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Sherritt Reports Third Quarter 2026 Results

TORONTO – November 13, 2026 – Sherritt International Corporation ("Sherritt", the "Corporation") (TSX: S) today reported its financial results for the three and nine months ended September 30, 2026. All amounts are in Canadian dollars unless otherwise noted.

Summary of recent developments

On May 7, 2026, following the U.S. administration's issuance of Executive Order 14404 expanding sanctions against persons and companies conducting business in Cuba (the "Executive Order"), Sherritt suspended its direct participation in both its Moa and Energas joint venture activities in Cuba.

Mining and processing operations ceased at the end of Q2 2026 as a result of fuel supply disruptions in Cuba and the inability to procure other input commodities and supplies. Feed inventory at the refinery in Fort Saskatchewan, Alberta was depleted on June 22, 2026 and the production of finished nickel and cobalt stopped. The Corporation continued to produce fertilizers and sulphuric acid for sale at Fort Site and fertilizers at the Moa Joint Venture during the third quarter. The Corporation currently anticipates for the Fort Site to continue to produce ammonia fertilizer and sulphuric acid, but to stop production of ammonium sulphate fertilizers at Fort Site and the Moa Joint Venture during the fourth quarter.

Energas, which processes domestically sourced raw natural gas to generate electricity, was not affected by fuel supply constraints to Cuba and its operations continued during the third quarter of 2026.

On October 19, 2026, Sherritt received a specific license (the "Fuel License") from the United States Department of the Treasury's Office of Foreign Assets Control ("OFAC") authorizing the purchase and delivery of fuel, fuel oil, and sulphur to Sherritt's Moa Nickel mining and processing operations in Cuba ("Moa Nickel"), which form part of the Moa Joint Venture ("Moa JV"), as well as the procurement of related ancillary services. The Fuel License is the first of a series of anticipated OFAC emergency licenses that will be necessary for Sherritt to be able to restart mining and processing operations at Moa Nickel as well as further refining operations in Canada. There is no guarantee that OFAC will issue any further such anticipated licenses.

In early November 2026, the Corporation temporarily laid off approximately 280 employees, representing 47% of the Canadian workforce, for an approximate 90-day period beginning November 16, 2026 as part of ongoing measures to preserve liquidity.

"The third quarter reflected the full impact of the interruption to our mining and refining operations," said Dr. Peter Hancock, Interim President and Chief Executive Officer. "We stayed focused on safety and getting the most out of our fertilizer business, where our team successfully increased production and sales from last year. While we have recently made important regulatory progress with the receipt of our Fuel License from OFAC, we have also taken difficult but necessary measures, including temporary layoffs, to preserve liquidity and extend our financial runway as we pursue the additional regulatory approvals and financing required for a restart. These measures are intended to give Sherritt the flexibility needed to navigate this period and work toward restoring our role as a key critical minerals producer."

THIRD QUARTER 2026 SELECTED DEVELOPMENTS[(1)]

Operational performance

- **Finished nickel and cobalt sales** were 160 tonnes and 4 tonnes, respectively, (Sherritt's share[(1)]). There was no production of finished nickel and cobalt during the quarter as the inventory of mixed sulphides was depleted on June 22, 2026.
- **Fertilizer sales** were 38,847 tonnes[(1)] as initiatives to maximize fertilizer production were prioritized.
- **Electricity production** was 169 GWh. Production was not affected by fuel supply disruptions to Cuba as Energas processes domestically sourced raw natural gas to generate electricity.
- **Electricity unit operating cost**[(2)] was $14.43/MWh.

Financial performance

- **Net loss from continuing operations was** $79.3 million, or $(0.11) per share.

- **Adjusted net loss from continuing operations**[2] was $50.9 million or $(0.07) per share which primarily excludes a $26.8 million non-cash net loss on revaluation of the GNC[3] receivable and Energas payable pursuant to the Cobalt Swap agreement[4].
- **Adjusted EBITDA**[2] was $(30.2) million.
- **Available liquidity in Canada** as at September 30, 2026 was $42.4 million.

Organizational updates

- In respect of the Corporation's Credit Facility:
  - As a result of the issuance of the Executive Order, a material adverse change to the Corporation's business occurred which would give the administrative agent (on behalf of the lenders) the ability to call an event of default under the Credit Facility and demand repayment of all indebtedness currently owing thereunder.
  - On September 30, 2026, the borrowing base of the Credit Facility was $21.9 million, which was below the then aggregate borrowings of $59.7 million including outstanding letters of credit, resulting in a borrowing base deficiency of $37.8 million. The lenders issued a notice of excess borrowing and required repayment of the deficiency amount. The Corporation did not make the required repayment and as a result, an event of default occurred, for which the lenders have not issued a notice of acceleration of the debt.
  - During the three months ended September 30, 2026, the Corporation was not in compliance with the EBITDA-to-Interest Expense and Senior Secured Net Debt-to-EBITDA covenants, as defined in the Credit Facility agreement, which resulted in events of default during the three months ended September 30, 2026, for which the lenders have not issued notices of events of default.
  - The Corporation does not have the ability to make further draws on the Credit Facility at this time.
  - Refer to the Capital resources section of the Corporation's Management's Discussion and Analysis for the three and nine months ended September 30, 2026 ("MD&A") for further details.

(1) References to operational and financial metrics in this press release, unless otherwise indicated, are to "Sherritt's share" which 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 Joint Venture ("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 head office and growth and market development support. Fort Site refers 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) General Nickel Company S.A. ("GNC").

(4) For additional information on the "Cobalt Swap", see Note 13 – Advances, loans receivable and other financial assets of the consolidated financial statements for the year ended December 31, 2025.

DEVELOPMENTS SUBSEQUENT TO THE QUARTER

- In respect of the Corporation's Credit Facility:
  - The Corporation repaid $7.8 million on the Credit Facility.
  - As of November 13, 2026, the administrative agent under the Credit Facility has not issued a notice of acceleration of the debt. An acceleration of the indebtedness owing under the Credit Facility and/or the expiry of the 30-day cure period in respect of the October 30, 2026 missed interest payment on the Amended Senior Secured Notes would permit the holders of at least 25% of the outstanding principal amount of the Amended Senior Secured Notes of the Corporation to also declare all of the Corporation's Amended Senior Secured Notes to be due and payable. Enforcement rights by the noteholders are subject to a 180-day standstill period, as provided in the inter-creditor agreement, and further subject to limitation if the Credit Facility lenders have already commenced enforcement action against all or a material portion of the collateral.

