



sherritt

THE NAME IN NICKEL

2016 ANNUAL GENERAL MEETING

David Pathe, President & CEO

May 10, 2016

Forward-Looking Statements

This document 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, certain expectations about capital costs and expenditures; production volumes, capital projects completion dates and market supply and demand forecasts.

Forward-looking statements are not based on historic facts, but rather on current expectations, assumptions and projections about future events, including commodity and product prices and demand; realized prices for production; earnings and revenues; development and exploratory wells in Cuba; environmental rehabilitation provisions; availability of regulatory approvals; compliance with applicable environmental laws and regulations; 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 may differ materially from such predictions, forecasts, conclusions or projections.

The Corporation cautions readers of this document 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. This risks, uncertainties and other factors include, but are not limited to changes in the global price for nickel, cobalt, oil and gas or certain other commodities (ammonium sulphate), share-price volatility, level of liquidity and access to capital resources, access to financing, compliance with financial covenants, risks associated with the Corporation's joint venture partners; discrepancies between actual and estimated production; variability in production at Sherritt's operations in Madagascar and Cuba; risks associated with the completion of Moa Joint Venture Acid Plant; potential interruptions in transportation; uncertainty of gas supply for electrical generation; uncertainty of exploration results and Sherritt's ability to replace depleted mineral and oil and gas reserves; the Corporation's reliance on key personnel and skilled workers; the possibility of equipment and other failures; the potential for shortages of equipment and supplies; risks associated with mining, processing and refining activities; uncertainty of resources and reserve estimates; uncertainties in environmental rehabilitation provisions estimates; risks related to the Corporation's corporate structure; political, economic and other risks of foreign operations; risks related to Sherritt's operations in Madagascar and Cuba; risks related to the U.S. government policy toward Cuba, including the U.S. embargo on Cuba and the Helms-Burton legislation; risks related to the accuracy of capital and operating cost estimates; reliance on significant customers; foreign exchange and pricing risks; compliance with applicable environment, health and safety legislation and other associated matters; risks associated with governmental regulations regarding greenhouse gas emissions; maintaining the Corporation's social license to grow and operate; risks relating to community relations; credit risks; shortage of equipment and supplies; competition in product markets; future market access; interest rate changes; risks in obtaining insurance; uncertainties in labour relations; 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; legal contingencies; risks related to the Corporation's accounting policies; risks associated with future acquisitions; 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; uncertainties in growth management; and certain corporate objectives, goals and plans for 2016; and the Corporation's ability to meet other factors listed from time to time in the Corporation's continuous disclosure documents. 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 press release and in the Corporation's other documents filed with the Canadian securities authorities.

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 document and in the Corporation's other documents filed with the Canadian securities authorities including, but not limited to, the Corporation's Management Discussion & Analysis for the year ended December 31, 2015 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 document are made as of the date hereof and the Corporation undertakes no obligation to update publicly or revise any oral or written forward-looking information or statements, whether as a result of new information, future events or otherwise, except as required by applicable securities laws. The forward-looking information and statements contained herein are expressly qualified in their entirety by this cautionary statement.


Non-GAAP Measures

Management uses Combined Results, Adjusted EBITDA, average-realized price, unit operating cost, adjusted earnings, combined adjusted operating cash flow per share and combined free cash flow, 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 evaluate the results of its underlying business. These measures 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. For additional information, including a reconciliation of each non-GAAP measures to the most directly comparable GAAP measure, see the Non-GAAP measures section in our Management's Discussion and Analysis (MD&A) for the three months ended September 30, 2015 available on our website at www.sherritt.com.



