Sherritt Reports First Quarter 2024 Results; Solid Performance from Power; Metals Achieved Strong Nickel Sales Volume; Slurry Preparation Plant Operating at Design Capacity

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Sherritt International Corp. ("Sherritt", the "Corporation") (TSX: S), a world leader in using hydrometallurgical processes to mine and refine nickel and cobalt - metals deemed critical for the energy transition, today reported its financial results for the three months ended March 31, 2024. All amounts are in Canadian currency unless otherwise noted.

Leon Binedell, President and CEO of Sherritt commented, "The first quarter saw a continuation in depressed nickel market conditions, however more recently, conditions gradually improved and we are pleased to see the market gaining traction. These conditions contributed towards our success in reducing our opening nickel inventory with strong nickel sales. Our available liquidity in Canada improved from the year end, reversing the negative trend from the second half of 2023. We achieved this despite our previously disclosed expectations that the first quarter would be our highest NDCC quarter in 2024. We saw improved mining, processing and refining cost from the strong actions taken in response to market conditions including our restructuring early in the year and increased production year over year and expect improved operating performance and lower NDCC over the rest of the year in line with our guidance."

Mr. Binedell continued, "Growing geopolitical competition over critical minerals has led to new sanctions being implemented on Russian produced metals and potential trade measures in the nickel market being contemplated against China and Indonesia. We are closely monitoring these developments and their implications for advancing the build-out of regionalized supply chains and influencing future pricing.

Against this market backdrop, Sherritt is in a strong position with its technical expertise and innovative processing solutions which are key differentiators and enablers towards our near-term strategic focus to expand midstream processing capacity of critical minerals for the EV supply chain in North America. I am excited by the recent advancements our team has made on our MHP midstream processing flowsheet, aimed to significantly reduce sodium sulphate effluent, a significant environmental challenge for the industry, while still ensuring low GHG emissions and energy intensity. We believe this project is an important step to help unlock the processing value chain for the North American EV sector while also providing a catalyst for future domestic mine production. We look forward to accelerating this project throughout 2024, with near-term efforts focused on site identification, customer and partnership arrangements, and further process development and project definition."

FIRST QUARTER 2024 SELECTED DEVELOPMENTS

- Sherritt's share[(1)] of finished nickel and cobalt production at the Moa Joint Venture ("Moa JV") was 3,597 tonnes and 342 tonnes, respectively.
- Sherritt's share of finished nickel and cobalt sales of 4,023 tonnes and 362 tonnes, respectively, exceeded production volumes with strong spot sales driving progress on reducing nickel inventory.
- Net direct cash cost ("NDCC")[(2)] was US$7.24/lb due to higher-cost opening inventory sold and lower cobalt and fertilizer by-product credits. Importantly, mining, processing and refining ("MPR") costs, the largest component of NDCC[(2)], improved 13% compared to Q1 2023.
    - In March NDCC[(2)] improved to an average of US$6.82/lb and continues to trend lower.
    - Higher year-over-year NDCC[(2)] was expected during the quarter and was factored into the Corporation's 2024 outlook for NDCC[(2)] which Sherritt continues to expect will be within a range of US$5.50 to US$6.00/lb implying a 20% decrease from 2023.

- Electricity production was 210 GWh benefitting from increased gas supply and equipment availability.
- Electricity unit operating cost[(2)] was $17.12/MWh benefitting from higher electricity production and sales volume.
- Net loss from continuing operations of $40.9 million, or $(0.10) per share was primarily due to lower average-realized prices[(2)] for nickel, cobalt and fertilizers, partly offset by higher nickel sales volumes.
- Adjusted net loss from continuing operations[(2)] was $24.6 million or $(0.06) per share, which excludes a non-cash $9.1 million revaluation loss on the net receivable pursuant to the Cobalt Swap on updates to valuation assumptions and $3.5 million of severance costs on the restructuring.
- Adjusted EBITDA[(2)] was $(6.5) million.
- Available liquidity in Canada as at March 31, 2024 was $67.9 million increasing from $63.0 million as at December 31, 2023.
- The Moa JV received a $20.0 million prepayment on a sales agreement for nickel deliveries in 2024.
- Continued implementation of an organization-wide restructuring and cost-cutting program to improve operational performance and respond to market conditions resulting in a reduction to the Corporation's Canadian operations headcount by approximately 10% which is expected to result in annualized cost savings of $13.0 million.
- The overall timing and budget to reach targeted production remains unchanged for the Moa JV expansion. The Slurry Preparation Plant ("SPP") was commissioned and has been operating at design capacity since the end of January 2024, and phase two is on schedule for an expected end of year 2024 completion with commissioning and ramp up in 2025.
- Advanced the mixed hydroxide precipitate ("MHP") midstream processing flowsheet for production of nickel and cobalt sulphate while also reducing sodium sulphate effluent which is a key environmental challenge for the industry. Project focus in 2024 will be on site identification, customer and partnership arrangements, and further process development and project definition.
- Sherritt appointed Louise Blais and Steven Goldman to the Board of Directors in accordance with its succession planning with the retirements of Maryse Bélanger in March, and John Warwick, who will not seek reelection at the Corporation's annual meeting of shareholders in May.

(1) References to "Sherritt's share" is consistent with the Corporation's definition of reportable segments for financial statement purposes. Sherritt's share of "Metals" includes the Corporation's 50% interest in the Moa JV, its 100% interest in the utility and fertilizer operations in Fort Saskatchewan ("Fort Site") and its 100% interests in subsidiaries established to buy, market and sell certain of the Moa JV's nickel and cobalt production and the Corporation's cobalt inventory received under the Cobalt Swap agreement ("Metals Marketing"). Sherritt's share of Power includes the Corporation's 33?% interest in Energas S.A. ("Energas"). References to Technologies and Oil and Gas includes the Corporation's 100% interest in these businesses. References to Fort Site directly is to the Corporation's interest in its 100% interest in the utility and fertilizer operations. For additional information on the Cobalt Swap, see Note 12 - Advances, loans receivable and other financial assets of the consolidated financial statements for the year ended December 31, 2023.