- On October 19, 2026, the Corporation received the Fuel License from the United States Department of the Treasury's OFAC authorizing the purchase and delivery of fuel, fuel oil, and sulphur to Sherritt's Moa Nickel mining and processing operations in Cuba, which form part of the Moa JV, as well as the procurement of ancillary services. The Fuel License is the first of a series of anticipated OFAC emergency licenses that will be necessary for Sherritt to be able to restart mining and processing operations at Moa Nickel as well as further refining operations in Canada.

  The Fuel License authorizes the sale, transportation, export, delivery and payment for fuel, fuel oil, and sulphur to Moa Nickel, together with all related services. The authorization extends to the Corporation's licensed fuel supplier and persons acting on their behalf (including banks and vessel operators), as well as other necessary insurance or ancillary service providers (the "Covered Participants").

  In connection with the Fuel License, Sherritt entered into an interim consent agreement dated as of September 23, 2026 (the "Agreement") with Moa Bay Mining Co. ("Moa Bay"), the holder of a certified claim relating to Moa Nickel under Title III of the Cuban Liberty and Democratic Solidarity (LIBERTAD) Act of 1996 (the "Helms-Burton Act"). Under the Agreement, Moa Bay consented to interim fuel shipments to Moa Nickel in exchange for consent fees payable by or on behalf of Sherritt. As part of the Agreement, Moa Bay also agreed not to bring any Helms-Burton Act claims against the Covered Participants in connection with those authorized shipments. Sherritt and Moa Bay also obtained, concurrently with the Fuel License issued on October 19, 2026, separate OFAC authorization required for performance under the Agreement in the form of an additional OFAC license authorizing execution and performance of the interim consent agreement.

  The actual restart of operations at Moa Nickel remains subject to receipt of a second OFAC emergency license, which the Corporation is working to obtain with the continued support of and in close coordination with U.S. investment firm Gillon Capital, LLC ("Gillon Capital").

- On October 30, 2026, the Corporation did not pay interest of $11.5 million on the Amended Senior Secured Notes that was due and payable. Overdue interest bears interest at a rate of 9.25%. Under the terms of the Amended Senior Secured Notes indenture, failure to make a scheduled interest payment results in a continuing event of default if the interest payment remains unpaid for 30 days after the due date. Upon the occurrence of such an event of default, noteholders representing at least 25% of the outstanding principal amount of the Amended Senior Secured Notes may direct the trustee to declare the notes immediately due and payable or noteholders themselves may issue a notice to the Corporation. In addition, the trustee may exercise enforcement rights, including rights against pledged collateral. Enforcement rights by noteholders are subject to a 180-day standstill period, as provided in the inter-creditor agreement, and further subject to limitation if the Credit Facility lenders have already commenced enforcement action against all or a material portion of the collateral.
- Following the cessation of mining and refining activities at the Moa JV in late June 2026 as a result of the Executive Order, in early November 2026, the Corporation temporarily laid off approximately 280 employees, representing 47% of the Canadian workforce, for an approximate 90-day period beginning November 16, 2026 as part of ongoing measures to preserve liquidity. Separately, the Corporation announced that its Chief Human Resources Officer has departed Sherritt to pursue another opportunity. To ensure continuity, Sherritt's Vice President, Human Resources, who has been with the Corporation for 14 years, has assumed oversight of the human resources function.

Q3 2026 FINANCIAL HIGHLIGHTS

$ millions, except per share amount	For the three months ended **2026 September 30**	2025 September 30	Change	For the nine months ended **2026 September 30**	2025 September 30	Change
Revenue	**$ 39.7**	$ 39.7	-	**$ 133.0**	$ 121.8	9%
Combined revenue[1]	**54.1**	108.4	(50%)	**292.8**	369.7	(21%)
Loss from operations and joint venture	**(41.3)**	(12.6)	(228%)	**(106.1)**	(63.8)	(66%)
Net loss from continuing operations	**(79.3)**	(19.5)	(307%)	**(159.6)**	(49.7)	(221%)
Net loss for the period	**(79.3)**	(19.5)	(307%)	**(159.6)**	(49.9)	(220%)
Adjusted EBITDA[1]	**(30.2)**	1.6	nm[2]	**(24.6)**	8.6	(386%)
Adjusted loss from continuing operations[1]	**(50.9)**	(15.5)	(228%)	**(87.6)**	(63.3)	(38%)
Net loss earnings from continuing operations ($ per share)	**(0.11)**	(0.04)	(175%)	**(0.25)**	(0.11)	(127%)
Adjusted loss from continuing operations ($ per share)[1]	**(0.07)**	(0.03)	(133%)	**(0.14)**	(0.14)	-
Cash provided by continuing operations for operating activities	**(19.9)**	2.5	nm[2]	**5.9**	9.1	(35%)
Combined free cash flow[1]	**(16.2)**	(24.0)	nm[2]	**14.1**	(27.8)	151%
Average exchange rate (CAD/US$)	**1.399**	1.377	2%	**1.385**	1.399	(1%)

$ millions, as at	**2026 September 30**	2025 December 31	Change
Cash and cash equivalents			
Canada	**$ 42.4**	$ 13.4	216%
Cuba[3]	**123.5**	109.4	13%
Other	**1.1**	2.1	(48%)
	167.0	124.9	34%
Loans and borrowings	**309.3**	316.0	(2%)
The Corporation's share of cash and cash equivalents in the Moa Joint Venture, not included in the above balances:	**$ 6.8**	$ 12.8	(47%)

(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")

(3) As at September 30, 2026, $120.0 million of the Corporation's cash and cash equivalents was held by Energas (December 31, 2025 - $103.3 million).

Cash and cash equivalents were $167.0 million as at September 30, 2026 compared to $203.8 million at June 30, 2026. As at September 30, 2026, total available liquidity in Canada was $42.4 million, composed of cash and cash equivalents in Canada. The Corporation did not have availability under its Credit Facility at the end of the quarter.

During the three and nine months ended September 30, 2026, the Corporation received $36.6 million and $165.3 million of cash receipts for nickel, cobalt and fertilizer sales and other working capital items from the Moa JV, respectively, in the Corporate and Other segment in response to the Executive Order and the Corporation's suspension of its direct participation in joint venture activities in Cuba effective May 7, 2026 which are being used to fund working capital. The cash receipts are recognized as accounts payable to the Moa JV and included in trade accounts payable and accrued liabilities and settled through the incurrence of costs by the Corporation on behalf of the Moa JV's Canadian operations. In addition, during the three months ended September 30, 2026, the Corporation repaid $16.6 million on the Credit Facility.

