Sherritt's Second Quarter 2014 Results Build Positive Momentum

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- Extension completed for a production-sharing contract in Oil and Gas business
- Ambatovy records first positive adjusted EBITDA as ramp-up continues

All amounts are Canadian dollars unless otherwise indicated.

TORONTO, ONTARIO -- (Marketwired - July 30, 2014) - Sherritt International Corporation ("Sherritt" or the "Corporation") (TSX:S), a world leader in the mining and refining of nickel from lateritic ores and the largest independent energy producer in Cuba, today reported its financial results for the second quarter ended June 30, 2014.

HIGHLIGHTS

- Nickel and cobalt production at Ambatovy in the second quarter was slightly better than the first quarter and increased 26% and 14%, respectively, over the prior year period. The second quarter was the first period for Ambatovy to record positive adjusted EBITDA, which was $2.1 million ($5.3 million on a 100% basis).

- On May 29, 2014, Sherritt executed an agreement with the Government of Cuba to amend an existing Production-Sharing Contract ("PSC") for an additional ten-year extension to March 2028 for new wells drilled.

- On April 28, 2014, Sherritt closed the previously announced transaction to sell the non-core coal business from its portfolio. Sherritt received net cash proceeds of $804.3 million from the transaction.

- Debt repayments were $365.0 million, including repaying the Coal revolving credit facility of $300.0 million. Further reduction of overall debt levels will be pursued by the Corporation.

- Market prices for nickel and cobalt continued their recovery in the second quarter, up by 35% and 13% year-to-date, resulting in higher revenues in our Metals business.

- Adjusted EBITDA of $75.4 million increased 42% for the three months ended June 30, 2014 compared to $53.2 million in the prior year period primarily due to higher adjusted EBITDA contribution from the Metals business and due to the fact that an impairment was recognized in the Power business in the prior year.

- Net loss for the three months ended June 30, 2014 was $30.1 million ($0.10 per share) compared to $10.7 million ($0.04 per share) in the same period in the prior year principally due to the Corporation's share of losses in Ambatovy, which primarily consisted of significant depletion, depreciation and amortization of $40.3 million (Sherritt's share).

- Adjusted operating cash flow from continuing operations per share was $0.01 for the three months ended June 30, 2014 compared to $0.09 per share in the same period in the prior year largely due to timing of income tax payments.

- During the quarter Sherritt continued the evaluation of its operations and capital allocation to pursue longer term operating efficiencies and has updated its year-to-date realized cost savings to $25 million. Work continues on further opportunities to reduce structural costs following the completion of the coal transaction, and to improve efficiencies.

- On May 6, 2014, Mr. Timothy Baker was elected to the Corporation's Board of Directors. Mr. Baker was the former Chief Operating Officer of Kinross Gold Corporation and a former senior executive of Placer Dome.

Q2 FINANCIAL HIGHLIGHTS

For the three months ended For the six months ended

$ millions, unless otherwise noted 2014
June 30 2013

June 30
Change 2014
June 30 2013
June 30
Change
Revenue 130.2 121.7 7% 251.1 228.7 10%
Adjusted EBITDA(1) 75.4 53.2 42% 130.3 114.5 14%
Net (loss) earnings per share (0.10) (0.04) (150%) (0.26) 0.04 (750%)
Adjusted continuing operating cash flow per share(1) 0.01 0.09 (89%) 0.11 0.19 (42%)
(1) For additional information, see the Non-GAAP measures section of this release.

$ millions, except as noted, as at 2014
June 30 2013
December 31 Change
Cash, cash equivalents and short term investments 965.9 651.8 48%
Total loans and borrowings 2,163.3 2,489.8 (13%)
Long-term debt to total assets 39% 39% -

"During the second quarter, we made clear steps forward in executing our long-term plan to refocus on base metals and our Cuban oil business," said David Pathe, President and CEO. "The strong nickel market has had positive benefits in our metals business and we remain committed to ramping up at Ambatovy towards financial completion next year. In Cuba, we achieved a significant milestone with the approval of an important oil PSC that will extend our oil and gas operations and continue to strengthen our relationship with the country. We are proud of the significant progress made this year and look to continue to build momentum over the balance of 2014."

CORPORATE AND OTHER

The Corporation continues to target savings in 2014 in general, administrative and other costs. For the six months ended June 30, 2014, $25 million of savings has been realized.

