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SHERRITT COMPLETES COMPULSORY ACQUISITION OF ROYAL UTILITIES INCOME FUND

TORONTO, May 5, 2008 – Sherritt International Corporation (“Sherritt”) (TSX: S) and Royal Utilities Income Fund (the “Fund”) (TSX:RU.UN) announced today that Sherritt has acquired, pursuant to the compulsory acquisition provisions in Royal Utilities’ amended and restated declaration of trust, the remaining 851,864 units of Royal Utilities that were not deposited under the offer made by Sherritt on March 21, 2008, as amended by a notice of variation dated April 16, 2008, to acquire all of the issued and outstanding units of Royal Utilities not already owned by Sherritt.

As a result, Sherritt now holds 97,760,684 units of Royal Utilities, representing 100% of the issued and outstanding units of Royal Utilities.

The units of Royal Utilities will be de-listed from the Toronto Stock Exchange at the close of business on May 5, 2008.

This press release shall not constitute an offer to sell, or the solicitation of an offer to buy, any securities in any jurisdiction. The securities being offered have not been and will not be registered under the U.S. Securities Act of 1933, as amended or state securities laws. Accordingly, the securities may not be offered or sold to U.S. persons except pursuant to applicable exemptions from registration requirements.

About Sherritt

Sherritt 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 innovative technologies and the breadth of its financial and operational expertise to increase productivity and profitability. Sherritt continues to explore opportunities to grow its \$6.4 billion asset base through expansion of its existing businesses and strategic acquisitions. Sherritt’s common shares are listed on the Toronto Stock Exchange under the symbol “S”.

In addition to its significant nickel production, Sherritt is the largest thermal coal producer in Canada. Sherritt also produces over 30,000 barrels of oil equivalent per day and has 376 megawatts of power generation capacity.

Forward-looking Statement

This news release may contain forward-looking statements. Forward-looking statements generally can be identified by the use of statements that include words such as “believe”, “expect”, “anticipate”, “intend”, “plan”, “likely”, “will” or other similar words or phrases. These forward-looking statements are not based on historic facts, but rather on current expectations,

assumptions and projections about future events. These forward-looking statements are subject to known and unknown risks, uncertainties and other factors that are beyond Sherritt's ability to control or predict. Sherritt does not intend, and does not assume any obligations, to update these forward-looking statements.

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