

Corporate profile

Sherritt International Corporation is a diversified natural resource company that produces nickel, cobalt, thermal coal, oil and gas, and electricity. It also licenses its proprietary technologies to other metals companies. A low-cost operator across all segments, Sherritt's success is built on utilizing proven technologies and financial and operational expertise to increase productivity and profitability. The company continuously explores opportunities to grow its \$5.5 billion asset base through the expansion of existing businesses, capital projects and strategic acquisitions, such as that of Dynatec Corporation in 2007. Sherritt's 231.8 million common shares trade on the Toronto Stock Exchange under the symbol S.

Sherritt is a world leader in the production of nickel from lateritic ore, with operations in Cuba and Canada, and a significant project under development in Madagascar. Sherritt operates and owns 41.2% of Royal Utilities Income Fund, the largest thermal coal producer in Canada, and is developing Canada's first coal gasification project. The company also produces ~30,637 barrels of oil per day from assets in Cuba and manages 376 megawatts of power generating capacity.

Sherritt is committed to high standards of environment, health and safety practices at all of its operations, while making valuable contributions to local communities.

Financial highlights

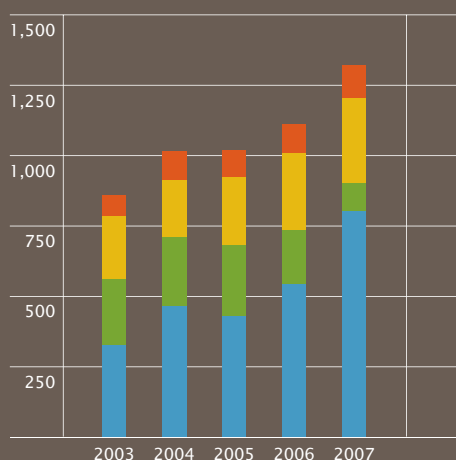
(\$ millions, except per share amounts)

	2007	2006	% Change
Revenue	\$ 1,340.4	\$ 1,114.4	20%
EBITDA ⁽¹⁾	752.9	540.4	39%
Net earnings	370.4	245.6	51%
Basic earnings per share	1.80	1.61	12%
Diluted earnings per share	1.79	1.42	26%
Cash, restricted cash and short-term investments	\$ 490.1	\$ 369.7	33%
Total assets	5,464.5	2,553.5	114%
Weighted average number of shares (millions)			
Basic	205.8	152.2	35%
Diluted	206.7	185.2	12%

(1) EBITDA is a non-GAAP measure. Reference should be made to the summary financial results by segment in the accompanying booklet for a description of EBITDA and for reconciliation to GAAP measures. EBITDA does not have a standardized meaning and is, therefore, unlikely to be comparable with similar measures presented by other issuers.

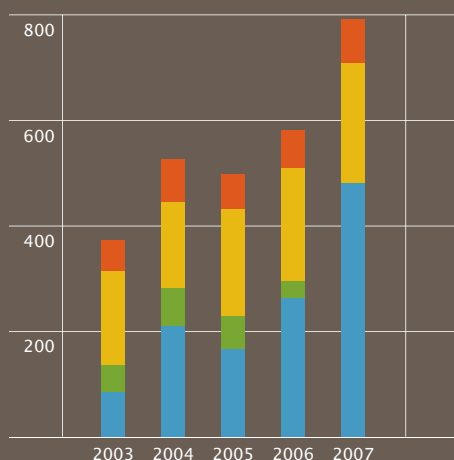
Revenue by business unit⁽²⁾

(\$ millions)



EBITDA by business unit⁽²⁾

(\$ millions, excluding corporate costs)



→ RECORD REVENUE IN 2007

Focused and reliable operating activities for all business units and favourable pricing environments for Metals and Oil & Gas resulted in record revenue of \$1.3 billion.

→ EBITDA OUTPERFORMS 2006 BY 39%

Record results in Metals, Oil & Gas and Power delivered record EBITDA in 2007.

(2) After June 27, 2006, Sherritt's interest in Royal Utilities Income Fund was accounted for as equity investments, which are not included in revenue and EBITDA.

 Sherritt is **accelerating growth** by building upon our 3 compelling competitive advantages:

Proven technology

Sherritt has a long tradition of developing and delivering in-demand technology solutions. A pioneer in the development of hydrometallurgical processes, Sherritt is an industry leader enlisted by others in the mining industry to solve complex hydrometallurgical challenges.

- The fortified Technologies division, which now includes Dynatec's former team, continues to develop metallurgical solutions for base and precious metals companies all over the world
- Sherritt is able to leverage its expertise to ensure its own Metals operations and capital projects incorporate the most up-to-date, efficient and effective hydrometallurgical solutions available
- A clean coal research institute is being established in western Canada to exploit Sherritt's significant coal resources and growing interest in the development and deployment of clean coal technology, including coal gasification

Solid operating skills

Sherritt's operating expertise and experience have translated into lower costs and additional efficiencies, ensuring the company is among the lowest cost producers in each of its business units.

- Knowledge transfer between Metals and Coal allows these 2 business units to share and leverage world-class surface mining expertise
- Also in Metals, debottlenecking and operating initiatives positioned Moa to function at +60% above the capacity it had achieved in its first full year of operation and to deliver record mixed sulphide production in 2007
- In Oil & Gas, horizontal drilling programs continue to reach new records with the longest well in 2007 spanning +5 km, as a result of new technology and methods being employed

Global assets

With a continued focus on developing business opportunities in its areas of competency, Sherritt has broadened its global reach and is poised to continue to deliver significant value in all of its operating precincts.

- In Metals, the Moa Joint Venture expansion is proceeding as planned
- The Ambatovy Joint Venture in Madagascar is expected to increase total Metals production by 135% beyond the anticipated capacity expansion of the Moa Joint Venture
- A memorandum of understanding was signed to deliver 100 MW of power generating capacity to Madagascar
- Oil & Gas exploration blocks were acquired in the East Irish Sea
- The proposed Dodds-Roundhill coal gasification project in western Canada continues to gain momentum