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

(3) Cobalt by-product credits include Sherritt's share of cobalt revenue per pound of nickel sold only.

DEVELOPMENTS SUBSEQUENT TO THE QUARTER

Subsequent to the quarter end:

- Sherritt received an additional $10.0 million repayment from the Moa JV on the advances made for short-term working capital purposes at the Moa JV.
- Sherritt's syndicated revolving-term credit facility was amended to extend its maturity by one year from April 30, 2025 to April 30, 2026 and change the EBITDA-to-Interest Expense covenant as defined in the agreement. There were no other significant changes to the terms, financial covenants or restrictions.
- Sherritt completed a 10% workforce reduction at its Corporate office. Annual cost savings from employee costs and reductions to other Corporate office-related costs are expected to be $2.0 million per year. This follows the 10% workforce reduction to the Corporation's Canadian operations earlier this year and is in addition to the 10% workforce reduction at Sherritt's Corporate office in 2021. Sherritt's cost-cutting measures demonstrate its ongoing commitment to cost optimization, streamlining operations, enhancing efficiencies, improving profitability and liquidity while ensuring proper resources for safe and effective operations and to advance future growth initiatives.

- Sherritt's Board of Directors continuously engages with shareholders and following its latest engagement, the Board has made the determination to accelerate its review of corporate costs and executive compensation which was planned to be conducted this year. Executive compensation will be assessed relative to peers to ensure it is aligned with the current size, scope and complexity of Sherritt as well as reviewed to ensure that it is strategic, fair, appropriate and competitive, and aligns with shareholder experience which is consistent with its review in 2022. The Board will complete this review by no later than September 30, 2024 and will report on the results of this review following its completion.

Q1 2024 FINANCIAL HIGHLIGHTS

$ millions, except as otherwise noted, for the three months ended March 31	2024	2023	Change
Revenue	$ 28.8	$ 58.6	(51 %)
Combined revenue(1)	127.7	187.4	(32 %)
(Loss) earnings from operations and joint venture	(22.4)	21.6	(204 %)
Net (loss) earnings from continuing operations	(40.9)	13.6	(401 %)
Net (loss) earnings	(40.5)	13.3	(405 %)
Adjusted EBITDA(1)	(6.5)	41.2	(116 %)
Adjusted net (loss) earnings from continuing operations(1)	(24.6)	13.3	(285 %)
Net (loss) earnings from continuing operations ($ per share) (basic and diluted)	(0.10)	0.03	(433 %)
Cash provided by continuing operations for operating activities	13.0	9.8	33 %
Combined free cash flow(1)	15.8	35.7	(56 %)
Average exchange rate (CAD/US$)	1.349	1.353	N/A

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

$ millions, as at	2024 March 31	20 De
Cash and cash equivalents		
Canada	$ 37.5	$
Cuba(1)	105.9	
Other	1.0	
	144.4	
Loans and borrowings	371.3	
The Corporation's share of cash and cash equivalents in the Moa Joint Venture, not included in the above balances:	$ 11.2	$

(1) As at March 31, 2024, $103.1 million of the Corporation's cash and cash equivalents was held by Energas (December 31, 2023 - $93.9 million).

Cash and cash equivalents as at March 31, 2024 were $144.4 million, increasing from $119.1 million as at December 31, 2023. During Q1 2024, Sherritt received $11.3 million proceeds from operating activities from Fort Site including the impact of receipts from strong fertilizer pre-sales and timing of working capital payments and drew an additional $11.0 million on its revolving credit facility due to timing of receipts and disbursements. These amounts were offset primarily by payments of $3.7 million for property, plant and equipment and $7.4 million on rehabilitation and closure costs related to legacy Oil and Gas Spain assets.

Sherritt also began receiving repayment of the advances made for short-term working capital purposes at the Moa JV with an initial repayment of $3.0 million. Advances to the Moa JV under its credit facility with the Corporation are to the two non-Cuban operating companies of the Moa JV, are interest bearing at the Corporation's borrowing rates and are expected to be fully repaid during the first half of 2024. Sherritt does not expect to advance further amounts to the Moa JV under its credit facility in 2024.

Upon repayment of the advances outstanding by the Moa JV, and subject to the Moa JV's available liquidity to support operations and expected liquidity requirements, the joint venture will be eligible to commence payment of cobalt dividends pursuant to the Cobalt Swap. At current spot nickel prices and given the prioritization of the joint venture to repay its outstanding advances, as previously disclosed, the Corporation expects that under the Cobalt Swap, the cobalt dividends are anticipated to commence in the second half the year and will not meet the annual maximum amount in 2024. As defined by the agreement, any short fall in the annual minimum payment amount will be added to the following year.

As at March 31, 2024, total available liquidity in Canada, which is composed of cash and cash equivalents in Canada and available credit facilities of $30.4 million was $67.9 million increasing from $63.0 million as at December 31, 2023.

Subsequent to the quarter end:

- Sherritt received an additional $10.0 million repayment from the Moa JV on the advances made for short-term working capital purposes at the Moa JV.
- Sherritt's syndicated revolving-term credit facility was amended to extend its maturity by one year from April 30, 2025 to April 30, 2026 and change the EBITDA-to-Interest Expense covenant as defined in the agreement. The benchmark rate will transition to the CORRA after cessation of the bankers' acceptance benchmark rate. There were no other significant changes to the terms, financial covenants or restrictions.
- Sherritt paid interest of $9.4 million on the Second Lien Notes and was not required to make any mandatory redemptions.

