

# Sherritt Reports Fourth Quarter and Full Year 2025 Results; Provides 2026 Guidance

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[Sherritt International Corporation](#) ("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 and year ended December 31, 2025 and provided its 2026 guidance. All amounts are in Canadian dollars unless otherwise noted.

Dr. Peter Hancock, Interim Chief Executive Officer of Sherritt commented, "Following recent changes to management and the Board, Sherritt is sharpening its focus on maximizing the performance and potential of the Moa Joint Venture, particularly through optimizing mining operations. Our comprehensive operational review of the Moa mine identified key improvement opportunities, and we are taking decisive action to address them through targeted investments in equipment, expertise, and process optimization."

Dr. Hancock continued: "We are implementing a multi-faceted turnaround plan that includes new mining equipment, additional technical expertise, and debottlenecking projects to improve efficiency and reliability. While ramping up production of mixed sulphides will take time, we are confident this plan will support increased output utilizing our recently completed expansion projects and unlock significant value over the mine's long life."

In addition, Sherritt announces that John Ewing has stepped down from its board of directors (the "Board") effective today in order to dedicate his full attention to his role as Chief Investment Officer of Ewing Morris & Co. Investment Partners.

Mr. Ewing commented, "It has been a privilege to serve on Sherritt's Board during an important period of transition and renewal. I'm pleased with how the Board has been strengthened and I have full confidence in Dr. Peter Hancock as Interim Chief Executive Officer and in the leadership team's ability to execute Sherritt's strategy going forward. Ewing Morris remains an engaged shareholder, and we look forward to what the future holds for the company."

Brian Imrie, Chair of the Board commented, "I would like to extend my sincere appreciation to John for his valuable contributions to the Board and look forward to our continued engagement with him in his capacity as a valued shareholder."

## FOURTH QUARTER AND FULL YEAR 2025 RESULTS AND SELECTED DEVELOPMENTS<sup>(1)</sup>

### Operational Performance

- Finished nickel and cobalt production at the Moa Joint Venture ("Moa JV") in Q4 2025 was 3,816 tonnes and 424 tonnes, respectively, (Sherritt's share<sup>(1)</sup>). Full year 2025 production reached 25,240 tonnes of nickel and 2,728 tonnes of cobalt (100% basis) both within revised annual guidance ranges<sup>(2)</sup>.
- Finished nickel and cobalt sales in Q4 2025 were 3,710 tonnes and 437 tonnes, respectively. Full year 2025 sales totaled 13,145 tonnes and 1,535 tonnes, respectively.
- Net direct cash cost ("NDCC")<sup>(3)</sup> was US\$6.01/lb in Q4 2025. Full year 2025 NDCC<sup>(3)</sup> of US\$5.96/lb was within the original guidance range, benefitting from higher cobalt by-product credits and ongoing cost optimization initiatives.

- Electricity production reached 210 GWh in Q4 2025. Full year 2025 production totaled 799 GWh, largely in line with the annual guidance range of 800 GWh to 850 GWh. The Boca de Jaruco facility operated in frequency control in December at the request of Unión Eléctrica ("UNE") which had not been factored into guidance. Energas was fully compensated for this reduction.
- Electricity unit operating cost<sup>(3)</sup> was \$23.48/MWh in Q4 2025. Full year 2025 unit operating cost<sup>(3)</sup> of \$23.33/MWh was at the low end of the annual guidance range.

## Financial Performance

- Net loss from continuing operations was \$15.7 million, or \$(0.03) per share in Q4 2025 and \$65.4 million, or \$(0.14) per share for the full year 2025.
- Adjusted net loss from continuing operations<sup>(3)</sup> was \$13.9 million or \$(0.03) per share in Q4 2025 and \$77.2 million or \$(0.17) per share for the full year. Q4 2025, adjusted net loss from continuing operations primarily excludes foreign exchange and net revaluation gains and losses and the \$3.5 million loss from operations of Sherritt's Oil and Gas division. Full year 2025, adjusted net loss from continuing operations primarily excludes a \$32.4 million gain on debt and equity transactions ("Debt and Equity Transactions") and \$11.7 million of net revaluation gains and losses partially offset by the \$22.0 million loss from Oil and Gas division operations (primarily due to updates to contractually obligated environmental rehabilitation costs on legacy assets in Spain).
- Adjusted EBITDA<sup>(3)</sup> was \$(1.5) million in Q4 2025 and \$7.1 million for the full year 2025.
- Available liquidity in Canada as of December 31, 2025 was \$43.7 million.

## Strategic and Organizational Developments

- Power division dividends in Canada from Energas were \$7.8 million in Q4 2025 bringing full year 2025 dividends to \$26.0 million - double the \$13.0 million received in 2024 and in line with prior disclosure.
- Cost reduction initiatives were implemented in Q3 2025, which included a further workforce reduction with a focus on non-operating roles across Canadian operations. The cost reduction initiatives are expected to deliver approximately \$20.0 million in annual savings (100% basis) and are in addition to the \$17.0 million in annual savings (100% basis) achieved through the 2024 initiatives.
- Debt restructuring completed in April 2025 consolidated the Corporation's debt, extended the maturity to November 2031, reduced debt obligations by \$68.0 million<sup>(4)</sup> and decreased annual interest expense by approximately \$3.0 million.
- Board and leadership transition: In November 2025, Brian Imrie was appointed as independent director and Chair of the Board, bringing extensive leadership, capital markets and mining-sector experience. In December, the Board also welcomed Brett Richards, an experienced mining executive with more than 37 years of industry experience, as an independent director. Dr. Peter Hancock, a seasoned mining industry executive with more than 35 years of experience that includes overseeing nickel mining operations, was appointed Interim Chief Executive Officer. Dr. Hancock previously served as an independent director since November 2021 and Chair of the Reserves, Operations and Capital Sustainability Committee since March 2022. The Board has launched a comprehensive search for a permanent Chief Executive Officer, which will include consultation with shareholders and other stakeholders.

- References to operational and financial metrics in this press release, unless otherwise indicated, are to "Sherritt's share" which is consistent with the Corporation's definition of reportable segments for financial statement purposes. Sherritt's share of "Metals" includes the Corporation's 50% interest in the Moa 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. References to Corporate and Other and Oil and Gas includes the Corporation's 100% interest in these businesses. Corporate and Other refers to the Corporate head office and growth and market development support. Fort Site refers to the Corporation's 100% interest in the utility and fertilizer operations.
- (1)

- Guidance refers to 2025 guidance as most recently updated and disclosed in the Corporation's Management Discussion and Analysis for the three and nine months ended September 30, 2025. See the Outlook section for more information.
- (2)

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

- (4) Principal amount of Second Lien Notes and PIK Notes at the transaction date and the premium required to be paid on maturity of the Second Lien Notes in November 2026, net of the principal amount of Amended Senior Secured Notes issued. See the Capital Resources section of the Corporation's Management Discussion and Analysis for the year ended December 31, 2025 ("MD&A") for details.

## OPERATIONAL UPDATE AND 2026 GUIDANCE

### Operational update

In early 2026 Sherritt and its joint venture partner completed an operational review of the Moa mine, establishing the foundation for an actionable turnaround plan aimed at stabilizing operations and restoring mixed sulphides production to pre-2025 levels. The review identified key opportunities for improvement, including optimizing mining operations to increase production rates, enhancing workforce stability and technical expertise, and reducing maintenance downtime at the Moa processing facility.

To address these priorities, Sherritt has initiated a comprehensive turnaround plan that includes investing in additional mining equipment, deploying experienced technical personnel, a revised mining plan and allocating resources to improve operational performance and maintenance efficiency. Sherritt is also advancing several debottlenecking initiatives to enhance production efficiency. Sherritt's share of the 2026 turnaround investments is included in its spending on capital<sup>(1)</sup> guidance.

As these initiatives progress through 2026, Sherritt expects mixed sulphides production to recover steadily, reaching pre-2025 levels by year-end. Following the completion of the operational turnaround, Sherritt will focus on ramping up production to realize the full benefits of its expansion program.

