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Sherritt Announces Amendment to its Transaction to Improve its Capital Structure relating to its Ambatovy Joint Venture Partner Loans

TORONTO, July 17, 2020 – Sherritt International Corporation (“**Sherritt**” or the “**Corporation**”) (TSX:S) announced today that it has amended certain terms of its previously announced transaction to improve its capital structure described in the Corporation’s management information circular dated March 6, 2020 (the “**Information Circular**”), together with certain amendments to the transaction described in Sherritt’s news releases issued on June 10, 2020 and June 29, 2020 (collectively, the “**Transaction**”).

The amended terms announced today (the “**Amended CFA Terms**”) are limited to matters relating to the Corporation’s Ambatovy Joint Venture partners (the “**CFA Lenders**”) and provide that all of Sherritt’s obligations under its Ambatovy Joint Venture partner loans outstanding pursuant to subordinated carry finance agreements with the CFA Lenders (the “**CFA Loans**”) will be exchanged for Sherritt’s interest in the Ambatovy Joint Venture (including its equity ownership in, and the subordinated loan obligations owed from, the Ambatovy Joint Venture) (collectively, the “**Ambatovy Interests**”), rather than providing each CFA Lender with the option to elect to exchange its CFA Loans for either (i) its CFA Lender’s pro rata share of the Ambatovy Interests or (ii) an amended CFA Loan with no recourse against Sherritt (as further described in the Information Circular).

An amended version of the Corporation’s plan of arrangement (the “**Plan of Arrangement**”) pursuant to which the Transaction is to be implemented in the Corporation’s proceedings under the *Canada Business Corporations Act* (the “**CBCA**”) reflecting the Amended CFA Terms, as well as a blackline of the amended Plan of Arrangement to the version filed by Sherritt on June 29, 2020, will be made available under Sherritt’s SEDAR profile at www.sedar.com and on Sherritt’s website at www.sherritt.com.

Sherritt believes that the Transaction and the Amended CFA Terms are in the best interests of the Corporation and its stakeholders considering all current circumstances. The Amended CFA Terms do not impact the consideration being provided under the Plan of Arrangement to holders of 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 (the “**Noteholders**”). Sherritt and its board of directors encourage all Noteholders and CFA Lenders (collectively, the “**Debtholders**”) to vote in favour of the Plan of Arrangement to implement the Transaction.

Additional Information

Additional information and materials in respect of the Transaction are available on Sherritt’s profile on SEDAR (www.sedar.com) and Sherritt’s website under its “Balance Sheet Initiative – Details” page (<https://www.sherritt.com/English/Investor-Relations/Balance-Sheet-Initiative-Details/default.aspx>).

Debt holders and shareholders with questions may also 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.

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:

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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: the Amended CFA Terms and the filing of certain documents by Sherritt.

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 meeting of Debtholders and the special meeting of shareholders in connection with the Transaction, 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.