REVIEW OF OPERATIONS

Reportable segment update

As a result of the organization-wide restructuring in January 2024, the former Technologies reportable segment and Corporate reportable segment were combined into a single Corporate and Other reportable segment, which includes the Corporation's management of its joint operations and subsidiaries and general corporate activities related to public companies, including business and market development, growth and external technical services activities, as well as management of cash, publicly-traded debt and government relations. Segmented information for the prior year was restated for comparative purposes to reflect the new Corporate and Other reportable segment. In the current year period, expenses incurred to support and enhance Metals' operations and business and market development, formerly reported within Technologies, are recognized within the Metals reportable segment.

Metals

$ millions (Sherritt's share), except as otherwise noted, for the three months ended March 31	2024	2023	Cl
FINANCIAL HIGHLIGHTS[1]			
Revenue	$ 115.1	$ 176.5	(3
Cost of sales	131.1	144.5	(9
(Loss) earnings from operations	(21.0)	31.0	(1

Adjusted EBITDA[2]	(7.5)	44.5	(1
CASH FLOW[1]			
Cash provided by continuing operations for operating activities	$ 31.2	$ 69.5	(5
Free cash flow[2]	21.7	59.9	(6
PRODUCTION VOLUMES (tonnes)			
Mixed Sulphides	4,052	3,750	8
Finished Nickel	3,597	3,483	3
Finished Cobalt	342	367	(7
Fertilizers	57,064	57,991	(2
NICKEL RECOVERY[3] (%)	85 %	88 %	(3
SALES VOLUMES (tonnes)			
Finished Nickel	4,023	3,344	20
Finished Cobalt	362	731	(5
Fertilizer	23,909	29,879	(2
AVERAGE-REFERENCE PRICES (US$ per pound)			
Nickel[4]	$ 7.52	$ 11.77	(3
Cobalt[4]	13.89	17.56	(2
AVERAGE REALIZED PRICE[2]			
Nickel ($ per pound)	$ 9.90	$ 16.47	(4
Cobalt ($ per pound)	14.51	19.11	(2
Fertilizer ($ per tonne)	412.05	566.93	(2
UNIT OPERATING COSTS[2] (US$ per pound)			
Nickel - net direct cash cost	$ 7.24	$ 6.46	12
SPENDING ON CAPITAL[2]			
Sustaining	$ 7.4	$ 5.9	25
Expansion	2.0	3.7	(4
	9.4	9.6	(2

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

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

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

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

Revenue

Metals revenue in Q1 2024 was $115.1 million compared to $176.5 million in Q1 2023. Revenue in the current year period was lower primarily due to lower average-realized prices(1) for nickel, cobalt and fertilizer and the timing of receipts and sales of cobalt by Sherritt under the Cobalt Swap agreement, partly offset by higher nickel sales volumes. In Q1 2024 the average-realized prices(1) for nickel, cobalt and fertilizers were $9.90/lb, $14.51/lb and $412.05/tonne, 40%, 24% and 27% lower, respectively, compared to the same period in the prior year.

Nickel revenue in Q1 2024 was $87.8 million compared to $121.4 million in Q1 2023. Finished nickel sales volumes in Q1 2024 were 20% higher than Q1 2023 and exceeded production volumes as Metals reduced its opening inventory with strong spot sales.

Cobalt revenue in Q1 2024 was $11.6 million compared to $30.8 million in Q1 2023. Cobalt revenue on the Cobalt Swap sales was $0.9 million in Q1 2024 compared to $29.8 million in Q1 2023. Higher Moa JV cobalt revenue of $10.7 million in Q1 2024 compared to $1.0 million in Q1 2023, partly offsetting the lower Cobalt Swap revenue.

Fertilizer revenue in Q1 2024 was $9.9 million compared to $16.9 million in Q1 2023. Fertilizer sales volume was 20% lower on delayed demand ahead of the spring planting season.

Cobalt Swap sales

During Q1 2024, and for the remainder of 2024, Sherritt anticipates variances in cobalt sales volumes, revenue and cost of sales as a result of the timing of receipts of cobalt and their subsequent sale by Sherritt under the Cobalt Swap agreement. In 2023, Sherritt began receiving and selling 100% of the available cobalt in Q1 and received the annual maximum amount of cobalt (2,082 tonnes) by the end of Q2. In the current year, Sherritt expects to begin receiving cobalt under the Cobalt Swap in the second half of the year.

As a result, sales of cobalt will be recognized by the Moa JV at Sherritt's 50% share until such time as Sherritt begins receiving cobalt from the Cobalt Swap. While this will result in variances in cobalt sales volumes, revenue and cost of sales, it will not have a material impact on earnings from operations, average-realized prices(1), cobalt by-product credits, or NDCC(1).

Production

Mixed sulphides production at the Moa JV in Q1 2024 was 4,052 tonnes, up 8% from the 3,750 tonnes produced in Q1 2023 benefitting from lower unplanned maintenance activities, improved ore blends and grades and additional processing capacity and efficiencies resulting from the completion of the SPP.

Sherritt's share of finished nickel and cobalt production in Q1 2024 was 3,597 tonnes and 342 tonnes, 3% higher and 7% lower, respectively, than Q1 2023. Finished nickel production during the quarter increased due to higher nickel rich third-party feed processed partly offset by weather-related shipping delays in delivering Moa mixed sulphides feed to the refinery and reduced production rates to mitigate feed contaminants. Finished cobalt production was lower consistent with higher nickel-to-cobalt ratio in available feed processed. The delayed shipment of mixed sulphides was received at the refinery in April.

