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Sherritt Reports Third Quarter 2024 Results; Strong Operational Performance at Metals with Significant Improvements to Net Direct Cash Costs; Increased Available Liquidity in Canada

TORONTO – October 30, 2024 – Sherritt International Corporation ("Sherritt", the "Corporation") (TSX: S), a world leader in using hydrometallurgical processes to mine and refine nickel and cobalt – metals deemed critical for the energy transition – today reported its financial results for the three and nine months ended September 30, 2024. All amounts are in Canadian dollars unless otherwise noted.

Leon Binedell, President and CEO of Sherritt commented, "Our Metals division has achieved remarkable progress, with finished nickel production reaching its highest quarterly level in two years. We have successfully reduced our net direct cash costs to US$5.16 per pound, demonstrating a significant year-over-year improvement even with materially lower cobalt by-product prices. Our Power division has also excelled, recording the highest quarterly electricity production in nine years. Additionally, we completed work to bring another gas turbine online, enabling us to generate electricity from new gas wells, including a new well that began production in October. This will further increase production and allow us to realize higher distributions of dividends in Canada going forward."

Mr. Binedell continued, "Despite this quarter's lower nickel and cobalt prices, our available liquidity in Canada increased 27% to $71 million. We are beginning to realize savings from the cost reduction initiatives announced in the first half of the year and we made additional workforce reductions in the third quarter to lower our costs further. During the fourth quarter, we expect to receive another significant distribution from Power and the recommencement of dividends from the Cobalt Swap agreement. Looking ahead, phase two of our expansion at the Moa JV is advancing as planned, with commissioning and ramp-up scheduled for the first half of next year which will increase our mixed sulphide production to our refinery, displacing lower-margin third-party feed and maximizing our profitability."

THIRD QUARTER 2024 SELECTED DEVELOPMENTS

- Sherritt's share(1) of finished nickel and cobalt production at the Moa Joint Venture ("Moa JV") was 4,333 tonnes and 454 tonnes, respectively.
- Sherritt's share of finished nickel and cobalt sales was 3,538 tonnes and 421 tonnes, respectively. Sales volumes were below production, consistent with Q3 2023, primarily due to the third quarter typically being a seasonally softer quarter for sales due to summer shutdowns of steel mills and some customers deferring sales to the fourth quarter. In addition, the Canadian rail lock-out, which although resolved quickly, temporarily disrupted logistics deferring some sales which otherwise would have occurred during the quarter. Sherritt expects stronger demand from customers in the fourth quarter.
- Net direct cash cost ("NDCC")(2) was US$5.16/lb benefiting from a 19% year-over-year improvement in mining, processing and refining costs per pound of nickel sold ("MPR/lb"), the largest component of NDCC(2).
- Electricity production was 230 GWh which was the highest quarterly electricity production in nine years and reflects Sherritt's multiyear efforts to maximize value and increase dividends in Canada from its Power division by bringing new gas wells into production, improving equipment availability and increasing utilization rates.
- Electricity unit operating cost(2) was $44.95/MWh reflecting timing of planned maintenance which was completed during the quarter, partly offset by higher sales volume.
- 2024 guidance for Metals and Power production volumes, NDCC(1), electricity unit operating costs(1) and spending on capital(1) remain unchanged.
- Sherritt continues to realize savings in line with its estimated $15.0 million in annual savings from the workforce reductions announced in the first half of 2024. During the quarter, Sherritt made further reductions to streamline its organizational structure which are expected to result in approximately $2.2 million of additional annualized savings.
- Net earnings from continuing operations were $1.8 million, or nil per share.

- Adjusted net loss from continuing operations(2) was $11.5 million or $(0.03) per share, which primarily excludes a non-cash $11.5 million revaluation gain on the net receivable pursuant to the Cobalt Swap(3) on updates to valuation assumptions.
- Adjusted EBITDA(2) was $10.5 million.
- Available liquidity in Canada as at September 30, 2024 was $71.4 million supported by $35.9 million of proceeds from operating activities for Fort Site which included strong receipts on fertilizer sales and presales, $3.4 million on settlement of in-the-money nickel put options and $0.9 million of dividends from Energas. These receipts were partly offset primarily by $10.8 million used in Power to support planned maintenance activities and $5.4 million in payments on contractually obligated rehabilitation and closure costs related to legacy Oil and Gas assets in Spain.
- Phase two of the Moa JV expansion is continuing to advance with commissioning and ramp up expected in the first half of 2025. The Moa JV finalized and began utilizing its US$12.0 million of foreign currency financing from a Cuban bank to support international payments related to construction of the Sixth Leach Train, the primary component of phase two of the expansion project.
- Advanced engineering and process flowsheet development to enhance and derisk the flowsheet on the mixed hydroxide precipitate ("MHP") processing project ("MHP Project") which already yielded positive results for metal recoveries and impurity removals and continued external engagement with governments, potential customers and funding partners.

(1) References to "Sherritt's share" is consistent with the Corporation's definition of reportable segments for financial statement purposes. Sherritt's share of "Metals" includes the Corporation's 50% interest in the Moa JV, its 100% interest in the utility and fertilizer operations in Fort Saskatchewan ("Fort Site") and its 100% interests in subsidiaries established to buy, market and sell certain of the Moa JV's nickel and cobalt production and the Corporation's cobalt inventory received under the Cobalt Swap agreement ("Metals Marketing"). Sherritt's share of Power includes the Corporation's 33⅓% interest in Energas S.A. ("Energas"). References to Corporate and Other and Oil and Gas includes the Corporation's 100% interest in these businesses. Corporate and Other refers to the Corporate office and Technologies. References to Fort Site directly is to the Corporation's 100% interest in the utility and fertilizer operations.

(2) Non-GAAP financial measures. For additional information see the Non-GAAP and other financial measures section of this press release.

(3) For additional information on the Cobalt Swap, see Note 12 – Advances, loans receivable and other financial assets of the consolidated financial statements for the year ended December 31, 2023.

DEVELOPMENTS SUBSEQUENT TO THE QUARTER

Subsequent to the quarter end:

- Received an additional $1.6 million in cash on settlement of nickel put options.
- Paid $9.4 million in interest on its Second Lien Notes.
- On October 18, 2024, Cuba experienced a nationwide power outage and following which the Moa nickel mine began operating at a reduced capacity of 50% to 60% with power sourced from the mine site's own power generating capabilities. The Moa nickel mine and all Energas facilities returned to full operating capacity on October 27, 2024 with Energas playing an instrumental role in assisting to restore power to the Cuban national grid. Despite the power outage and adverse weather from a tropical storm that occurred shortly after, there was not a material impact to mixed sulphides production. Moreover, the Corporation's refinery in Alberta strategically built-up feed inventory earlier in the year, ensuring reliable feed throughput for finished nickel production. As a result, Sherritt maintains its 2024 production and unit operating cost guidance ranges.

Q3 2024 FINANCIAL HIGHLIGHTS

$ millions, except per share amount	For the three months ended 2024 September 30	2023 September 30	Change	For the nine months ended 2024 September 30	2023 September 30	Change
Revenue	**$ 32.9**	$ 36.4	(10%)	**$ 113.1**	$ 188.5	(40%)
Combined revenue[1]	**126.4**	128.0	(1%)	**417.3**	512.4	(19%)
(Loss) earnings from operations and joint venture	**(2.3)**	(23.8)	90%	**(26.6)**	-	-
Net earnings (loss) from continuing operations	**1.8**	(24.8)	107%	**(50.6)**	(10.9)	(364%)
Net earnings (loss) for the period	**2.1**	(24.8)	108%	**(49.9)**	(11.2)	(346%)
Adjusted EBITDA[1]	**10.5**	(2.2)	577%	**17.0**	53.2	(68%)
Adjusted loss from continuing operations[1]	**(11.5)**	(12.1)	5%	**(46.1)**	(0.8)	nm[2]
Net earnings (loss) from continuing operations ($ per share)	**0.00**	(0.06)	100%	**(0.13)**	(0.03)	(333%)
Adjusted net (loss) earnings from continuing operations ($ per share)[1]	**(0.03)**	(0.03)	-	**(0.12)**	-	-
Cash provided (used) by continuing operations for operating activities	**20.4**	4.4	364%	**(4.4)**	46.3	(110%)
Combined free cash flow[1]	**10.2**	(11.7)	187%	**(1.0)**	23.2	(104%)
Average exchange rate (CAD/US$)	**1.366**	1.341	2%	**1.362**	1.346	1%

(1) Non-GAAP financial measures. For additional information see the Non-GAAP and other financial measures section of this press release.

