

Sherritt International Corporation

Q2 2025 Conference Call

Review of Financial and Operational Results

July 30, 2025

sherritt

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Forward-Looking Statements

This presentation 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 JV; growing and increasing nickel and cobalt production, including increasing MSP production; the Moa JV 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, including amount and timing of spending on tailings management; sales volumes; revenue, costs and earnings; significant liquidity improvement following completion of debt and equity transactions reducing outstanding debt and extending maturities; challenges with foreign currency constraints; the availability of additional gas supplies and timing for addressing the current supply interruption of gas 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; the amount and timing of dividend distributions from Energas; growing shareholder value; expected annualized savings from cost reduction measures and workforce reduction; 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 2025. 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 presentation 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 JV 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; 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 failure; potential interruptions in transportation; 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; 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 2025; 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 JV, 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 six months ended June 30, 2025 and the Annual Information Form of the Corporation dated March 24, 2025 for the period ending December 31, 2024, 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 presentation 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 presentation 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 AND OTHER FINANCIAL MEASURES

Management uses the following non-GAAP and other financial measures in this presentation 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, and spending on capital.

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 IFRS® Accounting Standards measures, and do not have a standard definition under IFRS Accounting Standards and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS Accounting Standards. As these measures do not have a standardized meaning, they may not be comparable to similar measures provided by other companies. Further information on the composition and usefulness of each non-GAAP and other financial measure, including reconciliation to their most directly comparable IFRS Accounting Standards measures, is included in the Non-GAAP and other financial measures in the appendix to this presentation.

Presenters

Leon Binedell

Executive Chairman, President & CEO



Yasmin Gabriel

CFO



Elvin Saruk

COO and Head of Cuban Operations



Highlights

Second Quarter 2025



- Lower mixed sulphides production from Moa resulting in lower finished nickel and cobalt production and sales
- NDCC⁽¹⁾ of US\$5.27/lb improved 8% year-over-year
- Commissioning of phase two of the Moa JV expansion underway



- Varadero remains in frequency control
- CUPET expected to replace declining gas production from legacy well in Q3 2025



- Closed Debt and Equity Transactions – principal maturity not until late 2031
- Available liquidity in Canada of \$45.0 M
- Dividends in Canada from Energas of \$5.6 M
- Revolving-term credit facility maturity was extended to April 30, 2027

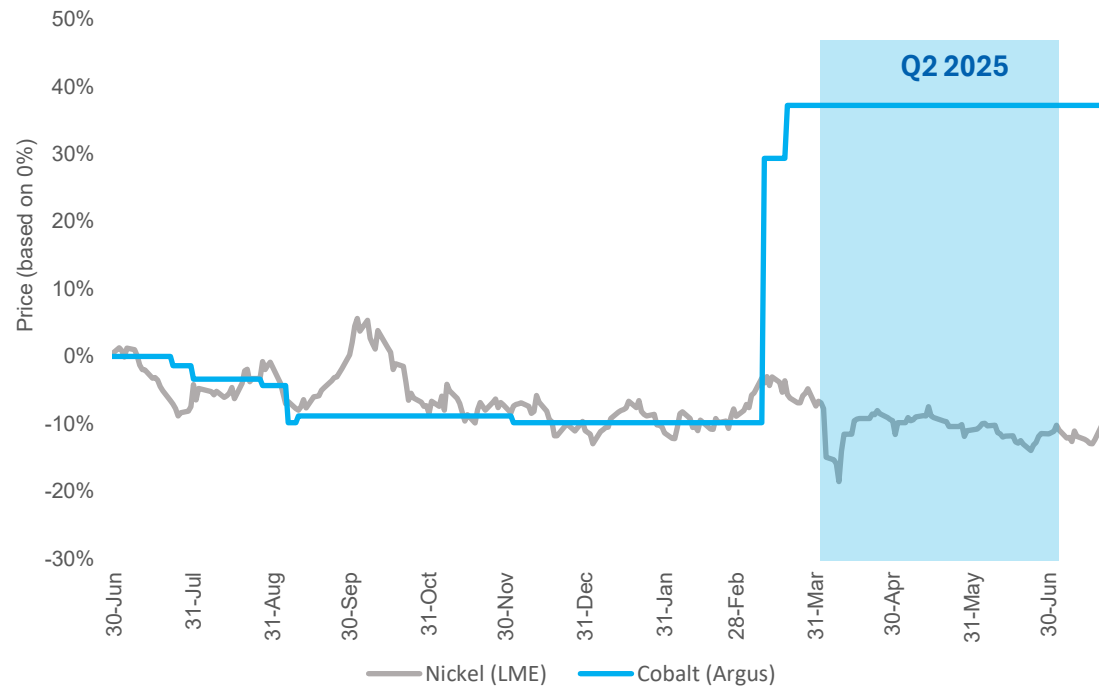


Fort Saskatchewan, Alberta

Operating conditions in Cuba drove lower MSP production
Increasing MSP production expected following the Moa JV expansion ramp-up in Q3

Nickel and Cobalt Price Second Quarter 2025 Developments

Nickel and Cobalt Reference Prices⁽¹⁾



Second Quarter 2025 Key Market Developments

- April 2 – U.S. announces Liberation Day tariffs
- May 14 – Indonesian cobalt production capacity from its HPAL operations will more than double to 114,000t in 2027 from 55,000t in 2024 - National Economic Council member and executive secretary Septian Hario Seto
- May 21 – China’s CMOC Group Ltd. calls on DRC to end cobalt export ban
- May 29 – Tsingshan Holding Group Co. announces stainless steel production cuts
- June 21 – DRC extends cobalt export ban to September
- July 2 – Indonesia announces plans to change the duration of mining quotas from three years to one year

