



**sherritt**

# INVESTOR FACT SHEET

## Sherritt Overview

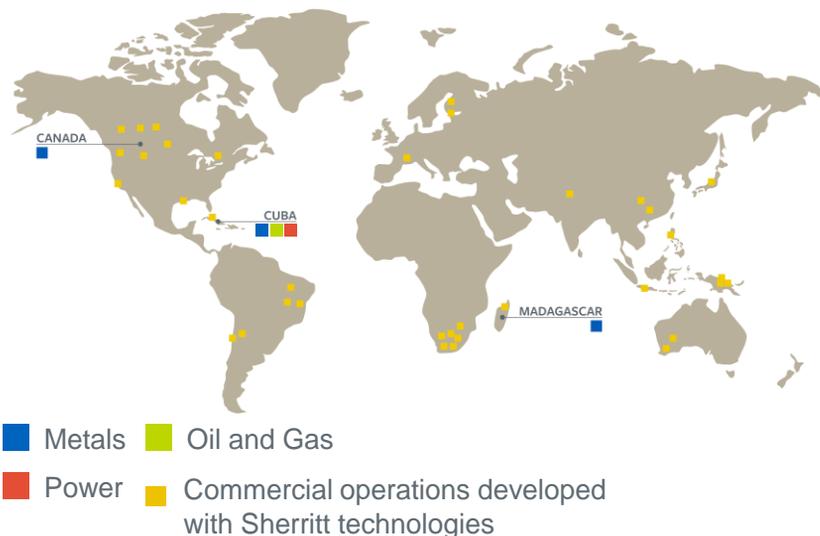
Sherritt has a 90-year history of growth and innovation. This experience has enabled Sherritt to emerge as a world leader in the mining and refining of nickel and cobalt from lateritic ores and become Cuba's largest foreign investor through its Moa Joint Venture and the country's largest independent energy producer.

Having eliminated \$2 billion in debt over the past four years, Sherritt is completing a transformation. With a strengthened balance sheet and as one of the world's lowest-cost, highest purity producers of nickel and cobalt, Sherritt is well positioned to capitalize on the growing demand for battery metals needed for electric vehicles.

## Sherritt's Investment Highlights

- Low-cost producer of high purity nickel and cobalt.
- Eliminated \$2B of debt since 2014 through a series of balance sheet initiatives.
- Well positioned to capitalize on electric vehicle battery demand.
- Upside leverage to improving nickel and cobalt prices.
- Energy assets add cash flow diversity.

## Global Operations



## Market Data\*

Ticker Symbol:	S
Current Price	\$0.64
52-Week Range:	\$0.56 - \$1.87
Market Capitalization:	\$258.2MM
Shares Outstanding:	397.3MM
Average Daily Volume:	1.6MM

## Recent Progress

- Increased finished nickel production at the Moa JV by 10% in Q3
- Unit production costs for nickel at the Moa JV were in the lowest cost quartile for the sixth consecutive quarter.
- Received \$5.2MM in dividend distributions from the Moa JV, the first since Q1 2015.
- Cast position at end of Q3 was \$207.1 million, up \$10MM
- Resumed drilling on Block 10.

## 2018 Strategic Direction & Upcoming Catalysts

- Higher nickel and cobalt production at the Moa JV in H2 over H1 2018.
- Preliminary Block 10 drill results anticipated in early 2019.
- Uphold global operational leadership in finished nickel and cobalt production from lateritic
- Continued focus on debt reduction.

\*As of November 5, 2018

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## Recent Financial Highlights <sup>(1)</sup> <sup>(2)</sup>

	Q3 2018	Q3 2017
Combined Revenue	\$187.8MM	\$234.7MM
Adjusted EBITDA	\$40.6MM	\$33.8MM
Net Earnings (loss)	\$(13.3)MM	\$(69.5)MM
EPS (loss)	\$(0.03)	\$(0.24)

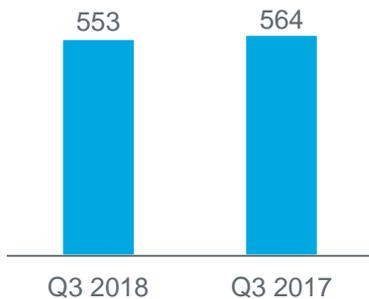
Q3 2018 results were marked by improved production at the Moa JV, higher average-reference prices for nickel and cobalt and the receipt of a \$5.2MM dividend from the Moa JV, the first since 2015

## Operational Highlights<sup>(3)</sup>

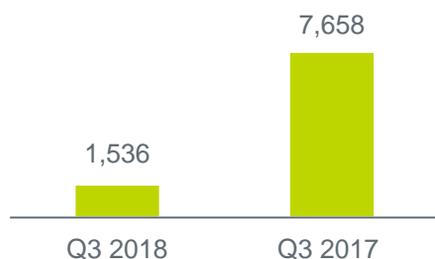
### Finished nickel (tonnes)



### Finished cobalt (tonnes)



### Oil (Total NWI, boepd)



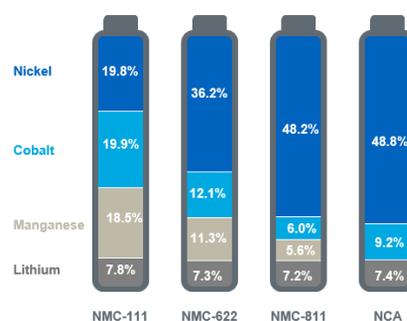
### Power



## Why Nickel Deficit Supply is Looming

- The emergence of electric vehicles is generating demand for Class 1 nickel, a key metal used in the manufacture of lithium-ion batteries.
- Higher cobalt prices and limited available supply are driving battery makers to reduce their reliance on cobalt and turn to nickel.

Metal content by battery



- Sherritt produces Class 1 nickel, a high purity form of nickel with limited supply and growing demand around the world.

## Analyst Coverage

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(1) Reflects Sherritt's share of interest in the Moa JV and Ambatovy JV. Sherritt's share for Ambatovy was 40% through December 10, 2017 and 12% thereafter

(2) For additional information see the Non-GAAP measures section.

(3) To allow for easier comparison, Ambatovy production information is presented on a 12% basis.