(2) Not meaningful (“nm”).

$ millions, as at	2024 September 30	2023 December 31	Change
Cash and cash equivalents			
Canada	**$ 41.0**	$ 21.5	91%
Cuba[1]	**106.0**	96.3	10%
Other	**1.6**	1.3	23%
	148.6	119.1	25%
Loans and borrowings	**371.1**	355.6	4%
The Corporation's share of cash and cash equivalents in the Moa Joint Venture, not included in the above balances:	**$ 2.3**	$ 5.9	(60%)

(1) As at September 30, 2024, $104.2 million of the Corporation’s cash and cash equivalents was held by Energas (December 31, 2023 - $93.9 million).

Cash and cash equivalents as at September 30, 2024 were $148.6 million, increasing from $132.3 million as at June 30, 2024.

As at September 30, 2024, total available liquidity in Canada, which is composed of cash and cash equivalents in Canada of $41.0 million and available credit facilities of $30.4 million was $71.4 million increasing from $55.9 million as at June 30, 2024. Available liquidity in Canada was supported by $35.9 million of proceeds from operating activities for Fort Site which included strong receipts on fertilizer sales and presales, $3.4 million on the settlement of in-the-money nickel put options and $0.9 million of dividends from Energas. These receipts were partly offset primarily by $10.8 million used in Power to support planned maintenance activities and $5.4 million in payment on contractually obligated rehabilitation and closure costs related to legacy Oil and Gas assets in Spain.

For 2024, Sherritt continues to expect distributions under the Cobalt Swap agreement in the fourth quarter of the year. The Moa JV’s cash and cobalt distributions to the Corporation are determined based on available cash in excess of liquidity requirements. Determinants of liquidity include anticipated nickel and cobalt prices and sales volumes, planned spending on capital at the Moa JV including growth capital, working capital needs, expected financing and other expected liquidity requirements. Available cash is also impacted by changes in working capital primarily related to changes in inventory, and timing of receipts and payments, including receipts on nickel and cobalt sales subsequent to shipment.

In Sherritt’s second quarter results, the Corporation indicated approximately $50.0 million was expected to be received during the fourth quarter from the Cobalt Swap agreement (including both Sherritt’s share and GNC’s[2] redirected share), which was based on the midpoint of the Moa JV’s 2024 guidance ranges for production volumes, unit operating costs[1] and spending on capital[1] as disclosed in the Outlook section of the MD&A, and the first half 2024 nickel and cobalt average reference prices of US$8.00/lb and US$13.50/lb, respectively.

With the third quarter average reference prices of both nickel and cobalt being below the first half 2024 average reference prices, management is focusing efforts to maximize cash flows from sales of available inventories and maximize the amount to be received in the fourth quarter under the Cobalt Swap up to the $50.0 million (including both Sherritt's share and GNC's redirected share) that was previously indicated. Refer to the risks related to Sherritt's corporate structure in the Corporation's 2023 Annual Information Form for further information on risks related to distributions from the Moa JV.

Given its strong operating performance during 2024, Energas generated sufficient liquidity to distribute to Sherritt dividends in Canada of $0.9 million and $6.0 million in the three and nine months ended September 30, 2024, respectively. Based on 2024 guidance estimates for production volumes, unit operating costs(1) and spending on capital(1) disclosed in the Outlook section of the MD&A, Sherritt continues to expect total dividends in Canada from Energas of approximately $10.0 million in 2024. Refer to the risks related to Sherritt's corporate structure in the Corporation's 2023 Annual Information Form for further information on risks related to dividends in Canada from Energas.

During Q3 2024, the Moa JV finalized and began utilizing its US$12.0 million of foreign currency financing from a Cuban bank to support international payments related to construction of the Sixth Leach Train, the primary component of phase two of the expansion project.

As at September 30, 2024, the Corporation was in compliance with all its debt covenants.

Subsequent to the quarter end, Sherritt received an additional $1.6 million in cash on settlement of nickel put options and paid $9.4 million in interest on its Second Lien Notes. At the interest payment date, the Corporation was not required to make a mandatory redemption of Second Lien Notes as it did not have Excess Cash Flow as defined in the Second Lien Notes indenture agreement for the two-quarter period ended June 30, 2024.

(1) Non-GAAP financial measures. For additional information see the Non-GAAP and other financial measures section of this press release.
(2) General Nickel Company S.A. ("GNC").

REVIEW OF OPERATIONS

Metals

$ millions (Sherritt's share), except as otherwise noted	For the three months ended 2024 September 30	2023 September 30	Change	For the nine months ended 2024 September 30	2023 September 30	Change
FINANCIAL HIGHLIGHTS(1)						
Revenue	**$ 112.6**	$ 115.7	(3%)	**$ 378.3**	$ 477.8	(21%)
Cost of sales	**110.1**	128.1	(14%)	**385.7**	454.8	(15%)
Earnings (loss)from operations	**0.8**	(14.9)	105%	**(17.5)**	19.9	(188%)
Adjusted EBITDA(2)	**14.9**	(0.8)	nm(5)	**25.4**	62.3	(59%)
CASH FLOW(1)						
Cash provided by continuing operations for operating activities(2)	**$ 34.8**	$ 10.7	225%	**$ 87.2**	$ 112.5	(22%)
Free cash flow(2)	**24.2**	(3.0)	907%	**59.4**	73.1	(19%)
PRODUCTION VOLUMES (tonnes)						
Mixed Sulphides	**4,148**	4,037	3%	**12,295**	11,570	6%
Finished Nickel	**4,333**	3,841	13%	**11,313**	10,592	7%
Finished Cobalt	**454**	410	11%	**1,138**	1,108	3%
Fertilizer	**65,205**	48,400	35%	**182,624**	158,615	15%
NICKEL RECOVERY(3) (%)	**85%**	88%	(3%)	**87%**	87%	-
SALES VOLUMES (tonnes)						
Finished Nickel	**3,538**	2,845	24%	**11,352**	9,377	21%
Finished Cobalt	**421**	526	(20%)	**1,173**	2,321	(49%)
Fertilizer	**31,245**	21,389	46%	**115,836**	114,652	1%
AVERAGE-REFERENCE PRICE(4) (US$ per pound)						
Nickel	**$ 7.37**	$ 9.23	(20%)	**$ 7.74**	$ 10.34	(25%)
Cobalt	**12.25**	16.58	(26%)	**13.16**	16.50	(20%)
AVERAGE-REALIZED PRICE(2) (CAD)						
Nickel ($ per pound)	**$ 10.11**	$ 12.54	(19%)	**$ 10.41**	$ 14.29	(27%)
Cobalt ($ per pound)	**12.42**	17.64	(30%)	**13.70**	17.51	(22%)
Fertilizer ($ per tonne)	**434.58**	389.43	12%	**503.33**	612.73	(18%)
UNIT OPERATING COST(2) (US$)						
Nickel - net direct cash cost (US$ per pound)	**$ 5.16**	$ 7.24	(29%)	**$ 6.10**	$ 6.97	(12%)
SPENDING ON CAPITAL(2)(CAD)						
Sustaining	**$ 7.5**	$ 12.8	(41%)	**$ 22.3**	$ 32.3	(31%)
Growth	**3.7**	2.9	28%	**6.1**	9.1	(33%)
	$ 11.2	$ 15.7	(29%)	**$ 28.4**	$ 41.4	(31%)

(1) The Financial Highlights, and cash flow amounts for Metals combine the operations of the Moa JV, Fort Site and Metals Marketing. Breakdowns of revenue, Adjusted EBITDA, and the components of free cash flow (cash provided (used) by continuing operations for operating activities and Property, plant and equipment expenditures) for each of these operations are included in the Combined Revenue, Adjusted EBITDA and Free cash flow reconciliations, respectively, in the Non-GAAP and other financial measures section of this press release.

(2) Non-GAAP financial measures. For additional information see the Non-GAAP and other financial measures section of this press release.

(3) The nickel recovery rate measures the amount of finished nickel that is produced compared to the original nickel content of the ore that was mined.