Fertilizer production in Q1 2024 of 57,064 tonnes was 2% lower compared to Q1 2023.

NDCC(1)

NDCC[1] per pound of nickel sold was US$7.24/lb in Q1 2024 compared to US$6.46/lb in Q1 2023; however, NDCC[1] was 8% lower than in Q4 2023 improving quarter over quarter. During Q1 2024, NDCC[1] was impacted by higher-cost opening inventory sold in addition to lower cobalt and fertilizer by-product credits[2]. NDCC[1] improved to average US$6.82/lb during the last month of the quarter and continues to trend lower. Importantly, mining, processing and refining costs per pound of nickel sold ("MPR/lb"), the largest cost component of NDCC[1], improved 13% from Q1 2023. Lower MPR/lb costs were primarily due to lower sulphur, natural gas and diesel prices, lower maintenance costs and the impact of higher nickel sales volumes, partly offset by the higher opening inventory costs. The Cobalt Swap did not have a significant impact on NDCC[1] in either of the comparative periods.

Higher year-over-year NDCC[1] was expected during the first quarter and factored into the Corporation's 2024 outlook for NDCC[1] which Sherritt continues to expect will be within a range of US$5.50 to US$6.00/lb implying a 20% decrease from 2023.

Spending on capital[1]

Sustaining spending on capital in Q1 2024 was $7.4 million, compared to $5.9 million in Q1 2023 with modestly higher spending during the current year quarter.

Growth spending on capital in Q1 2024 was $2.0 million most of which was related to spending on the second phase of the Moa JV expansion.

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

(2) Cobalt by-product credits include Sherritt's share of cobalt revenue per pound of nickel sold only.

Expansion program and strategic developments

Moa JV expansion program update

The first phase of the Moa JV expansion program, the SPP, was commissioned and has been operating at design capacity since the end of January.

The second phase, the Processing Plant, is underway and

- civil construction and structural erection is nearing completion;
- piping installation will commence in the second quarter; and
- in response to lower nickel prices, the joint venture optimized the timing of certain capital spending items shifting some phase two spending to beyond 2024. Deferring the ordering of equipment and materials for the Fifth Sulphide Precipitation Train beyond 2024 is an additional opportunity that was identified during the quarter to optimize the timing of near-term spending without any expected impact on the timing of the ramp up of mixed sulphide precipitate production from the expansion.

The overall timing and budget to reach target production remains unchanged and is on schedule for an expected end of year 2024 completion with commissioning and ramp up in 2025. With completion of phase two of the expansion, annual mixed sulphide precipitate production is expected to increase by approximately 20% of contained nickel and cobalt and is expected to fill the refinery to nameplate capacity to maximize profitability from the joint venture's own mine feed, displacing lower margin third-party feeds and increasing overall finished nickel and cobalt production.

Strategic developments

Sherritt's technical expertise and innovative processing solutions are key differentiators and enablers towards the Corporation's near-term strategic focus to expand midstream processing capacity of critical minerals for the electric vehicle supply chain in North America.

During the quarter, Sherritt advanced its MHP midstream processing flowsheet for production of nickel and cobalt sulphate while also reducing sodium sulphate effluent which is a key environmental challenge for the industry. Project focus in 2024 will be on site identification, customer and partnership arrangements, and further process development and project definition.

Power

$ millions (Sherritt Share, 33?% basis), except as otherwise noted, for the three months ended March 31	2024	2023
FINANCIAL HIGHLIGHTS		
Revenue	$ 12.0	$ 10.3
Cost of sales	4.0	3.4
Earnings from operations	7.1	5.9
Adjusted EBITDA(1)	7.6	6.4
CASH FLOW		
Cash provided by continuing operations for operating activities	$ 9.7	$ 4.4
Free cash flow(1)	7.1	3.7
PRODUCTION AND SALES		
Electricity (GWh(2))	210	158
AVERAGE-REALIZED PRICE(1)		
Electricity (per MWh(2))	$ 51.25	$ 58.3
UNIT OPERATING COST(1)		
Electricity (per MWh)	$ 17.12	$ 19.3
SPENDING ON CAPITAL(1)		
Sustaining	$ 2.6	$ 0.7

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

(2) Gigawatt hours ("GWh"), Megawatt hours ("MWh").

Revenue for Q1 2024 of $12.0 million was 17% higher than Q1 2023 primarily due to higher production resulting in higher sales of 210 GWh compared to 158 GWh in the prior year period, partly offset by lower average-realized price(1). Higher production was a result of higher gas availability as a result of the two wells that went into production at the end of the second quarter of 2023 and better equipment availability.

As a key partner in supporting the Cuban government's plans to increase power production, Sherritt continues to work with its Cuban partners to drill additional wells which will increase gas supply for additional electricity production.

Unit operating costs(1) for the three months ended March 31, 2024 were $17.12/MWh, 12% lower than Q1 2023 primarily as a result of higher electricity production and sales volume relative to maintenance costs during the periods.

Spending on capital(1) of $2.6 million in Q1 2024 was primarily driven by timing of maintenance activities at Varadero.

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

OUTLOOK

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

CONFERENCE CALL AND WEBCAST

Sherritt will hold its conference call and webcast May 9, 2024 at 10:00 a.m. Eastern Time to review its first quarter 2024 results. Dial-in and webcast details are as follows:

North American callers, please dial:	1 (800) 717-1738 Passcode: 00402
International callers, please dial:	1 (289) 514-5100 Passcode: 00402
Live webcast:	www.sherritt.com

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

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

FINANCIAL STATEMENTS AND MANAGEMENT'S DISCUSSION AND ANALYSIS

Sherritt's condensed consolidated financial statements and MD&A for the three months ended March 31, 2024 are available at www.sherritt.com 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 or on SEDAR+ at www.sedarplus.ca.