Nickel market faced continued challenging pricing conditions during the quarter
Sherritt responds with further significant cost reductions



Review of Operations

Metals

Second Quarter Highlights

Mixed sulphides

- Challenging operating environment in Cuba impacted production of mixed sulphides – recovery plan being implemented
- Planned acid plant shutdown (and decision not to source high priced, uneconomic sulphuric acid) contributed to lower mixed sulphides

Nickel and cobalt

- Lower finished nickel and cobalt production on lower mixed sulphides feed available from the mine and economical third-party feeds unavailable
- Nickel and cobalt sales were lower due to lower nickel production

Fertilizer

- Lower sales on accelerated purchases in Q1 ahead of spring planting season

	Q2 2025	Q2 2024
Production Volume (tonnes)⁽¹⁾		
Mixed Sulphides	3,238	4,095
Nickel	3,431	3,383
Cobalt	389	342
Fertilizer ⁽³⁾	65,207	60,355
Sales Volume (tonnes)⁽²⁾		
Nickel	3,256	3,791
Cobalt	380	390
Fertilizer	44,614	60,682
Costs (US\$/lb)		
NDCC ⁽⁴⁾	5.27	5.75

Operating conditions in Cuba drove lower MSP production impacting production of finished nickel and cobalt – recovery plan being implemented

Metals

Second Quarter Net Direct Cash Costs (NDCC)⁽¹⁾

Mining, processing and refining (“MPR”)⁽²⁾

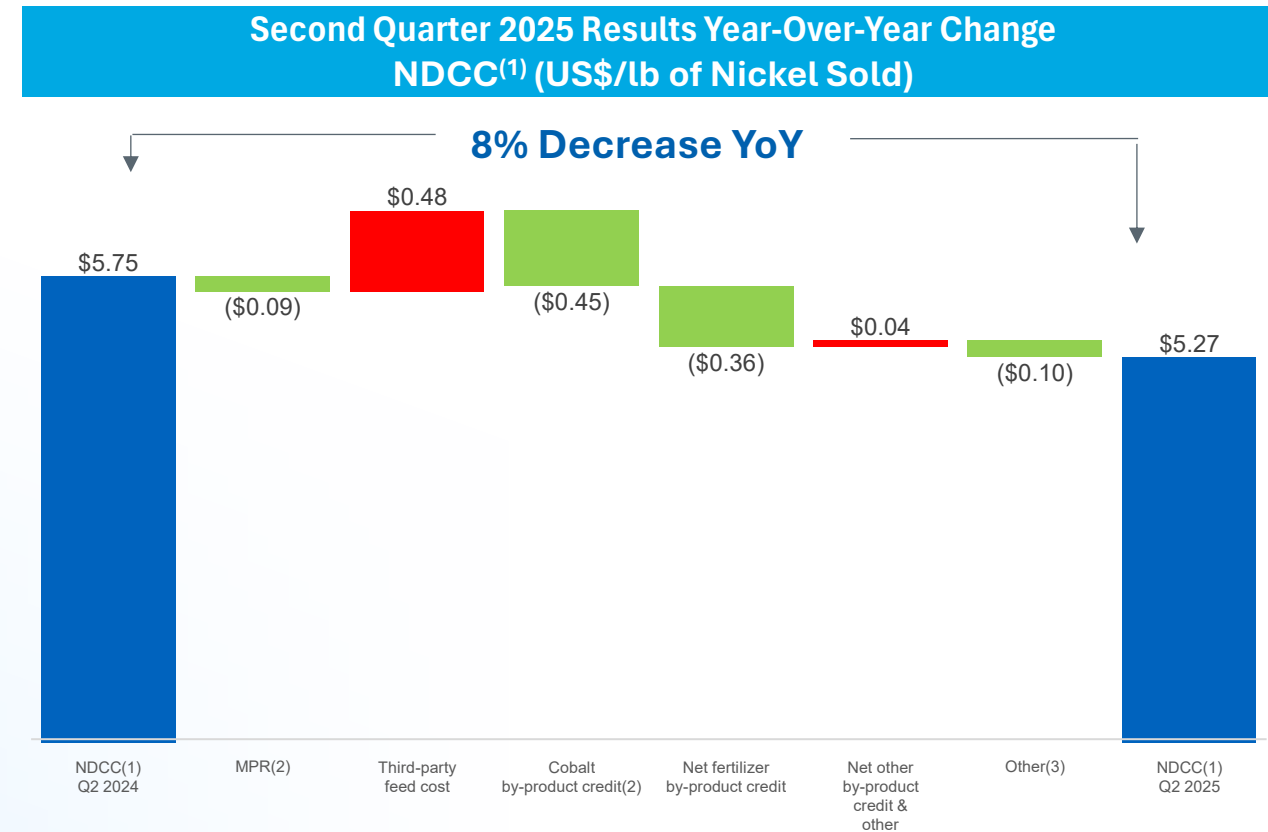
- Lower MPR/lb:
 - Lower natural gas 12%, fuel oil 10% and diesel 4% partially offset by higher sulphur input costs 40%
 - Lower maintenance – annual maintenance shutdown will be in Q3 2025, as compared to Q2 2024 in prior year