(4) Reference sources: Nickel – London Metal Exchange (“LME”). Cobalt - Average standard-grade cobalt price published per Argus.

(5) Not meaningful (“nm”).

Revenue

Metals revenue in Q3 2024 was $112.6 million compared to $115.7 million in Q3 2023.

Nickel revenue in Q3 2024 was $78.8 million compared to $78.6 million in Q3 2023. In Q3 2024, the 24% increase in nickel sales volume was offset by a 19% lower average-realized price(1). In Q3 2024, sales volumes were below production, consistent with Q3 2023, primarily due to the third quarter typically being a seasonally softer quarter for sales due to summer shutdowns of steel mills and some customers deferring sales to the fourth quarter. In addition, the Canadian rail lock-out, which although resolved quickly, temporarily disrupted logistics deferring some sales which otherwise would have occurred during the quarter. Sherritt expects stronger demand from customers in the fourth quarter.

Cobalt revenue in Q3 2024 was $11.5 million compared to $20.4 million in Q3 2023. Lower revenue in Q3 2024 was primarily due to the timing of receipts and sales of cobalt by Sherritt under the Cobalt Swap agreement and lower average-realized prices(1). The average-realized prices(1) for cobalt were 30% lower in Q3 2024 compared to Q3 2023. For more information regarding the timing of Cobalt Swap distributions in 2024, refer to the Cobalt Swap sales section below.

Fertilizer revenue in Q3 2024 was $13.6 million compared to $8.3 million in Q3 2023. Fertilizer sales volumes were 46% higher compared to Q3 2023, reflecting timing of fall season sales and higher available production for sale. In addition, average-realized prices(1) for fertilizers were 12% higher in Q3 2024 compared to Q3 2023.

Cobalt Swap sales

To date in 2024, as expected, Sherritt has not received cobalt distributions under the Cobalt Swap. In 2023, Sherritt had received 100% of the annual maximum amount of cobalt (2,082 tonnes) and had sold approximately 97% of that cobalt by the end of the third quarter of the year.

While the timing of receipts and sales of cobalt under the Cobalt Swap results in variances in cobalt sales volumes, revenue and cost of sales for Sherritt, they do not have a material impact on earnings from operations, average-realized prices(1), cobalt by-product credits, or NDCC(1) as the variance in revenue and costs of Sherritt's share of cobalt under the Cobalt Swap is offset by Sherritt's share of revenue and costs of the Moa JV and the cost of cobalt sold on volumes of cobalt redirected from GNC is determined based on the in-kind value of cobalt calculated as the cobalt reference price from the month preceding distribution less a mutually agreed selling cost adjustment.

For 2024, Sherritt continues to expect distributions under the Cobalt Swap agreement in the fourth quarter of the year. The Moa JV's cash and cobalt distributions to the Corporation are determined based on available cash in excess of liquidity requirements. Determinants of liquidity include anticipated nickel and cobalt prices and sales volumes, planned spending on capital at the Moa JV including growth capital, working capital needs, expected financing and other expected liquidity requirements. Available cash is also impacted by changes in working capital primarily related to changes in inventory, and timing of receipts and payments, including receipts on nickel and cobalt sales subsequent to shipment.

In Sherritt's second quarter results, the Corporation indicated approximately $50.0 million was expected to be received during the fourth quarter from the Cobalt Swap agreement (including both Sherritt's share and GNC's redirected share), which was based on the midpoint of the Moa JV's 2024 guidance ranges for production volumes, unit operating costs(1) and spending on capital(1) as disclosed in the Outlook section of the MD&A, and the first half 2024 nickel and cobalt average reference prices of US$8.00/lb and US$13.50/lb, respectively.

With third quarter average reference prices of both nickel and cobalt being below the first half 2024 average reference prices, management is focusing efforts to maximize cash flows from sales of available inventories and maximize the amount received in the fourth quarter under the Cobalt Swap up to the $50.0 million (including both Sherritt's share and GNC's redirected share) that was previously indicated. Refer to the risks related to Sherritt's corporate structure in the Corporation's 2023 Annual Information Form for further information on risks related to distributions from the Moa JV.

Production

Mixed sulphides production at the Moa JV for Q3 2024 was 4,148 tonnes 3% higher, compared to Q3 2023. Lower maintenance and improved feed to the processing plant following the completion of the new Slurry Preparation Plant ("SPP") in the first quarter of 2024 contributed to higher production.

Sherritt's share of finished nickel and cobalt production for Q3 2024 was 4,333 tonnes and 454 tonnes, 13% and 11% higher, respectively, compared to Q3 2023 primarily due to higher mixed sulphides feed availability.

Sherritt maintains its 2024 production guidance ranges for finished nickel and cobalt.

Fertilizer production for Q3 2024 was 65,205 tonnes, 35% higher compared to Q3 2023 in line with higher metals production, implementation of operational improvements during the year, and due to the unplanned ammonia plant maintenance that limited production in 2023.

NDCC(1)

NDCC(1) per pound of nickel sold for Q3 2024 was US$5.16/lb, compared to US$7.24/lb in Q3 2023. NDCC(1) significantly improved primarily as a result of lower MPR/lb partly offset by lower cobalt by-product credits(2) as a result of lower average-realized prices(1) for cobalt. MPR/lb was 19% lower for Q3 2024, compared to Q3 2023 primarily due to lower sulphur, natural gas and diesel prices, lower maintenance costs and lower sulphuric acid purchases, operational improvements, and the impact of higher nickel sales volumes. Prices for sulphur, natural gas and diesel were 13%, 64% and 10% lower in Q3 2024 compared to Q3 2023.

Fertilizer net by-product credits were significantly higher in Q3 2024 compared to Q3 2023 as a result of higher sales volumes and average-realized prices(1) and lower maintenance costs.

NDCC(1) for the nine months ended September 30, 2024 was US$6.10/lb and Sherritt maintains its 2024 guidance range for NDCC(1) at US$5.50 to US$6.00/lb.

Spending on capital(1)

Sustaining spending on capital for Q3 2024 was $7.5 million compared to $12.8 million in Q3 2023. Sustaining spending on capital of $22.3 million for the nine months ended September 30, 2024 is in line with 2024 guidance.

Growth spending on capital for Q3 2024 was $3.7 million compared to $2.9 million in Q3 2023. Spending in 2024 was primarily related to the second phase of the Moa JV expansion program and is in line with 2024 guidance.

(1) Non-GAAP financial measures. For additional information see the Non-GAAP and other financial measures section of this press release.
(2) Cobalt by-product credits include Sherritt's share of cobalt revenue per pound of nickel sold only.

Expansion program and strategic developments

Moa JV expansion program update

Phase two of the Moa JV's expansion program, the Processing Plant, is continuing to advance. During the third quarter of 2024 piping installation continued and brick lining of vessels started.

During the quarter, the Moa JV finalized and began utilizing its US$12 million of foreign currency financing from a Cuban bank to support international payments related to construction of the Sixth Leach Train, the primary component of phase two of the expansion project.

Phase two commissioning and ramp up remains scheduled for 2025 with Sherritt expecting to commence the ramp up during the first half of the year. With completion of phase two, annual mixed sulphide precipitate production is expected to further increase toward the combined expansion target, including the new SPP, of approximately 20% of contained nickel and cobalt and is expected to fill the refinery to nameplate capacity to maximize profitability from the joint venture's own mine feed, displacing lower margin third-party feeds and increasing overall finished nickel and cobalt production.

Strategic developments

Sherritt, through its MHP Project, is advancing a flowsheet to convert nickel intermediates via midstream processing to produce high-purity nickel and cobalt sulphates, two fundamental feedstock materials for the electric vehicle supply chain.

During the quarter, Sherritt continued to advance engineering and process flowsheet development, to enhance and derisk the flowsheet which already yielded very positive results for metal recoveries and impurity removals. Sherritt also continued its external engagement with governments, potential customers and funding partners and advancing alignment on key commercial and project parameters including identifying optimal site locations by the year end.

A continuous solvent extraction ("SX") pilot commenced in October and this phase of engineering and process development work is expected to be completed by year end.