NON-GAAP AND OTHER FINANCIAL MEASURES

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

Management uses these measures to monitor the financial performance of the Corporation and its operating divisions and believes these measures enable investors and analysts to compare the Corporation's financial performance with its competitors and/or evaluate the results of its underlying business. These measures are intended to provide additional information, not to replace International Financial Reporting Standards ("IFRS") measures, and do not have a standard definition under IFRS and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. As these measures do not have a standardized meaning, they may not be comparable to similar measures provided by other companies.

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

ABOUT SHERRITT INTERNATIONAL CORPORATION

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

FORWARD-LOOKING STATEMENTS

This press release contains certain forward-looking statements. Forward-looking statements can generally be identified by the use of statements that include such words as "believe", "expect", "anticipate", "intend", "plan", "forecast", "likely", "may", "will", "could", "should", "suspect", "outlook", "potential", "projected", "continue" or other similar words or phrases. Specifically, forward-looking statements in this document include, but are not limited to, statements regarding strategies, plans and estimated production amounts resulting from expansion of mining operations at the Moa Joint Venture; growing and increasing nickel and cobalt production; the Moa Joint Venture expansion program update as it relates to the Slurry Preparation Plant and the Processing Plant; statements set out in the "Outlook" section of this press release; certain expectations regarding production volumes and increases, inventory levels, operating costs, capital spending and intensity; sales volumes; revenue, costs and earnings; the availability of additional gas supplies to be used for power generation; the effect of maintenance challenges at the Moa mine, refinery and fertilizer operations; the timing of repayments of the revolving line of credit by the Moa JV, the amount and timing of dividend distributions from the Moa JV, including in the form of finished cobalt or cash under the Cobalt Swap, sales of finished cobalt and associated receipts related to cobalt received pursuant to the Cobalt Swap; growing shareholder value; expected annualized employee and other Corporate office-related cost savings; sufficiency of working capital management and capital project funding; strengthening the Corporation's capital structure and amounts of certain other commitments.

Forward-looking statements are not based on historical facts, but rather on current expectations, assumptions and projections about future events, including commodity and product prices and demand; the level of liquidity and access to funding; share price volatility;; nickel, cobalt and fertilizer production results and realized prices; current and future demand products produced by Sherritt; global demand for electric vehicles and the anticipated corresponding demand for cobalt and nickel; revenues and net operating results; environmental risks and liabilities; compliance with applicable environmental laws and regulations; advancements in environmental and greenhouse gas (GHG) reduction technology; GHG emissions reduction goals and the anticipated timing of achieving such goals, if at all; statistics and metrics relating to Environmental, Social and Governance (ESG) matters which are based on assumptions or developing standards; environmental rehabilitation provisions; risks related to the U.S. government policy toward Cuba; current and future economic conditions in Cuba; the level of liquidity and access to funding; Sherritt share price volatility; and certain corporate objectives, goals and plans for 2024. By their nature, forward-looking statements require the Corporation to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that predictions, forecasts, conclusions or projections will not prove to be accurate, that the assumptions may not be correct and that actual results may differ materially from such predictions, forecasts, conclusions or projections.

The Corporation cautions readers of this press release not to place undue reliance on any forward-looking statement as a number of factors could cause actual future results, conditions, actions or events to differ materially from the targets, expectations, estimates or intentions expressed in the forward-looking statements. These risks, uncertainties and other factors include, but are not limited to, commodity risks related to the production and sale of nickel cobalt and fertilizers; security market fluctuations and price volatility; level of liquidity of Sherritt, including access to capital and financing; the ability of the Moa Joint Venture to pay dividends; the risk to Sherritt's entitlements to future distributions (including pursuant to the Cobalt Swap) from the Moa JV; risks related to Sherritt's operations in Cuba; risks related to the U.S. government policy toward Cuba, including the U.S. embargo on Cuba and the Helms-Burton legislation; political, economic and other risks of foreign operations, including the impact of geopolitical events on global prices for nickel, cobalt, fertilizers, or certain other commodities; uncertainty in the ability of the Corporation to enforce legal rights in foreign jurisdictions; uncertainty regarding the interpretation and/or application of the applicable laws in foreign jurisdictions; risk of future non-compliance with debt restrictions and covenants; risks related to environmental liabilities including liability for reclamation costs, tailings facility failures and toxic gas releases; compliance with applicable environment, health and safety legislation and other associated matters; risks associated with governmental regulations regarding climate change and greenhouse gas emissions; risks relating to community relations; maintaining social license to grow and operate; uncertainty about the pace of technological advancements required in relation to achieving ESG targets; risks to information technologies systems and cybersecurity; identification and management of growth opportunities; the ability to replace depleted mineral reserves; risks associated with the Corporation's joint venture partners; variability in production at Sherritt's operations in Cuba; risks associated with mining, processing and refining activities; risks associated with the operation of large projects generally; risks related to the accuracy of capital and operating cost estimates; the possibility of equipment and other failures; potential interruptions in transportation; uncertainty of gas supply for electrical generation; reliance on key personnel and skilled workers; growth opportunity risks; uncertainty of resources and reserve estimates; the potential for shortages of equipment and supplies, including diesel; supplies quality issues; risks related to the Corporation's corporate structure; foreign exchange and pricing risks; credit risks; competition in product markets; future market access; interest rate changes; risks in obtaining insurance; uncertainties in labour relations; legal contingencies; risks related to the Corporation's accounting policies; uncertainty in the ability of the Corporation to obtain government permits; failure to comply with, or changes to, applicable government regulations; bribery and corruption risks, including failure to comply with the Corruption of Foreign Public Officials Act or applicable local anti-corruption law; the ability to accomplish corporate objectives, goals and plans for 2024; and the ability to meet other factors listed from time to time in the Corporation's continuous disclosure documents.