See the Capital resources and Liquidity sections of the MD&A for additional details on the Credit Facility and cash flows.

REVIEW OF OPERATIONS

Metals

$ millions (Sherritt's share), except as otherwise noted	For the three months ended **2026 September 30**	2025 September 30	Change	For the nine months ended **2026 September 30**	2025 September 30	Change
FINANCIAL HIGHLIGHTS[1]						
Revenue	**$ 41.2**	$ 94.1	(56%)	**$ 252.5**	$ 332.5	(24%)
Cost of sales	**84.3**	106.8	(21%)	**316.8**	356.0	(11%)
Loss from operations	**(46.2)**	(14.4)	(221%)	**(70.3)**	(30.4)	(131%)
Adjusted EBITDA[2]	**(25.7)**	(1.5)	nm[7]	**(19.7)**	11.8	(267%)
CASH FLOW[1]						
Cash (used) provided by continuing operations for operating activities[2]	**$ (32.5)**	$ (9.2)	(253%)	**$ (60.4)**	$ 32.7	(285%)
Free cash flow[2]	**(33.4)**	(17.9)	(87%)	**(68.5)**	(0.1)	nm[7]
PRODUCTION VOLUMES (tonnes)						
Mixed sulphides ("MSP")	**73**	3,720	(98%)	**2,818**	10,115	(72%)
Finished nickel	**-**	2,426	(100%)	**3,204**	8,804	(64%)
Finished cobalt	**-**	228	(100%)	**348**	940	(63%)
Fertilizer	**54,489**	49,253	11%	**163,837**	170,280	(4%)
NICKEL RECOVERY[3] (%)	**0%**	82%	nm[7]	**80%**	83%	(4%)
SALES VOLUMES (tonnes)						
Finished nickel	**160**	2,740	(94%)	**4,124**	9,435	(56%)
Finished cobalt	**4**	262	(98%)	**374**	1,098	(66%)
Fertilizer	**38,847**	27,948	39%	**118,547**	105,682	12%
AVERAGE-REFERENCE PRICE[4] (US$ per pound)						
Nickel	**$ 7.52**	$ 6.81	10%	**$ 7.86**	$ 6.92	14%
Cobalt	**26.04**	17.17	52%	**26.17**	15.86	65%
AVERAGE-REALIZED PRICE[2] (CAD)						
Nickel ($ per pound)	**$ 11.25**	$ 9.42	19%	**$ 10.95**	$ 9.67	13%
Cobalt ($ per pound)	**35.30**	18.52	91%	**33.56**	16.23	107%
Fertilizer ($ per tonne)	**573.14**	517.25	11%	**611.78**	571.57	7%
UNIT OPERATING COST[2][6] (US$)						
Nickel - net direct cash cost (US$ per pound)	**$ 56.68**	$ 6.67	nm[7]	**$ 9.02**	$ 5.95	nm[7]
SPENDING ON CAPITAL[2](CAD)						
Sustaining						
Moa JV (50% basis), Fort Site (100% basis)	**$ 0.2**	$ 4.9	(96%)	**$ 0.9**	$ 21.3	(96%)
Moa JV - Tailings facility (50% basis)	**0.8**	7.2	(89%)	**7.3**	17.0	(57%)
Growth - Moa JV (50% basis)[5]	**-**	2.3	nm[7]	**-**	6.3	nm[7]
	$ 1.0	$ 14.4	(93%)	**$ 8.2**	$ 44.6	(82%)

(1) The amounts included in the Financial Highlights, and Cash Flow sections for Metals above include the combined results 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 by Argus.

(5) Growth spending on capital: 2026 relates to improvement debottlenecking projects, 2025 relates to the Moa JV expansion.

(6) NDCC for the three and nine months ended September 30, 2026, are not meaningful measures of operating performance due to the incurrence of stand-by costs and allocation of fixed costs over significantly lower nickel sales volumes due to the cessation of refining activities in late Q2 2026.

(7) Not meaningful (“nm”).

Revenue

Metals revenue was $41.2 million compared to $94.1 million in the prior year period.

Nickel and cobalt revenue and sales volumes were lower due to the cessation of refining activities in Fort Saskatchewan, Alberta as outlined further below. Nickel revenue was $3.9 million compared to $56.9 million in the prior year period as sales volume of 160 tonnes was significantly lower compared to 2,740 tonnes in the prior year period. Cobalt revenue was $0.3 million compared to $10.7 million in the prior year period as sales volume of 4 tonnes was significantly lower compared to 262 tonnes in the prior year period.

Fertilizer revenue was $22.2 million compared to $14.5 million in the prior year period primarily due to higher sales volume and average-realized price(1). Sales volume of 38,847 tonnes was 39% higher as customers purchased fall product earlier compared to the prior year period when sales were 27,948 tonnes. The average-realized price(1) of fertilizers of $573.14/tonne was 11% higher compared to the prior year period. The Fort Site continues to produce ammonia fertilizer and sulphuric acid for sale.

Production

Mining and processing operations ceased at the end of Q2 2026 as a result of fuel supply disruptions in Cuba and the inability to procure other input commodities and supplies due to the impact of the Executive Order. Only small quantities of mixed sulphides were produced during the quarter reflecting residual production from in-process inventories. Mixed sulphides production was 73 tonnes compared to 3,720 tonnes in the prior year period.

At the refinery in Fort Saskatchewan, Alberta, finished metals production ceased at the end of Q2 2026 after the inventory of mixed sulphides was depleted. As a result, no finished nickel or cobalt was produced during the quarter.

Fertilizer production was 54,489 tonnes, compared to 49,253 tonnes in the prior year period as initiatives to maximize fertilizer production were prioritized. Planned maintenance at the acid plant was completed during the third quarter of 2026 with the cessation of operations reducing sulphuric acid production and sales for the quarter.

NDCC(1)

NDCC(1) per pound of nickel sold and mining, processing and refining costs per pound of nickel sold (“MPR/lb”) were higher, impacted by the incurrence of stand-by costs and higher allocation of fixed costs over the significantly lower nickel sales volume due to the cessation of mining, processing and refining activities in late Q2 2026, compared to the prior year period. NDCC(1) was US$56.68/lb compared to US$6.67/lb in the prior year period.

