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Sherritt Announces Results of Issuer Bid

TORONTO, June 27, 2006 - Sherritt International Corporation (TSX: S, S.DB.A) announced today that pursuant to its buyback offer dated May 18, 2006, it will purchase \$100 million of its outstanding 7% convertible unsecured subordinated debentures ("Debentures") at a price of \$1,700 per \$1,000 principal amount, plus accrued interest. The Debenture buyback offer was conducted by way of "dutch auction" which expired on June 26, 2006. The auction elicited tenders of approximately \$253.5 million of Debentures at \$1,700 per \$1,000 principal amount, which will be taken up on a pro-rata basis of approximately 39.4%. The Debentures purchased pursuant to the buyback offer will be taken up and paid for by Sherritt on or about June 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 \$2.8 billion asset base through expansion of its existing businesses and strategic acquisitions.

Sherritt's 151 million common shares and \$193 million 7% convertible debentures trade on the Toronto Stock Exchange under the symbols S and S.DB.A respectively. Sherritt's \$274 million of 7.875% senior unsecured debentures trade on the over-the-counter bond market.

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