The Corporation, together with its Moa Joint Venture, is pursuing a range of growth and expansion opportunities, including without limitation, process technology solutions, development projects, commercial implementation opportunities, life of mine extension opportunities and the conversion of mineral resources to reserves. In addition to the risks noted above, factors that could, alone or in combination, prevent the Corporation from successfully achieving these opportunities may include, without limitation: identifying suitable commercialization and other partners; successfully advancing discussions and successfully concluding applicable agreements with external parties and/or partners; successfully attracting required financing; successfully developing and proving technology required for the potential opportunity; successfully overcoming technical and technological challenges; successful environmental assessment and stakeholder engagement; successfully obtaining intellectual property protection; successfully completing test work and engineering studies, prefeasibility and feasibility studies, piloting, scaling from small scale to large scale production, procurement, construction, commissioning, ramp-up to commercial scale production and completion; and securing regulatory and government approvals. There can be no assurance that any opportunity will be successful, commercially viable, completed on time or on budget, or will generate any meaningful revenues, savings or earnings, as the case may be, for the Corporation. In addition, the Corporation will incur costs in pursuing any particular opportunity, which may be significant.

Readers are cautioned that the foregoing list of factors is not exhaustive and should be considered in conjunction with the risk factors described in the Corporation's other documents filed with the Canadian securities authorities, including without limitation the "Managing Risk" section of the Management's Discussion and Analysis for the three months ended March 31, 2024 and the Annual Information Form of the Corporation dated March 21, 2024 for the period ending December 31, 2023, which is available on SEDAR+ at www.sedarplus.ca.

The Corporation may, from time to time, make oral forward-looking statements. The Corporation advises that the above paragraph and the risk factors described in this press release and in the Corporation's other documents filed with the Canadian securities authorities should be read for a description of certain factors that could cause the actual results of the Corporation to differ materially from those in the oral forward-looking statements. The forward-looking information and statements contained in this press release are made as of the date hereof and the Corporation undertakes no obligation to update publicly or revise any oral or written forward-looking information or statements, whether as a result of new information, future events or otherwise, except as required by applicable securities laws. The forward-looking information and statements contained herein are expressly qualified in their entirety by this cautionary statement.

APPENDIX - NON-GAAP AND OTHER FINANCIAL MEASURES

Management uses the measures below to monitor the financial performance of the Corporation and its operating divisions and believes these measures enable investors and analysts to compare the Corporation's financial performance with its competitors and/or evaluate the results of its underlying business. These measures are intended to provide additional information, not to replace IFRS measures, and do not have a standard definition under IFRS and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. As these measures do not have a standardized meaning, they may not be comparable to similar measures provided by other companies.

The non-GAAP and other financial measures are reconciled to the most directly comparable IFRS measure as presented in the consolidated financial statements for the three months ended March 31, 2024.

Combined revenue

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

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

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

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

$ millions, for the three months ended March 31	2024	2023	Change
Revenue by reportable segment			
Metals[1]	$ 115.1	$ 176.5	(35 %)
Power	12.0	10.3	17 %
Corporate and Other	0.6	0.6	-
Combined revenue	$ 127.7	$ 187.4	(32 %)
Adjustment for Moa Joint Venture	(104.2)	(130.9)	
Adjustment for Oil and Gas	5.3	2.1	152 %
Revenue per financial statements	$ 28.8	$ 58.6	(51 %)

(1) Revenue of Metals for the three months ended March 31, 2024 is composed of revenue recognized by the Moa JV of $104.2 million (50% basis), which is equity-accounted and included in share of earnings of Moa JV, net of tax, coupled with revenue recognized by Fort Site of $8.9 million and revenue recognized by Metals Marketing of $2.0 million, which are included in consolidated revenue (for the three months ended March 31, 2023 - $130.9 million, $15.2 million and $30.4 million, respectively).

Adjusted EBITDA

The Corporation defines Adjusted EBITDA as (loss) earnings from operations and joint venture, which excludes net finance expense, income tax expense and loss from discontinued operations, net of tax, as reported in the financial statements for the period, adjusted for: depletion, depreciation and amortization; impairment losses on non-current non-financial assets and investments; and gains or losses on disposal of property, plant and equipment of the Corporation and the Moa JV. The exclusion of impairment losses eliminates the non-cash impact of the losses.

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

Management uses Adjusted EBITDA internally to evaluate the cash generation potential of Sherritt's operating divisions on a combined and segment basis as an indicator of ability to fund working capital needs, meet covenant obligations, service debt and fund capital expenditures, as well as provide a level of comparability to similar entities. Management believes that Adjusted EBITDA provides useful information to investors in evaluating the Corporation's operating results in the same manner as management and the Board of Directors.

