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SHERRITT ANNOUNCES FINANCIAL CLOSE OF AMBATOVOY PROJECT FINANCING

TORONTO, March 17, 2008 – Sherritt International Corporation (“Sherritt” – TSX:S) announced today the conditions precedent to the initial disbursement on the U.S.\$2.1 billion of senior project financing for the Ambatovy Project (the “Project”) have been satisfied or waived. The Project has delivered a notice of borrowing to the lenders with an initial disbursement of approximately U.S.\$447 million expected to be received on April 1, 2008. Interest rates vary from lender to lender but on a weighted average basis the interest rate prior to completion is LIBOR + approximately 140 basis points.

The project financing is being provided through a number of loan agreements with certain export credit agencies, development banks and commercial lenders. All loans have a 17-year term. Sherritt and Sumitomo Corporation, the Korea Resources Corporation and SNC-Lavalin Group Inc., the other Project sponsors, have provided completion guarantees, subject to a carve-out for political risk, for the financing until the Project has satisfied the required completion tests, at which time the project debt will become non-recourse to the sponsors. Sherritt’s pro-rata share of the completion guarantee totals U.S.\$840 million, of which U.S.\$598 million is cross-guaranteed by the Project’s other sponsors. The Project’s other sponsors have also agreed to provide Sherritt with subordinated loans to an aggregate of U.S.\$236 million to fund Sherritt’s equity commitments to the Project.

Ambatovy is a large-tonnage nickel and cobalt project located in Madagascar. The Project has estimated probable reserves of 125 million tonnes grading 1.04% nickel and 0.099% cobalt. Once completed, annual production capacity is estimated at 60,000 tonnes (100% basis) of nickel, 5,600 tonnes (100% basis) of cobalt and approximately 190,000 tonnes (100% basis) of ammonium sulphate. The Project has an approved Environmental Assessment, developed in line with the World Bank Guidelines and Equator Principles, and in March 2007 received certification under Madagascar’s Large Mining Investment Act, ensuring tax and legal stability.

About Sherritt

Sherritt International Corporation is a diversified resource company involved in the production of thermal coal, nickel, cobalt, oil and gas and electricity. 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 \$5.5 billion asset base through expansion of its existing businesses and strategic acquisitions. Sherritt’s shares are listed on the Toronto Stock Exchange under the symbol “S”.

In addition to its significant nickel production, Sherritt operates and owns 41.2% of Royal Utilities Income Fund, the largest thermal coal producer in Canada. Sherritt currently 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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