Third-party feed

- Processed previously acquired third-party feed

Cobalt and Net fertilizer by-product credits⁽²⁾

- Cobalt 27% increase in average-realized price⁽¹⁾ on slightly lower sales volumes
- Net fertilizer credit higher on 17% increase in average-realized price⁽¹⁾ partially offset by lower sales volumes



Q2 2025 NDCC⁽¹⁾ lower 8% year-over-year

Moa JV Expansion Update

Phase two: Processing Plant

- Commissioning expected to be completed by mid-August with ramp up to follow in Q3 2025
- Additional MSP from the ramp up of phase two of the expansion is expected to begin to be processed at the refinery in Q4 2025



Processing plant, Moa, Cuba

Low capital intensity expansion is expected to fill the refinery to nameplate capacity to maximize profitability by displacing low margin third-party feed

Power

Second Quarter Highlights

Varadero

- In frequency control required by government agency UNE to help stabilize Cuba's national grid
- Energas fully compensated for lost production in Q2 and expects to be fully compensated throughout 2025

Electricity production

- Lower electricity production due to frequency control at Varadero facility
- One of CUPET's legacy gas wells experienced an increase in water production in Q1 2025 which limited the amount of gas for electricity production in Q2 2025.
- CUPET expected to bring replacement gas well into production in Q3 2025

Unit operating cost⁽¹⁾

- Unit cost driven by lower planned maintenance, partially offset by lower electricity production and a weaker Canadian dollar
- No planned major turbine maintenance for balance of year

	Q2 2025	Q2 2024
Operating Results⁽²⁾		
Electricity Production and Sales Volume (GWh ⁽³⁾)	176	205
Unit Operating Costs ⁽¹⁾ (\$/MWh ⁽³⁾)	\$24.80	\$42.74

New gas well expected to come online to maximize electricity production

2025 Guidance Update

Finished nickel and cobalt production

- Lower MSP availability to the refinery and limited profitable third-party feed
- Expect higher MSP production in H2 2025 with expansion ramp up to commence and Moa JV recovery plan

Spending on Capital – Metals

- Lower sustaining capital in response to market conditions reflects spending decreases and deferrals
- No change to 2026 completion for Tailings Facility

Electricity production

- Expected at the lower end of guidance range due to loss of gas from compromised well
- Replacement well is expected to go into production in September

	2025 Guidance Previous	2025 Guidance Updated
Production Volumes		
Metals: Moa Joint Venture (100% basis)		
Finished nickel (t)	31,000 – 33,000	27,000 – 29,000
Finished cobalt (t)	3,300 – 3,600	3,000 – 3,200
Electricity (GWh, 33 ⅓% basis)	800 – 850	Unchanged
Unit Operating Costs⁽¹⁾		
Metals – NDCC ⁽¹⁾ (US\$/lb)	\$5.75 – \$6.25	Unchanged
Electricity – Unit Operating Cost ⁽¹⁾ (\$/MWh)	\$23.00 – \$24.50	Unchanged
Spending on Capital⁽¹⁾ (\$ millions)		
Sustaining		
Metals: Sustaining – Moa JV (50% basis), Fort Site (100% basis)	\$35.0	\$30.0
Metals: Tailings Facility – Moa JV - (50% basis)	\$40.0	\$35.0
Power (33 ⅓% basis)	\$2.0	Unchanged
Growth		
Metals: Moa JV (50% basis)	\$5.0	Unchanged
Spending on Capital ⁽²⁾	\$82.0	\$72.0

Unit operating cost⁽¹⁾ and NDCC⁽¹⁾ guidance ranges unchanged

Financial Highlights



Financial Performance Second Quarter Results

Financial performance key drivers compared to prior year quarter:

	Average-Realized Prices ⁽¹⁾	Sales Volumes
Nickel	↓ 15%	↓ 14%
Cobalt	↑ 27%	↓ 3%
Fertilizers	↑ 17%	↓ 26 %
MPR costs (\$US per pound of nickel sold)		
MPR/lb	↓ 1%	

	Q2 2025	Q2 2024
Financial Results (\$ millions)		
Revenue ⁽²⁾	43.7	51.4
Combined revenue ⁽¹⁾⁽³⁾	135.6	163.2
Net earnings (loss) from continuing operations	10.4	(11.5)
Adjusted net loss from continuing operations ⁽¹⁾⁽³⁾	(25.6)	(10.0)
Adjusted EBITDA ⁽¹⁾⁽³⁾	2.6	13.0

Nickel pricing environment remains challenging
Significant cost reduction measures implemented

Available Liquidity in Canada

Second Quarter 2025 Update



Second quarter changes include:

- Dividends from Energas \$5.6 M
- Debt and Equity Transaction costs \$(10.3) M
- Interest on Second Lien Notes \$(8.7) M
- Contractually obligated rehabilitation costs related to legacy Oil and Gas assets in Spain \$(6.2) M
- Property, plant and equipment expenditures \$(4.4) M
- Timing of working capital receipts and payments