The tables below reconcile (loss) earnings from operations and joint venture per the financial statements to Adjusted EBITDA:

$ millions, for the three months ended March 31						2024
	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	$ (21.0)	$ 7.1	$ (2.3)	$ (7.0)	$ 0.8	$ (22.4
Add:						
Depletion, depreciation and amortization	2.4	0.5	-	0.4	-	3.3
Oil and Gas loss from operations, net of						
depletion, depreciation and amortization	-	-	2.3	-	-	2.3
Adjustments for share of earnings of Moa Joint Venture:						
Depletion, depreciation and amortization	11.1	-	-	-	-	11.1
Net finance income	-	-	-	-	(1.2)	(1.2
Income tax expense	-	-	-	-	0.4	0.4
Adjusted EBITDA	$ (7.5)	$ 7.6	$ -	$ (6.6)	$ -	$ (6.5

$ millions, for the three months ended March 31						2023 (Rest
	Metals[1]	Power	Oil and Gas	Corporate and Other	Adjustment for Moa Joint Venture	Total
Earnings (loss) from operations and joint venture						
per financial statements	$ 31.0	$ 5.9	$ (1.4)	$ (10.0)	$ (3.9)	$ 21.6

Add (deduct):						
Depletion, depreciation and amortization	2.3	0.5	0.1	0.3	-	3.2
Oil and Gas loss from operations, net of						
depletion, depreciation and amortization	-	-	1.3	-	-	1.3
Adjustments for share of earnings of Moa Joint Venture:						
Depletion, depreciation and amortization	11.2	-	-	-	-	11.2
Net finance expense	-	-	-	-	0.4	0.4
Income tax expense	-	-	-	-	3.5	3.5
Adjusted EBITDA	$ 44.5	$ 6.4	$ -	$ (9.7)	$ -	$ 41.2

(1) Adjusted EBITDA of Metals for the three months ended March 31, 2024 is composed of Adjusted EBITDA at Moa JV of $(2.0) million (50% basis), Adjusted EBITDA at Fort Site of $(4.9) million, and Adjusted EBITDA at Metals Marketing of $(0.6) million (for the three months ended March 31, 2023 - $45.0 million, $3.1 million and $(3.6) million, respectively).

Average-realized price

Average-realized price is generally calculated by dividing revenue by sales volume for the given product in a given segment. The average-realized price for power excludes by-product and other revenue, as this revenue is not earned directly for power generation. Transactions by a Moa JV marketing company, included in other revenue, are excluded.

Management uses this measure, and believes investors use this measure, to compare the relationship between the revenue per unit and direct costs on a per unit basis in each reporting period for nickel, cobalt, fertilizer and power and provide comparability with other similar external operations.

Average-realized price for fertilizer is the weighted-average realized price of ammonia and various ammonium sulphate products.

Average-realized price for nickel and cobalt are expressed in Canadian dollars per pound sold, while fertilizer is expressed in Canadian dollars per tonne sold and electricity is expressed in Canadian dollars per megawatt hour sold.

The tables below reconcile revenue per the financial statements to average-realized price:

$ millions, except average-realized price and sales volume, for the three months ended March 31

	Metals				
	Nickel	Cobalt	Fertilizer	Power	Other[1]
Revenue per financial statements	$ 87.8	$ 11.6	$ 9.9	$ 12.0	$ 11.7
Adjustments to revenue:					
By-product and other revenue	-	-	-	(1.4)	
Revenue for purposes of average-realized price calculation	87.8	11.6	9.9	10.6	
Sales volume for the period					

8.9

0.8

23.9

210

Volume units	Millions of pounds	Millions of pounds	Thousands of tonnes	Gigawatt hours	
Average-realized price(2)(3)(4)	$ 9.90	$ 14.51	$ 412.05	$ 51.25	

$ millions, except average-realized price and sales volume, for the three months ended March 31

	Metals				
	Nickel	Cobalt	Fertilizer	Power	Other(1)
Revenue per financial statements	$ 121.4	$ 30.8	$ 16.9	$ 10.3	$ 10.1
Adjustments to revenue:					
By-product and other revenue	-	-	-	(1.1)	
Revenue for purposes of average-realized price calculation	121.4	30.8	16.9	9.2	
Sales volume for the period	7.4	1.6	29.9	158	
Volume units	Millions of pounds	Millions of pounds	Thousands of tonnes	Gigawatt hours	
Average-realized price(2)(3)(4)	$ 16.47	$ 19.11	$ 566.93	$ 58.33	

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

(2) Average-realized price may not calculate exactly based on amounts presented due to foreign exchange and rounding.

(3) Power, average-realized price per MWh.

(4) Fertilizer, average-realized price per tonne.

Unit operating cost/NDCC

With the exception of Metals, which uses NDCC, unit operating cost is generally calculated by dividing cost of sales as reported in the financial statements, less depreciation, depletion and amortization in cost of sales, the impact of impairment losses, gains and losses on disposal of property, plant, and equipment and exploration and evaluation assets and certain other non-production related costs, by the number of units sold.

Metals' NDCC is calculated by dividing cost of sales, as reported in the financial statements, adjusted for the following: depreciation, depletion, amortization and impairment losses in cost of sales; cobalt by-product, fertilizer and other revenue; cobalt gain/loss; and other costs primarily related to the impact of opening and closing inventory values, by the number of finished nickel pounds sold in the period.

Unit operating costs for nickel and electricity are key measures that management and investors uses to monitor performance. NDCC of nickel is a widely-used performance measure for nickel producers. Management uses unit operating costs/NDCC to assess how well the Corporation's producing mine and power facilities are performing and to assess overall production efficiency and effectiveness internally across periods and compared to its competitors.

Unit operating cost (NDCC) for nickel is expressed in U.S. dollars per pound sold, while electricity is expressed in Canadian dollars per megawatt hour sold.