### 2026 Guidance

#### Metals

- Finished nickel and cobalt production are expected to be 26,000 to 28,000 tonnes (100% basis) and 2,750 to 2,850 tonnes (100% basis), respectively. Nickel production is up from 2025 as a result of higher mixed sulphides production which is expected to be 30,000 to 32,000 tonnes (100% basis) of contained nickel and cobalt weighted to the second half of the year as the operational turnaround plan takes effect.
- NDCC<sup>(1)</sup> is expected to be US\$5.75 to US\$6.25 per pound of nickel sold, consistent with 2025 levels benefitting from higher expected production and sales volumes, ongoing cost optimization initiatives, and higher cobalt by-product credits, partially offset by higher sulphur prices. NDCC<sup>(1)</sup> guidance for 2026 is based on a forecast cobalt reference price of US\$23.50 per pound and forecast sulphur price of US\$439.00 per tonne including freight and handling.
- Sustaining spending on capital<sup>(1)</sup>:
  - Expected to be \$35.0 to \$40.0 million (Moa JV 50% basis, Fort Site 100% basis), including additional mining equipment and refurbishment of various equipment as part of the operational turnaround plan at Moa.
  - Tailings facility - expected to be \$25.0 to \$30.0 million (50% basis) related to the Moa JV's tailings management project which incorporates savings and deferred spending to 2027 through design optimization, improved material sourcing, and strategic procurement, while maintaining the expected date for commencing operations at year-end 2026.
- Growth spending on capital<sup>(1)</sup>:
  - Improvement debottlenecking projects - expected to be \$2.5 to \$5.0 million (50% basis) which includes projects to enhance processing performance at Moa so the full benefit of the expansion program can be realized.

Efforts are underway to finance the Metals division's capital requirements.

#### Power

- Electricity production is expected to be 825 to 875 GWh (33?% basis), reflecting expectations that the Varadero facility will operate in frequency control for the majority of 2026.

- Electricity unit operating cost<sup>(1)</sup> is expected to be \$27.25 to \$28.75 per MWh slightly above 2025 levels due to planned maintenance activities weighted toward the first half of the year.
- Spending on capital<sup>(1)</sup> is expected to be \$3.0 million (33?% basis).

This guidance is based on current expectations, assumptions and projections about future events, including commodity and product prices and demand, the ability to successfully source required input commodities, operational performance, and other factors. Refer to the Forward-Looking Statements for further information.

#### Dividends and distributions

Based on 2026 guidance estimates for production volumes, unit operating costs<sup>(1)</sup> and spending on capital<sup>(1)</sup> as well as consensus 2026 prices for nickel and cobalt:

- Sherritt does not expect to receive any cash or cobalt distributions under the Cobalt Swap agreement. As defined by the agreement, any shortfall in the annual minimum payment amount will be added to the following year.
- Power dividends in Canada from Energas are expected to be \$20.0 million to \$25.0 million.

Refer to the risks related to Sherritt's corporate structure in the Corporation's 2024 Annual Information Form for further information on risks related to distributions from the Moa JV and dividends in Canada from Energas.

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

#### DEVELOPMENTS SUBSEQUENT TO THE QUARTER

##### Organizational restructuring and cost optimization

Consistent with the Corporation's strategic focus on core operations and cost discipline, Sherritt eliminated the position of Chief Commercial Officer in early 2026. As part of ongoing cost optimization initiatives, Sherritt's executive management team has been streamlined from seven members at the beginning of 2024 to four, optimizing the organization for operational focus and efficiency.

##### Nickel put options

As part of its disciplined risk management approach, Sherritt purchased put options on 3,750 tonnes of nickel, or 625 tonnes per month, at an exercise price of US\$7.48/lb (US\$16,500/tonne) at a cost of \$2.4 million for the six-month period from February 1, 2026 to July 31, 2026. Settlements are received in cash monthly based on the average monthly nickel price on the London Metal Exchange. The put options provide Sherritt with full exposure to upward changes in nickel prices, while protecting against downward changes during periods of high volatility by providing a minimum price of US\$7.48/lb on a portion of nickel production from the Moa JV during the six-month period.

##### Geopolitical update

In early 2026, Venezuela ceased oil exports to Cuba as a result of recent geopolitical turmoil in the country. Venezuela has historically been a major supplier of oil to Cuba, and this supply disruption may exacerbate Cuba's existing economic challenges. In addition, on January 29, 2026, the U.S. government issued an Executive Order declaring a national emergency with respect to the government of Cuba and authorized the imposition of tariffs on countries that supply oil to Cuba, which may further heighten the risk of oil supply disruption to Cuba. The Corporation continues to monitor geopolitical and regulatory developments and to engage with its Cuban joint venture partner as appropriate.

##### Board update

Sherritt announces that John Ewing has stepped down from the Board effective today in order to dedicate his full attention to his role as Chief Investment Officer of Ewing Morris & Co. Investment Partners.

#### Q4 2025 FINANCIAL HIGHLIGHTS

	For the three months ended				For the y
	2025	2024			2025
\$ millions, except per share amount	December 31	December 31	Change	December 31	
Revenue	\$ 55.5	\$ 45.7	21 %	\$ 177.3	
Combined revenue <sup>(1)</sup>	163.2	160.3	2 %	532.9	
Loss from operations and joint venture	(10.7 )	(16.9 )	37 %	(74.5	
Net loss from continuing operations	(15.7 )	(22.5 )	30 %	(65.4	
Net loss for the period	(15.8 )	(22.9 )	31 %	(65.7	
Adjusted EBITDA <sup>(1)</sup>	(1.5 )	14.4	(110 %)	7.1	
Adjusted loss from continuing operations <sup>(1)</sup>	(13.9 )	(10.2 )	(36 %)	(77.2	
Net loss from continuing operations (\$ per share)	(0.03 )	(0.06 )	50 %	(0.14	
Adjusted loss from continuing operations (\$ per share) <sup>(1)</sup>	(0.03 )	(0.03 )	-	(0.17	
Cash provided (used) by continuing operations for operating activities	12.1	(21.5 )	156 %	21.2	
Combined free cash flow <sup>(1)</sup>	7.5	(20.2 )	137 %	(20.3	
Average exchange rate (CAD/US\$)	1.395	1.398	-	1.398	

	2025
\$ millions, as at	December 31
Cash and cash equivalents	
Canada	\$ 13.4
Cuba <sup>(2)</sup>	109.4
Other	2.1
	124.9
Loans and borrowings	316.0

The Corporation's share of cash and cash equivalents in the Moa Joint Venture, not included in the above \$ 12.8 balances:

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

(2) As at December 31, 2025, \$103.3 million of the Corporation's cash and cash equivalents was held by Energas (December 31, 2024 - \$111.4 million).

Cash and cash equivalents were \$124.9 million as at December 31, 2025 compared to \$120.2 million at September 30, 2025 and \$145.7 million at December 31, 2024. As at December 31, 2025, total available

liquidity in Canada was \$43.7 million, composed of cash and cash equivalents in Canada of \$13.4 million and available credit facilities of \$30.3 million.

During the quarter, significant cash inflows included \$7.8 million of dividends in Canada from Energas and \$12.1 million cash provided by continuing operations primarily reflecting timing of working capital receipts and payments, including \$8.2 million of fertilizer spring season pre-buys at Fort Site and \$12.3 million payment of interest on the Amended Senior Secured Notes. In addition, Sherritt had \$5.8 million of expenditures on property, plant and equipment.

During the year, significant cash inflows included \$26.0 million of dividends in Canada from Energas and \$21.2 million cash provided by continuing operations primarily reflecting timing of working capital receipts and payments, including \$6.2 million of proceeds on the sale of cobalt it received under the Cobalt Swap in 2024 offset by \$21.0 million in payments of interest on the Second Lien and Amended Senior Secured Notes and Sherritt paid \$12.1 million on contractually obligated rehabilitation and closure costs related to legacy Oil and Gas assets in Spain. In addition, Sherritt had \$16.0 million of expenditures on property, plant and equipment and \$15.9 million of transaction costs related to the Debt and Equity Transactions.

As at December 31, 2025, the Corporation was in compliance with all its debt covenants.

## REVIEW OF OPERATIONS

### Metals

	For the three months ended		For the year ended	
	2025	2024	2025	2024
	December 31	December 31	Change	December 31
\$ millions (Sherritt's share), except as otherwise noted				

### FINANCIAL HIGHLIGHTS<sup>(1)</sup>

Revenue	\$ 149.1	\$ 148.3	1 %	\$ 481.6	\$ 500.0
Cost of sales	165.5	146.6	13 %	521.5	500.0
(Loss) earnings from operations	(18.0 )	(1.0 )	nm <sup>(3)</sup>	(48.4 )	(1.0 )
Adjusted EBITDA <sup>(2)</sup>	(0.5 )	14.6	(103 %)	11.3	4.0

### CASH FLOW<sup>(1)</sup>

Cash provided by continuing operations for operating activities <sup>(2)</sup>	\$ 20.9	\$ 5.9	254 %	\$ 53.6	\$ 5.0
Free cash flow <sup>(2)</sup>	7.2	(0.3 )	nm <sup>(3)</sup>	7.1	5.0

### PRODUCTION VOLUMES (tonnes)

Mixed sulphides ("MSP") <sup>(4)</sup>	2,535	3,552	(29 %)	12,650	14,000
Finished nickel	3,816	3,853	(1 %)	12,620	14,000
Finished cobalt	424	465	(9 %)	1,364	1,400
Fertilizer	57,486	67,648	(15 %)	227,766	240,000
NICKEL RECOVERY <sup>(5)</sup> (%)	82 %	84 %	(2 %)	83 %	84 %

