

SHERRITT INTERNATIONAL CORPORATION

MANDATE OF THE RESERVES, OPERATIONS AND CAPITAL COMMITTEE

1. Mandate

The primary purpose of the Reserves, Operations and Capital Committee (the "Committee") of the Board of Directors (the "Board") of Sherritt International Corporation (the "Corporation") is to assist the Board in fulfilling its oversight responsibilities with respect to: (a) the review of the mineral and oil and gas reserves and resources information prior to its publication; (b) the estimation of reserves and resources by management; (c) overseeing the production and related activities of the Corporation; and (d) overseeing the Corporation's capital expenditures

2. Duties and Responsibilities

To carry out its oversight responsibilities, the Committee will:

(a) Reserves and Resources

with respect to all reserves and resources:

receive and review, on an annual basis, a report prepared by the Corporation's legal counsel regarding the quality and integrity of the process used to prepare National Instrument 43-101- *Standards of Disclosure for Mineral Projects* ("NI 43-101") and National Instrument 51-101 – *Standards of Disclosure for Oil and Gas Activities* ("NI 51-101") technical reports (collectively, the "Technical Reports"). Such report shall also address counsel's assessment regarding regulatory compliance of the Technical Reports and the Corporation's proposed disclosure in connection with the Technical Reports;

with respect to the Corporation's mineral reserves and resources:

- (i) review the selection criteria and the appointment of the Corporation's designated qualified person(s) both independent and internal, as such term is defined by applicable securities laws, (the "qualified person(s)") for estimating the Corporation's reserves and resources and for disclosure of scientific and technical information, in accordance with applicable securities laws and regulations;

- (ii) prior to publication of new reserves and resources estimates and prior to the disclosure of the Corporation's annual reserves and resources information, receive and review the reserves and resources information and the report of the qualified person(s) thereon. Determine whether there have been any restrictions or interference which may have affected the ability of the qualified person(s) to report on the reserves and resources data. Obtain the qualified person's and management's confirmation on the reliability of the reserves and resources information and confirmation that the reserves and resources have been estimated and will be published in accordance with applicable laws and regulations;
- (iii) review an annual reconciliation of reserves to mine production;
- (iv) review the Corporation's internal controls and disclosure controls and procedures relating to reserves and resources estimation and the report of the qualified person(s) thereon;
- (v) receive internal reports from management on all material matters related to reserves and resources estimation, including internal and independent technical reports required pursuant to NI 43-101;
- (vi) receive reports from management on industry standards and regulations respecting the estimation and publication of reserves and resources and developments, in particular, the CIM Definition Standards on Mineral Resources and Reserves as prepared by the CIM Standing Committee on Reserve Definitions and the Best Practice Guidelines for Estimation of Mineral Resources and Mineral Reserves by the CIM as such may be amended from time to time; and
- (vii) review with the qualified person(s) the Corporation's material and/or major mineral reserves and resources risk exposures and the steps management has taken to monitor and control such exposures;

and, with respect to the Corporation's oil and gas reserves:

- (i) review the Corporation's procedures relating to the disclosure of information with respect to oil and gas activities, and in connection therewith shall:
 - I. Consider the adequacy of such procedures;
 - II. Review the procedures for providing information to qualified reserves evaluators or auditors;
 - III. Review compliance with applicable regulations and policies, including NI 51-101; and
 - IV. Make appropriate reports and recommendations to the Board concerning the disclosure of the Corporation's oil and gas activities;

- (ii) review the selection of the qualified reserves evaluators or auditors chosen to report to the Board on the Corporation's oil and gas reserves and resource data, including:
 - I. Considering the expertise of the proposed firms;
 - II. Considering the independence of the proposed firms;
 - III. In the case of proposed change in the evaluators from the previous year, determining the reasons for such proposed change and whether any disputes have arisen between the reserves evaluator or auditor and the management of the Corporation; and
 - IV. Making a recommendation to the Board with respect to such selections.

- (iii) review the Corporation's annual reserves and resource estimates (including the Statement of Reserves Data and other Oil and Gas Information and Report on Reserves Data by the independent qualified reserves evaluator or auditor) prior to public disclosure, including:
 - I. reviewing the scope of the work of the qualified reserves evaluators or auditors;
 - II. reviewing the reserves and resources estimates of the qualified reserves evaluators or auditors;
 - III. reviewing any material change to the Corporation's reserves and resources;
 - IV. meeting separately with the Corporation's management team and with the qualified reserves evaluators or auditors to review such estimates and determine whether any restrictions affect the ability of the qualified reserves evaluators or auditors to report on the reserves and resource estimates without reservation; and
 - V. making recommendations to the Board with respect to the content, filing and release of such disclosure, as applicable.