Power

$ millions (33 ⅓% basis), except as otherwise noted	For the three months ended **2024 September 30**	2023 September 30	Change	For the nine months ended **2024 September 30**	2023 September 30	Change
FINANCIAL HIGHLIGHTS						
Revenue	**$ 12.9**	$ 11.9	8%	**$ 36.7**	$ 33.1	11%
Cost of sales	**10.9**	5.7	91%	**24.2**	15.6	55%
Earnings from operations	**0.4**	5.6	(93%)	**8.7**	14.8	(41%)
Adjusted EBITDA(1)	**1.1**	6.2	(82%)	**10.5**	16.6	(37%)
CASH FLOW						
Cash (used) provided by continuing operations for operating activities(1)	**$ (8.6)**	$ 2.8	(407%)	**$ (6.7)**	$ 9.5	(171%)
Free cash flow(1)	**(8.9)**	2.2	(505%)	**(11.1)**	7.6	(246%)
PRODUCTION AND SALES						
Electricity (GWh(2))	**230**	190	21%	**645**	520	24%
AVERAGE-REALIZED PRICE(1)						
Electricity ($/MWh(2))	**$ 51.85**	$ 56.30	(8%)	**$ 51.70**	$ 57.23	(10%)
UNIT OPERATING COSTS(1)						
Electricity ($/MWh)	**44.95**	27.06	66%	**35.26**	27.07	30%
SPENDING ON CAPITAL(1)						
Sustaining	**$ (1.5)**	$ 0.6	(350%)	**$ 2.6**	$ 1.9	37%

(1) Non-GAAP financial measures. For additional information see the Non-GAAP and other financial measures section of this press release.
(2) Gigawatt hours ("GWh"), Megawatt hours ("MWh").

Revenue for Q3 2024 was $12.9 million which is up 8% compared to Q3 2023 primarily due to higher production on better equipment availability.

Unit operating costs(1) for Q3 2024 were $44.95/MWh compared to $27.06/MWh in Q3 2023 reflecting the higher planned maintenance work on three gas turbines that began in the second quarter of 2024 and which has now been completed. In part, the maintenance was required to also bring online another gas turbine to process additional gas being received as a result of the new wells that Power brought into production. The maintenance work and related spend was successfully funded by Energas through the Moa Swap and was incorporated into Sherritt's 2024 Power division guidance which remains unchanged. With the maintenance work now complete, Sherritt expects higher equipment availability to translate into higher production and dividends to Sherritt.

As a key partner in supporting the Cuban government's plans to increase power production, Sherritt continues to work with its Cuban partners to increase gas supply for additional electricity production. During the third quarter, a new well was drilled and was put into production in early October. This key development marks the third new well going into production since the second quarter of 2023, contributing to the improved utilization rates in the Corporation's Power division, the significantly higher levels of electricity production and the increased levels of dividends in Canada expected going forward.

Power recognized a recovery in spending on capital(1) of $1.5 million in Q3 2024 on previously capitalized inventory amounts that were expensed in the period. For the nine months ended September 30, 2024 spending on capital was $2.6 million, primarily driven by planned maintenance activities completed in the year. Sustaining spending on capital(1) to September 30, 2024 is in line with annual guidance.

Given its strong operating performance during 2024, Energas generated sufficient liquidity to distribute to Sherritt dividends in Canada of $0.9 million and $6.0 million in the three and nine months ended September 30, 2024, respectively. Based on 2024 guidance estimates for production volumes, unit operating costs(1) and spending on capital(1) disclosed in the Outlook section of the MD&A, Sherritt continues to expect total dividends in Canada from Energas of approximately $10.0 million in 2024. Refer to the risks related to Sherritt's corporate structure in the Corporation's 2023 Annual Information Form for further information on risks related to dividends in Canada from Energas.

(1) Non-GAAP financial measures. For additional information see the Non-GAAP and other financial measures section of this press release.

OUTLOOK

2024 guidance for production volumes, unit operating costs and spending on capital remains unchanged.

CONFERENCE CALL AND WEBCAST

Sherritt will hold its conference call and webcast October 31, 2024 at 10:00 a.m. Eastern Time to review its third quarter 2024 results. Dial-in and webcast details are as follows:

North American callers, please dial:	1 (800) 717-1738 Passcode: 71533
International callers, please dial:	1 (289) 514-5100 Passcode: 71533
Live webcast:	www.sherritt.com

Please dial in 15 minutes before the start of the call to secure a line. Alternatively, listeners can access the conference call and presentation via the webcast available on Sherritt's website.

An archive of the webcast and replay of the conference call will also be available on the website.

FINANCIAL STATEMENTS AND MANAGEMENT'S DISCUSSION AND ANALYSIS ("MD&A")

Sherritt's condensed consolidated financial statements and MD&A for the three and nine months ended September 30, 2024 are available at www.sherritt.com or on SEDAR+ at www.sedarplus.ca. and should be read in conjunction with this news release. Financial and operating data can also be viewed in the investor relations section of Sherritt's website.

NON-GAAP AND OTHER FINANCIAL MEASURES

Management uses the following non-GAAP and other financial measures in this press release and other documents: combined revenue, adjusted earnings before interest, taxes, depreciation and amortization ("adjusted EBITDA"), average-realized price, unit operating cost/net direct cash cost (NDCC), adjusted net earnings/loss from continuing operations, adjusted net earnings/loss from continuing operations per share, spending on capital, combined cash provided (used) by continuing operations for operating activities and combined free cash flow.

Management uses these 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 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 do not have a standard definition under IFRS and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. As these measures do not have a standardized meaning, they may not be comparable to similar measures provided by other companies.

The non-GAAP and other financial measures are reconciled to their most directly comparable IFRS measures in the Appendix below.

ABOUT SHERRITT INTERNATIONAL CORPORATION

Sherritt is a world leader in using hydrometallurgical processes to mine and refine nickel and cobalt – metals deemed critical for the energy transition. Sherritt's Moa Joint Venture has a current estimated mine life of 25 years and has embarked on an expansion program focused on increasing annual mixed sulphide precipitate production by approximately 20% of contained nickel and cobalt. The Corporation's Power division, through its ownership in Energas S.A., is the largest independent energy producer in Cuba with installed electrical generating capacity of 506 MW, representing approximately 10% of the national electrical generating capacity in Cuba. The Energas facilities are comprised of two combined cycle plants that produce low-cost electricity from one of the lowest carbon emitting sources of power in Cuba. Sherritt's common shares are listed on the Toronto Stock Exchange under the symbol "S".

FORWARD-LOOKING STATEMENTS

This press 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”, “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; the Moa Joint Venture expansion program update as it relates to the Processing Plant; statements set out in the “Outlook” section of this press release; certain expectations regarding production volumes and increases, inventory levels, operating costs, capital spending and intensity; sales volumes; revenue, costs and earnings; the availability of additional gas supplies to be used for power generation; the amount and timing of dividend distributions from the Moa JV, including in the form of finished cobalt or cash under the Cobalt Swap, including management’s efforts to maximize dividend distribution; the amount and timing of dividend distributions from Energas; growing shareholder value; expected annualized employee and other Corporate office-related cost savings; 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; nickel, cobalt and fertilizer production results and realized prices; current and future demand products produced by Sherritt; global demand for electric vehicles and the anticipated corresponding demand for cobalt and nickel; revenues and net operating results; environmental risks and liabilities; compliance with applicable environmental laws and regulations; 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; risks related to the U.S. government policy toward Cuba; current and future economic conditions in Cuba; the level of liquidity and access to funding; Sherritt share price volatility; and certain corporate objectives, goals and plans for 2024. 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 press 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, commodity risks related to the production and sale of nickel cobalt and fertilizers; security market fluctuations and price volatility; level of liquidity of Sherritt, including access to capital and financing; the ability of the Moa Joint Venture to pay dividends; the risk to Sherritt’s entitlements to future distributions (including pursuant to the Cobalt Swap) from the Moa JV; 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, including the impact of geopolitical events on global prices for nickel, cobalt, fertilizers, or certain other commodities; 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; risk of future non-compliance with debt restrictions and covenants; risks related to environmental liabilities including liability for reclamation costs, tailings facility failures and toxic gas releases; 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; 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; 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; risks associated with the operation of large projects generally; risks related to the accuracy of capital and operating cost estimates; the possibility of equipment and other failures; potential interruptions in transportation; uncertainty of gas supply for electrical generation; reliance on key personnel and skilled workers; growth opportunity risks; 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; foreign exchange and pricing risks; credit risks; 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 2024; 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 and nine months ended September 30, 2024 and the Annual Information Form of the Corporation dated March 21, 2024 for the period ending December 31, 2023, which is available on SEDAR+ at www.sedarplus.ca.