Separately, administrative expenses during the quarter included several one-time items related to the coal sale transaction, the annual general meeting and the revaluation of stock-based compensation due to share price appreciation in the quarter. In addition, administrative expenses for Ambatovy are recognized as part of the share of loss of an associate only for the second quarter 2014 and not the prior year period as the project capitalized those figures. Excluding the several one-time items and the Ambatovy expenses, total administrative expenses declined 17% ($2.6 million) compared to the prior year period.

At the end of the second quarter, total cash, cash equivalents and short term investments was $965.9 million and total debt was $2,163.3 million.

REVIEW OF OPERATIONS

METALS

$ millions, unless otherwise noted For the three months ended
2014
June 30 For the three months ended
2013
June 30

Change
Moa(1) Ambatovy Metals(2) Moa(1) Ambatovy Metals(2)
(50%) (40%) (50%) (40%)
Production volumes (Sherritt's share)
Mixed sulphides (tonnes) 4,893 3,756 8,649 4,569 2,312 6,881 26%
Finished nickel (tonnes) 3,870 3,602 7,472 3,868 2,854 6,722 11%
Finished cobalt (tonnes) 376 285 661 374 250 624 6%
Sales volumes (Sherritt's share)
Nickel, finished (tonnes) 3,792 3,485 7,277 3,907 - 3,907 86%
Cobalt, finished (tonnes) 366 260 626 378 - 378 66%
Average realized prices(3)
Nickel (US$/lb) 8.74 8.92 8.84 6.85 - 6.85 29%
Cobalt (US$/lb) 14.68 13.26 14.01 12.82 - 12.82 9%
Unit operating costs(3)

Nickel - net direct cash cost (US$/lb) 5.05 7.19 4.27 -
Revenue 122.9 77.8 216.0 114.5 - 120.6 79%
Adjusted EBITDA (3) 22.0 2.1 24.7 17.2 (0.3) 17.3 43%
Spending on capital 5.7 8.4 14.1 9.8 9.0 18.8 (25%)

(1) Includes results for certain 100% owned assets at Fort Saskatchewan plant.
(2) Includes results for Sherritt's marketing organization for certain Ambatovy sales.
(3) For additional information, see the Non-GAAP measures section of this release.

$ millions, unless otherwise noted For the six months ended
2014
June 30 For the six months ended
2013
June 30

Change
Moa(1) Ambatovy Metals(2) Moa(1) Ambatovy Metals(2)
(50%) (40%) (50%) (40%)
Production volumes (Sherritt's share)
Mixed sulphides (tonnes) 8,884 7,608 16,492 8,736 5,433 14,169 16%
Finished nickel (tonnes) 7,509 7,114 14,623 7,770 5,186 12,956 13%
Finished cobalt (tonnes) 732 562 1,294 779 466 1,245 4%
Sales volumes (Sherritt's share)
Nickel, finished (tonnes) 7,615 6,089 13,704 7,822 - 7,822 75%
Cobalt, finished (tonnes) 755 453 1,208 790 - 790 53%
Average realized prices(3)
Nickel (US$/lb) 7.93 8.26 8.26 7.35 - 7.35 12%
Cobalt (US$/lb) 14.77 14.31 14.57 12.14 - 12.14 20%
Unit operating costs(3)
Nickel - net direct cash cost (US$/lb) 5.17 7.04 4.80 -
Revenue 213.3 128.6 376.1 211.8 - 224.3 68%
Adjusted EBITDA(3) 29.0 (2.3) 27.5 33.8 (0.8) 34.2 (20%)
Spending on capital 10.3 12.3 22.6 14.5 14.0 28.5 (21%)

(1) Includes results for certain 100% owned assets at Fort Saskatchewan plant.
(2) Includes results for Sherritt's marketing organization for certain Ambatovy sales.
(3) For additional information, see the Non-GAAP measures section of this release.

Metal markets

Pricing for nickel and cobalt continued to improve from lower pricing levels in 2013 as global nickel markets anticipate future shortages due to the Indonesian mineral export ban on raw ore exports. Nickel prices have rebounded this year, increasing 35% since the start of 2014. Cobalt prices have also increased in 2014, up 13% year-to-date, reflecting continued strength in cobalt demand.

Moa Joint Venture (50% interest) and Fort Site

Adjusted EBITDA increased 28% ($4.8 million) during the second quarter compared to the prior year period primarily due to higher nickel prices, which was partially offset by lower fertilizer prices in the Western Canadian market.