Spending on capital(1)

Sustaining spending on capital was $0.2 million compared to $4.9 million and spending on capital related to the tailings facility was $0.8 million compared to $7.2 million, respectively. Spending on capital was lower in the current year period as non-essential capital spending was deferred to manage liquidity and due to the impact of the Executive Order, which limited the joint venture’s ability to procure or receive delivery of capital assets.

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

Power

$ millions (33 ⅓% basis), except as otherwise noted	For the three months ended **2026 September 30**	2025 September 30	Change	For the nine months ended **2026 September 30**	2025 September 30	Change
FINANCIAL HIGHLIGHTS						
Revenue	**$ 12.7**	$ 13.9	(9%)	**$ 39.8**	$ 35.9	11%
Cost of sales	**2.5**	3.4	(26%)	**9.7**	15.3	(37%)
Earnings from operations	**7.4**	8.6	(14%)	**24.6**	15.6	58%
Adjusted EBITDA[1]	**7.5**	9.1	(18%)	**25.9**	17.5	48%
CASH FLOW						
Cash provided by continuing operations for operating activities[1]	**$ 0.8**	$ 4.2	(81%)	**$ 36.5**	$ 21.1	73%
Free cash flow[1]	**0.8**	4.0	(80%)	**36.2**	20.0	81%
PRODUCTION AND SALES						
Electricity (GWh[2])	**169**	243	(30%)	**585**	589	(1%)
AVERAGE-REALIZED PRICE[1]						
Electricity ($/MWh[2])	**$ 53.14**	$ 52.33	2%	**$ 52.58**	$ 53.04	(1%)
UNIT OPERATING COSTS[1]						
Electricity ($/MWh)	**$ 14.43**	$ 12.23	18%	**$ 14.90**	$ 23.27	(36%)
SPENDING ON CAPITAL[1]						
Sustaining	**$ -**	$ 0.2	(100%)	**$ 0.3**	$ 1.1	(73%)

(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

Revenue was $12.7 million compared to $13.9 million in the prior year period primarily due to lower electricity production as discussed below.

Production

Electricity production of 169 GWh compared to 243 GWh in the prior year period primarily due to higher participation in frequency control by Energas in the current year period to help stabilize the national power grid. Energas processes domestically sourced raw natural gas to generate electricity and has not been affected by fuel supply disruptions in Cuba.

Unit operating cost[1]

Unit operating cost[1] of $14.43/MWh was higher than the prior year period of $12.23/MWh as lower production resulted in higher cost on a per MWh basis in the current year period. As a result of the discontinuation of the Moa Swap in April, the joint venture prioritized and deferred certain planned maintenance activities to preserve liquidity and access to foreign currencies.

Spending on capital[1]

Spending on capital[1] was nil.

Dividends from Energas

In April 2026, foreign currency payments from the Moa JV to the Corporation facilitated by the Moa Swap ceased as a result of reduced operations at the Moa JV which reduced the Moa JV's cash available in major foreign currencies. Dividends from Energas to the Corporation in Canada ceased.

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

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, 2026 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 IFRS® Accounting 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

Sherritt is a world leader in using hydrometallurgical processes to mine and refine nickel and cobalt – metals deemed critical for the energy transition. Leveraging its technical expertise and decades of experience in critical minerals processing, Sherritt is committed to expanding domestic refining capacity and reducing reliance on foreign sources. The Corporation operates a strategically important refinery in Alberta, Canada, recognized as the only significant cobalt refinery and one of just three nickel refineries in North America.

Sherritt's common shares are listed on the Toronto Stock Exchange under the symbol "S".

FORWARD-LOOKING STATEMENTS

This press release contains forward-looking statements, which can generally be identified by words such as "believe", "expect", "anticipate", "intend", "plan", "may", "will", "could", "should", "potential", "continue" or similar words or phrases. These include statements about: the duration of the cessation of mining, processing and refining operations at Moa Nickel and the Fort Saskatchewan refinery, the receipt and timing of further OFAC licenses, the timing and ability to secure fuel and other inputs in Cuba following the Executive Order, the resumption of full operations and the timing of updated 2026 guidance; the impact of supply disruption on production, sales volumes, revenue, costs and earnings; measures to preserve liquidity, including managing expenditures, exploring temporary funding support and strengthening the Corporation's capital structure; the amount and timing of dividend distributions from the Moa JV (including under the Cobalt Swap) and Energas; the auditor transition; and the Gillon Private Placement, including its terms and timing, completion of due diligence and negotiation of a definitive agreement during the exclusivity period, resolution of legal, regulatory and commercial complexities, and receipt of required approvals.

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; realized prices for production; earnings and revenues; risks related to the U.S. government policy toward Cuba, including impacts of the Executive Order; current and future economic conditions in Cuba; the level of liquidity and access to funding; 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; environmental risks and liabilities; compliance with applicable environmental laws and regulations; Sherritt share price volatility; and certain corporate objectives, goals and plans for 2026. 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, risks related to Sherritt’s operations in Cuba; risks related to the U.S. government policy toward Cuba, including the Executive Order, U.S. embargo on Cuba and the Helms-Burton legislation, including litigation under Title III thereof; level of liquidity of Sherritt, including access to capital and financing; commodity risks related to the production and sale of nickel cobalt and fertilizers; the impact of global conflicts; changes in the global price for nickel, cobalt, fertilizers or certain other commodities; security market fluctuations and price volatility; 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 Joint Venture; risk of future non-compliance with debt restrictions and covenants; political, economic and other risks of foreign operations; 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; 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; 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 2026; 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.

Additional risks, uncertainties and other factors include, but are not limited to, the ability of the Corporation to achieve its financial goals; the ability of the Corporation to continue to realize its assets and discharge its liabilities and commitments; the Corporation's future liquidity position, and access to capital, to fund ongoing operations and obligations (including debt obligations); the ability of the Corporation to stabilize its business and financial condition; the ability of the Corporation to implement and successfully achieve its business priorities; and the ability of the Corporation to comply with its contractual obligations, including without limitation, its obligations under debt arrangements. 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, 2026 and the Annual Information Form of the Corporation dated March 23, 2026 for the period ending December 31, 2025, 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 the MD&A 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 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.

The non-GAAP and other financial measures are reconciled in the sections below to the most directly comparable IFRS Accounting Standards in the sections below.