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 press 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 press 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.

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APPENDIX – NON-GAAP AND OTHER FINANCIAL MEASURES

Management uses the measures below 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 evaluate the results of its underlying business. These measures are intended to provide additional information, not to replace IFRS measures, and do not have a standard definition under IFRS and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. As these measures do not have a standardized meaning, they may not be comparable to similar measures provided by other companies.

The non-GAAP and other financial measures are reconciled to the most directly comparable IFRS measure as presented in the consolidated financial statements for the three and nine months ended September 30, 2024.

Combined revenue

The Corporation uses combined revenue as a measure to help management assess the Corporation's financial performance across its core operations. Combined revenue includes the Corporation's consolidated revenue, less Oil and Gas revenue, and includes the revenue of the Moa JV within the Metals reportable segment on a 50% basis. Revenue of the Moa JV is included in share of earnings of Moa Joint Venture, net of tax, as a result of the equity method of accounting and excluded from the Corporation's consolidated revenue.

Revenue at Oil and Gas is excluded from Combined revenue as the segment is not currently exploring for or producing oil and gas and its revenue relate to ancillary drilling services, provided to a customer and CUPET, which is not reflective of the Corporation's core operating activities or revenue generation potential. The exclusion of revenue at Oil and Gas from Combined revenue represented a change in the composition of Combined revenue during the three months ended December 31, 2023 to better reflect the Corporation's core operating activities and revenue generation potential and the prior year measure has been restated for comparative purposes.

Management uses this measure to reflect the Corporation's economic interest in its operations prior to the application of equity accounting to help allocate financial resources and provide investors with information that it believes is useful in understanding the scope of Sherritt's business, based on its economic interest, irrespective of the accounting treatment.

The table below reconciles combined revenue to revenue per the financial statements:

	For the three months ended			For the nine months ended		
	2024	2023		**2024**	2023	
$ millions	**September 30**	September 30	Change	**September 30**	September 30	Change
Revenue by reportable segment						
Metals[1]	**$ 112.6**	$ 115.7	(3%)	**$ 378.3**	$ 477.8	(21%)
Power	**12.9**	11.9	8%	**36.7**	33.1	11%
Corporate and Other	**0.9**	0.4	125%	**2.3**	1.5	53%
Combined revenue	**$ 126.4**	$ 128.0	(1%)	**$ 417.3**	$ 512.4	(19%)
Adjustment for Moa Joint Venture	**(96.9)**	(96.0)		**(318.9)**	(334.5)	
Adjustment for Oil and Gas	**3.4**	4.4		**14.7**	10.6	
Financial statement revenue	**$ 32.9**	$ 36.4	(10%)	**$ 113.1**	$ 188.5	(40%)

(1) Revenue of Metals for the three months ended September 30, 2024 is composed of revenue recognized by the Moa JV of $96.9 million (50% basis), which is equity-accounted and included in share of earnings of Moa JV, net of tax, coupled with revenue recognized by Fort Site of $14.7 million and Metals Marketing of $1.0 million, both of which are included in consolidated revenue (for the three months ended September 30, 2023 - $96.0 million, $8.9 million and $10.8 million, respectively). Revenue of Metals for the nine months ended September 30, 2024 is composed of revenue recognized by the Moa JV of $318.9 million (50% basis), coupled with revenue recognized by Fort Site of $55.5 million and Metals Marketing of $3.9 million (for the nine months ended September 30, 2023 - $334.5 million, $62.6 million and $80.7 million, respectively).

Adjusted EBITDA

The Corporation defines Adjusted EBITDA as (loss) earnings from operations and joint venture, which excludes net finance expense, income tax 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 JV. The exclusion of impairment losses eliminates the non-cash impact of the losses.

Earnings/loss from operations at Oil and Gas (net of depletion, depreciation and amortization, if applicable) is deducted from/added back to Adjusted EBITDA as the segment is not currently exploring for or producing oil and gas and its financial results relate to ancillary drilling services, provided to a customer and CUPET, and environmental rehabilitation costs for legacy assets, which are not reflective of the Corporation's core operating activities or cash generation potential. The adjustment for earnings/loss from operations at Oil and Gas (net of depletion, depreciation and amortization, if applicable) represented a change in the composition of Adjusted EBITDA during the three months ended December 31, 2023 to better reflect the Corporation's core operating activities and cash generation potential and the prior year measure has been restated for comparative purposes.

Management uses Adjusted EBITDA internally to evaluate the cash generation potential of Sherritt's operating divisions on a combined and segment 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 (loss) earnings from operations and joint venture per the financial statements to Adjusted EBITDA:

$ millions, for the three months ended September 30						2024
	Metals[1]	Power	Oil and Gas	Corporate and Other	Adjustment for Moa Joint Venture	Total
Earnings (loss) from operations and joint venture per financial statements	$ **0.8**	$ **0.4**	$ **1.1**	$ **(5.7)**	$ **1.1**	$ **(2.3)**
Add (deduct):						
Depletion, depreciation and amortization	**2.4**	**0.7**	**-**	**0.2**	**-**	**3.3**
Oil and Gas earnings from operations, net of depletion, depreciation and amortization	**-**	**-**	**(1.1)**	**-**	**-**	**(1.1)**
Adjustments for share of earnings of Moa Joint Venture:						
Depletion, depreciation and amortization	**11.7**	**-**	**-**	**-**	**-**	**11.7**
Impairment of property, plant and equipment	**-**	**-**	**-**	**-**	**-**	**-**
Net finance expense	**-**	**-**	**-**	**-**	**1.4**	**1.4**
Income tax expense	**-**	**-**	**-**	**-**	**(2.5)**	**(2.5)**
Adjusted EBITDA	$ **14.9**	$ **1.1**	$ **-**	$ **(5.5)**	$ **-**	$ **10.5**

$ millions, for the three months ended September 30						2023 (Restated)
	Metals[1]	Power	Oil and Gas	Corporate and Other	Adjustment for Moa Joint Venture	Total
(Loss) earnings from operations and joint venture per financial statements	$ (14.9)	$ 5.6	$ (7.0)	$ (7.9)	$ 0.4	$ (23.8)
Add (deduct):						
Depletion, depreciation and amortization	2.2	0.6	0.1	0.3	-	3.2
Oil and Gas earnings from operations, net of depletion, depreciation and amortization	-	-	6.9	-	-	6.9
Adjustments for share of earnings of Moa Joint Venture:						
Depletion, depreciation and amortization	10.4	-	-	-	-	10.4
Impairment of property, plant and equipment	1.5	-	-	-	-	1.5
Net finance income	-	-	-	-	(2.8)	(2.8)
Income tax expense	-	-	-	-	2.4	2.4
Adjusted EBITDA	$ (0.8)	$ 6.2	$ -	$ (7.6)	$ -	$ (2.2)

$ millions, for the nine months ended September 30						**2024**
	Metals[2]	Power	Oil and Gas	Corporate and Other	Adjustment for Moa Joint Venture	Total
(Loss) earnings from operations and joint venture per financial statements	**$ (17.5)**	**$ 8.7**	**$ 0.5**	**$ (19.6)**	**$ 1.3**	**$ (26.6)**
Add:						
Depletion, depreciation and amortization	**7.7**	**1.8**	**0.1**	**0.7**	**-**	**10.3**
Oil and Gas loss from operations, net of depletion, depreciation and amortization	**-**	**-**	**(0.6)**	**-**	**-**	**(0.6)**
Adjustments for share of earnings of Moa Joint Venture:						
Depletion, depreciation and amortization	**34.7**	**-**	**-**	**-**	**-**	**34.7**
Impairment of property, plant and equipment	**0.5**	**-**	**-**	**-**	**-**	**0.5**
Net finance income	**-**	**-**	**-**	**-**	**0.3**	**0.3**
Income tax expense	**-**	**-**	**-**	**-**	**(1.6)**	**(1.6)**
Adjusted EBITDA	**$ 25.4**	**$ 10.5**	**$ -**	**$ (18.9)**	**$ -**	**$ 17.0**