Outlook

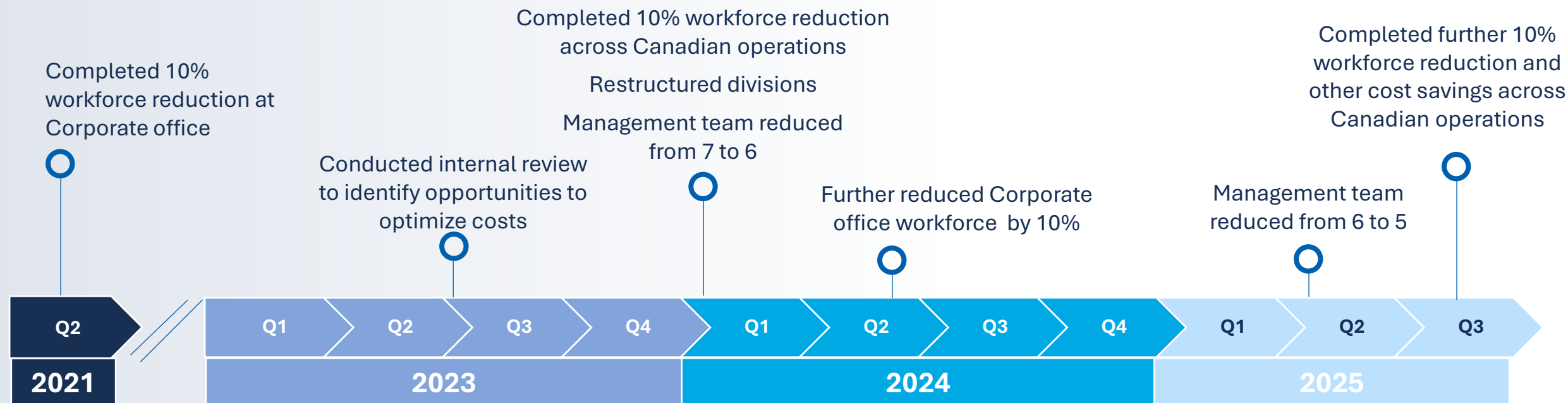
- Distributions under the Cobalt Swap agreement expected to be limited, commence in Q4 2025, and not meet the annual minimum for the year⁽¹⁾
- Dividends in Canada from Energas expected to be at low end of previously disclosed range - \$25M to \$30M in 2025⁽¹⁾

Revolving-term credit facility maturity was extended to April 30, 2027

Strategic Cost Reduction Program

Progressive Reductions to Minimize Risks

Latest cost reduction initiatives to deliver ~\$20 M in annualized savings in addition to the \$17 M in annualized savings from 2024 initiatives⁽¹⁾



Sherritt continuously pursues cost reduction opportunities

1. Amounts are on a 100% basis.

Summary



Second Quarter 2025 Summary

Significant actions taken expected to increase Metals production, decrease costs, improve margins, translating to strengthening performance ahead:

- Task force formed, recovery plan developed and being implemented to mitigate operating challenges in Cuba
- Moa JV expansion expected to complete commissioning in mid-August with ramp up commencing in Q3 2025 increasing MSP production
- Higher energy production in H2 2025 from replacement CUPET gas well expected to be in production
- Closed the Debt and Equity Transactions to strengthen our balance sheet, reduce our outstanding debt obligations, decrease our annual interest expense and extended our debt maturity to late 2031
- Significant cost reduction initiative implemented, the fourth since 2021



Nickel briquettes, Fort Saskatchewan, Alberta

Well positioned to weather the lower nickel prices and drive long-term value

Q&A Discussion



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APPENDIX

Forward-looking estimates and Non-GAAP and other financial measures

Forward-looking estimates

Cobalt Swap distributions

At current spot nickel prices, and based on revised 2025 guidance for Metals, (please refer to the Outlook section of the MD&A for further details), the Corporation expects that distributions under the Cobalt Swap agreement will be limited, commence in the fourth quarter of 2025 and will not meet the annual minimum amount in 2025.⁽¹⁾

Energas dividends in Canada

Based on 2025 guidance for Power which includes electricity production that is expected to be at the lower end of the guidance range, (please refer to the Outlook section of the MD&A for further details), Sherritt expects total dividends from Energas in Canada in 2025 to be at the lower end of its previously disclosed range of \$25.0 million and \$30.0 million.⁽¹⁾

Non-GAAP and other financial measures

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 agencies of the Government of Cuba, which is not reflective of the Corporation's core operating activities or revenue generation potential.

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:

\$ millions	For the three months ended			For the six months ended		
	2025	2024		2025	2024	
	June 30	June 30	Change	June 30	June 30	Change
Revenue by reportable segment						
Metals ⁽¹⁾	\$ 124.7	\$ 150.6	(17%)	\$ 238.4	\$ 265.7	(10%)
Power	10.6	11.8	(10%)	22.0	23.8	(8%)
Corporate and Other	0.3	0.8	(63%)	0.9	1.4	(36%)
Combined revenue	\$ 135.6	\$ 163.2	(17%)	\$ 261.3	\$ 290.9	(10%)
Adjustment for Moa Joint Venture	(93.5)	(117.8)		(183.1)	(222.0)	
Adjustment for Oil and Gas	1.6	6.0	(73%)	3.9	11.3	(65%)
Financial statement revenue	\$ 43.7	\$ 51.4	(15%)	\$ 82.1	\$ 80.2	2%

- Revenue of Metals for the three months ended June 30, 2025 is composed of revenue recognized by the Moa JV of \$93.5 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 \$30.2 million and Metals Marketing of \$1.0 million, both of which are included in consolidated revenue (for the three months ended June 30, 2024 - \$117.8 million, \$31.9 million and \$0.9 million, respectively). Revenue of Metals for the six months ended June 30, 2025 is composed of revenue recognized by the Moa JV of \$183.1 million (50% basis), coupled with revenue recognized by Fort Site of \$48.7 million and Metals Marketing of \$6.6 million (for the six months ended June 30, 2024 - \$222.0 million, \$40.8 million and \$2.9 million, respectively).

