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SHERRITT INTERNATIONAL CORPORATION TO OFFER TO PURCHASE UP TO \$100 MILLION OF ITS 6% CONVERTIBLE DEBENTURES, DUE DECEMBER 15, 2006

TORONTO, Oct 18, 2004 (Canada NewsWire via COMTEX) -- Sherritt International Corporation ("Sherritt") today announced that it intends to offer to purchase, in aggregate, up to \$100,000,000 par value of its \$300,000,000 6% convertible unsecured subordinated debentures ("6% Debentures") (TSX: S.DB) due December 15, 2006, for \$1,085 cash per \$1,000 of par value of principal (the "Offer").

The Offer represents a continuation of the strategy, initiated in 2000, for the orderly retirement of the 6% Debentures, as business conditions warrant. Given its strong earnings and cash flow generation, Sherritt considers the Offer to be an effective use of cash, while still providing the Corporation with the flexibility to pursue growth opportunities.

Sherritt believes the Offer will be attractive to holders of its 6% Debentures as it provides a 3.3% premium to the closing price of the 6% Debentures on October 15, 2004 and a 3.1% premium to the 20 day average closing price. Debentureholders are, however, urged to carefully evaluate all the information in the Offer and accompanying circular, and to consult their own investment, tax and legal advisors.

To facilitate the Offer, Sherritt will hold a special meeting of Debentureholders on December 2, 2004. The purpose of the meeting will be to seek authorization by way of an extraordinary resolution to amend the 6% Debenture indenture to allow Sherritt to repurchase the 6% Debentures above par. The record date for the meeting will be October 25, 2004. Sherritt anticipates mailing the Offer document and circular on approximately October 29th and the Offer will be open until December 9, 2004 at 5:00 p.m. Toronto time.

If more than \$100,000,000 of 6% Debentures are tendered to the Offer, the amount repurchased will be pro-rated such that a maximum of \$100,000,000 of 6% Debentures will be purchased. Any of the 6% Debentures tendered but not repurchased will be returned to their original holders. The 6% Debentures not tendered and the 6% Debentures returned due to proration will continue to trade on the TSX under the symbol S.DB. The Offer will be subject to a number of conditions providing Sherritt with the right to withdraw the Offer, including the passing of the extraordinary resolution at the special meeting of 6% Debentureholders, authorizing Sherritt to purchase the 6% Debentures above par.

Sherritt International Corporation, with assets of \$2.4 billion, is a diversified Canadian natural resource company that operates in Canada, Cuba and internationally. Sherritt's 131 million common shares, \$300 million of 6% convertible debentures and \$300 million of 7% convertible debentures trade on the Toronto Stock Exchange under the symbols S, S.DB and S.DB.A respectively. Sherritt's \$105 million of 9.875% senior unsecured debentures trade on the over-the-counter bond market.

This news release does not constitute an offer or a solicitation to any person in any jurisdiction in which such offer or solicitation is unlawful. The offer will not be made to, nor will deposits be accepted from or on behalf of, debentureholders in any jurisdiction in which the making or acceptance thereof would not be in compliance with the laws of such jurisdiction.

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