Nickel production of 3,870 tonnes (7,740 tonnes, 100% basis) and cobalt production of 376 tonnes (751 tonnes, 100% basis) were in line with production compared to the prior year period. Sales volumes were similar to production for the quarter.

Net direct cash cost of nickel increased 18% (US$0.78 per pound) compared to the prior year period due primarily to lower by-product credits from fertilizer sales and, to a lesser extent, higher third-party feed costs. This increase was partly offset by lower mining and processing costs due to lower prices for sulphuric acid and sulphur.

Capital spending was lower than prior year periods due to the timing of mining equipment additions in the prior year. Expansion capital included the mobilization of resources for the construction of the 2,000 tonne per day acid plant at Moa. Commencement of construction has been deferred until the first quarter of 2015 as a result of further government review of key contracts.

Ambatovy Joint Venture (40% interest)

Ambatovy generated adjusted EBITDA of $2.1 million during the quarter ($5.3 million on a 100% basis).

Nickel and cobalt production at Ambatovy in the second quarter was slightly better than the first quarter and both achieved quarterly production records. In the second quarter of 2014, 3,602 tonnes of nickel was produced (9,004 tonnes, 100% basis), representing a 26% increase over the prior year period. Also during the quarter, 285 tonnes of cobalt was produced (712 tonnes, 100% basis), representing a 14% increase year-over-year.

The average ore throughput in the PAL circuit was approximately 58% for the second quarter compared to 67% in the first quarter of 2014. The lower throughput in the quarter was a result of various unanticipated mechanical issues, such as valve and piping maintenance, as well as thickener performance downstream of the autoclaves.

Autoclave operating hours during the second quarter of 2014 were 6,911 hours, compared to 6,740 hours in the first quarter, demonstrating increased mechanical reliability of the autoclaves.

To support Ambatovy's production targets, additional technical staff with metallurgical and operational expertise have been hired to assist in optimizing plant performance.

Second-quarter nickel and cobalt sales volumes were lower than production levels due to the timing of shipments.

The net direct cash cost of nickel was US$7.19 per pound in the second quarter of 2014, consistent with the expectation for the facility when operating at approximately 60% of its finished metal production capacity. Mining, processing and refining costs per pound in the quarter were higher than the post commercial production period in the prior quarter due to various unanticipated mechanical issues, thickener performance and higher sulphur prices.

Capital spending for Ambatovy is focused on sustaining activities and construction of Phase II of the Tailings Management Facility.

OIL AND GAS

For the three months ended For the six months ended

$ millions, unless otherwise noted 2014
June 30 2013
June 30
Change 2014
June 30 2013
June 30
Change
Production and sales (boepd)
Gross working-interest - Cuba 19,528 20,425 (4%) 19,862 19,990 (1%)
Total net working interest 11,109 11,485 (3%) 11,441 11,181 2%
Average-realized price(1)
Cuba ($ per barrel) 72.88 67.64 8% 72.32 69.34 4%
Average unit operating costs(1)
Cuba ($ per barrel) 14.38 12.70 13% 13.21 12.48 6%
Revenue 74.7 71.2 5% 151.6 142.3 7%
Adjusted EBITDA (1) 57.5 55.7 3% 117.9 113.1 4%
Spending on capital 15.4 11.8 31% 31.2 23.3 34%

(1) For additional information, see the Non-GAAP measures section of this release.

On May 29, 2014, Sherritt executed an agreement with the Government of Cuba to amend an existing PSC for an additional ten-year extension to March 2028. The extension of the Puerto Escondido/ Yumuri PSC applies to new development well commitments made following the amendment of the PSC. The PSC will terminate with respect to existing wells as of its original expiry date in March 2018. As part of the minimum development commitments under the amended PSC, Sherritt is required to drill a minimum of seven new wells in the development area. Three of these wells are expected to be drilled in 2014.

Oil prices remained strong in the second quarter of 2014 with prices slightly higher than the prior year period.

Adjusted EBITDA was 3% ($1.8 million) higher in the second quarter compared to the prior year period, primarily as a result of a weaker Canadian dollar and higher oil prices which were partially offset by lower net production volumes.

