

SHERRITT INTERNATIONAL CORPORATION

MANDATE OF THE ENVIRONMENT, HEALTH AND SAFETY COMMITTEE

1. Mandate

The mandate of the Environment, Health and Safety Committee (the “Committee”) of the Board of Directors (the “Board”) of Sherritt International Corporation (the “Corporation”) is to review environment, health and safety policies and programs, to oversee the Corporation’s environment, health and safety performance, and to monitor current and future regulatory issues.

2. Duties and Responsibilities

- (a) review and make recommendations regarding the Corporation’s environment, health and safety management systems, including corporate policies, procedures, and communications
- (b) review and make recommendations regarding environment, health and safety compliance issues
- (c) ensure that the Corporation monitors trends and reviews current and emerging best practices and/or issues in the environment, health and safety fields, and evaluate their impact on the Corporation
- (d) review significant environment, health and safety reports to:
 - (i) determine if issues arising from the reports are of significance to report to the Board
 - (ii) assess whether environment, health and safety procedures and the Corporation’s performance against goals and objectives are effective with respect to such issues, and make recommendations for improvement, where appropriate
- (e) review the scope of potential environmental liabilities and the adequacy of the Corporation’s environmental management system to manage these liabilities
- (f) review the Corporation’s crisis management plan
- (g) report to the Board on its activities and make recommendations, where appropriate
- (h) perform any other duties or responsibilities expressly delegated to the Committee by the Board from time to time relating to environment, health or

safety matters

3. Composition and Chair

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

The Committee shall consist of not less than three directors, each of whom shall be “independent” as determined under applicable Canadian securities laws. The requirements for qualification of Committee members shall be determined and interpreted by the Board from time to time based upon recommendations by the Nominating and Corporate Governance Committee.

The Board shall annually designate a Committee Chair from among the Committee members on the recommendation of the Nominating and Corporate Governance Committee. If, in any year, the Committee does not appoint a Chair, the incumbent Committee Chair will continue in office until a successor is appointed.

4. Meetings

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

Notice of every meeting will be given to each member.

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

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

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

5. Reporting

The Committee will:

- regularly report to the Board on all significant matters that are within its responsibilities
- oversee the preparation of any disclosure

required under applicable Canadian securities laws with respect to matters that are within its responsibilities

6. Annual General Meeting of Shareholders

The Committee Chair will make himself or herself available at each annual meeting of shareholders to answer any questions shareholders may have with respect to the Committee's duties and responsibilities.

7. Resources and Authority of the Committee

The Committee shall have the resources and authority appropriate to discharge its duties and responsibilities, including the authority to select, retain, terminate and approve the fees and other retention terms of special counsel or other experts or consultants, as it deems appropriate, provided that if the fees and expenses of any such special counsel or other experts or consultants retained by the Committee exceed, or are expected to exceed C\$100,000, the approval of the full Board will be obtained.

8. Tenure

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

9. Removal and Vacancies

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

(Updated June 2009)