$ millions, for the nine months ended September 30						2023 (Restated)
	Metals[2]	Power	Oil and Gas	Corporate and Other	Adjustment for Moa Joint Venture	Total
Earnings (loss) from operations and joint venture per financial statements	$ 19.9	$ 14.8	$ (6.9)	$ (26.5)	$ (1.3)	$ -
Add (deduct):						
Depletion, depreciation and amortization	7.8	1.8	0.2	0.8	-	10.6
Oil and Gas earnings from operations, net of depletion, depreciation and amortization	-	-	6.7	-	-	6.7
Adjustments for share of earnings of Moa Joint Venture:						
Depletion, depreciation and amortization	33.1	-	-	-	-	33.1
Impairment of property, plant and equipment	1.5	-	-	-	-	1.5
Net finance income	-	-	-	-	(2.4)	(2.4)
Income tax expense	-	-	-	-	3.7	3.7
Adjusted EBITDA	$ 62.3	$ 16.6	$ -	$ (25.7)	$ -	$ 53.2

(1) Adjusted EBITDA of Metals for the three months ended September 30, 2024 is composed of Adjusted EBITDA at Moa JV of $8.7 million (50% basis), Adjusted EBITDA at Fort Site of $6.6 million and Adjusted EBITDA at Metals Marketing of $(0.4) million (for the three months ended September 30, 2023 - $6.4 million, $(7.7) million and $0.5 million, respectively).

(2) Adjusted EBITDA of Metals for the nine months ended September 30, 2024 is composed of Adjusted EBITDA at Moa JV of $18.5 million (50% basis), Adjusted EBITDA at Fort Site of $8.9 million and Adjusted EBITDA at Metals Marketing of $(2.0) million (for the nine months ended September 30, 2023 - $72.2 million, $0.3 million and $(10.2) million, respectively).

Average-realized price

Average-realized price is generally calculated by dividing revenue by sales volume for the given product in a given segment. The average-realized price for power excludes by-product and other revenue, as this revenue is not earned directly for power generation. Transactions by a Moa JV 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 September 30							**2024**
	Metals						
	Nickel	Cobalt	Fertilizer	Power	Other[1]	Adjustment for Moa Joint Venture	Total
Revenue per financial statements	**$ 78.8**	**$ 11.5**	**$ 13.6**	**$ 12.9**	**$ 13.0**	**$ (96.9)**	**$ 32.9**
Adjustments to revenue:							
By-product and other revenue	**-**	**-**	**-**	**(1.0)**			
Revenue for purposes of average-realized price calculation	**78.8**	**11.5**	**13.6**	**11.9**			
Sales volume for the period	**7.8**	**0.9**	**31.2**	**230**			
Volume units	Millions of pounds	Millions of pounds	Thousands of tonnes	Gigawatt hours			
Average-realized price[2][3][4]	**$ 10.11**	**$ 12.42**	**$ 434.58**	**$ 51.85**			

$ millions, except average-realized price and sales volume, for the three months ended September 30							2023
	Metals						
	Nickel	Cobalt	Fertilizer	Power	Other[1]	Adjustment for Moa Joint Venture	Total
Revenue per financial statements	$ 78.6	$ 20.4	$ 8.3	$ 11.9	$ 13.2	$ (96.0)	$ 36.4
Adjustments to revenue:							
By-product and other revenue	-	-	-	(1.2)			
Revenue for purposes of average-realized price calculation	78.6	20.4	8.3	10.7			
Sales volume for the period	6.3	1.2	21.4	190			
Volume units	Millions of pounds	Millions of pounds	Thousands of tonnes	Gigawatt hours			
Average-realized price[2][3][4]	$ 12.54	$ 17.64	$ 389.43	$ 56.30			

$ millions, except average-realized price and sales volume, for the nine months ended September 30							**2024**
	Metals						
	Nickel	Cobalt	Fertilizer	Power	Other(1)	Adjustment for Moa Joint Venture	Total
Revenue per financial statements	**$ 260.6**	**$ 35.4**	**$ 58.3**	**$ 36.7**	**$ 41.0**	**$ (318.9)**	**$ 113.1**
Adjustments to revenue:							
By-product and other revenue	**-**	**-**	**-**	**(3.4)**			
Revenue for purposes of average-realized price calculation	**260.6**	**35.4**	**58.3**	**33.3**			
Sales volume for the period	**25.0**	**2.6**	**115.8**	**645**			
Volume units	Millions of pounds	Millions of pounds	Thousands of tonnes	Gigawatt hours			
Average-realized price(2)(3)(4)	**$ 10.41**	**$ 13.70**	**$ 503.33**	**$ 51.70**			

$ millions, except average-realized price and sales volume, for the nine months ended September 30							2023
	Metals						
	Nickel	Cobalt	Fertilizer	Power	Other(1)	Adjustment for Moa Joint Venture	Total
Revenue per financial statements	$ 295.5	$ 89.6	$ 70.2	$ 33.1	$ 34.6	$ (334.5)	$ 188.5
Adjustments to revenue:							
By-product and other revenue	-	-	-	(3.3)			
Revenue for purposes of average-realized price calculation	295.5	89.6	70.2	29.8			
Sales volume for the period	20.7	5.2	114.7	520			
Volume units	Millions of pounds	Millions of pounds	Thousands of tonnes	Gigawatt hours			
Average-realized price(2)(3)(4)	$ 14.29	$ 17.51	$ 612.73	$ 57.23			

(1) Other revenue includes revenue from the Oil and Gas and Corporate and Other 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.

Unit operating cost/Net direct cash cost

With the exception of Metals, 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.

Metals' 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; cobalt gain/loss; 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.

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 September 30					**2024**
	Metals	Power	Other(1)	Adjustment for Moa Joint Venture	Total
Cost of sales per financial statements	**$ 110.1**	**$ 10.9**	**$ 2.8**	**$ (98.4)**	**$ 25.4**
Less:					
Depletion, depreciation and amortization in cost of sales	**(14.1)**	**(0.6)**			
	96.0	**10.3**			
Adjustments to cost of sales:					
Cobalt by-product, fertilizer and other revenue	**(33.8)**	**-**			
Impact of opening/closing inventory and other(2)	**(6.3)**	**-**			
Cost of sales for purposes of unit cost calculation	**55.9**	**10.3**			
Sales volume for the period	**7.8**	**230**			
Volume units	Millions of pounds	Gigawatt hours			
Unit operating cost(3)(4)	**$ 7.17**	**$ 44.95**			
Unit operating cost (US$ per pound) (NDCC)(5)	**$ 5.16**				

$ millions, except unit cost and sales volume, for the three months ended September 30					2023
	Metals	Power	Other(1)	Adjustment for Moa Joint Venture	Total
Cost of sales per financial statements	$ 128.1	$ 5.7	$ 15.1	$ (98.9)	$ 50.0
Less:					
Depletion, depreciation and amortization in cost of sales	(12.5)	(0.6)			
	115.6	5.1			
Adjustments to cost of sales:					
Cobalt by-product, fertilizer and other revenue	(37.1)	-			
Cobalt gain	(0.3)	-			
Impact of opening/closing inventory and other(2)	(18.2)	-			
Cost of sales for purposes of unit cost calculation	60.0	5.1			
Sales volume for the period	6.3	190			
Volume units	Millions of pounds	Gigawatt hours			
Unit operating cost(3)(4)	$ 9.56	$ 27.06			
Unit operating cost (US$ per pound) (NDCC)(5)	$ 7.24				

$ millions, except unit cost and sales volume, for the nine months ended September 30					2024
	Metals	Power	Other(1)	Adjustment for Moa Joint Venture	Total
Cost of sales per financial statements	**$ 385.7**	**$ 24.2**	**$ 15.7**	**$ (330.9)**	**$ 94.7**
Less:					
Depletion, depreciation and amortization in cost of sales	**(42.4)**	**(1.5)**			
	343.3	**22.7**			
Adjustments to cost of sales:					
Cobalt by-product, fertilizer and other revenue	**(117.7)**	**-**			
Impact of opening/closing inventory and other(2)	**(17.8)**	**-**			
Cost of sales for purposes of unit cost calculation	**207.8**	**22.7**			
Sales volume for the period	**25.0**	**645**			
Volume units	Millions of pounds	Gigawatt hours			
Unit operating cost(3)(4)	**$ 8.30**	**$ 35.26**			
Unit operating cost (US$ per pound) (NDCC)(5)	**$ 6.10**				

