

SHERRITT INTERNATIONAL CORPORATION

MANDATE OF THE RESERVE COMMITTEE

1. Mandate

The mandate of the Reserve Committee (the “Committee”) of the Board of Directors (the “Board”) of Sherritt International Corporation (the “Corporation”) is to review the mineral, coal and oil and gas reserves of the Corporation and its affiliated and related entities, and oversee the availability, maintenance, growth and integrity of the Corporation’s reported reserve base, including any additional potential reserves.

2. Duties and Responsibilities

- (a) ensure the Corporation complies with applicable regulatory requirements and industry standards, with respect to quantifying and reporting publicly on its reserves
- (b) review all applied methodology and associated measuring technologies utilized by management to quantify the Corporation’s reserves so as to ensure accurate and reliable data which support the Corporation’s reported reserves
- (c) review on a regular basis and ensure there are sufficient numbers of appropriately qualified personnel charged with measuring and preparing required reports relating to the Corporation’s reserves
- (d) review the appointment of the independent evaluator
- (e) review the Corporation’s procedures for providing information to the independent evaluator
- (f) meet with the independent evaluator and, if there is a proposal to change the independent evaluator, inquire as to the reason and whether there have been disputes with management
- (g) review with management and the independent evaluator and approve reserves data
- (h) review the credentials and retainers of third party reserve engineers, auditors and consultants engaged by the Corporation
- (i) review or cause to be reviewed on a regular basis:
 - (i) all reserve and associated reports prepared by management or any third party reserve engineers, auditors or consultants

- (ii) reconciliations of changes in reserves and future net income
 - (iii) the Corporation's procedures for reporting other information associated with mineral, coal or oil and gas producing activities, as the case may be
- (j) conduct such other reviews and take such other actions as are appropriate to carry out its mandate

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. 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.

7. Tenure

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

8. Removal and Vacancies

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

(Updated September 2009)