### SALES VOLUMES (tonnes)

Finished nickel	3,710	4,326	(14 %)	13,145	
Finished cobalt	437	465	(6 %)	1,535	
Fertilizer	61,135	63,299	(3 %)	166,817	
AVERAGE-REFERENCE PRICE <sup>(6)</sup> (US\$ per pound)					
Nickel	\$ 6.75	\$ 7.27	(7 %)	\$ 6.88	\$ 7.27
Cobalt	23.10	11.59	99 %	17.69	11.59
AVERAGE-REALIZED PRICE <sup>(2)</sup> (CAD)					
Nickel (\$ per pound)	\$ 9.51	\$ 9.98	(5 %)	\$ 9.63	\$ 9.98
Cobalt (\$ per pound)	25.26	12.30	105 %	18.80	12.30
Fertilizer (\$ per tonne)	553.68	502.93	10 %	565.02	502.93
UNIT OPERATING COST <sup>(2)</sup> (US\$)					
Nickel - net direct cash cost (US\$ per pound)	\$ 6.01	\$ 5.44	10 %	\$ 5.96	\$ 5.44
SPENDING ON CAPITAL <sup>(2)</sup> (CAD)					
Sustaining					
Moa JV (50% basis), Fort Site (100% basis)	\$ 5.9	\$ 1.4	321 %	\$ 27.2	\$ 1.4
Moa JV - Tailings facility (50% basis)	7.3	4.6	59 %	24.3	4.6
Growth - Moa JV (50% basis)	1.1	5.3	(79 %)	7.4	5.3
	\$ 14.3	\$ 11.3	27 %	\$ 58.9	\$ 11.3

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

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

(2) Not meaningful ("nm").

(3) Mixed sulphides = mixed sulphide precipitate (MSP).

(4) 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.

(5) Reference sources: Nickel - London Metal Exchange ("LME"). Cobalt - Average chemical-grade cobalt price published per Argus.

For the three months ended December 31, 2025

## Revenue

Metals revenue was \$149.1 million compared to \$148.3 million in the prior year period.

Nickel revenue was \$77.8 million compared to \$95.3 million in the prior year period. Nickel revenue was lower due to lower sales volume and a lower average-realized price<sup>(1)</sup> of nickel. Sales volume was 3,710 tonnes compared to 4,326 tonnes primarily due to lower finished production outlined below. The average-realized price<sup>(1)</sup> of nickel was \$9.51/lb compared to \$9.98/lb in the prior year period.

Cobalt revenue was \$24.3 million compared to \$12.6 million in the prior year period. Cobalt revenue was higher as the higher average-realized price<sup>(1)</sup> of cobalt more than offset the lower sales volume. Sales volume was 437 tonnes compared to 465 tonnes in the prior year period primarily due to lower finished production outlined below. The average-realized price<sup>(1)</sup> of cobalt was \$25.26/lb compared to \$12.30/lb in the prior year period with the 105% increase primarily due to the Democratic Republic of the Congo's cobalt export ban implemented in February 2025 and replaced by the quota system which began in October 2025 restricting global supply.

Fertilizer revenue was \$33.9 million compared to \$31.8 million in the prior year period. Fertilizer revenue was higher due to the higher average-realized price<sup>(1)</sup> of fertilizers which more than offset lower sales volume. The average-realized price<sup>(1)</sup> of fertilizers was \$553.68/tonne compared to \$502.93/tonne the prior year period while sales volume of 61,135 tonnes compared to 63,299 tonnes consistent with lower metals production.

In addition, Metals had higher sulphuric acid revenue compared to the prior year as a result of higher sales volume and prices.

## Production

Mixed sulphides production at the Moa JV was 2,535 tonnes of contained nickel and cobalt compared to 3,552 tonnes in the prior year period. Lower production was primarily due to below-plan mined ore volume, lower leach train availability, a delay in fuel oil procurement, national grid power outages and periods of reduced operating rates following Hurricane Melissa.

The continuation of lower-than-expected production of mixed sulphides at Moa impacted feed availability at the refinery in the quarter. Sherritt's share of finished nickel and cobalt production of 3,816 tonnes and 424 tonnes, respectively, was only marginally lower compared to 3,853 tonnes and 465 tonnes in the prior year period as the refinery drew down its MSP inventory from Q3 2025. Sherritt did not acquire additional third-party feed given high payabilities in the intermediate market.

Fertilizer production of 57,486 tonnes was lower compared to 67,648 tonnes in the prior year period primarily due to the planned biennial ammonia plant turnaround.

## NDCC<sup>(1)</sup>

NDCC<sup>(1)</sup> per pound of nickel sold was US\$6.01/lb compared to US\$5.44/lb in the prior year period.

MPR/lb was higher primarily as a result of higher input commodity prices driven by sulphur and natural gas prices which were 90% and 71% higher, respectively, compared to Q4 2024. Fuel oil and diesel prices were relatively unchanged in the current year period. Higher MPR/lb was also, in part, due to lower nickel sales volume compared to the prior year period. MPR/lb was positively impacted by the benefits from ongoing cost optimization initiatives. Higher MPR/lb was partly offset by lower third-party feed costs.

Cobalt by-product credits were higher primarily as a result of the 105% improvement in average-realized cobalt price<sup>(1)</sup> which offset lower cobalt sales volume. Fertilizer net by-product credits were lower as marginally higher fertilizer revenue was more than offset by higher production costs primarily due to higher natural gas prices and higher planned maintenance.

## Spending on capital<sup>(1)</sup>



Sustaining spending on capital of \$5.9 million was higher compared to \$1.4 million in the prior year period.

Sustaining spending on capital related to the tailings facility was \$7.3 million compared to \$4.6 million in the prior year period.

Growth spending on capital was \$1.1 million compared to \$5.3 million in the prior year period as final spending on the Moa JV expansion program was completed during the quarter.

For the year ended December 31, 2025

## Revenue

Metals revenue was \$481.6 million compared to \$526.6 million in the prior year.

Nickel revenue was \$279.0 million compared to \$355.9 million in the prior year. Nickel revenue was lower due to lower sales volume and a lower average-realized price<sup>(1)</sup> of nickel. Sales volume was 13,145 tonnes compared to 15,678 tonnes primarily due to lower finished production outlined below. The average-realized price<sup>(1)</sup> of nickel was \$9.63/lb compared to \$10.30/lb in the prior year.

Cobalt revenue was \$63.6 million compared to \$48.0 million in the prior year. Cobalt revenue was higher as the higher average-realized price<sup>(1)</sup> of cobalt more than offset the lower sales volume. Sales volume was 1,535 tonnes compared to 1,638 tonnes in the prior year primarily due to lower finished production outlined below. The average-realized price<sup>(1)</sup> of cobalt of \$18.80/lb was 41% higher compared to \$13.30/lb in the prior year.

Fertilizer revenue was \$94.3 million compared to \$90.1 million in the prior year. Fertilizer revenue was higher due to a higher average-realized price<sup>(1)</sup> of fertilizers which more than offset lower sales volume. The average-realized price<sup>(1)</sup> of fertilizers was \$565.02/tonne compared to \$503.19/tonne in the prior year while sales volume was 166,817 tonnes compared to 179,135 tonnes consistent with lower metals production.

In addition, Metals had higher sulphuric acid revenue compared to the prior year as a result of higher sales volume and prices.

## Production

Mixed sulphides production at the Moa JV was 12,650 tonnes of contained nickel and cobalt compared to 15,847 tonnes in the prior year. Lower production was primarily due to below-plan mined ore volume, unplanned maintenance of the processing facilities in Moa and the ongoing challenging economic conditions and operating environment in Cuba.

In 2025, continued lower-than-expected production of mixed sulphides at Moa impacted feed availability at the refinery. Sherritt's share of finished nickel and cobalt production was 12,620 tonnes and 1,364 tonnes, respectively, compared to 15,166 tonnes and 1,603 tonnes in the prior year. As well, primarily in the second half of 2025, Sherritt did not acquire additional third-party feed. Finished nickel and cobalt production were at the lower ends of their revised 2025 guidance ranges.

Fertilizer production of 227,766 tonnes was lower compared to 250,272 tonnes in the prior year primarily due to lower metals production and the planned biennial ammonia plant turnaround.

## NDCC<sup>(1)</sup>

NDCC<sup>(1)</sup> per pound of nickel sold was US\$5.96/lb compared to US\$5.94/lb in the prior year. NDCC<sup>(1)</sup> was within the guidance range originally disclosed at the start of the year.