Adjusted EBITDA

The Corporation defines Adjusted EBITDA as earnings/loss 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 and impairment, 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 agencies of the Government of Cuba, and environmental rehabilitation costs for legacy assets, which are not reflective of the Corporation's core operating activities or cash generation potential.

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 June 30

						2025	
	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	\$ (7.4)	\$ 4.3	\$ (0.3)	\$ (10.3)	\$ (5.7)	\$ (19.4)	
Add (deduct):							
Depletion, depreciation and amortization	2.7	0.7	-	0.1	-	3.5	
Oil and Gas loss from operations, net of depletion, depreciation and amortization	-	-	0.3	-	-	0.3	
Adjustments for share of earnings of Moa Joint Venture:							
Depletion, depreciation and amortization	12.5	-	-	-	-	12.5	
Net finance expense	-	-	-	-	4.6	4.6	
Income tax expense	-	-	-	-	1.1	1.1	
Adjusted EBITDA	\$ 7.8	\$ 5.0	\$ -	\$ (10.2)	\$ -	\$ 2.6	

Adjusted EBITDA (continued)

\$ millions, for the three months ended June 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	\$	2.7	\$	1.2	\$	1.7	\$ (6.9)	\$ (0.6)	\$ (1.9)
Add (deduct):									
Depletion, depreciation and amortization		2.9		0.6		0.1	0.1	-	3.7
Oil and Gas earnings from operations, net of depletion, depreciation and amortization		-		-		(1.8)	-	-	(1.8)
Adjustments for share of earnings of Moa Joint Venture:									
Depletion, depreciation and amortization		11.9		-		-	-	-	11.9
Impairment of property, plant and equipment		0.5		-		-	-	-	0.5
Net finance expense		-		-		-	-	0.1	0.1
Income tax expense		-		-		-	-	0.5	0.5
Adjusted EBITDA	\$	18.0	\$	1.8	\$	-	\$ (6.8)	\$ -	\$ 13.0

\$ millions, for the six months ended June 30

2025

	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	\$	(16.0)	\$	7.0	\$	(19.0)	\$ (15.1)	\$ (8.1)	\$ (51.2)
Add:									
Depletion, depreciation and amortization		5.0		1.4		-	0.4	-	6.8
Oil and Gas loss from operations, net of depletion, depreciation and amortization		-		-		19.0	-	-	19.0
Adjustments for share of earnings of Moa Joint Venture:									
Depletion, depreciation and amortization		24.3		-		-	-	-	24.3
Net finance expense		-		-		-	-	6.2	6.2
Income tax expense		-		-		-	-	1.9	1.9
Adjusted EBITDA	\$	13.3	\$	8.4	\$	-	\$ (14.7)	\$ -	\$ 7.0

Adjusted EBITDA (continued)

\$ millions, for the six months ended June 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	\$	(18.3)	\$	8.3	\$	(0.6)	\$	(13.9)	\$	0.2	\$	(24.3)
Add (deduct):												
Depletion, depreciation and amortization		5.3		1.1		0.1		0.5		-		7.0
Oil and Gas loss from operations, net of depletion, depreciation and amortization		-		-		0.5		-		-		0.5
Adjustments for share of earnings of Moa Joint Venture:												
Depletion, depreciation and amortization		23.0		-		-		-		-		23.0
Impairment of property, plant and equipment		0.5		-		-		-		-		0.5
Net finance income		-		-		-		-		(1.1)		(1.1)
Income tax expense		-		-		-		-		0.9		0.9
Adjusted EBITDA	\$	10.5	\$	9.4	\$	-	\$	(13.4)	\$	-	\$	6.5

- Adjusted EBITDA of Metals for the three months ended June 30, 2025 is composed of Adjusted EBITDA at Moa JV of \$(0.3) million (50% basis), Adjusted EBITDA at Fort Site of \$9.3 million and Adjusted EBITDA at Metals Marketing of \$(1.2) million (for the three months ended June 30, 2024 - \$11.8 million, \$7.2 million and \$(1.0) million, respectively).
- Adjusted EBITDA of Metals for the six months ended June 30, 2025 is composed of Adjusted EBITDA at Moa JV of \$2.3 million (50% basis), Adjusted EBITDA at Fort Site of \$13.3 million and Adjusted EBITDA at Metals Marketing of \$(2.3) million (for the six months ended June 30, 2024 - \$9.8 million, \$2.3 million and \$(1.6) 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 frequency control, by-product and other revenue, as this revenue is not earned directly for power generation. Refer to the Power Review of operations section for further details on frequency control revenue, which Energas receives in compensation for lost sales of electricity as a result of frequency control. 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 June 30							2025
	Metals					Adjustment for Moa Joint Venture	Total
	Nickel	Cobalt	Fertilizer	Power	Other ⁽¹⁾		
Revenue per financial statements	\$ 68.6	\$ 15.2	\$ 30.0	\$ 10.6	\$ 12.8	\$ (93.5)	\$ 43.7
Adjustments to revenue:							
Frequency control, by-product and other revenue	-	-	-	(1.4)			
Revenue for purposes of average-realized price calculation	68.6	15.2	30.0	9.2			
Sales volume for the period	7.2	0.8	44.6	176			
Volume units	Millions of pounds	Millions of pounds	Thousands of tonnes	Gigawatt hours			
Average-realized price ⁽²⁾⁽³⁾⁽⁴⁾	\$ 9.57	\$ 18.19	\$ 674.44	\$ 52.56			