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/loss 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:

	For the three months ended			For the nine months ended		
	2026	2025		**2026**	2025	
$ millions	**September 30**	September 30	Change	**September 30**	September 30	Change
Revenue by reportable segment						
Metals[(1)]	**$ 41.2**	$ 94.1	(56%)	**$ 252.5**	$ 332.5	(24%)
Power	**12.7**	13.9	(9%)	**39.8**	35.9	11%
Corporate and Other	**0.2**	0.4	(50%)	**0.5**	1.3	(62%)
Combined revenue	**$ 54.1**	$ 108.4	(50%)	**$ 292.8**	$ 369.7	(21%)
Adjustment for Moa Joint Venture	**(14.4)**	(73.9)		**(160.3)**	(257.0)	
Adjustment for Oil and Gas	**-**	5.2	(100%)	**0.5**	9.1	(95%)
Financial statement revenue	**$ 39.7**	$ 39.7	-	**$ 133.0**	$ 121.8	9%

(1) Revenue of Metals for the three months ended September 30, 2026 is composed of revenue recognized by the Moa JV of $14.4 million (50% basis), which is equity-accounted and included in share of loss of Moa JV, net of tax, coupled with revenue recognized by Fort Site of $26.5 million and Metals Marketing of $0.3 million, both of which are included in consolidated revenue (for the three months ended September 30, 2025 - $73.9 million, $19.3 million and $0.9 million, respectively). Revenue of Metals for the nine months ended September 30, 2026 is composed of revenue recognized by the Moa JV of $160.3 million (50% basis), coupled with revenue recognized by Fort Site of $90.5 million and Metals Marketing of $1.7 million (for the nine months ended September 30, 2025 - $257.0 million, $68.0 million and $7.5 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 and reversals 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 and reversals eliminates the non-cash impact of the losses and reversals.

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 from operations and joint venture per the financial statements to Adjusted EBITDA:

$ millions, for the three months ended September 30	**2026**					
	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	**$ (46.2)**	**$ 7.4**	**$ 2.4**	**$ (12.1)**	**$ 7.2**	**$ (41.3)**
Add (deduct):						
Depletion, depreciation and amortization	**2.0**	**0.1**	**-**	**0.1**	**-**	**2.2**
Impairment of property, plant and equipment	**0.9**	**-**	**-**	**-**	**-**	**0.9**
Oil and Gas earnings from operations, net of depletion, depreciation and amortization	**-**	**-**	**(2.4)**	**-**	**-**	**(2.4)**
Adjustments for share of loss of Moa Joint Venture:						
Depletion, depreciation and amortization	**16.4**	**-**	**-**	**-**	**-**	**16.4**
Impairment of property, plant and equipment	**1.2**	**-**	**-**	**-**	**-**	**1.2**
Net finance expense, net of elimination	**-**	**-**	**-**	**-**	**0.9**	**0.9**
Income tax recovery	**-**	**-**	**-**	**-**	**(8.1)**	**(8.1)**
Adjusted EBITDA	**$ (25.7)**	**$ 7.5**	**$ -**	**$ (12.0)**	**$ -**	**$ (30.2)**

$ millions, for the three months ended September 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	$ (14.4)	$ 8.6	$ 0.5	$ (6.2)	$ (1.1)	$ (12.6)
Add (deduct):						
Depletion, depreciation and amortization	2.4	0.5	0.1	0.2	-	3.2
Oil and Gas earnings from operations, net of depletion, depreciation and amortization	-	-	(0.6)	-	-	(0.6)
Adjustments for share of loss of Moa Joint Venture:						
Depletion, depreciation and amortization	10.5	-	-	-	-	10.5
Net finance expense, net of elimination	-	-	-	-	0.7	0.7
Income tax expense	-	-	-	-	0.4	0.4
Adjusted EBITDA	$ (1.5)	$ 9.1	$ -	$ (6.0)	$ -	$ 1.6

$ millions, for the nine months ended September 30						**2026**
	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	**$ (70.3)**	**$ 24.6**	**$ (43.1)**	**$ (31.1)**	**$ 13.8**	**$ (106.1)**
Add (deduct):						
Depletion, depreciation and amortization	**7.3**	**1.3**	**0.1**	**0.3**	**-**	**9.0**
Impairment of property, plant and equipment	**0.9**	**-**	**-**	**-**	**-**	**0.9**
Oil and Gas loss from operations, net of depletion, depreciation and amortization	**-**	**-**	**43.0**	**-**	**-**	**43.0**
Adjustments for share of loss of Moa Joint Venture:						
Depletion, depreciation and amortization	**41.2**	**-**	**-**	**-**	**-**	**41.2**
Impairment of property, plant and equipment	**1.2**	**-**	**-**	**-**	**-**	**1.2**
Net finance expense, net of elimination	**-**	**-**	**-**	**-**	**0.2**	**0.2**
Income tax recovery	**-**	**-**	**-**	**-**	**(14.0)**	**(14.0)**
Adjusted EBITDA	**$ (19.7)**	**$ 25.9**	**$ -**	**$ (30.8)**	**$ -**	**$ (24.6)**

$ millions, for the nine months ended September 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	$ (30.4)	$ 15.6	$ (18.5)	$ (21.3)	$ (9.2)	$ (63.8)
Add (deduct):						
Depletion, depreciation and amortization	7.4	1.9	0.1	0.6	-	10.0
Oil and Gas loss from operations, net of depletion, depreciation and amortization	-	-	18.4	-	-	18.4
Adjustments for share of loss of Moa Joint Venture:						
Depletion, depreciation and amortization	34.8	-	-	-	-	34.8
Net finance expense, net of elimination	-	-	-	-	6.9	6.9
Income tax expense	-	-	-	-	2.3	2.3
Adjusted EBITDA	$ 11.8	$ 17.5	$ -	$ (20.7)	$ -	$ 8.6

(1) Adjusted EBITDA of Metals for the three months ended September 30, 2026 is composed of Adjusted EBITDA at Moa JV of $(23.1) million (50% basis), Adjusted EBITDA at Fort Site of $(2.4) million and Adjusted EBITDA at Metals Marketing of $(0.2) million (for the three months ended September 30, 2025 - $(4.1) million, $3.4 million and $(0.8) million, respectively).

(2) Adjusted EBITDA of Metals for the nine months ended September 30, 2026 is composed of Adjusted EBITDA at Moa JV of $(28.6) million (50% basis), Adjusted EBITDA at Fort Site of $10.7 million and Adjusted EBITDA at Metals Marketing of $(1.8) million (for the nine months ended September 30, 2025 - $(1.8) million, $16.7 million and $(3.1) 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.

