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Sherritt Announces Redemption of Remaining 7% Convertible Debentures, Substantial Issuer Bid and Increase in Quarterly Dividend

TORONTO, November 15, 2006 - Sherritt International Corporation (TSX: S, S.DB.A) today announced its intention to redeem its remaining outstanding 7% convertible debentures, as well as a substantial issuer bid to purchase up to 7.5 million shares at a premium to the closing market price of its common shares on November 15, 2006.

Sherritt also announced an increase in its regular quarterly dividend from \$0.025 to \$0.03 per share, reflecting the continuing strength in key commodity prices, a strong balance sheet and confidence in growth to sustain dividends for the foreseeable future.

Redemption or Conversion of 7% Convertible Unsecured Subordinated Debentures

Sherritt announced its intention to redeem the remainder (approximately \$142 million principal amount) of its outstanding 7% convertible unsecured subordinated debentures due December 15, 2013 (the "Debentures"). A redemption notice is being mailed to holders of the Debentures and the redemption date will be December 19, 2006 (the "Redemption Date"). Debenture holders who tender their Debentures will receive approximately 94.162 common shares per \$1,000 principal amount of Debentures in satisfaction of the redemption price (plus accrued and unpaid interest, up to but excluding the Redemption Date, in cash).⁽¹⁾

Pursuant to the terms of the trust indenture governing the Debentures (the "Trust Indenture"), Debenture holders have the right until the day prior to the Redemption Date to convert their Debentures into common shares. Debenture holders who exercise this right and tender Debentures for conversion will receive approximately 142.857 common shares per \$1,000 principal amount of Debentures.

Debentures tendered for conversion on or before November 30, 2006 will be converted into common shares effective as of the date of tender and such Debenture holders will have no further rights to receive any interest payments. Debenture tendered for conversion subsequent to this date and prior the Redemption Date will be converted into common shares effective December 18, 2006, and holders of such Debentures will receive interest for the period up to and including December 14, 2006 in respect of such Debentures on December 15, 2006.

Debenture holders should carefully review the notice of redemption and the conversion form and consult their own investment, tax and legal advisors.

The issuance of Shares on the redemption and/or conversion is subject to the approval of the Toronto Stock Exchange.

Substantial Issuer Bid for up to 7.5 Million Common Shares

Sherritt also announced that it intends to proceed with a substantial issuer bid for up to 7.5 million common shares at a price of \$11.65. A formal circular will be filed shortly and mailed to shareholders. The circular will include information on the specific process by which shares may be tendered for purchase by the company. The bid will expire on December 22, 2006 and the common shares will be taken up by the company on or about December 27, 2006.

Increase in Dividend

Sherritt declared an increase in the quarterly common share dividend from \$0.025 to \$0.03 per common share. This dividend is payable January 12, 2007 to shareholders of record as of the close of business on December 29, 2006.

Sherritt International Corporation is a diversified resource company involved in the production of thermal coal, nickel, cobalt, oil and electricity. Its 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 \$2.5 billion asset base through expansion of its existing businesses and strategic acquisitions.

Sherritt's 152 million common shares and \$142 million principal amount of Debentures trade on the Toronto Stock Exchange under the symbols S and S.DB.A, respectively. Sherritt's \$274 million principal amount of 7.875% Senior Unsecured Debentures Series A due November 26, 2012 trade on the over the counter bond market.

⁽¹⁾ The number of common shares to be issued to a holder of Debentures upon redemption is calculated, in accordance with the Trust Indenture, by dividing the aggregate principal amount of the Debentures to be redeemed by the holder by 95% of the weighted average trading price of Sherritt's common shares for the 20 consecutive trading days ending on the fifth trading day preceding the date of the redemption notice. As of November 16, 2006, the date of the redemption notice, the applicable weighted average trading price was \$11.18 and 95% of that amount is \$10.62, resulting in approximately 94.162 common shares being issued for each \$1,000 principal amount of Debentures.

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