MPR/lb was higher, driven primarily by higher input commodity prices and the impact of lower nickel sales volume on per unit cost. During the year, sulphur and natural gas prices were 54% and 29% higher, respectively, compared to 2024. Fuel oil and diesel prices were slightly lower in the current year. MPR/lb also benefitted from ongoing cost optimization initiatives.

Cobalt by-product credits were higher primarily as a result of the 41% higher average-realized price<sup>(1)</sup> of cobalt which offset lower cobalt sales volume.

#### Spending on capital<sup>(1)</sup>

Sustaining spending on capital was \$27.2 million compared to \$15.2 million in the prior year with higher spending in 2025 partially attributable to higher mining equipment replacement costs to improve mining operations. Sustaining spending on capital for the year however was lower than revised guidance as Sherritt continued to prudently manage capital spending in light of low nickel prices during 2025.

Sustaining spending on capital related to the tailings facility was \$24.3 million compared to \$13.1 million in the prior year and was lower than revised guidance as the joint venture delayed non-essential spending in an effort to manage liquidity. Expenditures in 2025 included costs associated with the construction of the embankments and materials and supplies required for the tailings pipelines. This prudent approach to managing liquidity, design optimization, improved material sourcing, and strategic procurement has deferred some spending to 2027 which is not expected to affect commencement of operations by the end of 2026.

Growth spending on capital was \$7.4 million compared to \$11.4 million in the prior year as the Moa JV expansion program was completed in the year.

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

#### Power

	For the three months ended			For the y
	2025	2024		2025
\$ millions (33 ?% basis), except as otherwise noted	December 31	December 31	Change	Decemb
<b>FINANCIAL HIGHLIGHTS</b>				
Revenue	\$ 13.3	\$ 11.1	20 %	\$ 49.2
Cost of sales	5.5	5.9	(7 %)	20.8
Earnings from operations	6.6	4.8	38 %	22.2
Adjusted EBITDA <sup>(1)</sup>	7.3	5.5	33 %	24.8
<b>CASH FLOW</b>				
Cash provided (used) by continuing operations for operating activities <sup>(1)</sup>	\$ 13.1	\$ (1.1	) nm <sup>(3)</sup>	\$ 34.2
Free cash flow <sup>(1)</sup>	12.6	(1.6	) 888 %	32.6
<b>PRODUCTION AND SALES</b>				
Electricity (GWh <sup>(2)</sup> )	210	171	23 %	799
<b>AVERAGE-REALIZED PRICE<sup>(1)</sup></b>				

Electricity (\$/MWh <sup>(2)</sup> )	\$ 52.99	\$ 53.19	-	\$ 53.03
UNIT OPERATING COSTS <sup>(1)</sup>				
Electricity (\$/MWh)	\$ 23.48	\$ 30.64	(23 %)	\$ 23.33
SPENDING ON CAPITAL <sup>(1)</sup>				
Sustaining	\$ 0.5	\$ 0.3	67 %	\$ 1.6

(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").

(3) Not meaningful ("nm").

#### Frequency control

As a result of the nationwide power outages in Cuba and challenges facing the national power grid, the government agency UNE required Energas to operate certain facilities in frequency control to help stabilize the power grid. Energas has been fully compensated for the reductions in production at its facilities and as a result there has been no impact to Power's Adjusted EBITDA<sup>(1)</sup>, earnings from operations or dividends from Energas to Sherritt in Canada.

For the three months ended December 31, 2025

#### Revenue

Revenue of \$13.3 million was higher than the prior year period of \$11.1 million primarily due to higher electricity production as discussed below.

#### Production

Electricity production of 210 GWh was higher than the prior year period of 171 GWh benefiting from the increased natural gas being supplied to Energas' facilities including the new gas well that was brought online in Q4 2024 and the replacement gas well that was brought online in Q3 2025 to offset the loss of gas production from a legacy CUPET well.

#### Unit operating cost<sup>(1)</sup>

Unit operating cost<sup>(1)</sup> was \$23.48/MWh improving from \$30.64/MWh during the prior year period primarily as a result of lower maintenance costs.

#### Spending on capital<sup>(1)</sup>

Spending on capital<sup>(1)</sup> was \$0.5 million.

#### Dividends from Energas

Sherritt received \$7.8 million of dividends in Canada from Energas in Q4 2025 compared to \$7.0 million in Q4 2024.

For the year ended December 31, 2025

## Revenue

Revenue of \$49.2 million was higher than the prior year of \$47.8 million primarily due to higher compensation received from the Energas facilities operating in frequency control and higher average-realized prices<sup>(1)</sup> largely offset slightly lower electricity production.

## Production

Electricity production was 799 GWh compared to 816 GWh in the prior year and was largely in line with the low end of the 2025 guidance range. While capable of producing more, the Boca de Jaruco facility was required by UNE to operate in frequency control for periods toward the end of 2025 to help stabilize the national power grid which had not been factored into Sherritt's guidance. Energas was fully compensated for this reduction. The lower electricity production compared to the prior year was primarily due to operating in frequency control partially offset by increased natural gas being supplied from new and existing wells as described above.

## Unit operating cost<sup>(1)</sup>

Unit operating cost<sup>(1)</sup> was \$23.33/MWh improving from \$34.29/MWh in the prior year and was at the lower end of the 2025 guidance range. The lower unit operating cost<sup>(1)</sup> was primarily as a result of lower maintenance costs. In the current year, maintenance costs included only one major turbine inspection which was completed in the first quarter. In the prior year, higher planned maintenance work in Q2 2024 and Q3 2024 included major inspections on three gas turbines and included bringing online another turbine to process gas being received from the new well that was brought into production in Q4 2024.

## Spending on capital<sup>(1)</sup>

Spending on capital<sup>(1)</sup> was \$1.6 million in line with 2025 guidance.

## Dividends from Energas

Sherritt received \$26.0 million in 2025 which was double the \$13.0 million received in 2024 in line with Sherritt's prior disclosure.

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

## OUTLOOK

2025 and 2026 production volumes, unit operating costs<sup>(1)</sup> and spending on capital<sup>(1)</sup> guidance

	2025	Year-to-date actual to December 31, 2025	2026 Guidance
Production volumes, unit operating costs <sup>(1)</sup> and spending on capital <sup>(1)</sup>	Guidance <sup>(2)</sup>		Guidance

## Production volumes

Metals - Moa JV (100% basis, tonnes)

Nickel, finished

25,000 - 26,000



25,240









Cobalt, finished	2,700 - 2,800	2,728	2,750 - 2,850
Electricity (33⅓% basis, GWh)	800 - 850	799	825 - 875
Unit operating costs <sup>(1)</sup>			
Metals - NDCC (US\$ per pound)	\$5.75 - \$6.25	\$5.96	\$5.75 - \$6.25
Electricity - unit operating cost (\$ per MWh)	\$23.00 - \$24.50	\$23.33	\$27.25 - \$28.75
Spending on capital <sup>(1)</sup> (\$ millions)			
Sustaining			
Metals - Moa JV (50% basis), Fort Site (100% basis)	\$30.0	\$27.2	\$35.0 - \$40.0
Metals - Moa JV (50% basis) - Tailings facility	\$30.0	\$24.3	\$25.0 - \$30.0
Power (33⅓% basis)	\$2.0	\$1.6	\$3.0
Growth			
Metals - Moa JV (50% basis) - Expansion	\$7.0	\$7.4	-
Metals - Moa JV (50% basis) - Improvement debottlenecking projects -		-	\$2.5 - \$5.0
Spending on capital <sup>(3)</sup>	\$69.0	\$60.5	\$65.5 - \$78.0

(1) Non-GAAP financial measures. For additional information, see the Non-GAAP and other financial measures section.

Guidance refers to 2025 guidance as most recently updated and disclosed in the Corporation's Management Discussion and Analysis for the three and nine months ended September 30, 2025. Original 2025 production guidance for finished nickel and finished cobalt was 31,000 - 33,000 tonnes and 3,300 - 3,600 tonnes, respectively (100% basis). Original guidance for sustaining spending on capital was: Moa JV (ex-tailings facility) \$35.0 million, Moa JV tailings facility \$40.0 million. Original growth spending on capital at Moa JV was \$5.0 million. 2025 Guidance for electricity production, NDCC<sup>(1)</sup>, electricity unit operating cost<sup>(1)</sup> and Power sustaining spending on capital were unchanged during the year.

(3) Excludes negligible spending on capital of the Metals Marketing, Oil and Gas and Corporate and Other segments.