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	**2026**						
	Metals						
	Nickel	Cobalt	Fertilizer	Power	Other[1]	Adjustment for Moa Joint Venture	Total
Revenue per financial statements	**$ 3.9**	**$ 0.3**	**$ 22.2**	**$ 12.7**	**$ 15.0**	**$ (14.4)**	**$ 39.7**
Adjustments to revenue:							
Frequency control, by-product and other revenue	**-**	**-**	**-**	**(3.7)**			
Revenue for purposes of average-realized price calculation	**3.9**	**0.3**	**22.2**	**9.0**			
Sales volume for the period	**0.4**	**0.0**	**38.8**	**169**			
Volume units	Millions of pounds	Millions of pounds	Thousands of tonnes	Gigawatt hours			
Average-realized price[2][3][4]	**$ 11.25**	**$ 35.30**	**$ 573.14**	**$ 53.14**			

$ millions, except average-realized price and sales volume, for the three months ended September 30	2025						
	Metals						
	Nickel	Cobalt	Fertilizer	Power	Other[1]	Adjustment for Moa Joint Venture	Total
Revenue per financial statements	$ 56.9	$ 10.7	$ 14.5	$ 13.9	$ 17.6	$ (73.9)	$ 39.7
Adjustments to revenue:							
Frequency control, by-product and other revenue	-	-	-	(1.2)			
Revenue for purposes of average-realized price calculation	56.9	10.7	14.5	12.7			
Sales volume for the period	6.0	0.6	27.9	243			
Volume units	Millions of pounds	Millions of pounds	Thousands of tonnes	Gigawatt hours			
Average-realized price[2][3][4]	$ 9.42	$ 18.52	$ 517.25	$ 52.33			

$ millions, except average-realized price and sales volume, for the nine months ended September 30	**2026**						
	Metals						
	Nickel	Cobalt	Fertilizer	Power	Other[1]	Adjustment for Moa Joint Venture	Total
Revenue per financial statements	**$ 99.5**	**$ 27.7**	**$ 72.5**	**$ 39.8**	**$ 53.8**	**$ (160.3)**	**$ 133.0**
Adjustments to revenue:							
Frequency control, by-product and other revenue	**-**	**-**	**-**	**(9.0)**			
Revenue for purposes of average-realized price calculation	**99.5**	**27.7**	**72.5**	**30.8**			
Sales volume for the period	**9.1**	**0.8**	**118.5**	**585**			
Volume units	**Millions of pounds**	**Millions of pounds**	**Thousands of tonnes**	**Gigawatt hours**			
Average-realized price[2][3][4]	**$ 10.95**	**$ 33.56**	**$ 611.78**	**$ 52.58**			

$ millions, except average-realized price and sales volume, for the nine months ended September 30	2025						
	Metals						
	Nickel	Cobalt	Fertilizer	Power	Other[1]	Adjustment for Moa Joint Venture	Total
Revenue per financial statements	$ 201.2	$ 39.3	$ 60.4	$ 35.9	$ 42.0	$ (257.0)	$ 121.8
Adjustments to revenue:							
Frequency control, by-product and other revenue	-	-	-	(4.7)			
Revenue for purposes of average-realized price calculation	201.2	39.3	60.4	31.2			
Sales volume for the period	20.8	2.4	105.7	589			
Volume units	Millions of pounds	Millions of pounds	Thousands of tonnes	Gigawatt hours			
Average-realized price[2][3][4]	$ 9.67	$ 16.23	$ 571.57	$ 53.04			

(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

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 and reversals, 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 and reversals 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 cost performance. NDCC of nickel is a widely-used performance measure for nickel producers which represents the direct cash cost associated with the mining, processing, refining and sale of finished nickel, net of by-product credits. Management uses unit operating cost/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 unit operating cost for 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					**2026**
	Metals	Power	Other[1]	Adjustment for Moa Joint	Total
Cost of sales per financial statements	**$ 84.3**	**$ 2.5**	**$ (2.4)**	**$ (53.0)**	**$ 31.4**
Less:					
Depletion, depreciation and amortization in cost of sales	**(18.4)**	**-**			
	65.9	**2.5**			
Adjustments to cost of sales:					
Cobalt by-product revenue - Moa JV and Cobalt Swap	**(0.3)**	**-**			
Fertilizer by-product revenue	**(22.2)**	**-**			
Other revenue	**(14.8)**	**-**			
Royalties/territorial contributions and other non-cash costs[2]	**(5.3)**	**-**			
Changes in inventories and other adjustments[3]	**4.9**	**-**			
Cost of sales for purposes of unit cost calculation	**28.2**	**2.5**			
Sales volume for the period	**0.4**	**169**			
Volume units	Millions of pounds	Gigawatt hours			
Unit operating cost[4][5]	**$ 80.11**	**$ 14.43**			
Unit operating cost (US$ per pound) (NDCC)[6][7]	**$ 56.68**				

$ millions, except unit cost and sales volume, for the three months ended September 30	2025				
	Metals	Power	Other[1]	Adjustment for Moa Joint	Total
Cost of sales per financial statements	$ 106.8	$ 3.4	$ 5.0	$ (87.1)	$ 28.1
Less:					
Depletion, depreciation and amortization in cost of sales	(12.9)	(0.3)			
	93.9	3.1			
Adjustments to cost of sales:					
Cobalt by-product revenue - Moa JV and Cobalt Swap	(10.7)	-			
Fertilizer by-product revenue	(14.5)	-			
Other revenue	(12.0)	-			
Realized loss on natural gas swaps	2.4	-			
Royalties/territorial contributions and other non-cash costs[2]	(7.0)	-			
Changes in inventories and other adjustments[3]	3.3	-			
Cost of sales for purposes of unit cost calculation	55.4	3.1			
Sales volume for the period	6.0	243			
Volume units	Millions of pounds	Gigawatt hours			
Unit operating cost[4][5]	$ 9.17	$ 12.23			
Unit operating cost (US$ per pound) (NDCC)[6]	$ 6.67				

$ millions, except unit cost and sales volume, for the nine months ended September 30	2026				
	Metals	Power	Other[1]	Adjustment for Moa Joint	Total
Cost of sales per financial statements	**$ 316.8**	**$ 9.7**	**$ 43.6**	**$ (227.1)**	**$ 143.0**
Less:					
Depletion, depreciation and amortization in cost of sales	**(48.5)**	**(1.0)**			
	268.3	**8.7**			
Adjustments to cost of sales:					
Cobalt by-product revenue - Moa JV and Cobalt Swap	**(27.7)**	**-**			
Fertilizer by-product revenue	**(72.5)**	**-**			
Other revenue	**(52.8)**	**-**			
Realized loss on natural gas swaps	**0.6**	**-**			
Royalties/territorial contributions and other non-cash costs[2]	**(12.6)**	**-**			
Changes in inventories and other adjustments[3]	**10.4**	**-**			
Cost of sales for purposes of unit cost calculation	**113.7**	**8.7**			
Sales volume for the period	**9.1**	**585**			
Volume units	Millions of pounds	Gigawatt hours			
Unit operating cost[4][5]	**$ 12.51**	**$ 14.90**			
Unit operating cost (US$ per pound) (NDCC)[6][7]	**$ 9.02**				

