects, operations and investments in Canada, Cuba and Madagascar. The Corporation is the largest independent energy producer in Cuba, with extensive oil and power operations across the island. Sherritt licenses its proprietary technologies and provides metallurgical services to mining and refining operations worldwide. The Corporation’s common shares are listed on the Toronto Stock Exchange under the symbol “S”.

For more information, please contact:

Joe Racanelli, Director of Investor Relations
Telephone: 416-935-2457
Email: investor@sherritt.com
www.sherritt.com

Forward-Looking Statements

This news release 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”, “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 this news release relating to: certain terms of the Transaction, including certain terms of the New Second Lien Notes and the New Junior Notes; amendments to the Plan of Arrangement; the support for the Plan of Arrangement by certain Supporting Noteholders; eligibility for Noteholder Early Consent Cash Consideration; the impact of the Transaction and the Plan of Arrangement on stakeholders; the anticipated Stated Capital Reduction and the effect thereof; the holding and timing of, and matters to be considered at the Meetings, as well as with respect to voting at such Meetings; the deadlines

for submitting proxies, voting instructions and elections; the potential impact of COVID-19 on the Meetings; the expected Court hearing to approve the Plan of Arrangement; the waiver of potential defaults relating to the CBCA proceedings and the Transaction, and the implementation of the Transaction and timing thereof.

Forward-looking statements are not based on historic facts, but rather on current expectations, assumptions and projections about future events, including matters relating to the proposed Transaction; commodity and product prices and demand; the level of liquidity; production results; realized prices for production; earnings and revenues; and certain 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 or payments may differ materially from such predictions, forecasts, conclusions or projections.

The Corporation cautions readers of this news release 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, risks associated with the ability of the Corporation to receive all necessary regulatory, court, third party and stakeholder approvals in order to complete the Transaction; the ability of the Corporation to achieve its financial goals; the ability of the Corporation to operate in the ordinary course during the CBCA proceedings, including with respect to satisfying obligations to service providers, suppliers, contractors and employees; the ability of the Corporation to continue as a going concern; the ability of the Corporation to continue to realize its assets and discharge its liabilities and commitments; the Corporation's future liquidity position, and access to capital, to fund ongoing operations and obligations (including debt obligations); the ability of the Corporation to stabilize its business and financial condition; the ability of the Corporation to implement and successfully achieve its business priorities; the ability of the Corporation to comply with its contractual obligations, including, without limitation, its obligations under debt arrangements; the general regulatory environment in which the Corporation operates; the tax treatment of the Corporation and the materiality of any legal and regulatory proceedings; the general economic, financial, market and political conditions impacting the industry and markets in which the Corporation operates; the ability of the Corporation to sustain or increase profitability, fund its operations with existing capital and/or raise additional capital to fund its operations; the ability of the Corporation to generate sufficient cash flow from operations; the impact of competition; the ability of the Corporation to obtain and retain qualified staff, equipment and services in a timely and efficient manner (particularly in light of the Corporation's efforts to restructure its debt obligations); the ability of the Corporation to retain members of the senior management team, including but not limited to, the officers of the Corporation; and the impact on business operations of the Corporation resulting from the COVID-19 pandemic and the responses of government and the public to the pandemic, matters relating to the Meetings, including attending such Meetings and the timing thereof, and the implementation of the Transaction and timing thereof. 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 news release and in the Corporation's other documents filed with the Canadian securities authorities, including without limitation the Management's Discussion and Analysis of the Corporation for the year ended December 31, 2019, the Management's Discussion and Analysis of the Corporation for the three months ended March 31, 2020, and the Annual Information Form of the Corporation dated March 19, 2020 for the period ending December 31, 2019, which are 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 news 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 this news release 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.

**SCHEDULE
SUMMARY OF CERTAIN KEY TERMS OF THE NEW JUNIOR NOTES**

Issuer:	Sherritt
Principal Amount:	\$75 million
Maturity:	9 years from the issue date
Guarantors:	SICOG Oil and Gas Limited (formerly Sherritt International (Cuba) Oil and Gas Limited), Sherritt International Oil and Gas Limited, Sherritt International (Bahamas) Inc., Sherritt Power (Bahamas) Inc., Sherritt Utilities Inc., Canada Northwest Oils (Europe) B.V., 672539 Alberta Ltd., SI Supply & Services Limited (formerly 672540 Alberta Ltd.), SI Finance Ltd., Dynatec Technologies Ltd., 1683740 Alberta Ltd., OG Finance Inc., Power Finance Inc., SBCT Logistics Ltd., SIC Marketing Services (UK) Limited, The Cobalt Refinery Holding Company Ltd. and 672538 Alberta Ltd.
Interest Rate:	10.75% per annum (payable in cash or in kind at Sherritt's option).
Interest Payment Dates:	Payable semi-annually in arrears on January 31 and July 31 of each year.
Covenants	The New Junior Notes Indenture contains more limited covenants than the New Second Lien Notes Indenture, and, among other matters, does not restrict the incurrence of additional indebtedness or granting of liens.
No Mandatory Redemptions	<p>No mandatory redemption or sinking fund payments are required with respect to the New Junior Notes.</p> <p>Sherritt may acquire New Junior Notes by means other than a redemption, whether by tender offer, open market purchases, negotiated transactions or otherwise, in accordance with applicable securities laws and regulations, so long as such acquisition does not otherwise violate the terms of the New Junior Notes Indenture.</p>

Optional Redemption:	<p>All or a portion of the New Junior Notes may be redeemed by the Corporation at any time prior to the third anniversary of the issue date at a redemption price at a premium equal to the Canada Yield Price (as defined in the New Junior Notes Indenture).</p> <p>All or a portion of the New Junior Notes may be redeemed by the Corporation at any time following the third anniversary of the issue date and prior to maturity at 100% of the redeemed principal amount, plus accrued and unpaid interest on the redeemed amount.</p>
Change of Control Offer	<p>Within 30 days following the occurrence of a change of control, the Corporation shall make an offer to purchase all of the outstanding New Junior Notes at a purchase price in cash equal to 101% of the principal amount of the then-outstanding New Junior Notes, plus accrued and unpaid interest thereon.</p>
Deemed No Default	<p>The New Junior Notes Indenture provides that non-compliance with any provision of the New Junior Notes Indenture does not constitute an Event of the Default if holders of the New Second Lien Notes Indenture (including a refinancing thereof) waive compliance with the equivalent provision of the New Second Lien Notes Indenture (including a refinancing thereof) in accordance with the terms thereof.</p>
Amendments:	<p>The terms of the New Junior Notes may be amended with the approval of holders of a majority of the principal amount of outstanding notes, with the exception of amendments to certain fundamental terms, including reduction in principal or interest and extension of dates for payment, which amendments require the approval of holders of at least 66 2/3% of the principal amount of outstanding notes.</p>

The above summary is qualified in its entirety by reference to the more detailed information contained in the form of New Junior Notes Indenture, available under the Corporation's profile on SEDAR at www.sedar.com and on Sherritt's website at www.sherritt.com.