## 2026 Guidance

### Metals

- Finished nickel and cobalt production are expected to be 26,000 to 28,000 tonnes (100% basis) and 2,750 to 2,850 tonnes (100% basis), respectively. Nickel production is up from 2025 as a result of higher mixed sulphides production which is expected to be 30,000 to 32,000 tonnes (100% basis) of contained nickel and cobalt weighted to the second half of the year as the operational turnaround plan takes effect.
- NDCC<sup>(1)</sup> is expected to be US\$5.75 to US\$6.25 per pound of nickel sold, consistent with 2025 levels benefitting from higher expected production and sales volumes, ongoing cost optimization initiatives, and higher cobalt by-product credits, partially offset by higher sulphur prices. NDCC<sup>(1)</sup> guidance for 2026 is based on a forecast cobalt reference price of US\$23.50 per pound and forecast sulphur price of US\$439.00 per tonne including freight and handling.

- Sustaining spending on capital<sup>(1)</sup>:
  - Expected to be \$35.0 to \$40.0 million (Moa JV 50% basis, Fort Site 100% basis), including additional mining equipment and refurbishment of various equipment as part of the operational turnaround plan at Moa.
  - Tailings facility - expected to be \$25.0 to \$30.0 million (50% basis) related to the Moa JV's tailings management project which incorporates savings and deferred spending to 2027 through design optimization, improved material sourcing, and strategic procurement, while maintaining the expected date for commencing operations at year-end 2026.
- Growth spending on capital<sup>(1)</sup>:
  - Improvement debottlenecking projects - expected to be \$2.5 to \$5.0 million (50% basis) which includes projects to enhance processing performance at Moa so the full benefit of the expansion program can be realized.

Efforts are underway to finance the Metals division's capital requirements.

#### Power

- Electricity production is expected to be 825 to 875 GWh (33% basis), reflecting expectations that the Varadero facility will operate in frequency control for the majority of 2026.
- Electricity unit operating cost<sup>(1)</sup> is expected to be \$27.25 to \$28.75 per MWh slightly above 2025 levels due to planned maintenance activities weighted toward the first half of the year.
- Spending on capital<sup>(1)</sup> is expected to be \$3.0 million (33% basis).

This guidance is based on current expectations, assumptions and projections about future events, including commodity and product prices and demand, the ability to successfully source required input commodities, operational performance, and other factors. Refer to the Forward-Looking Statements for further information.

#### Dividends and distributions

Based on 2026 guidance estimates for production volumes, unit operating costs<sup>(1)</sup> and spending on capital<sup>(1)</sup> as well as consensus 2026 prices for nickel and cobalt:

- Sherritt does not expect to receive any cash or cobalt distributions under the Cobalt Swap agreement. As defined by the agreement, any shortfall in the annual minimum payment amount will be added to the following year.
- Power dividends in Canada from Energas are expected to be \$20.0 million to \$25.0 million.

Refer to the risks related to Sherritt's corporate structure in the Corporation's 2024 Annual Information Form for further information on risks related to distributions from the Moa JV and dividends in Canada from Energas.

#### CONFERENCE CALL AND WEBCAST

Sherritt will hold its conference call and webcast February 11, 2026, at 10:00 a.m. Eastern Time to review its fourth quarter and full year 2025 results. Dial-in and webcast details are as follows:

North American callers, please dial: 1 (800) 717-1738

International callers, please dial: 1 (289) 514-5100

Passcode 99379

Webcast and slide presentation: [www.sherritt.com](http://www.sherritt.com)

A recording of the webcast will be available on Sherritt's website following the conference call.

#### FINANCIAL STATEMENTS AND MANAGEMENT'S DISCUSSION AND ANALYSIS ("MD&A")

Sherritt's consolidated financial statements and MD&A for the year ended December 31, 2025 are available at [www.sherritt.com](http://www.sherritt.com) or on SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca). and should be read in conjunction with this news release. Financial and operating data can also be viewed in the investor relations section of Sherritt's website.

## NON-GAAP AND OTHER FINANCIAL MEASURES

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

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

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

## ABOUT SHERRITT

Sherritt is a world leader in using hydrometallurgical processes to mine and refine nickel and cobalt - metals deemed critical for the energy transition. Leveraging its technical expertise and decades of experience in critical minerals processing, Sherritt is committed to expanding domestic refining capacity and reducing reliance on foreign sources. The Corporation operates a strategically important refinery in Alberta, Canada, recognized as the only significant cobalt refinery and one of just three nickel refineries in North America. Sherritt's Moa Joint Venture produces cost competitive critical minerals while maintaining high sustainability standards and has an estimated mine life of approximately 25 years.

The Corporation's Power division, through its ownership in Energas, 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. Energas processes domestically sourced raw natural gas to generate electricity for sale to the Cuban national electrical grid. 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 JV; the results of the operational transition plan in increasing MSP, nickel and cobalt production; 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, including amount and timing of spending on the tailings management facility; the availability of additional gas supplies; sales volumes; revenue, costs and earnings; the amount and timing of dividend distributions from the Moa JV, including in the form of finished cobalt or cash under the Cobalt Swap; the amount and timing of dividend distributions from Energas; growing shareholder value; expected annualized savings from cost reduction measures and workforce reduction; 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; realized prices for production; earnings and revenues; 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; global demand for electric vehicles and the anticipated corresponding demand for cobalt and nickel; revenues and net operating results; environmental risks and liabilities; compliance with applicable environmental laws and regulations; advancements in environmental and greenhouse gas ("GHG") reduction technology; GHG emissions reduction goals and the anticipated timing of achieving such goals, if at all; statistics and metrics relating to Environmental, Social and Governance ("ESG") matters which are based on assumptions or developing standards; environmental rehabilitation provisions; environmental risks and liabilities; compliance with applicable environmental laws and regulations; Sherritt share price volatility; and certain corporate objectives, goals and plans for 2026. By their nature, forward-looking statements require the Corporation to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that predictions, forecasts, conclusions or projections will not prove to be accurate, that the assumptions may not be correct and that actual results may differ materially from such predictions, forecasts, conclusions or projections.

The Corporation cautions readers of this press release not to place undue reliance on any forward-looking statement as a number of factors could cause actual future results, conditions, actions or events to differ materially from the targets, expectations, estimates or intentions expressed in the forward-looking statements. These risks, uncertainties and other factors include, but are not limited to, risks related to Sherritt's operations in Cuba; risks related to the U.S. government policy toward Cuba, including the U.S. embargo on Cuba and the Helms-Burton legislation; level of liquidity of Sherritt, including access to capital and financing; commodity risks related to the production and sale of nickel cobalt and fertilizers; the impact of global conflicts; changes in the global price for nickel, cobalt, fertilizers or certain other commodities; security market fluctuations and price volatility; the ability of the Moa Joint Venture to pay dividends; the risk to Sherritt's entitlements to future distributions (including pursuant to the Cobalt Swap) from the Moa Joint Venture; risk of future non-compliance with debt restrictions and covenants; political, economic and other risks of foreign operations; uncertainty in the ability of the Corporation to enforce legal rights in foreign jurisdictions; uncertainty regarding the interpretation and/or application of the applicable laws in foreign jurisdictions; risks related to environmental liabilities including liability for reclamation costs, tailings facility failures and toxic gas releases; compliance with applicable environment, health and safety legislation and other associated matters; risks associated with governmental regulations regarding climate change and greenhouse gas emissions; risks relating to community relations; maintaining social license to grow and operate; uncertainty about the pace of technological advancements required in relation to achieving ESG targets; risks to information technologies systems and cybersecurity; risks associated with the operation of large projects generally; risks related to the accuracy of capital and operating cost estimates; the possibility of equipment and other failure; potential interruptions in transportation; identification and management of growth opportunities; the ability to replace depleted mineral reserves; risks associated with the Corporation's joint venture partners; variability in production at Sherritt's operations in Cuba; risks associated with mining, processing and refining activities; risks associated with the operation of large projects generally; risks related to the accuracy of capital and operating cost estimates;; uncertainty of gas supply for electrical generation; reliance on key personnel and skilled workers; growth opportunity risks; uncertainty of resources and reserve estimates; the potential for shortages of equipment and supplies, including diesel; supplies quality issues; risks related to the Corporation's corporate structure; foreign exchange and pricing risks; credit risks; competition in product markets; future market access; interest rate changes; risks in obtaining insurance; uncertainties in labour relations; legal contingencies; risks related to the Corporation's accounting policies; uncertainty in the ability of the Corporation to obtain government permits; failure to comply with, or changes to, applicable government regulations; bribery and corruption risks, including failure to comply with the Corruption of Foreign Public Officials Act or applicable local anti-corruption law; the ability to accomplish corporate objectives, goals and plans for 2026; and the ability to meet other factors listed from time to time in the Corporation's continuous disclosure documents.

The Corporation, together with its Moa JV, 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 and year ended December 31, 2025 and the Annual Information Form of the Corporation dated March 24, 2025 for the period ending December 31, 2024, which is available on SEDAR+ at [www.sedarplus.ca](http://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 Accounting Standards measures, and do not have a standard definition under IFRS Accounting Standards and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS Accounting Standards. As these measures do not have a standardized meaning, they may not be comparable to similar measures provided by other companies.