Sherritt Overview

sherritt

- 
- Two fully integrated, LME quality HPAL nickel operations, which delivered 80,976 tonnes finished nickel in 2015
 - Cuban oil production of 18,257 bopd (GWI) in 2015
 - Cuban power generation business that creates steady cash flow
 - Market cap \$238 million with \$369.9 million cash, and \$921 million recourse debt ⁽¹⁾

(1) As of 03/31/2016

The Name in Nickel

sherritt



Nickel - The Most Volatile Base Metal



Nickel vs Metals & Oil

sherritt

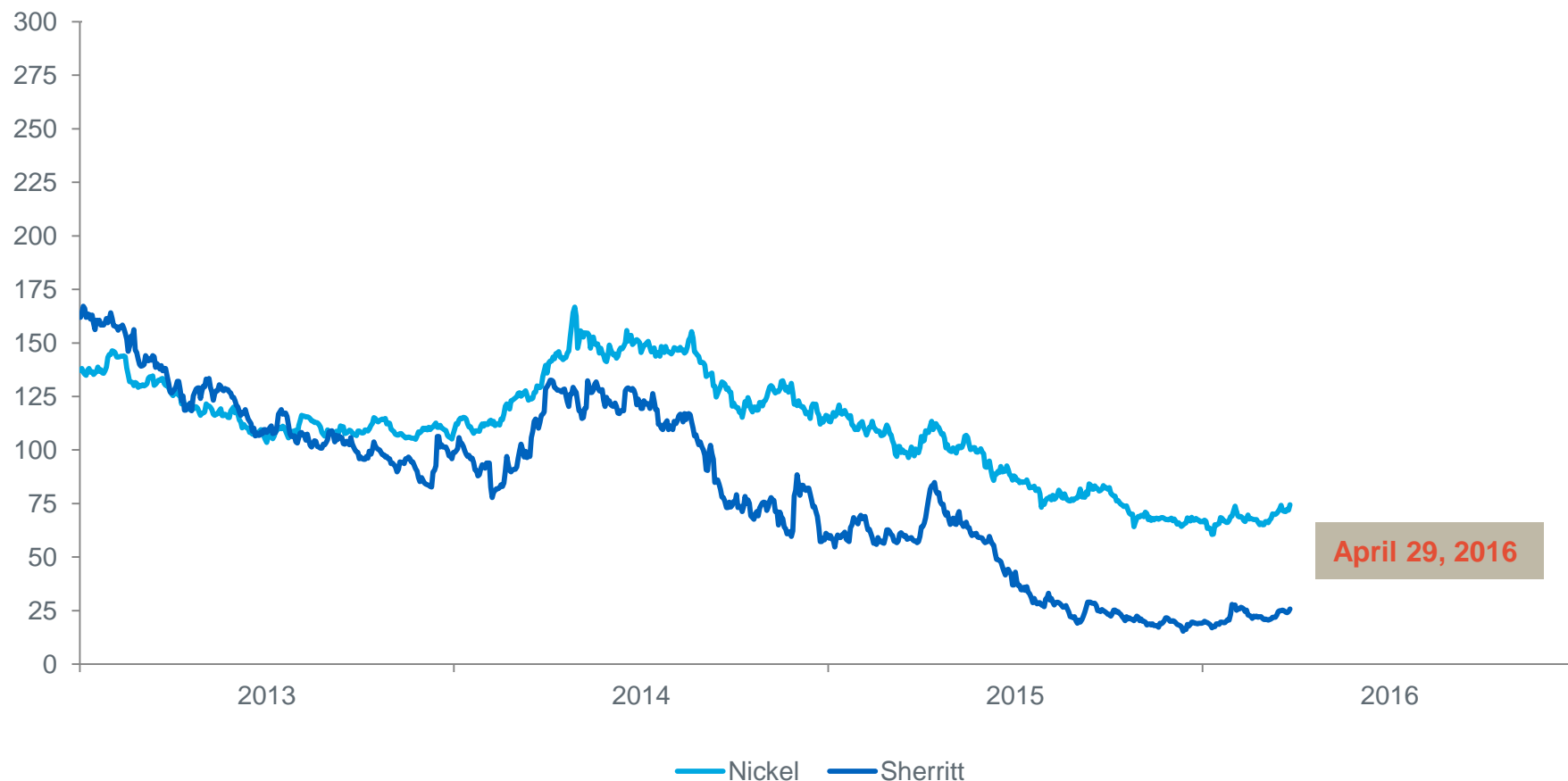
2015 Commodity Price Performance



What it Means to be the Name in Nickel

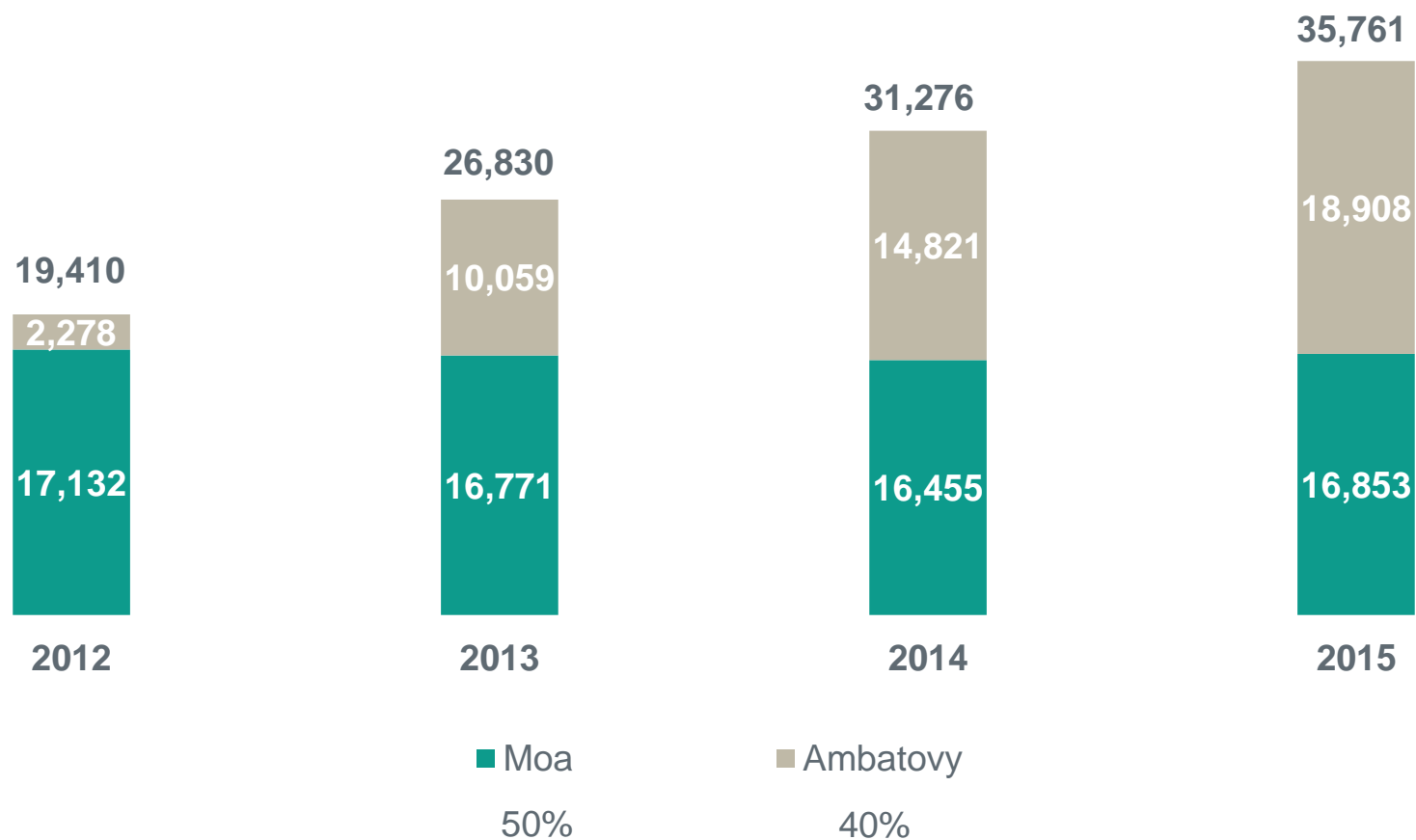
sherritt

Indexed Price Performance (2013-2016 YTD)