$ millions, except unit cost and sales volume, for the nine months ended September 30					2023
	Metals	Power	Other[1]	Adjustment for Moa Joint Venture	Total
Cost of sales per financial statements	$ 454.8	$ 15.6	$ 29.2	$ (294.2)	$ 205.4
Less:					
Depletion, depreciation and amortization in cost of sales	(40.7)	(1.5)			
	414.1	14.1			
Adjustments to cost of sales:					
Cobalt by-product, fertilizer and other revenue	(182.3)	-			
Cobalt gain	(2.7)	-			
Impact of opening/closing inventory and other[2]	(35.3)	-			
Cost of sales for purposes of unit cost calculation	193.8	14.1			
Sales volume for the period	20.7	520			
Volume units	Millions of pounds	Gigawatt hours			
Unit operating cost[3][4]	$ 9.37	$ 27.07			
Unit operating cost (US$ per pound) (NDCC)[5]	$ 6.97				

(1) Other is composed of the cost of sales of the Oil and Gas and Corporate and Other reportable segments.

(2) Other is primarily composed of royalties and other contributions, sales discounts, effect of average exchange rate changes 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.

Adjusted net earnings/loss from continuing operations and adjusted net earnings/loss from continuing operations per share

The Corporation defines adjusted net earnings/loss from continuing operations as net earnings/loss from continuing operations less items not reflective of the Corporation’s current or future operational performance. These adjusting items include, but are not limited to, inventory write-downs/obsolescence, impairment of assets, gains and losses on the acquisition or disposal of assets, unrealized foreign exchange gains and losses, gains and losses on financial assets and liabilities and other one-time adjustments that have not occurred in the past two years and are not expected to recur in the next two years. While some adjustments are recurring (such as unrealized foreign exchange (gain) loss and revaluations of allowances for expected credit losses (ACL)), management believes that they do not reflect the Corporation’s current or future operational performance.

Net earnings/loss from continuing operations at Oil and Gas is deducted from/added back to adjusted earnings/loss from continuing operations as the segment is not currently exploring for or producing oil and gas and its financial results relate to ancillary drilling services, provided to a customer and CUPET, and environmental rehabilitation costs for legacy assets, which are not reflective of the Corporation’s core operating activities or future operational performance. The adjustment for net earnings/loss from continuing operations at Oil and Gas represented a change in the composition of adjusted net earnings/loss from continuing operations during the three months ended December 31, 2023 to better reflect the Corporation’s core operating activities and future operational performance and the prior year measure has been restated for comparative purposes.

Adjusted net earnings/loss from continuing operations per share is defined consistent with the definition above and divided by the Corporation’s weighted-average number of common shares outstanding.

Management uses these measures internally and believes that they provide investors with performance measures with which to assess the Corporation’s current or future operational performance by adjusting for items or transactions that are not reflective of its current or future operational performance.

The tables below reconcile net earnings (loss) from continuing operations and net earnings (loss) from continuing operations per share, both per the financial statements, to adjusted net loss from continuing operations and adjusted net loss from continuing operations per share, respectively:

For the three months ended September 30		**2024** $ millions		**2024** $/share		2023 $ millions		2023 $/share
Net earnings (loss) from continuing operations	**$**	**1.8**	**$**	**0.00**	$	(24.8)	$	(0.06)
Adjusting items:								
Sherritt - Unrealized foreign exchange loss - continuing operations		**0.3**		**-**		(0.9)		-
Corporate and Other - Gain on repurchase of notes		**(1.1)**		**-**		-		-
Corporate and Other - Unrealized loss on nickel put options		**2.6**		**0.01**		-		-
Corporate and Other - Realized gain on nickel put options		**(3.4)**		**(0.01)**		-		-
Metals - Moa JV - Impairment of property, plant and equipment		**-**		**-**		1.5		-
Metals - Moa JV - Inventory write-down/obsolescence		**-**		**-**		1.6		-
Metals - Fort Site - Inventory write-down		**-**		**-**		7.3		0.02
Metals - Metals Marketing - Cobalt gain		**-**		**-**		0.3		-
Power - Gain on revaluation of GNC receivable		**(15.5)**		**(0.04)**		(5.0)		(0.01)
Power - Loss on revaluation of Energas payable		**4.0**		**0.01**		0.5		-
Oil and Gas - Net (earnings) loss from continuing operations, net of unrealized foreign exchange gain/loss		**(1.1)**		**-**		7.0		0.02
Total adjustments, before tax	**$**	**(14.2)**	**$**	**(0.03)**	$	12.3	$	0.03
Tax adjustments		**0.9**		**-**		0.4		-
Adjusted net loss from continuing operations	**$**	**(11.5)**	**$**	**(0.03)**	$	(12.1)	$	(0.03)

For the nine months ended September 30		**2024** $ millions		**2024** $/share		2023 $ millions		2023 $/share
Net loss from continuing operations	**$**	**(50.6)**	**$**	**(0.13)**	$	(10.9)	$	(0.03)
Adjusting items:								
Sherritt - Unrealized foreign exchange loss - continuing operations		**0.3**		**-**		0.2		-
Sherritt's share - Severance related to restructuring		**3.5**		**0.01**		-		-
Corporate and Other - Unrealized gain on nickel put options		**(0.8)**		**-**		-		-
Corporate and Other - Realized gain on nickel put options		**(3.4)**		**(0.01)**		-		-
Corporate and Other - Gain on repurchase of notes		**(1.8)**		**-**		(3.5)		(0.01)
Metals - Moa JV - Impairment of property, plant and equipment		**0.5**		**-**		1.5		-
Metals - Moa JV - Inventory write-down/obsolescence		**2.5**		**-**		3.0		0.01
Metals - Fort Site - Inventory write-down		**0.9**		**-**		8.1		0.02
Metals - Metals Marketing - Inventory write-down		**-**		**-**		1.1		-
Metals - Metals Marketing - Cobalt gain		**-**		**-**		2.7		0.01
Power - Loss (gain) on revaluation of GNC receivable		**2.9**		**0.01**		(18.2)		(0.04)
Power - Loss on revaluation of Energas payable		**-**		**-**		8.9		0.02
Oil and Gas - Net (earnings) loss from continuing operations, net of unrealized foreign exchange gain/loss		**(0.7)**		**-**		5.9		0.02
Total adjustments, before tax	**$**	**3.9**	**$**	**0.01**	$	9.7	$	0.03
Tax adjustments		**0.6**		**-**		0.4		-
Adjusted net (loss) earnings from continuing operations	**$**	**(46.1)**	**$**	**(0.12)**	$	(0.8)	$	0.00

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 Metals 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 tables below reconcile 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 September 30						**2024**
	Metals	Power	Other(1)	Combined total	Adjustment for Moa Joint Venture	Total derived from financial statements
Property, plant and equipment expenditures(2)	**$ 10.6**	**$ 0.3**	**$ -**	**$ 10.9**	**$ (9.8)**	**$ 1.1**
Intangible asset expenditures(2)	**-**	**-**	**-**	**-**	**-**	**-**
	10.6	**0.3**	**-**	**10.9**	**$ (9.8)**	**$ 1.1**
Adjustments:						
Accrual adjustment	**0.6**	**(1.8)**	**(0.1)**	**(1.3)**		
Spending on capital	**$ 11.2**	**$ (1.5)**	**$ (0.1)**	**$ 9.6**		

$ millions, for the three months ended September 30						2023
	Metals	Power	Other(1)	Combined total	Adjustment for Moa Joint Venture	Total derived from financial statements
Property, plant and equipment expenditures(2)	$ 13.7	$ 0.6	$ 0.2	$ 14.5	$ (7.6)	$ 6.9
Intangible asset expenditures(2)	-	-	0.1	0.1	-	0.1
	13.7	0.6	0.3	14.6	$ (7.6)	$ 7.0
Adjustments:						
Accrual adjustment	2.0	-	-	2.0		
Spending on capital	$ 15.7	$ 0.6	$ 0.3	$ 16.6		