$ millions, except unit cost and sales volume, for the nine months ended September 30					2025
	Metals	Power	Other[1]	Adjustment for Moa Joint	Total
Cost of sales per financial statements	$ 356.0	$ 15.3	$ 28.9	$ (289.0)	$ 111.2
Less:					
Depletion, depreciation and amortization in cost of sales	(42.2)	(1.5)			
	313.8	13.8			
Adjustments to cost of sales:					
Cobalt by-product revenue - Moa JV and Cobalt Swap	(39.3)	-			
Fertilizer by-product revenue	(60.4)	-			
Other revenue	(31.6)	-			
Cobalt loss	0.3	-			
Realized loss on natural gas swaps	2.0	-			
Royalties/territorial contributions and other non-cash costs[2]	(16.2)	-			
Changes in inventories and other adjustments[3]	4.5	-			
Cost of sales for purposes of unit cost calculation	173.1	13.8			
Sales volume for the period	20.8	589			
Volume units	Millions of pounds	Gigawatt hours			
Unit operating cost[4][5]	$ 8.32	$ 23.27			
Unit operating cost (US$ per pound) (NDCC)[6]	$ 5.95				

(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 and territorial contributions are included in cost of sales but are excluded from NDCC as these costs are not direct mine cash costs. Other non-cash costs consist of inventory write-downs and other costs that are included in cost of sales but are excluded from NDCC as the costs are non-cash.

(3) Changes in inventories and other adjustments is primarily composed of changes in inventories, the effect of average exchange rate changes and other 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.

(7) NDCC for the three and nine months ended September 30, 2026 are not meaningful measures of operating performance due to the incurrence of stand-by costs and allocation of fixed costs over significantly lower nickel sales volumes due to the cessation of refining activities in late Q2 2026.

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 adjusted for items not reflective of the Corporation's current or future operational performance and after the impact of income taxes. 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), 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:

For the three months ended September 30	2026 $ millions	2026 $/share	2025 $ millions	2025 $/share
Net loss from continuing operations	**$ (79.3)**	**$ (0.11)**	$ (19.5)	$ (0.04)
Adjusting items:				
Sherritt - Unrealized foreign exchange (gain) loss - continuing operations	**(0.1)**	**-**	0.9	-
Sherritt's share - Termination benefits related to workforce reduction	**-**	**-**	3.6	0.01
Corporate and Other - Realized loss on nickel put options	**1.0**	**-**	-	-
Corporate and Other - Unrealized gain on nickel put options	**(0.6)**	**-**	-	-
Metals - Moa JV - Impairment of property, plant and equipment	**1.2**	**-**	-	-
Metals - Moa JV - Inventory write-down/obsolescence	**3.1**	**-**	2.2	-
Metals - Fort Site - Unrealized gain on natural gas swaps	**-**	**-**	(0.6)	-
Metals - Fort Site - Realized loss on natural gas swaps	**-**	**-**	2.4	0.01
Metals - Fort Site - Inventory write-down	**1.1**	**-**	0.2	-
Metals - Fort Site - Impairment of property, plant and equipment	**0.9**	**-**	-	-
Power - Loss (gain) on revaluation of GNC receivable	**40.4**	**0.06**	(5.1)	(0.01)
Power - Gain on revaluation of Energas payable	**(13.6)**	**(0.02)**	0.1	-
Oil and Gas - Net earnings from continuing operations, net of unrealized foreign exchange gain/loss	**(2.5)**	**-**	(0.6)	-
Total adjustments, before tax	**$ 30.9**	**$ 0.04**	$ 3.1	$ 0.01
Tax adjustments	**(2.5)**	**-**	0.9	-
Adjusted net loss from continuing operations	**$ (50.9)**	**$ (0.07)**	$ (15.5)	$ (0.03)

For the nine months ended September 30	2026 $ millions	2026 $/share	2025 $ millions	2025 $/share
Net loss from continuing operations	**$ (159.6)**	**$ (0.25)**	$ (49.7)	$ (0.11)
Adjusting items:				
Sherritt - Unrealized foreign exchange loss - continuing operations	**1.0**	**-**	-	-
Sherritt's share - Termination benefits related to restructuring and workforce reduction	**-**	**-**	3.6	0.01
Corporate and Other - Gain on Debt and Equity Transactions, net of transaction costs	**-**	**-**	(32.4)	(0.07)
Corporate and Other - Realized loss on nickel put options	**2.4**	**-**	-	-
Corporate and Other - Unrealized gain on nickel put options	**(0.1)**	**-**	-	-
Metals - Moa JV - Impairment of property, plant and equipment	**1.2**	**-**	-	-
Metals - Moa JV - Inventory write-down/obsolescence	**3.5**	**0.01**	2.7	0.01
Metals - Moa JV - Cobalt loss	**-**	**-**	0.3	-
Metals - Fort Site - Inventory write-down	**1.1**	**-**	0.2	-
Metals - Fort Site - Unrealized loss on natural gas swaps	**0.6**	**-**	1.2	-
Metals - Fort Site - Realized gain on natural gas swaps	**(0.6)**	**-**	2.0	-
Metals - Fort Site - Impairment of property, plant and equipment	**0.9**	**-**	-	-
Power - Loss (gain) on revaluation of GNC receivable	**30.5**	**0.05**	(13.3)	(0.03)
Power - (Gain) loss on revaluation of Energas payable	**(9.5)**	**(0.02)**	2.9	0.01
Oil and Gas - Net loss from continuing operations, net of unrealized foreign exchange gain/loss	**43.3**	**0.07**	18.8	0.04
Total adjustments, before tax	**$ 74.3**	**$ 0.11**	$ (14.0)	$ (0.03)
Tax adjustments	**(2.3)**	**-**	0.4	-
Adjusted net loss from continuing operations	**$ (87.6)**	**$ (0.14)**	$ (63.3)	$ (0.14)

