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Sherritt Reports Record Earnings in 2007

Highlights

- Net earnings increased by 51% to a record $370 million
- Record production in Metals and Power
- Record annual revenue achieved in all four business units
- Acquired Dynatec Corporation for $1.6 billion
- Expansions in Metals and Power progressing well
- Purchased for cancellation 1.8 million common shares valued at $25.3 million pursuant to a normal course issuer bid

Financial Highlights (unaudited)

(millions of dollars, except per share amounts)	Q4 2007	Q3 2007	Q4 2006	Year ended December 31 2007	Year ended December 31 2006
Revenue	$ 323.6	$ 301.3	$ 304.2	$1,340.4	$ 1,114.4
EBITDA (1)	175.5	158.6	159.0	752.9	540.4
Net earnings	83.5	65.4	78.6	370.4	245.6
Basic earnings per share	0.36	0.28	0.51	1.80	1.61
Diluted earnings per share	0.36	0.28	0.47	1.79	1.42
Cash, restricted cash and short term investments	490.1	346.8	369.7	490.1	369.7
Total assets	5,464.5	3,780.9	2,553.5	5,464.5	2,553.5
Weighted average number of shares (millions)					
Basic	233.1	233.6	155.0	205.8	152.2
Diluted	233.9	234.5	174.2	206.7	185.2

(1) EBITDA is a non-GAAP measure. Reference should be made to the Summary Financial Results by Segment later in this news release for a description of EBITDA and for reconciliation to GAAP measures. EBITDA does not have a standardized meaning and is, therefore, unlikely to be comparable with similar measures presented by other issuers.

TORONTO, March 6, 2008. Sherritt International Corporation ("Sherritt" or the "Corporation" – TSX:S) today announced fourth-quarter and annual results for 2007. Net earnings for the year of $370.4 million, an increase of 51% over 2006, represented record basic earnings per share of $1.80. The combination of robust commodity prices in 2007 and strong operational performance across all business units helped drive the record earnings. The significant rise in the Canadian dollar in the latter half of the year offset a portion of the gains delivered by all business units.

On June 14, 2007, Sherritt acquired all of the issued and outstanding common shares of Dynatec Corporation. Through the transaction, Sherritt acquired an interest in the Ambatovy Project, a large scale nickel and cobalt project in Madagascar. The Ambatovy Project is progressing well and is on target for commissioning in 2010.

Phase 1 of the Moa Joint Venture expansion is in the process of being commissioned and Phase 2 is progressing well. The two phases will increase mixed sulphide production capacity by a further 4,000 tonnes and 9,000 tonnes, respectively. In Power, construction of the recently approved 150 MW combined cycle expansion at Boca de Jaruco is scheduled to begin in 2008.

In Metals, annual mixed sulphide production was a record 33,661 tonnes (100% basis) of contained nickel and cobalt compared with 29,855 tonnes (100% basis) in 2006. Full-year finished nickel production was 31,392 tonnes (100% basis), exceeding last year's production by 1,180 tonnes. Annual cobalt production of 3,573 tonnes (100% basis) exceeded last year's production by over 260 tonnes to establish an annual production record. Revenue and EBITDA increased by 48% and 83%, respectively, on account of increased production and strong commodity prices.

In Coal, Royal Utilities Income Fund ("Royal Utilities" or "The Fund") produced 36.1 million tonnes of coal and maintained steady distributions of $93.8 million (100% basis). Rescheduling of productive capacity maintenance expenditures and other productivity improvements partially offset the significant maintenance, tire and diesel cost pressures experienced at both Royal Utilities and the Coal Valley mine.

In Oil and Gas, Sherritt's gross working-interest oil production in Cuba was 30,637 bpd, consistent with gross production in 2006. Revenue and EBITDA increased 12% and 6%, respectively, as strong oil prices, steady production and operating efficiencies helped drive profitability growth. The Corporation also signed an additional Production Sharing Agreement for a contiguous block in Cuba.

In Power, record electricity production of 2,288 GWh was achieved as a result of increased capacity with the commissioning of the 65MW expansion at Boca de Jaruco. EBITDA increased by $12.1 million in 2007 to a record $83.6 million.