Average-realized price (continued)

\$ millions, except average-realized price and sales volume, for the three months ended June 30

2024

	Metals					Adjustment for Moa Joint Venture	Total
	Nickel	Cobalt	Fertilizer	Power	Other ⁽¹⁾		
Revenue per financial statements	\$ 94.0	\$ 12.3	\$ 34.8	\$ 11.8	\$ 16.3	\$ (117.8)	\$ 51.4
Adjustments to revenue:							
By-product and other revenue	-	-	-	(1.1)			
Revenue for purposes of average-realized price calculation	94.0	12.3	34.8	10.7			
Sales volume for the period	8.3	0.9	60.7	205			
Volume units	Millions of pounds	Millions of pounds	Thousands of tonnes	Gigawatt hours			
Average-realized price ⁽²⁾⁽³⁾⁽⁴⁾	\$ 11.25	\$ 14.32	\$ 574.70	\$ 52.00			

\$ millions, except average-realized price and sales volume, for the six months ended June 30

2025

	Metals					Adjustment for Moa Joint Venture	Total
	Nickel	Cobalt	Fertilizer	Power	Other ⁽¹⁾		
Revenue per financial statements	\$ 144.3	\$ 28.6	\$ 45.9	\$ 22.0	\$ 24.4	\$ (183.1)	\$ 82.1
Adjustments to revenue:							
Frequency control, by-product and other revenue	-	-	-	(3.5)			
Revenue for purposes of average-realized price calculation	144.3	28.6	45.9	18.5			
Sales volume for the period	14.8	2.0	77.7	346			
Volume units	Millions of pounds	Millions of pounds	Thousands of tonnes	Gigawatt hours			
Average-realized price ⁽²⁾⁽³⁾⁽⁴⁾	\$ 9.78	\$ 15.51	\$ 591.10	\$ 53.53			

Average-realized price (continued)

\$ millions, except average-realized price and sales volume, for the six months ended June 30

2024

	Metals					Adjustment for Moa Joint Venture	Total
	Nickel	Cobalt	Fertilizer	Power	Other ⁽¹⁾		
Revenue per financial statements	\$ 181.8	\$ 23.9	\$ 44.7	\$ 23.8	\$ 28.0	\$ (222.0)	\$ 80.2
Adjustments to revenue:							
By-product and other revenue	-	-	-	(2.4)			
Revenue for purposes of average-realized price calculation	181.8	23.9	44.7	21.4			
Sales volume for the period	17.2	1.7	84.6	415			
Volume units	Millions of pounds	Millions of pounds	Thousands of tonnes	Gigawatt hours			
Average-realized price ⁽²⁾⁽³⁾⁽⁴⁾	\$ 10.55	\$ 14.41	\$ 528.73	\$ 51.62			

1. Other revenue includes other revenue from the Metals reportable segment, revenue from the Oil and Gas reportable segment, a non-core reportable segment, and revenue from the Corporate and Other reportable segment.
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 (NDCC)

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 by-product and other revenue; cobalt gain/loss pursuant to the Cobalt Swap; realized gain/loss on natural gas swaps; royalties/territorial contributions; 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 June 30

					2025
	Metals	Power	Other ⁽¹⁾	Adjustment for Moa Joint Venture	Total
Cost of sales per financial statements	\$ 130.1	\$ 5.0	\$ 2.4	\$ (105.1)	\$ 32.4
Less:					
Depletion, depreciation and amortization in cost of sales	(15.2)	(0.6)			
	114.9	4.4			
Adjustments to cost of sales:					
Cobalt by-product revenue - Moa JV and Cobalt Swap	(15.2)	-			
Fertilizer by-product revenue	(30.0)	-			
Other revenue	(10.9)	-			
Realized gain on natural gas swaps	(0.3)	-			
Royalties/territorial contributions and other non-cash costs ⁽²⁾	(5.1)	-			
Changes in inventories and other non-cash adjustments ⁽³⁾	(0.7)	-			
Cost of sales for purposes of unit cost calculation	52.7	4.4			
Sales volume for the period	7.2	176			
Volume units	Millions of pounds	Gigawatt hours			
Unit operating cost ⁽⁴⁾⁽⁵⁾	\$ 7.34	\$ 24.80			
Unit operating cost (US\$ per pound) (NDCC) ⁽⁶⁾	\$ 5.27				

Unit operating cost/Net direct cash cost (continued)

\$ millions, except unit cost and sales volume, for the three months ended June 30