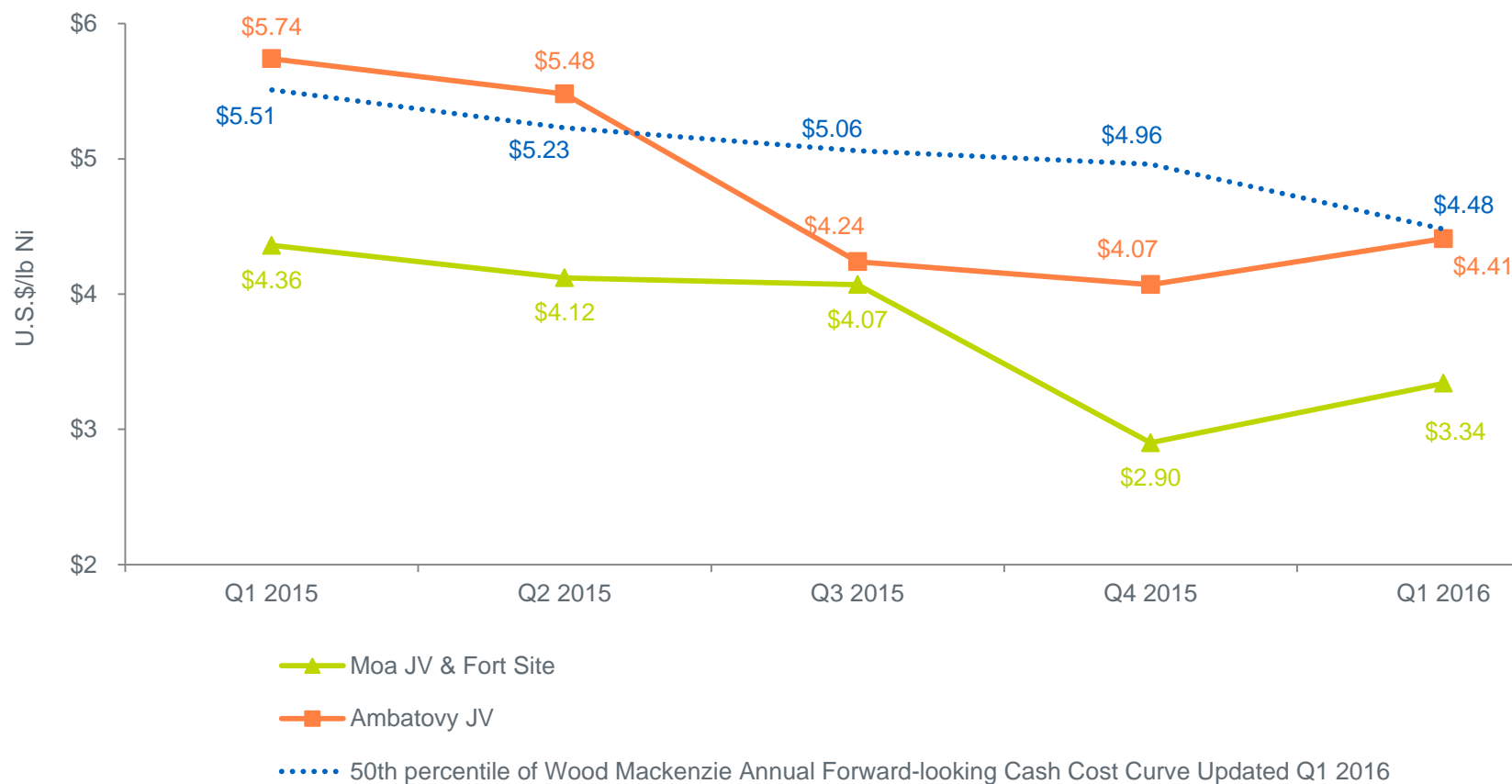
Nickel Production up 84% in 3 Years

sherritt



Reducing Costs Since Q1 2015

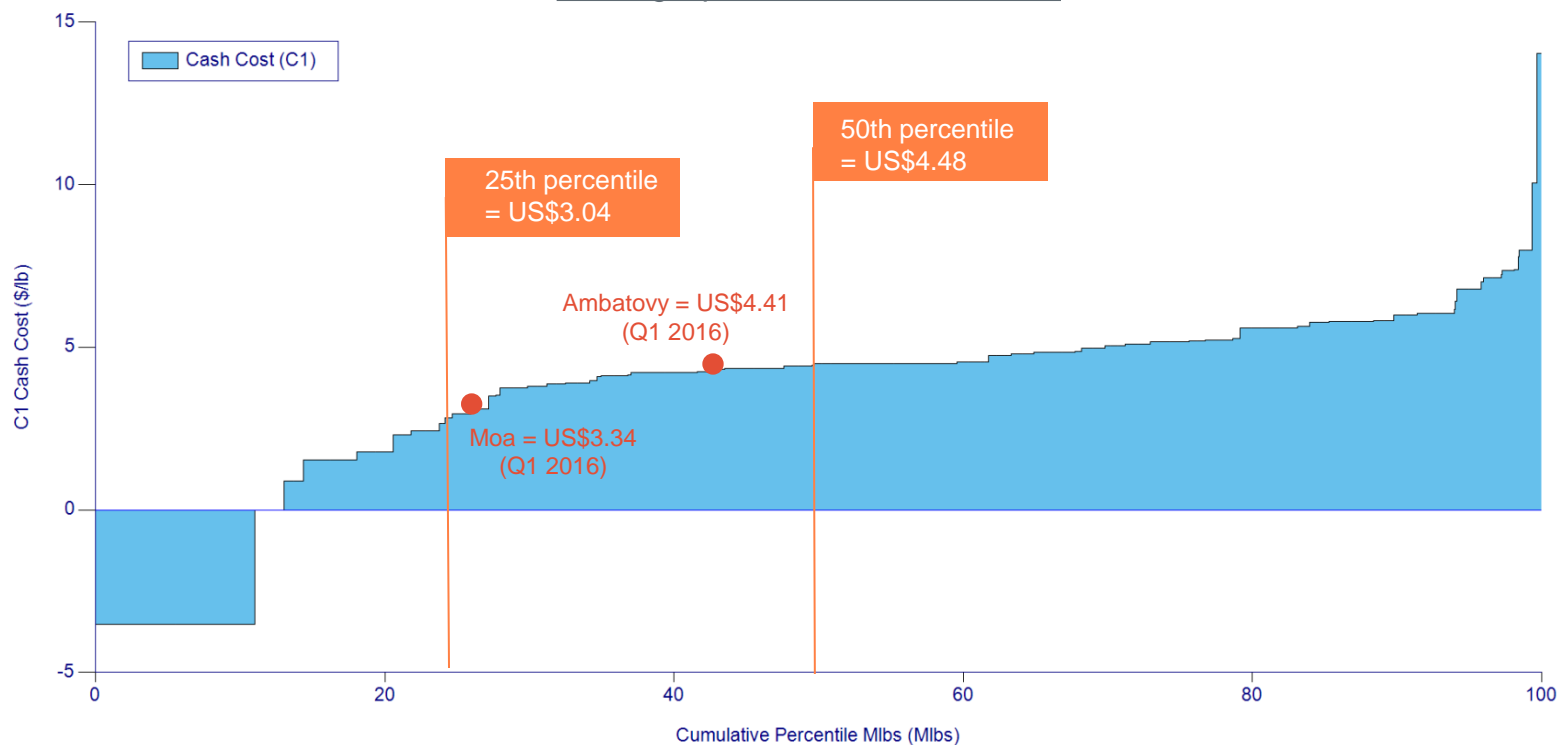
sherritt



Cash Cost Curve

sherritt

2016 Industry Nickel, Normal, C1 Cash Cost
Grouped by Operation and Ranked by Cash Cost (C1)
Existing Operations and Base Case



Source: Wood Mackenzie Ltd., Dataset: Q1 2016

Total Debt vs. Recourse Debt

- Since 2014, Sherritt has reduced debt by more than \$400 million.