Gross working-interest (GWI) oil production in Cuba decreased 4% (897 bopd) in the second quarter compared to the prior year period. The decrease was caused by a mechanical failure in a well in the Yumuri area and natural reservoir declines, which were partially offset by the optimization of production from existing wells. The well that was impacted during the quarter is expected to return to its production capability in the third-quarter of 2014.

The average-realized price for oil produced in Cuba increased 8% ($5.24 per barrel) in the second quarter compared to the prior year period, due to a weaker Canadian dollar.

Unit operating costs in Cuba increased 13% ($1.68 per barrel) in the second quarter compared to the prior year period due to an increase in workover maintenance costs, and a weaker Canadian dollar.

Spending on capital in the second quarter of 2014 was 31% higher ($3.6 million) due to increased equipment purchases in Cuba related to the start-up of the second drilling rig and a related camp, as well as the purchase of a service rig. During the second quarter, one development well was drilled and completed in Cuba, which is currently pending a workover.

POWER

For the three months ended For the six months ended
$ millions, unless otherwise noted 2014 2013 2014 2013
33 1/3% basis June 30 June 30 Change June 30 June 30 Change
Production and sales
Electricity (GWh) 224 153 46% 411 313 31%
Average-realized price(1)
Electricity ($/MWh) 46.24 42.28 9% 46.22 42.07 10%
Total unit operating costs
Electricity ($/MWh) 15.62 28.92 (46%) 16.45 27.78 (41%)
Net capacity factor (%) 67 66 2% 62 68 (9%)
Revenue 12.7 13.5 (6%) 24.6 29.5 (17%)
Adjusted EBITDA (1) 6.5 (5.5) 218% 11.4 (2.0) 670%
Spending on capital(2) 1.0 6.1 (84%) 3.2 14.1 (77%)

(1) For additional information, see the Non-GAAP measures section of this release.
(2) Includes service concession arrangements.

Adjusted EBITDA increased 218% ($12.0 million) in the second quarter when compared with the year prior. This increase was a result of a provision on receivables and an impairment of facilities in Madagascar in the prior year period, as well as an increase in production.

Electricity production increased 46% (71 GWh) in the second quarter compared to the prior year period. This increase primarily reflected the increased production from the recently completed Boca de Jaruco Combined Cycle Project.

The average-realized price of electricity was 9% higher ($3.96 per MWh) in the second quarter compared to the prior year period, primarily due to a weaker Canadian dollar relative to the U.S. dollar.

Operating costs decreased by 46% ($13.30 per MWh) in the second quarter compared to the prior year period because of lower scheduled major turbine inspections and the effect of higher production on fixed costs.

Capital spending, including service concession arrangements, declined by 84% ($5.1 million) for the second quarter 2014 as compared to the prior year period, due to the completion of the 150 MW Boca de Jaruco project.

NEAR-TERM PRIORITIES

Over the past year, Sherritt has undergone significant changes to its business in order to focus on its core competencies, improve its liquidity position and streamline its operations. As a result, Sherritt has gained positive momentum and will continue to focus on the following:

1. Base metals focus: With over 60 years of technological and operating experience, as well as the favourable medium-to-long-term fundamentals of the nickel market, Sherritt will focus its attention on its base metals business. This includes continuing to ramp up the Ambatovy nickel operation in Madagascar and advancing various initiatives to reduce costs from projects such as the construction of a third acid plant in Moa.

2. Ambatovy: Meeting the target of ramping up Ambatovy to 90% of its nameplate capacity in 2015 is a significant priority for Sherritt. Despite mechanical challenges and unanticipated maintenance requirements during the quarter, the Corporation remains committed to increasing output of finished metal from Ambatovy. In the first quarter, Ambatovy reached the key milestone of declaring commercial production and this quarter is reporting positive EBITDA for the first time.

3. Oil and Gas: For more than two decades Sherritt has developed a unique Oil & Gas business in Cuba where Sherritt is the largest foreign oil producer in the country. As part of its strategy to extend the life of the Oil and Gas business, Sherritt announced the extension of an oil PSC for an additional 10 years to March 2028. The amended agreement provides for the extension of the Puerto Escondido/Yumuri PSC to allow for further development drilling in those fields. With respect to existing wells, the PSC will terminate upon its original expiry date in March 2018. Sherritt is also awaiting final approval by Cuban ministries with respect to four new exploration blocks.