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

### Combined revenue

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

Revenue at Oil and Gas is excluded from Combined revenue as the segment is not currently exploring for or producing oil and gas and its revenue relate to ancillary drilling services, provided to a customer and agencies of the Government of Cuba, which is not reflective of the Corporation's core operating activities or revenue generation potential.

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

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

	For the three months ended			For the year ended		
	2025	2024		2025	2024	
\$ millions	December 31	December 31	Change	December 31	December 31	Change
Revenue by reportable segment						
Metals <sup>(1)</sup>	\$ 149.1	\$ 148.3	1 %	\$ 481.6	\$ 526.6	(9 %)
Power	13.3	11.1	20 %	49.2	47.8	3 %
Corporate and Other	0.8	0.9	(11 %)	2.1	3.2	(34 %)
Combined revenue	\$ 163.2	\$ 160.3	2 %	\$ 532.9	\$ 577.6	(8 %)
Adjustment for Moa Joint Venture	(113.8 )	(115.6 )		(370.8 )	(434.5 )	
Adjustment for Oil and Gas	6.1	1.0	510 %	15.2	15.7	(3 %)
Financial statement revenue	\$ 55.5	\$ 45.7	21 %	\$ 177.3	\$ 158.8	12 %

(1) Revenue of Metals for the three months ended December 31, 2025 is composed of revenue recognized by the Moa JV of \$113.8 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 \$34.4 million and Metals Marketing of \$0.9 million, both of which are included in consolidated revenue (for the three months ended December 31, 2024 - \$115.6 million, \$30.1 million and \$2.6 million, respectively). Revenue of Metals for the year ended December 31, 2025 is composed of revenue recognized by the Moa JV of \$370.8 million (50% basis), coupled with revenue recognized by Fort Site of \$102.4 million and Metals Marketing of \$8.4 million (for the year ended December 31, 2024 - \$434.5 million, \$85.6 million and \$6.5 million, respectively).

#### Adjusted EBITDA

The Corporation defines Adjusted EBITDA as earnings/loss from operations and joint venture, which excludes net finance expense, income tax expense and loss from discontinued operations, net of tax, as reported in the financial statements for the period, adjusted for: depletion, depreciation and amortization; impairment losses 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 and impairment, if applicable) is deducted from/added back to Adjusted EBITDA as the segment is not currently exploring for or producing oil and gas and its financial results relate to ancillary drilling services, provided to a customer and agencies of the Government of Cuba, and environmental rehabilitation costs for legacy assets, which are not reflective of the Corporation's core operating activities or cash generation potential.

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

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

\$ millions, for the three months ended December 31



	Metals <sup>(1)</sup>	Power	Oil and Gas	Corporate and Other
(Loss) earnings from operations and joint venture per financial statements	\$ (18.0 )	\$ 6.6	\$ (3.5 )	\$ (8.5
Add (deduct):				
Depletion, depreciation and amortization	3.2	0.7	-	0.2
Oil and Gas earnings from operations, net of depletion, depreciation and amortization	-	-	3.5	-
Adjustments for share of loss of Moa Joint Venture:				
Depletion, depreciation and amortization	14.3	-	-	-
Net finance expense	-	-	-	-
Income tax recovery	-	-	-	-
Adjusted EBITDA	\$ (0.5 )	\$ 7.3	\$ -	\$ (8.3
\$ millions, for the three months ended December 31				

	Metals <sup>(1)</sup>	Power	Oil and Gas	Corporate and Other
(Loss) earnings from operations and joint venture per financial statements	\$ (1.0 )	\$ 4.8	\$ (18.8)	\$ (5.8
Add (deduct):				
Depletion, depreciation and amortization	2.8	0.7	0.1	0.1
Impairment of intangible assets	-	-	8.4	-
Oil and Gas earnings from operations, net of depletion, depreciation and amortization	-	-	10.3	-
Adjustments for share of loss of Moa Joint Venture:				
Depletion, depreciation and amortization	12.8	-	-	-
Net finance expense	-	-	-	-
Income tax recovery	-	-	-	-
Adjusted EBITDA	\$ 14.6	\$ 5.5	\$ -	\$ (5.7
\$ millions, for the year ended December 31				

	Metals <sup>(2)</sup>	Power	Oil and Gas	Corporate and Other	
(Loss) earnings from operations and joint venture per financial statements	\$ (48.4 )	\$ 22.2	\$ (22.0)	\$ (29.8 )	\$
Add (deduct):					
Depletion, depreciation and amortization	10.6	2.6	0.1	0.8	
Oil and Gas loss from operations, net of depletion, depreciation and amortization	-	-	21.9	-	
Adjustments for share of loss of Moa Joint Venture:					
Depletion, depreciation and amortization	49.1	-	-	-	
Net finance expense	-	-	-	-	
Income tax recovery	-	-	-	-	
Adjusted EBITDA	\$ 11.3	\$ 24.8	\$ -	\$ (29.0 )	\$
\$ millions, for the year ended December 31					

	Metals <sup>(2)</sup>	Power	Oil and Gas	Corporate and Other	
(Loss) earnings from operations and joint venture per financial statements	\$ (18.5 )	\$ 13.5	\$ (18.3)	\$ (24.4 )	\$
Add (deduct):					
Depletion, depreciation and amortization	10.5	2.5	0.2	0.8	
Impairment of intangible assets	-	-	8.4	-	
Oil and Gas loss from operations, net of depletion, depreciation and amortization	-	-	9.7	-	
Adjustments for share of loss of Moa Joint Venture:					
Depletion, depreciation and amortization	47.5	-	-	-	
Impairment of property, plant and equipment	0.5	-	-	-	
Net finance expense	-	-	-	-	
Income tax recovery	-	-	-	-	
Adjusted EBITDA	\$ 40.0	\$ 16.0	\$ -	\$ (23.6 )	\$

Adjusted EBITDA of Metals for the three months ended December 31, 2025 is composed of Adjusted EBITDA at Moa JV of \$(1.9) million (50% basis), Adjusted EBITDA at Fort Site of \$2.2 million and Adjusted EBITDA at Metals Marketing of \$(0.8) million (for the three months ended December 31, 2024 - \$6.7 million, \$8.9 million and \$(1.0) million, respectively).

Adjusted EBITDA of Metals for the year ended December 31, 2025 is composed of Adjusted EBITDA at Moa JV of \$(3.7) million (50% basis), Adjusted EBITDA at Fort Site of \$18.9 million and Adjusted EBITDA at Metals Marketing of \$(3.9) million (for the year ended December 31, 2024 - \$25.2 million, \$17.8 million and \$(3.0) million, respectively).

#### Average-realized price

Average-realized price is generally calculated by dividing revenue by sales volume for the given product in a given segment. The average-realized price for power excludes frequency control, by-product and other revenue, as this revenue is not earned directly for power generation. Refer to the Power Review of operations section for further details on frequency control revenue, which Energas receives in compensation for lost sales of electricity as a result of frequency control.

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

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

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

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

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

	Metals				
	Nickel	Cobalt	Fertilizer	Power	Other
Revenue per financial statements	\$ 77.8	\$ 24.3	\$ 33.9	\$ 13.3	\$ 20.0
Adjustments to revenue:					
Frequency control, by-product and other revenue	-	-	-	(2.2 )	
Revenue for purposes of average-realized price calculation	77.8	24.3	33.9	11.1	
Sales volume for the period	8.2	1.0	61.1	210	
Volume units	Millions of pounds	Millions of pounds	Thousands of tonnes	Gigawatt hours	
Average-realized price <sup>(2)(3)(4)</sup>	\$ 9.51	\$ 25.26	\$ 553.68	\$ 52.99	

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

Metals					
	Nickel	Cobalt	Fertilizer	Power	Other
Revenue per financial statements	\$ 95.3	\$ 12.6	\$ 31.8	\$ 11.1	\$ 10.5
Adjustments to revenue:					
Frequency control, by-product and other revenue	-	-	-	(1.9 )	
Revenue for purposes of average-realized price calculation	95.3	12.6	31.8	9.2	
Sales volume for the period	9.6	1.0	63.3	171	
Volume units	Millions of pounds	Millions of pounds	Thousands of tonnes	Gigawatt hours	
Average-realized price <sup>(2)(3)(4)</sup>	\$ 9.98	\$ 12.30	\$ 502.93	\$ 53.19	

\$ millions, except average-realized price and sales volume, for the year ended December 31