- (iv) conduct such other reviews and take such other actions as are appropriate to carry out its mandate.

b) Operations

in carrying out its responsibility to assist the Board in overseeing the production and related operating activities of the Corporation, the Committee will:

- (i) review, monitor and oversee the ongoing, production and related operations

of the Corporation to enhance alignment with the Corporation's strategic objectives and initiatives and in the Committee's discretion make recommendations to the Board for consideration in relation to the foregoing;

- (ii) in connection with (i) above, receive such reports regarding production and operating activities of the Corporation as the Committee shall from time to time determine; and
- (iii) perform any other duties or responsibilities expressly delegated to the Committee by the Board from time to time relating to the Corporation's operations and production.

all with the dual purpose of providing oversight by the Board of, and providing support, guidance and assistance to management on behalf of the Board in respect of, the continuing development and operations of the Corporation's assets.

c) Capital Expenditures

in carrying out its responsibility to assist the Board in overseeing the capital expenditures of the Corporation, the Committee will:

- (i) review, monitor and oversee the Corporation's major capital projects and expenditures on a worldwide basis which have or may have a material impact on the Corporation, including without limitation, the prioritization of such capital projects and expenditures;
- (ii) in connection with (i) above, receive such reports as the Committee shall from time to time determine, including regarding the status of any particular major project or expenditure in terms of organization, personnel, schedule for completion, actual expenditures against budget and any issues of significance that have arisen with respect to the particular capital project or expenditure and how these issues are being addressed;
- (iii) make such recommendations to the Board as it considers to be appropriate in relation to the Corporation's major capital projects and expenditures; and
- (iv) perform any other duties or responsibilities expressly delegated to the Committee by the Board from time to time relating to the Corporation's major capital projects or expenditures.

3. **Composition and Chair**

The members of the Committee shall, subject to appointments made as a result of resignations or retirements, be appointed annually by the Board on the recommendation of the Nominating and Corporate Governance Committee.

The Committee shall consist of not less than two directors, each of whom shall be “independent” as determined under applicable Canadian securities laws, as well as meeting the requirements set out in NI 51-101. The requirements for qualification of Committee members shall be determined and interpreted by the Board from time to time based upon recommendations by the Nominating and Corporate Governance Committee.

The Board shall annually designate a Committee Chair from among the Committee members on the recommendation of the Nominating and Corporate Governance Committee. If, in any year, the Board does not appoint a Chair, the Committee members shall appoint a Chair from their number.

4. **Meetings**

The Committee shall meet as often as the Committee determines is necessary to fulfill its responsibilities.

Notice of every meeting will be given to each member. The Committee shall receive a written executive summary from the Chief Operating Officer at each meeting highlighting the issues for specific discussion at the meeting.

A majority of the Committee members will constitute a quorum. No business may be transacted by the Committee except at meetings at which a quorum is present.

Any Board member not currently sitting on the Committee shall have a standing invitation to attend and participate in all Committee meetings.

The Committee may invite such members of management or such outside advisors as it may see fit from time to time to attend its meetings and assist in the discussion and consideration of any matter.

A meeting of the Committee may be convened by the Chair or any two members of the Committee.

An in-camera session will be held at each regularly scheduled Committee meeting.

5. **Reporting**

The Committee will:

- regularly report to the Board on all significant matters it has addressed and with respect to such other matters that are within its responsibilities; and
- oversee the preparation of any disclosure required under applicable Canadian securities laws with respect to matters that are within its responsibilities.

6. **Resources and Authority of the Committee**

The Committee shall have the resources and authority appropriate to discharge its duties and responsibilities, including the authority to select, retain, terminate and approve the fees and other retention terms of special counsel or other experts or consultants, as it deems appropriate, provided that if the fees and expenses of any such special counsel or other experts or consultants retained by the Committee exceed, or are expected to exceed, C\$150,000, the approval of the full Board for such retainer will be obtained.

The Committee may engage outside experts to provide education relevant to the mandate of the Committee.

The Committee must pre-approve any experts or consultants retained by the Corporation if such experts or consultants are currently or have previously been retained by the Committee.

7. **Tenure**

Each member shall hold office until his or her term as a Committee member expires or is terminated.

8. **Removal and Vacancies**

Any Committee member may be removed and replaced at any time by the Board and shall cease to be a Committee member upon ceasing to be a director. The Board shall fill vacancies in the Committee by appointment from among the members of the Board. If a vacancy exists on the Committee, the remaining members shall exercise all of the Committee's powers so long as a quorum remains in office.

(Revised, July 2019)