As at Mar. 31, 2016 (\$ millions)	Total	Recourse
Senior unsecured notes (2018, 2020, 2022)	\$750	\$750
Ambatovy partner loans	126	126
Ambatovy additional partner loans	1,221	-
Other	45	45
Total debt	2,128.1	921
Cash and short term investments	369.9	369.9
Net debt	1,758.2	551.1

- Sherritt share of Ambatovy Project financing (now non-recourse) not consolidated on balance sheet due to equity accounting (US\$640.4 million Sherritt share as of 12/31/15).
- With Financial Completion attained in September, 2015, the Ambatovy Project financing is now non-recourse to all of the Ambatovy Partners.

Peer Leader in Safety & Sustainability

sherritt

Sustainability Performance Principles 2015



- Providing a safe and rewarding workplace
- Operating ethically
- Demonstrating environmental responsibility
- Engaging stakeholders and benefitting communities

Awards



- 2015 Syncrude Award for excellence in sustainable development
- Green Star Award

Key Performance Areas



- Achieve a TRIF⁽¹⁾ of less than 0.50 injuries of any kind per 200,000 work hours
- Achieve a LTIF⁽²⁾ less than 0.18 injuries per 200,000 work hours
- Improve employee engagement
- Achieve zero work-stoppages due to community unrest across Sherritt

(1) Total Reportable Injury Frequency
(2) Lost-Time Injury Frequency



Strategic Priorities

Our 2015 Strategic Priorities



Focusing on Core Nickel Business

Moa nickel production was steady, NDCC declined in each successive quarter of 2015

Acid plant construction on track and on budget for 2016



Continuing to Ramp Up Ambatovy

Financial completion announced Sept 21, 2015

Achieved 90 for 90 in Q1 and again in Q3

Record ore throughput



Extending the Life of our Cuban Energy Business

8 wells drilled in Puerto Escondido/Yumurí extension area

Block 10 seismic reprocessed and drilling locations & permitting commenced



Strengthening the Balance Sheet

Cash, cash equivalents and short term investment of \$435.4 million at Dec 31, 2015



Reducing Costs

Net Direct Cash Costs declined every quarter in 2015, averaging US\$3.88/lb (Moa) and US\$4.83/lb (Ambatovy)

Reduced administrative costs by 21%

Our 2016 Strategic Priorities



Focusing On Core Nickel Business

Complete and commission the acid plant at Moa in the second half of 2016

Further reduce NDCC costs at Moa and Ambatovy toward the goal of being in the lowest quartile

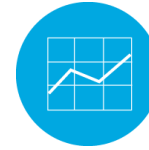
Increase Ambatovy production over 2015, despite the major maintenance work scheduled for Q3

Maintain peer leading performance in environmental, health, safety and sustainability



Extending The Life Of Cuban Energy Business

Allocate capital to new drilling on Block 10, with future drilling to be contingent on results from 2016 activity



Maintaining Strong Balance Sheet And Reducing Costs

Protect Sherritt's balance sheet and preserve cash

Establish clarity on long-term funding of Ambatovy

Run business units to be free cash flow neutral, and continue to optimize administrative costs

Reporting on our 2016 Strategic Priorities



Focusing On Core Nickel Business

Acid plant on track to complete in Q2 with full operation in Q3

Q1 NDCC down 24% vs. Q1 2015

2016 Guidance on track

Environmental, Health, Safety & Sustainability Performance on track



Extending The Life Of Cuban Energy Business

Capital allocation reduced in Q1, results from first well (Q3-4) will dictate next steps

Pipeline to deliver increased gas supply to our power operations



Maintaining Strong Balance Sheet And Reducing Costs

End Q1 with \$370 million cash on hand including \$45 million repayment of credit facilities

Ceased funding Ambatovy cash calls due to the "40 for 12" issue; conversations with lenders and partners continue



Sherritt International Corporation

181 Bay Street, 26th Floor, Brookfield Place
Toronto, Ontario, Canada M4T 2Y7

Investor Relations

Telephone: 416.935.2451
Email: investor@sherritt.com

www.sherritt.com