4. Financial discipline: During the quarter the coal revolving credit facility of $300.0 million was repaid, in addition to repayments of $65.0 million on other borrowings. Further reduction of overall debt levels will be pursued by the Corporation that will strengthen the balance sheet and allow Sherritt to take advantage of growth opportunities as they become available.

5. Cost reduction: During the quarter Sherritt continued the evaluation of its operations and capital allocation to pursue longer term operating efficiencies and has updated its year-to-date realized cost savings to $25 million. Work continues on further opportunities to reduce structural costs following the completion of the coal transaction, and to improve efficiencies.

6. Communication: Sherritt's priorities include an emphasis on its communication strategy and execution to meet its commitment of effective and frequent communication with employees, shareholders and other stakeholders.

OUTLOOK

For the year ended December 31, 2014, Sherritt expects production volumes and spending on capital projected for full-year 2014 as shown below.

Production volumes for Ambatovy have been revised for mixed sulphides, nickel and cobalt primarily due to lower than anticipated production for the first six months of the year.

Moa Joint Venture capital spending has been revised down by $15 million for the year as construction has not yet commenced on the acid plant project resulting from further government review of key contracts.

Oil and Gas capital spending has been revised to $94 million, representing an increase of $21 million from the previous guidance in order to support additional drilling under the extended Oil and Gas PSC. This increase in capital will be directed towards drilling three wells under the minimum development commitments, the start-up of the second drilling rig, and purchasing and investing in support equipment and facilities.

(units as noted) Projected for the year ending December 31, 2014
Production volumes
Mixed sulphides (tonnes, Ni+Co contained, 100% basis)
Moa Joint Venture 38,000
Ambatovy Joint Venture 39,000 - 44,000
Total 77,000 - 82,000
Nickel, finished (tonnes, 100% basis)
Moa Joint Venture 34,000
Ambatovy Joint Venture 37,000 - 41,000

Total 71,000 - 75,000
Cobalt, finished (tonnes, 100% basis)
Moa Joint Venture 3,350
Ambatovy Joint Venture 2,700 - 3,100
Total 6,050 - 6,450
Oil - Cuba (gross working-interest, bopd) 19,000
Oil and Gas - All operations (net working-interest, boepd) 11,200
Electricity (GWh, 33 1/3% basis) 750

Spending on capital ($ millions)
Metals - Moa Joint Venture (50% basis), Fort Site (100% basis)(1) 55
Metals - Ambatovy Joint Venture (40% basis) 34
Oil and Gas (2) 94
Power (33 1/3% basis) 4
Spending on capital (excluding Corporate) 187

(1) Spending on capital relating to the Corporation's 50% share of the Moa Joint Venture and to the Corporation's 100% interest in the fertilizer and utilities assets in Fort Saskatchewan.
(2) Exploration and evaluation spending incurred prior to the technical feasibility and commercial viability of extracting the resources is recorded as an intangible asset.

NON-GAAP MEASURES

The Corporation uses adjusted EBITDA, average-realized price, unit operating cost, and adjusted operating cash flow to monitor the performance of the Corporation and its operating divisions and believes these measures enable investors and analysts to compare the Corporation's financial performance with its competitors and evaluate the results of its underlying business. These measures do not have a standard definition under IFRS and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. As these measures do not have a standardized meaning, they may not be comparable to similar measures provided by other companies. See Sherritt's Management's Discussion and Analysis for the period ended June 30, 2014 for further information.

CONFERENCE CALL AND WEBCAST

Sherritt will hold its quarterly conference call and webcast today at 2:00 p.m. Eastern Time.

Conference Call and Webcast: July 30, 2014, 2:00 p.m. ET

Speakers:
- David Pathe, President and CEO
- Dean Chambers, EVP and CFO

North American callers, please dial: 1-866-530-1553
International callers, please dial: 416-847-6330

Live webcast: http://www.sherritt.com

An archive of the webcast will be made available on the website. The conference call will be available for replay until August 28, 2014 by calling 647-436-0148 or 1-888-203-1112, access code 6822208#.

COMPLETE FINANCIAL STATEMENTS AND MANAGEMENT'S DISCUSSION AND ANALYSIS

Sherritt's complete unaudited condensed interim consolidated financial statements, and MD&A for the three and six months ended June 30, 2014 are available at www.sherritt.com and should be read in conjunction with this news release.