Metals					
	Nickel	Cobalt	Fertilizer	Power	Other <sup>(1)</sup> for M
Revenue per financial statements	\$ 279.0	\$ 63.6	\$ 94.3	\$ 49.2	\$ 62.0
Adjustments to revenue:					
Frequency control, by-product and other revenue	-	-	-	(6.9 )	
Revenue for purposes of average-realized price calculation	279.0	63.6	94.3	42.3	
Sales volume for the period	29.0	3.4	166.8	799	
Volume units	Millions of pounds	Millions of pounds	Thousands of tonnes	Gigawatt hours	
Average-realized price <sup>(2)(3)(4)</sup>	\$ 9.63	\$ 18.80	\$ 565.02	\$ 53.03	

\$ millions, except average-realized price and sales volume, for the year ended December 31

Metals

	Nickel	Cobalt	Fertilizer	Power	Other <sup>(1)</sup>	for M
						Ven
Revenue per financial statements	\$ 355.9	\$ 48.0	\$ 90.1	\$ 47.8	\$ 51.5	\$ (4
Adjustments to revenue:						
Frequency control, by-product and other revenue	-	-	-	(5.3 )		
Revenue for purposes of average-realized price calculation	355.9	48.0	90.1	42.5		
Sales volume for the period	34.6	3.6	179.1	816		
Volume units	Millions of pounds	Millions of pounds	Thousands of tonnes	Gigawatt hours		
Average-realized price <sup>(2)(3)(4)</sup>	\$ 10.30	\$ 13.30	\$ 503.19	\$ 52.01		

Other revenue includes other revenue from the Metals reportable segment, revenue from the Oil and Gas reportable segment, a non-core reportable segment, and revenue from the Corporate and Other reportable segment.

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

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

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

Unit operating cost/Net direct cash cost

With the exception of Metals, which uses NDCC, unit operating cost is generally calculated by dividing cost of sales as reported in the financial statements, less depreciation, depletion and amortization in cost of sales, the impact of impairment losses, 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 by-product and other revenue; cobalt gain/loss pursuant to the Cobalt Swap; realized gain/loss on natural gas swaps; royalties/territorial contributions; and other costs primarily related to the impact of opening and closing inventory values, by the number of finished nickel pounds sold in the period.

Unit operating costs for nickel and electricity are key measures that management and investors uses to monitor cost performance. NDCC of nickel is a widely-used performance measure for nickel producers which represents the direct cash cost associated with the mining, processing, refining and sale of finished nickel, net of by-product credits. Management uses unit operating 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 December 31

	Metals	Power	Other <sup>(1)</sup>	Adjustment for Moa Joint Venture
Cost of sales per financial statements	\$ 165.5	\$ 5.5	\$ 10.0	\$(128.8)
Less:				
Depletion, depreciation and amortization in cost of sales	(17.5 )	(0.6 )		
	148.0	4.9		
Adjustments to cost of sales:				
Cobalt by-product revenue - Moa JV and Cobalt Swap	(24.3 )	-		
Fertilizer by-product revenue	(33.9 )	-		
Other revenue	(13.1 )	-		
Realized loss on natural gas swaps	0.8	-		
Royalties/territorial contributions and other non-cash costs <sup>(2)</sup>	(5.1 )	-		
Changes in inventories and other adjustments <sup>(3)</sup>	(3.4 )	-		
Cost of sales for purposes of unit cost calculation	69.0	4.9		
Sales volume for the period	8.2	210		
Volume units	Millions of pounds	Gigawatt hours		
Unit operating cost <sup>(4)(5)</sup>	\$ 8.44	\$ 23.48		
Unit operating cost (US\$ per pound) (NDCC) <sup>(6)</sup>	\$ 6.01			

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

	Metals	Power	Other <sup>(1)</sup>	Adjustment for Moa Joint Venture
Cost of sales per financial statements	\$ 146.6	\$ 5.9	\$ 11.8	\$(120.5)
Less:				
Depletion, depreciation and amortization in cost of sales	(15.6 )	(0.6 )		
	131.0	5.3		
Adjustments to cost of sales:				

Cobalt by-product revenue - Moa JV and Cobalt Swap	(12.6 )	-
Fertilizer by-product revenue	(31.8 )	-
Other revenue	(8.6 )	-
Cobalt loss	0.1	-
Royalties/territorial contributions and other non-cash costs <sup>(2)</sup>	(4.7 )	-
Changes in inventories and other adjustments <sup>(3)</sup>	0.4	-
Cost of sales for purposes of unit cost calculation	73.8	5.3
Sales volume for the period	9.6	171

Volume units	Millions of	Gigawatt
	pounds	hours
Unit operating cost <sup>(4)(5)</sup>	\$ 7.66	\$ 30.64
Unit operating cost (US\$ per pound) (NDCC) <sup>(6)</sup>	\$ 5.44	

\$ millions, except unit cost and sales volume, for the year ended December 31

				Adjustment	
	Metals	Power	Other <sup>(1)</sup>	for Moa	To
				Joint Venture	
Cost of sales per financial statements	\$ 521.5	\$ 20.8	\$ 38.9	\$(417.8 )	\$ 16
Less:					
Depletion, depreciation and amortization in cost of sales	(59.7 )	(2.1 )			
	461.8	18.7			
Adjustments to cost of sales:					
Cobalt by-product revenue - Moa JV and Cobalt Swap	(63.6 )	-			
Fertilizer by-product revenue	(94.3 )	-			
Other revenue	(44.7 )	-			
Cobalt loss	0.3	-			
Realized loss on natural gas swaps	2.8	-			
Royalties/territorial contributions and other non-cash costs <sup>(2)</sup>	(21.3 )	-			
Changes in inventories and other adjustments <sup>(3)</sup>	0.9	-			
Cost of sales for purposes of unit cost calculation	241.9	18.7			
Sales volume for the period	29.0	799			

Volume units	Millions of Gigawatt					
	pounds	hours				
Unit operating cost <sup>(4)(5)</sup>	\$ 8.35	\$ 23.33				
Unit operating cost (US\$ per pound) (NDCC) <sup>(6)</sup>	\$ 5.96					
\$ millions, except unit cost and sales volume, for the year ended December 31						20
				Adjustment		
	Metals	Power	Other <sup>(1)</sup>	for Moa	To	
				Joint Venture		
Cost of sales per financial statements	\$ 532.3	\$ 30.1	\$ 27.5	\$(451.4	) \$13	
Less:						
Depletion, depreciation and amortization in cost of sales	(58.0 )	(2.1 )				
	474.3	28.0				
Adjustments to cost of sales:						
Cobalt by-product revenue - Moa JV and Cobalt Swap	(48.0 )	-				
Fertilizer by-product revenue	(90.1 )	-				
Other revenue	(32.6 )	-				
Cobalt loss	0.1	-				
Royalties/territorial contributions and other non-cash costs <sup>(2)</sup>	(23.4 )	-				
Changes in inventories and other adjustments <sup>(3)</sup>	1.3	-				
Cost of sales for purposes of unit cost calculation	281.6	28.0				
Sales volume for the period	34.6	816				
	Millions of Gigawatt					
Volume units	pounds	hours				
Unit operating cost <sup>(4)(5)</sup>	\$ 8.15	\$ 34.29				
Unit operating cost (US\$ per pound) (NDCC) <sup>(6)</sup>	\$ 5.94					

(1) Other cost of sales is composed of the cost of sales of Oil and Gas, a non-core reportable segment, and cost of sales of the Corporate and Other reportable segment.

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

Changes in inventories and other adjustments is primarily composed of changes in inventories, the effect of  
(3) average exchange rate changes and other items. These amounts are excluded from cost of sales but included in NDCC.



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

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

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

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 agencies of the Government of Cuba, and environmental rehabilitation costs for legacy assets, which are not reflective of the Corporation's core operating activities or future operational performance.