The tables below reconcile cost of sales per the financial statements to unit operating cost/NDCC:

$ millions, except unit cost and sales volume, for the three months ended March 31

	Metals	Power	Other[1]	
Cost of sales per financial statements	$ 131.1	$ 4.0	$ 8.3	$
Less:				
Depletion, depreciation and amortization in cost of sales	(13.5)	(0.5)		
	117.6	3.5		
Adjustments to cost of sales:				
Cobalt by-product, fertilizer and other revenue	(27.3)	-		
Impact of opening/closing inventory and other[2]	(3.4)	-		
Cost of sales for purposes of unit cost calculation	86.9	3.5		
Sales volume for the period	8.9	210		
Volume units	Millions of pounds	Gigawatt hours		
Unit operating cost[3][4]	$ 9.80	$ 17.12		
Unit operating cost (US$ per pound) (NDCC)[5]	$ 7.24			

$ millions, except unit cost and sales volume, for the three months ended March 31

	Metals	Power	Other[1]	
Cost of sales per financial statements	$ 144.5	$ 3.4	$ 7.7	$
Less:				
Depletion, depreciation and amortization in cost of sales	(13.5)	(0.5)		
	131.0	2.9		
Adjustments to cost of sales:				
Cobalt by-product, fertilizer and other revenue	(55.1)	-		
Cobalt gain	(0.5)	-		
Impact of opening/closing inventory and other[2]	(11.0)	-		
Cost of sales for purposes of unit cost calculation	64.4	2.9		
Sales volume for the period	7.4	158		
Volume units	Millions of pounds	Gigawatt hours		
Unit operating cost[3][4]	$ 8.74	$ 19.37		

Unit operating cost (US$ per pound) (NDCC)(5)	$ 6.46

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

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

(3) Unit operating cost/NDCC may not calculate exactly based on amounts presented due to foreign exchange and rounding.

(4) Power, unit operating cost price per MWh.

(5) Unit operating costs in US$ are converted at the average exchange rate for the period.

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

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

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

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

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

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

		2024		2023
For the three months ended March 31	$ millions	$/share	$ millions	$/share
Net (loss) earnings from continuing operations	$ (40.9)	$ (0.10)	$ 13.6	$ 0.03
Adjusting items:				
Sherritt - Unrealized foreign exchange loss - continuing operations	-	-	0.9	-
Sherritt's share - Severance related to restructuring	3.5	0.01	-	-
Corporate and Other - Gain on repurchase of notes				

-

-

(1.3

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-

Metals - Moa JV - Inventory write-down/obsolescence	0.9	-	0.3	-
Metals - Fort Site - Inventory write-down/obsolescence	0.9	-	-	-
Power - Loss (gain) on revaluation of GNC receivable	10.5	0.02	(8.5)	(0.02)
Power - (Gain) loss on revaluation of Energas payable	(1.4)	-	7.6	0.02
Oil and Gas - Net loss from continuing operations, net of				
unrealized foreign exchange gain/loss	2.3	0.01	0.9	-
Total adjustments, before tax	$ 16.7	$ 0.04	$ (0.1)	$ -
Tax adjustments	(0.4)	-	(0.2)	-
Adjusted net (loss) earnings from continuing operations	$ (24.6)	$ (0.06)	$ 13.3	$ 0.03

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 March 31						2024
	Metals	Power	Other[1]	Combined total	Adjustment for Moa Joint Venture	Total derived from financial statements
Property, plant and equipment expenditures[2]	$ 9.5	$ 2.6	$ -	$ 12.1	$ (8.4)	$ 3.7
Intangible asset expenditures[2]	-	-	0.2	0.2	-	0.2
	9.5	2.6	0.2	12.3	$ (8.4)	$ 3.9
Adjustments:						
Accrual adjustment	(0.1)	-	(0.1)	(0.2)		
Spending on capital	$ 9.4	$ 2.6	$ 0.1	$ 12.1		

$ millions, for the three months ended March 31

2023

	Metals	Power	Other[1]	Combined total	Adjustment for Moa Joint Venture	Total derived from financial statements
Property, plant and equipment expenditures[2]	$ 9.6	$ 0.7	$ -	$ 10.3	$ (6.7)	$ 3.6
Intangible asset expenditures[2]	-	-	0.9	0.9	-	0.9
	9.6	0.7	0.9	11.2	$ (6.7)	$ 4.5
Adjustments:						
Accrual adjustment	-	-	(0.7)	(0.7)		
Spending on capital	$ 9.6	$ 0.7	$ 0.2	$ 10.5		

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

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

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

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

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

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

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

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

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

$ millions, for the three months ended March 31

	Metals(1)(2)	Power	Oil and Gas	Corporate and Other	Co tota
Cash provided (used) by continuing operations for operating activities	$ 31.2	$ 9.7	$ (4.0)	$ (8.8)	$ 28.
Less:					
Property, plant and equipment expenditures	(9.5)	(2.6)	-	-	(12
Intangible expenditures	-	-	(0.2)	-	(0.2
Free cash flow	$ 21.7	$ 7.1	$ (4.2)	$ (8.8)	$ 15.

$ millions, for the three months ended March 31

	Metals(1)(2)	Power	Oil and Gas	Corporate and Other	Co tota
Cash provided (used) by continuing operations for operating activities	$ 69.5	$ 4.4	$ 1.0	$ (28.0)	$ 46.
Less:					
Property, plant and equipment expenditures	(9.6)	(0.7)	-	-	(10
Intangible expenditures	-	-	(0.9)	-	(0.9
Free cash flow	$ 59.9	$ 3.7	$ 0.1	$ (28.0)	$ 35.

(1) Cash provided by continuing operations for operating activities for the Moa JV, Fort Site and Metals Marketing was $15.1 million, $11.3 million and $4.8 million, respectively, for the three months ended March 31, 2024 (for the three months ended March 31, 2023 - $37.3 million, $12.4 million and $19.8 million, respectively).

(2) Property, plant and equipment expenditures for the Moa JV, Fort Site and Metals Marketing was $8.5 million, $1.0 million and nil, respectively, for the three months ended March 31, 2024 (for the three months ended March 31, 2023 - $6.7 million, $2.9 million and nil, respectively).

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