ABOUT SHERRITT

Sherritt is a world leader in the mining and refining of nickel from lateritic ores with operations in Canada, Cuba, and Madagascar. The Corporation is the largest independent energy producer in Cuba, with extensive oil and power operations on the island. Sherritt licenses its proprietary technologies and provides metallurgical services to commercial metals operations worldwide. The Corporation's common shares are listed on the Toronto Stock Exchange under the symbol "S".

FORWARD-LOOKING STATEMENTS

This press release contains certain forward-looking statements. Forward-looking statements can generally be identified by the use of statements that include such words as "believe", "expect", "anticipate", "intend", "plan", "forecast", "likely", "may", "will", "could", "should", "suspect", "outlook", "projected", "continue" or other similar words or phrases. Specifically, forward-looking statements in this document include, but are not limited to, statements set out in the "Outlook" sections of this press release; certain expectations about capital costs and expenditures; capital project commissioning and completion dates; sufficiency of working capital and capital project funding; completion of development and exploration wells.

Forward-looking statements are not based on historic facts, but rather on current expectations, assumptions and projections about future events, including commodity and product prices and demand; realized prices for production; earnings and revenues; development and exploratory wells and enhanced oil recovery in Cuba; environmental rehabilitation provisions; availability of regulatory approvals; compliance with applicable environmental laws and regulations; the impact of regulations related to greenhouse gas emissions and credits; debt repayments; collection of accounts receivable; and certain corporate objectives, goals and plans for 2014. By their nature, forward-looking statements require the Corporation to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that predictions, forecasts, conclusions or projections will not prove to be accurate, that those assumptions may not be correct and that actual results may differ materially from such predictions, forecasts, conclusions or projections. The Corporation cautions readers of this 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.

Key factors that may result in material differences between actual results and developments and those contemplated by this press release include global economic and market conditions, and business, economic and political conditions in Canada, Cuba, Madagascar, and the principal markets for the Corporation's products.

Other such factors include, but are not limited to, uncertainties in the development, construction, ramp-up and operation of large mining, processing and refining projects; risks related to the availability of capital to undertake capital initiatives; changes in capital cost estimates in respect of the Corporation's capital initiatives; risks associated with the Corporation's joint-venture partners; expectations of the timing of financial completion at the Ambatovy Joint Venture; risk of future non-compliance with financial covenants; potential interruptions in transportation; political, economic and other risks of foreign operations; the Corporation's reliance on key personnel and skilled workers; the possibility of equipment and other unexpected failures; the potential for shortages of equipment and supplies; risks associated with mining, processing and refining activities; uncertainty of gas supply for electrical generation; uncertainties in oil and gas exploration; risks related to foreign exchange controls on Cuban government enterprises to transact in foreign currency; risks associated with the United States embargo on Cuba and the Helms-Burton legislation; risks related to the Cuban government's and Malagasy government's ability to make certain payments to the Corporation; risks related to exploration and development programs; uncertainties in reserve estimates; risks associated with access to reserves and resources; uncertainties in environmental rehabilitation provisions estimates; risks related to the Corporation's reliance on partners and significant customers; risks related to the Corporation's corporate structure; foreign exchange and pricing risks; uncertainties in commodity pricing; credit risks; competition in product markets; the Corporation's ability to access markets; risks in obtaining insurance; uncertainties in labour relations; uncertainty in the ability of the Corporation to enforce legal rights in foreign jurisdictions; uncertainty regarding the interpretation and/or application of the applicable laws in foreign jurisdictions; risks associated with future acquisitions; uncertainty in the ability of the Corporation to obtain government permits; risks associated with governmental regulations regarding greenhouse gas emissions; risks associated with government regulations and environmental, health and safety matters; uncertainties in growth management; interest rate risk; risks related to political or social unrest or change and those in respect of indigenous and community relations; risks associated with rights and title claims; and certain corporate objectives, goals and plans for 2014; and the Corporation's ability to meet other factors listed from time to time in the Corporation's continuous disclosure documents.

Readers are cautioned that the foregoing list of factors is not exhaustive and should be considered in conjunction with the risk factors described in this press release and in the Corporation's other documents filed with the Canadian securities authorities.

The Corporation may, from time to time, make oral forward-looking statements. The Corporation advises that the above paragraph and the risk factors described in this press release and in the Corporation's other documents filed with the Canadian securities authorities including, but not limited to, the Corporation's

Annual Information Form for the year ended December 31, 2013 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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