$ millions, for the nine months ended September 30						**2024**
	Metals	Power	Other(1)	Combined total	Adjustment for Moa Joint Venture	Total derived from financial statements
Property, plant and equipment expenditures(2)	**$ 27.8**	**$ 4.4**	**$ -**	**$ 32.2**	**$ (25.8)**	**$ 6.4**
Intangible asset expenditures(2)	**-**	**-**	**0.2**	**0.2**	**-**	**0.2**
	27.8	**4.4**	**0.2**	**32.4**	**$ (25.8)**	**$ 6.6**
Adjustments:						
Accrual adjustment	**0.6**	**(1.8)**	**(0.2)**	**(1.4)**		
Spending on capital	**$ 28.4**	**$ 2.6**	**$ -**	**$ 31.0**		

$ millions, for the nine months ended September 30												2023
		Metals		Power		Other(1)		Combined total		Adjustment for Moa Joint Venture		Total derived from financial statements
Property, plant and equipment expenditures(2)	$	39.4	$	1.9	$	0.2	$	41.5	$	(26.9)	$	14.6
Intangible asset expenditures(2)		-		-		1.2		1.2		-		1.2
		39.4		1.9		1.4		42.7	$	(26.9)	$	15.8
Adjustments:												
Accrual adjustment		2.0		-		(0.7)		1.3				
Spending on capital	$	41.4	$	1.9	$	0.7	$	44.0				

(1) Includes property, plant and equipment and intangible asset expenditures of the Oil and Gas and Corporate and Other reportable segments.

(2) Total property, plant and equipment expenditures and total intangible asset expenditures as presented in the Corporation's condensed consolidated statements of cash flow.

Combined cash provided (used) by continuing operations for operating activities and combined free cash flow

The Corporation defines cash provided (used) by continuing operations for operating activities by segment as cash provided (used) by continuing operations for operating activities for each segment calculated in accordance with IFRS and adjusted to remove the impact of cash provided (used) by wholly-owned subsidiaries. Combined cash provided (used) by continuing operations for operating activities is the aggregate of each segment's cash provided (used) by continuing operations for operating activities including the Corporation's 50% share of the Moa JV's cash provided (used) by continuing operations for operating activities, which is accounted for using the equity method of accounting and excluded from consolidated cash provided (used) by continuing operations for operating activities.

The Corporation defines free cash flow for each segment as cash provided (used) by continuing operations for operating activities by segment, less cash expenditures on property, plant and equipment and intangible assets, including exploration and evaluation assets. Combined free cash flow is the aggregate of each segment's free cash flow or the Corporation's consolidated cash provided (used) by continuing operations for operating activities, less consolidated cash expenditures on property, plant and equipment and intangible assets, including exploration and evaluation assets, less distributions received from Moa JV, plus cash provided (used) by continuing operations for operating activities for the Corporation's 50% share of the Moa JV, less cash expenditures on property, plant and equipment and intangible assets for the Corporation's 50% share of the Moa JV.

The Corporate and Other segment's cash used by continuing operations for operating activities is adjusted to exclude distributions received from Moa JV. Distributions from the Moa JV excluded from Corporate and Other are included in the Adjustment for Moa Joint Venture to arrive at total cash provided (used) by continuing operations for operating activities per the financial statements.

The Metals segment's free cash flow includes the Fort Site and Metals Marketing's free cash flow, plus the Corporation's 50% share of the Moa JV's free cash flow, which is accounted for using the equity method for accounting purposes.

Combined cash provided (used) by continuing operations for operating activities and combined free cash flow are used by management, and management believes this information is used by investors, to analyze cash flows generated from operations and assess its operations' ability to provide cash or its use of cash, and in the case of combined free cash flow, after funding cash capital requirements, to service current and future working capital needs and service debt.

The tables below reconcile combined cash provided (used) by continuing operations for operating activities to cash provided (used) by continuing operations per the financial statements to combined free cash flow:

$ millions, for the three months ended September 30															2024
		Metals[1][2]		Power		Oil and Gas		Corporate and Other		**Combined total**		Adjustment for Moa Joint Venture		**Total derived from financial statements**
Cash provided (used) by continuing operations for operating activities	**$**	**34.8**	**$**	**(8.6)**	**$**	**(1.9)**	**$**	**(3.2)**	**$**	**21.1**	**$**	**(0.7)**	**$**	**20.4**
Less:														
Property, plant and equipment expenditures		**(10.6)**		**(0.3)**		**-**		**-**		**(10.9)**		**9.8**		**(1.1)**
Intangible expenditures		**-**		**-**		**-**		**-**		**-**		**-**		**-**
Free cash flow	**$**	**24.2**	**$**	**(8.9)**	**$**	**(1.9)**	**$**	**(3.2)**	**$**	**10.2**	**$**	**9.1**	**$**	**19.3**

$ millions, for the three months ended September 30														2023 (Restated)
		Metals[1][2]		Power		Oil and Gas		Corporate and Other		**Combined total**		Adjustment for Moa Joint Venture		**Total derived from financial statements**
Cash provided (used) by continuing operations for operating activities	$	10.7	$	2.8	$	2.6	$	(13.2)	$	2.9	$	1.5	$	4.4
Less:														
Property, plant and equipment expenditures		(13.7)		(0.6)		(0.2)		-		(14.5)		7.6		(6.9)
Intangible expenditures		-		-		(0.1)		-		(0.1)		-		(0.1)
Free cash flow	$	(3.0)	$	2.2	$	2.3	$	(13.2)	$	(11.7)	$	9.1	$	(2.6)

$ millions, for the nine months ended September 30														2024
		Metals[3][4]		Power		Oil and Gas		Corporate and Other		**Combined total**		Adjustment for Moa Joint Venture		**Total derived from financial statements**
Cash provided (used) by continuing operations for operating activities	**$**	**87.2**	**$**	**(6.7)**	**$**	**(20.7)**	**$**	**(28.4)**	**$**	**31.4**	**$**	**(35.8)**	**$**	**(4.4)**
Less:														
Property, plant and equipment expenditures		**(27.8)**		**(4.4)**		**-**		**-**		**(32.2)**		**25.8**		**(6.4)**
Intangible expenditures		**-**		**-**		**(0.2)**		**-**		**(0.2)**		**-**		**(0.2)**
Free cash flow	**$**	**59.4**	**$**	**(11.1)**	**$**	**(20.9)**	**$**	**(28.4)**	**$**	**(1.0)**	**$**	**(10.0)**	**$**	**(11.0)**

$ millions, for the nine months ended September 30														2023 (Restated)
		Metals[3][4]		Power		Oil and Gas		Corporate and Other		**Combined total**		Adjustment for Moa Joint Venture		**Total derived from financial statements**
Cash provided (used) by continuing operations for operating activities	$	112.5	$	9.5	$	3.8	$	(59.9)	$	65.9	$	(19.6)	$	46.3
Less:														
Property, plant and equipment expenditures		(39.4)		(1.9)		(0.2)		-		(41.5)		26.9		(14.6)
Intangible expenditures		-		-		(1.2)		-		(1.2)		-		(1.2)
Free cash flow	$	73.1	$	7.6	$	2.4	$	(59.9)	$	23.2	$	7.3	$	30.5

(1) Cash provided by continuing operations for operating activities for the Moa JV, Fort Site and Metals Marketing was $0.7 million, $35.9 million and $(1.8) million, respectively, for the three months ended September 30, 2024 (September 30, 2023 - $(1.8) million, $(12.2) million and $24.7 million, respectively).

(2) Property, plant and equipment expenditures and intangible expenditures for the Moa JV, Fort Site and Metals Marketing was $9.9 million, $0.7 million and nil, respectively, for the three months ended September 30, 2024 (September 30, 2023 - $7.5 million, $6.2 million and nil, respectively).

(3) Cash provided by continuing operations for operating activities for the Moa JV, Fort Site and Metals Marketing was $35.8 million, $47.9 million and $3.5 million, respectively, for the nine months ended September 30, 2024 (September 30, 2023 - $51.6 million, $(17.4) million and $78.3 million, respectively).

(4) Property, plant and equipment expenditures and intangible expenditures for the Moa JV, Fort Site and Metals Marketing was $25.9 million, $1.9 million and nil, respectively, for the nine months ended September 30, 2024 (September 30, 2023 - $26.8 million, $12.6 million and nil, respectively).