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						**2026**
	Metals	Power	Other[1]	Combined total	Adjustment for Moa Joint Venture	Total derived from financial statements
Property, plant and equipment expenditures[2]	**$ 0.9**	**$ -**	**$ -**	**$ 0.9**	**$ (0.8)**	**$ 0.1**
	0.9	**-**	**-**	**0.9**	**$ (0.8)**	**$ 0.1**
Adjustments:						
Accrual adjustment	**0.1**	**-**	**-**	**0.1**		
Spending on capital	**$ 1.0**	**$ -**	**$ -**	**$ 1.0**		

$ millions, for the three months ended September 30						2025
	Metals	Power	Other[1]	Combined total	Adjustment for Moa Joint Venture	Total derived from financial statements
Property, plant and equipment expenditures[2]	$ 8.7	$ 0.2	$ -	$ 8.9	$ (6.2)	$ 2.7
	8.7	0.2	-	8.9	$ (6.2)	$ 2.7
Adjustments:						
Accrual adjustment	5.7	-	-	5.7		
Spending on capital	$ 14.4	$ 0.2	$ -	$ 14.6		

$ millions, for the nine months ended September 30						**2026**
	Metals	Power	Other[1]	Combined total	Adjustment for Moa Joint Venture	Total derived from financial statements
Property, plant and equipment expenditures[2]	**$ 8.1**	**$ 0.3**	**$ -**	**$ 8.4**	**$ (8.0)**	**$ 0.4**
	8.1	**0.3**	**-**	**8.4**	**$ (8.0)**	**$ 0.4**
Adjustments:						
Accrual adjustment	**0.1**	**-**	**-**	**0.1**		
Spending on capital	**$ 8.2**	**$ 0.3**	**$ -**	**$ 8.5**		

$ millions, for the nine months ended September 30	2025					
	Metals	Power	Other[1]	Combined total	Adjustment for Moa Joint Venture	Total derived from financial statements
Property, plant and equipment expenditures[2]	$ 32.8	$ 1.1	$ 0.1	$ 34.0	$ (23.8)	$ 10.2
	32.8	1.1	0.1	34.0	$ (23.8)	$ 10.2
Adjustments:						
Accrual adjustment	11.8	-	-	11.8		
Spending on capital	$ 44.6	$ 1.1	$ 0.1	$ 45.8		

(1) Includes property, plant and equipment 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 as presented in the Corporation's 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 Accounting Standards 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 by continuing operations for operating activities to cash used by continuing operations per the financial statements to combined free cash flow:

$ millions, for the three months ended September 30							**2026**
	Metals[1][2]	Power	Oil and Gas	Corporate and Other	**Combined total**	Adjustment for Moa Joint Venture	**Total derived from financial statement**
Cash (used) provided by continuing operations for operating activities	**$ (32.5)**	**$ 0.8**	**$ (4.0)**	**$ 20.4**	**$ (15.3)**	**$ (4.6)**	**$ (19.9)**
Less:							
Property, plant and equipment expenditures	**(0.9)**	**-**	**-**	**-**	**(0.9)**	**0.8**	**(0.1)**
Free cash flow	**$ (33.4)**	**$ 0.8**	**$ (4.0)**	**$ 20.4**	**$ (16.2)**	**$ (3.8)**	**$ (20.0)**

$ millions, for the three months ended September 30							2025
	Metals[1][2]	Power	Oil and Gas	Corporate and Other	**Combined total**	Adjustment for Moa Joint Venture	**Total derived from financial statement**
Cash (used) provided by continuing operations for operating activities	$ (9.2)	$ 4.2	$ (2.8)	$ (7.3)	$ (15.1)	$ 17.6	$ 2.5
Less:							
Property, plant and equipment expenditures	(8.7)	(0.2)	-	-	(8.9)	6.2	(2.7)
Free cash flow	$ (17.9)	$ 4.0	$ (2.8)	$ (7.3)	$ (24.0)	$ 23.8	$ (0.2)

$ millions, for the nine months ended September 30							**2026**
	Metals[3][4]	Power	Oil and Gas	Corporate and Other	**Combined total**	Adjustment for Moa Joint Venture	**Total derived from financial statement**
Cash (used) provided by continuing operations for operating activities	**$ (60.4)**	**$ 36.5**	**$ (7.1)**	**$ 53.5**	**$ 22.5**	**$ (16.6)**	**$ 5.9**
Less:							
Property, plant and equipment expenditures	**(8.1)**	**(0.3)**	**-**	**-**	**(8.4)**	**8.0**	**(0.4)**
Free cash flow	**$ (68.5)**	**$ 36.2**	**$ (7.1)**	**$ 53.5**	**$ 14.1**	**$ (8.6)**	**$ 5.5**

$ millions, for the nine months ended September 30							2025
	Metals[3][4]	Power	Oil and Gas	Corporate and Other	**Combined total**	Adjustment for Moa Joint Venture	**Total derived from financial statement**
Cash provided (used) by continuing operations for operating activities	$ 32.7	$ 21.1	$ (14.2)	$ (33.4)	$ 6.2	$ 2.9	$ 9.1
Less:							
Property, plant and equipment expenditures	(32.8)	(1.1)	(0.1)	-	(34.0)	23.8	(10.2)
Free cash flow	$ (0.1)	$ 20.0	$ (14.3)	$ (33.4)	$ (27.8)	$ 26.7	$ (1.1)

(1) Cash provided (used) by continuing operations for operating activities for the Moa JV, Fort Site and Metals Marketing was $4.6 million, $(35.7) million and $(1.4) million, respectively, for the three months ended September 30, 2026 (September 30, 2025 - $(17.6) million, $10.5 million and $(2.1) million, respectively).

(2) Property, plant and equipment expenditures and intangible expenditures for the Moa JV, Fort Site and Metals Marketing was $(0.7) million, $(0.2) million and nil, respectively, for the three months ended September 30, 2026 (September 30, 2025 - $6.2 million, $2.5 million and nil, respectively).

(3) Cash provided (used) by continuing operations for operating activities for the Moa JV, Fort Site and Metals Marketing was $16.6 million, $(83.7) million and $6.7 million, respectively, for the nine months ended September 30, 2026 (September 30, 2025 - $(2.9) million, $28.1 million and $7.5 million, respectively).

(4) Property, plant and equipment expenditures and intangible expenditures for the Moa JV, Fort Site and Metals Marketing was $(7.9) million, $(0.2) million and nil, respectively, for the nine months ended September 30, 2026 (September 30, 2025 - $23.8 million, $9.0 million and nil, respectively).