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

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

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

	2025	
For the three months ended December 31	\$ millions	\$/share
Net loss from continuing operations	\$ (15.7 )	\$(0.03)
Adjusting items:		
Sherritt - Unrealized foreign exchange (gain) loss - continuing operations	(1.3 )	-
Corporate and Other - Realized gain on nickel put options	-	-
Corporate and Other - Unrealized loss on nickel put options	-	-
Metals - Moa JV - Inventory write-down/obsolescence	0.1	-
Metals - Fort Site - Unrealized gain on natural gas swaps	(1.0 )	-
Metals - Fort Site - Realized loss on natural gas swaps	0.8	-
Metals - Fort Site - Inventory write-down/obsolescence	0.1	-

Metals - Metals Marketing - Cobalt loss	-	-
Power - Gain on revaluation of GNC receivable	(1.8 )	-
Power - Loss (gain) on revaluation of Energas payable	0.5	-
Oil and Gas - Impairment of intangible assets	-	-
Oil and Gas - Net loss from continuing operations, net of unrealized foreign exchange gain/loss and impairment of intangible assets	3.7	-
Total adjustments, before tax	\$ 1.1	\$-
Tax adjustments	0.7	-
Adjusted net loss from continuing operations	\$ (13.9 )	\$(0.03 )
		2025
For the year ended December 31	\$ millions	\$/share
Net loss from continuing operations	\$ (65.4 )	\$(0.14 )
Adjusting items:		
Sherritt - Unrealized foreign exchange loss - continuing operations	(1.3 )	-
Sherritt's share - Severance related to restructuring and workforce reduction	3.6	0.01
Corporate and Other - Gain on Debt and Equity Transactions, net of transaction costs	(32.4 )	(0.07 )
Corporate and Other - Realized gain on nickel put options	-	-
Corporate and Other - Gain on repurchase of notes	-	-
Metals - Moa JV - Impairment of property, plant and equipment	-	-
Metals - Moa JV - Inventory write-down/obsolescence	2.8	-
Metals - Moa JV - Cobalt loss	0.3	-
Metals - Fort Site - Inventory write-down	0.3	-
Metals - Fort Site - Unrealized loss (gain) on natural gas swaps	0.2	-
Metals - Fort Site - Realized loss on natural gas swaps	2.8	-
Metals - Moa JV - Cobalt loss	-	-
Power - Gain on revaluation of GNC receivable	(15.1 )	(0.03 )
Power - Loss (gain) on revaluation of Energas payable	3.4	0.01
Oil and Gas - Impairment of intangible assets	-	-
Oil and Gas - Net loss from continuing operations, net of unrealized foreign exchange gain/loss and impairment of intangible assets	22.5	0.05
Total adjustments, before tax	\$ (12.9 )	\$(0.03 )
Tax adjustments	1.1	-
Adjusted net loss from continuing operations		





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## 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 December 31						2025	
						Total	
						Adjustment	derived
						for Moa	from
	Metals	Power	Other <sup>(1)</sup>	Combined total	Joint Venture	financial	
						statements	
Property, plant and equipment expenditures <sup>(2)</sup>	\$ 13.7	\$ 0.5	\$ -	\$ 14.2	\$ (8.4 )	\$ 5.8	
Intangible asset expenditures <sup>(2)</sup>	-	-	-	-	-	-	
	13.7	0.5	-	14.2	\$ (8.4 )	\$ 5.8	
Adjustments:							
Accrual adjustment	0.6	-	-	0.6			
Spending on capital	\$ 14.3	\$ 0.5	\$ -	\$ 14.8			

\$ millions, for the three months ended December 31					2024		
					Total		
					Adjustment	derived from	
					for Moa	financial	
					Joint Venture	statements	
Property, plant and equipment expenditures <sup>(2)</sup>	Metals	Power	Other <sup>(1)</sup>	Combined total			
	\$ 13.7	\$ 0.5	\$ -	\$ 14.2	\$ (8.4	)	\$ 5.8
Intangible asset expenditures <sup>(2)</sup>	-	-	-	-	-		-
	13.7	0.5	-	14.2	\$ (8.4	)	\$ 5.8
Adjustments:							
Accrual adjustment	0.6	-	-	0.6			
Spending on capital	\$ 14.3	\$ 0.5	\$ -	\$ 14.8			































Property, plant and equipment expenditures <sup>(2)</sup>	\$ 6.2	\$ 0.5	\$ -	\$ 6.7	\$ (4.5 )	\$ 2.2
Intangible asset expenditures <sup>(2)</sup>	-	-	-	-	-	-
	6.2	0.5	-	6.7	\$ (4.5 )	\$ 2.2
Adjustments:						
Accrual adjustment	5.1	(0.2 )	0.1	5.0		
Spending on capital	\$ 11.3	\$ 0.3	\$ 0.1	\$ 11.7		
\$ millions, for the year ended December 31						2025
						Total
				Combined	Adjustment	derived from
	Metals	Power	Other <sup>(1)</sup>	total	for Moa	financial
					Joint Venture	statements
Property, plant and equipment expenditures <sup>(2)</sup>	\$ 46.5	\$ 1.6	\$ 0.1	\$ 48.2	\$ (32.2 )	\$ 16.0
Intangible asset expenditures <sup>(2)</sup>	-	-	-	-	-	-
	46.5	1.6	0.1	48.2	\$ (32.2 )	\$ 16.0
Adjustments:						
Accrual adjustment	12.4	-	-	12.4		
Spending on capital	\$ 58.9	\$ 1.6	\$ 0.1	\$ 60.6		
\$ millions, for the year ended December 31						2024
						Total
				Combined	Adjustment	derived from
	Metals	Power	Other <sup>(1)</sup>	total	for Moa	financial
					Joint Venture	statements
Property, plant and equipment expenditures <sup>(2)</sup>	\$ 34.0	\$ 2.9	\$ -	\$ 36.9	\$ (30.3 )	\$ 6.6
Intangible asset expenditures <sup>(2)</sup>	-	-	0.2	0.2	-	0.2
	34.0	2.9	0.2	37.1	\$ (30.3 )	\$ 6.8
Adjustments:						
Accrual adjustment	5.7	-	(0.1 )	5.6		
Spending on capital	\$ 39.7	\$ 2.9	\$ 0.1	\$ 42.7		

(1)



Includes property, plant and equipment and intangible asset expenditures of the Oil and Gas reportable segment, which is non-core, and the Corporate and Other reportable segment.





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

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

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

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

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

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

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

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

\$ millions, for the three months ended December 31

		Corporate	
	Oil and		Combined
Metals <sup>(1)(2)</sup>	Gas	and	
Power		Other	total

Cash provided (used) by continuing operations for operating activities	\$ 20.9	\$ 13.1	\$ 5.6	\$ (17.9 )	\$ 21.7
Less:					
Property, plant and equipment expenditures	(13.7 )	(0.5 )	-	-	(14.2 )
Free cash flow	\$ 7.2	\$ 12.6	\$ 5.6	\$ (17.9 )	\$ 7.5
\$ millions, for the three months ended December 31					

	Metals <sup>(1)(2)</sup>	Power	Oil and Gas	Corporate and Other	Combined total
Cash provided (used) by continuing operations for operating activities	\$ 5.9	\$ (1.1)	\$ (3.2 )	\$ (15.1 )	\$ (13.5 )
Less:					
Property, plant and equipment expenditures	(6.2 )	(0.5 )	-	-	(6.7 )
Free cash flow	\$ (0.3 )	\$ (1.6)	\$ (3.2 )	\$ (15.1 )	\$ (20.2 )
\$ millions, for the year ended December 31					

	Metals <sup>(3)(4)</sup>	Power	Oil and Gas	Corporate and Other	Combined total
Cash provided (used) by continuing operations for operating activities	\$ 53.6	\$ 34.2	\$ (8.6 )	\$ (51.3 )	\$ 27.9
Less:					
Property, plant and equipment expenditures	(46.5 )	(1.6 )	(0.1 )	-	(48.2 )
Free cash flow	\$ 7.1	\$ 32.6	\$ (8.7 )	\$ (51.3 )	\$ (20.3 )
\$ millions, for the year ended December 31					

	Metals <sup>(3)(4)</sup>	Power	Oil and Gas	Corporate and Other	Combined total
Cash provided (used) by continuing operations for operating activities	\$ 93.1	\$ (9.8 )	\$ (23.9 )	\$ (41.5 )	\$ 17.9
Less:					
Property, plant and equipment expenditures	(34.0 )	(2.9 )	-	-	(36.9 )
Intangible expenditures	-	-	(0.2 )	-	(0.2 )
Free cash flow	\$ 59.1	\$ (12.7 )	\$ (24.1 )	\$ (41.5 )	\$ (19.2 )

Cash provided by continuing operations for operating activities for the Moa JV, Fort Site and Metals  
(1) Marketing was \$9.4 million, \$11.3 million and \$0.2 million, respectively, for the three months ended December 31, 2025 (December 31, 2024 - \$19.9 million, \$(12.1) million and \$(1.9) million, respectively).

Property, plant and equipment expenditures and intangible expenditures for the Moa JV, Fort Site and  
(2) Metals Marketing was \$8.4 million, \$5.3 million and nil, respectively, for the three months ended December 31, 2025 (December 31, 2024 - \$4.3 million, \$1.9 million and nil, respectively).

Cash provided by continuing operations for operating activities for the Moa JV, Fort Site and Metals  
(3) Marketing was \$6.6 million, \$39.4 million and \$7.6 million, respectively, for the year ended December 31, 2025 (December 31, 2024 - \$55.7 million, \$35.8 million and \$1.6 million, respectively).

Property, plant and equipment expenditures and intangible expenditures for the Moa JV, Fort Site and  
(4) Metals Marketing was \$32.2 million, \$14.3 million and nil, respectively, for the year ended December 31, 2025 (December 31, 2024 - \$30.2 million, \$3.8 million and nil, respectively).

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