2024

	Metals	Power	Other ⁽¹⁾	Adjustment for Moa Joint Venture	Total
Cost of sales per financial statements	\$ 144.5	\$ 9.3	\$ 4.6	\$ (116.6)	\$ 41.8
Less:					
Depletion, depreciation and amortization in cost of sales	(14.8)	(0.5)			
	129.7	8.8			
Adjustments to cost of sales:					
Cobalt by-product revenue - Moa JV and Cobalt Swap	(12.3)	-			
Fertilizer by-product revenue	(34.8)	-			
Other revenue	(9.5)	-			
Royalties/territorial contributions and other non-cash costs ⁽²⁾	(7.1)	-			
Changes in inventories and other non-cash adjustments ⁽³⁾	(1.0)	-			
Cost of sales for purposes of unit cost calculation	65.0	8.8			
Sales volume for the period	8.3	205			
Volume units	Millions of pounds	Gigawatt hours			
Unit operating cost ⁽⁴⁾⁽⁵⁾	\$ 7.87	\$ 42.74			
Unit operating cost (US\$ per pound) (NDCC) ⁽⁶⁾	\$ 5.75				

Unit operating cost/Net direct cash cost (continued)

\$ millions, except unit cost and sales volume, for the six months ended June 30

2025

	Metals	Power	Other ⁽¹⁾	Adjustment for Moa Joint Venture	Total
Cost of sales per financial statements	\$ 249.2	\$ 11.9	\$ 23.9	\$ (201.9)	\$ 83.1
Less:					
Depletion, depreciation and amortization in cost of sales	(29.3)	(1.2)			
	219.9	10.7			
Adjustments to cost of sales:					
Cobalt by-product revenue - Moa JV and Cobalt Swap	(28.6)	-			
Fertilizer by-product revenue	(45.9)	-			
Other revenue	(19.6)	-			
Cobalt loss	0.3	-			
Realized gain on natural gas swaps	(0.4)	-			
Royalties/territorial contributions and other non-cash costs ⁽²⁾	(9.2)	-			
Changes in inventories and other non-cash adjustments ⁽³⁾	1.2	-			
Cost of sales for purposes of unit cost calculation	117.7	10.7			
Sales volume for the period	14.8	346			
Volume units	Millions of pounds	Gigawatt hours			
Unit operating cost ⁽⁴⁾⁽⁵⁾	\$ 7.97	\$ 31.03			
Unit operating cost (US\$ per pound) (NDCC) ⁽⁶⁾	\$ 5.64				

Unit operating cost/Net direct cash cost (continued)

\$ millions, except unit cost and sales volume, for the six months ended June 30

2024

	Metals	Power	Other ⁽¹⁾	Adjustment for Moa Joint Venture	Total
Cost of sales per financial statements	\$ 275.6	\$ 13.3	\$ 12.9	\$ (232.5)	\$ 69.3
Less:					
Depletion, depreciation and amortization in cost of sales	(28.3)	(0.9)			
	247.3	12.4			
Adjustments to cost of sales:					
Cobalt by-product revenue - Moa JV and Cobalt Swap	(23.9)	-			
Fertilizer by-product revenue	(44.7)	-			
Other revenue	(15.3)	-			
Royalties/territorial contributions and other non-cash costs ⁽²⁾	(13.9)	-			
Changes in inventories and other non-cash adjustments ⁽³⁾	2.4	-			
Cost of sales for purposes of unit cost calculation	151.9	12.4			
Sales volume for the period	17.2	415			
Volume units	Millions of pounds	Gigawatt hours			
Unit operating cost ⁽⁴⁾⁽⁵⁾	\$ 8.82	\$ 29.81			
Unit operating cost (US\$ per pound) (NDCC) ⁽⁶⁾	\$ 6.50				

1. Other cost of sales is composed of the cost of sales of Oil and Gas, a non-core reportable segment, and cost of sales of the Corporate and Other reportable segment.
2. Royalties/territorial contributions and other non-cash costs are included in cost of sales but are excluded from NDCC and consists of royalties, territorial contributions, inventory write-downs and other non-cash costs.
3. Changes in inventories and other non-cash adjustments is primarily composed of changes in inventories, the effect of average exchange rate changes and other non-cash items. These amounts are excluded from cost of sales but included in NDCC.
4. Unit operating cost/NDCC may not calculate exactly based on amounts presented due to foreign exchange and rounding.
5. Power, unit operating cost price per MWh.
6. 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 agencies of the Government of Cuba, and environmental rehabilitation costs for legacy assets, which are not reflective of the Corporation's core operating activities or future operational performance.

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:

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

For the three months ended June 30	2025		2024	
	\$ millions	\$/share	\$ millions	\$/share
Net earnings (loss) from continuing operations	\$ 10.4	\$ 0.02	\$ (11.5)	\$ (0.03)
Adjusting items:				
Sherritt - Unrealized foreign exchange gain - continuing operations	(1.0)	-	-	-
Corporate and Other - Gain on Debt and Equity transactions, net of transaction costs	(32.4)	(0.07)	-	-
Reclassification of transaction costs on Debt and Equity Transactions to Gain on Debt and Equity Transactions	(4.9)	(0.01)	-	-
Corporate and Other - Gain on repurchase of PIK Notes	-	-	(0.7)	-
Corporate and Other - Unrealized gain on nickel put options	-	-	(3.4)	(0.01)
Metals - Moa JV - Impairment of property, plant and equipment	-	-	0.5	-
Metals - Moa JV - Inventory write-down/obsolescence	0.3	-	1.6	-
Metals - Fort Site - Unrealized loss on natural gas swaps	5.3	0.01	-	-
Metals - Fort Site - Realized gain on natural gas swaps	(0.3)	-	-	-
Power - (Gain) loss on revaluation of GNC receivable	(5.6)	(0.01)	7.9	0.02
Power - Loss (gain) on revaluation of Energas payable	2.1	-	(2.6)	(0.01)
Oil and Gas - Net loss (gain) from continuing operations, net of unrealized foreign exchange gain/loss	0.7	-	(1.9)	-
Total adjustments, before tax	\$ (35.8)	\$ (0.08)	\$ 1.4	\$ -
Tax adjustments	(0.2)	-	0.1	-
Adjusted net loss from continuing operations	\$ (25.6)	\$ (0.06)	\$ (10.0)	\$ (0.03)

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

For the six months ended June 30	2025		2024	
	\$ millions	\$/share	\$ millions	\$/share
Net loss from continuing operations	\$ (30.2)	\$ (0.07)	\$ (52.4)	\$ (0.13)
Adjusting items:				
Sherritt - Unrealized foreign exchange gain - continuing operations	(0.9)	-	-	-
Sherritt's share - Severance related to restructuring and workforce reduction	-	-	3.5	0.01
Corporate and Other - Gain on Debt and Equity transactions, net of transaction costs	(32.4)	(0.07)	-	-
Corporate and Other - Unrealized gain on nickel put options	-	-	(3.4)	(0.01)
Corporate and Other - Gain on repurchase of PIK Notes	-	-	(0.7)	-
Metals - Moa JV - Impairment of property, plant and equipment	-	-	0.5	-
Metals - Moa JV - Inventory write-down/obsolescence	0.5	-	2.5	0.01
Metals - Moa JV - Cobalt loss	0.3	-	-	-
Metals - Fort Site - Inventory write-down	-	-	0.9	-
Metals - Fort Site - Unrealized loss on natural gas swaps	1.8	-	-	-
Metals - Fort Site - Realized gain on natural gas swaps	(0.4)	-	-	-
Power - (Gain) loss on revaluation of GNC receivable	(8.2)	(0.02)	18.4	0.05
Power - Loss (gain) on revaluation of Energas payable	2.8	0.01	(4.0)	(0.01)
Oil and Gas - Net loss from continuing operations, net of unrealized foreign exchange gain/loss	19.4	0.04	0.4	-
Total adjustments, before tax	\$ (17.1)	\$ (0.04)	\$ 18.1	\$ 0.05
Tax adjustments	(0.5)	-	(0.3)	-
Adjusted net loss from continuing operations	\$ (47.8)	\$ (0.11)	\$ (34.6)	\$ (0.08)

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 JV 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 JV'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 JV 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 JV's investments in non-current assets that are held for use in the production of nickel, cobalt, fertilizers 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 June 30							2025
		Metals	Power	Other ⁽¹⁾	Combined total	Adjustment for Moa Joint Venture	Total derived from financial statements
Property, plant and equipment expenditures ⁽²⁾	\$	13.6	\$ 0.8	\$ -	\$ 14.4	\$ (10.0)	\$ 4.4
Intangible asset expenditures ⁽²⁾		-	-	-	-	-	-
		13.6	0.8	-	14.4	\$ (10.0)	\$ 4.4
Adjustments:							
Accrual adjustment		1.3	-	-	1.3		
Spending on capital	\$	14.9	\$ 0.8	\$ -	\$ 15.7		

\$ millions, for the three months ended June 30							2024					
	Metals		Power		Other ⁽¹⁾	Combined total	Adjustment for Moa Joint Venture	Total derived from financial statements				
Property, plant and equipment expenditures ⁽²⁾	\$	7.7	\$	1.5	\$	-	\$	9.2	\$	(7.6)	\$	1.6
Intangible asset expenditures ⁽²⁾		-		-		-		-		-		-
		7.7		1.5		-		9.2	\$	(7.6)	\$	1.6
Adjustments:												
Accrual adjustment		0.1		-		-		0.1				
Spending on capital	\$	7.8	\$	1.5	\$	-	\$	9.3				

Spending on capital (continued)

\$ millions, for the six months ended June 30

								2025
	Metals	Power	Other ⁽¹⁾	Combined total	Adjustment for Moa Joint Venture	Total derived from financial statements		
Property, plant and equipment expenditures ⁽²⁾	\$ 24.1	\$ 0.9	\$ 0.1	\$ 25.1	\$ (17.6)	\$ 7.5		
Intangible asset expenditures ⁽²⁾	-	-	-	-	-	-		
	24.1	0.9	0.1	25.1	(17.6)	7.5		
Adjustments:								
Accrual adjustment	6.1	-	-	6.1				
Spending on capital	\$ 30.2	\$ 0.9	\$ 0.1	\$ 31.2				

\$ millions, for the six months ended June 30

								2024
	Metals	Power	Other ⁽¹⁾	Combined total	Adjustment for Moa Joint Venture	Total derived from financial statements		
Property, plant and equipment expenditures ⁽²⁾	\$ 17.2	\$ 4.1	\$ -	\$ 21.3	\$ (16.0)	\$ 5.3		
Intangible asset expenditures ⁽²⁾	-	-	0.2	0.2	-	0.2		
	17.2	4.1	0.2	21.5	(16.0)	5.5		
Adjustments:								
Accrual adjustment	-	-	(0.1)	(0.1)				
Spending on capital	\$ 17.2	\$ 4.1	\$ 0.1	\$ 21.4				

1. Includes property, plant and equipment and intangible asset expenditures of the Oil and Gas reportable segment, which is non-core, and the Corporate and Other reportable segment

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