For the second consecutive year, Sherritt increased, in the fourth quarter, its quarterly dividend by 20% to $0.036 per share, or $0.144 per share on an annualized basis. During the year, Sherritt purchased 1,836,600 common shares for a total consideration of $25.3 million, pursuant to a normal course issuer bid, which commenced on February 28, 2007. As of December 31, 2007, there were 231,809,308 common shares issued and outstanding.

Significant Events

On June 14, 2007, Sherritt acquired all of the issued and outstanding common shares of Dynatec Corporation in exchange for 0.19 of a Sherritt common share and approximately 0.0634 of a common share of FNX Mining Company Inc. ("FNX"), which were owned by Dynatec prior to the acquisition, for each Dynatec common share. Upon completion of the transaction, Sherritt acquired a 45% interest in the Ambatovy Project, a large scale nickel and cobalt project in Madagascar, which is expected to have an initial annual production capacity of 60,000 tonnes (100% basis) of nickel and 5,600 tonnes (100% basis) of cobalt. In December 2007, pursuant to a pre-existing agreement, SNC Lavalin acquired a 5% interest in the Ambatovy Joint Venture, thereby reducing the Corporation's interest to 40%. The Ambatovy Project is currently expected to be commissioned in 2010.

The Corporation's Metals segment now consists of the Moa Joint Venture (formerly known as the Metals Enterprise) and the Ambatovy Joint Venture. The Corporation has reviewed the accounting for the Ambatovy Joint Venture and determined that the Corporation has a variable interest in the Ambatovy Joint Venture and is also the primary beneficiary. As a result, for the year ended December 31, 2007, the accounts of the Ambatovy Joint Venture have been consolidated under the variable interest model as established in the guidelines issued by the Canadian Institute of Chartered Accountants and the equity interests of the other shareholders are accounted for as part of non-controlling interests.

Pursuant to the exercise of a call right granted to FNX in connection with the acquisition of Dynatec, Sherritt sold its Canadian and U.S. mining services business, which was acquired as part of the Dynatec acquisition, to FNX for cash proceeds of $53.0 million, subject to a purchase price adjustment for working capital. The sale was completed on October 15, 2007 and the working capital adjustment was finalized in February 2008, resulting in additional proceeds of $6.1 million.

On October 24, 2007, the Corporation issued $225 million principal amount of 8.25% senior unsecured debentures series B due October 24, 2014, pursuant to a prospectus supplement and a short form base shelf prospectus.

As of December 31, 2007, the Corporation held $59.5 million of asset-backed commercial paper ("ABCP"). These investments have matured and have not been repaid. The Corporation has estimated the fair value of the ABCP and has recorded a downward fair value adjustment of $14.9 million (or $0.06 per share, fully diluted).

In the fourth quarter, Sherritt purchased for cancellation approximately 1.8 million common shares at an average price of $13.76, pursuant to a normal course issuer bid commenced February 28, 2007. The total consideration paid for the shares was $25.3 million.

In the fourth quarter of 2007, after three years as Senior Vice President, Finance and Chief Financial Officer, Mr. Guy Bentinck moved to a newly created position within Sherritt as Senior Vice President, Capital Projects. In this role, Mr. Bentinck is responsible for overseeing the execution of significant capital projects across all business units. Mr. Dean Chambers replaced Mr. Bentinck as Senior Vice President, Finance and Chief Financial Officer. Mr. Chambers was previously Managing Director, Finance and prior thereto, Chief Financial Officer of Dynatec.

Outlook for 2008

The current year will be capital intensive for the Corporation as expansions at the Moa Joint Venture and in Power and the construction in the Ambatovy Joint Venture are either ongoing or set to proceed.

Full-year capital expenditures for 2008 are expected to be approximately $2.2 billion, principally comprised of growth capital in Metals for the Ambatovy Project ($120 million) and sustaining and growth capital for Moa and Fort Saskatchewan ($359 million), Oil and Gas development and exploration drilling expenditures ($150 million) and Power sustaining and growth capital ($75 million). Sherritt anticipates financing the expenditures from a combination of cash flow from operations, project specific finance, including in respect of the Ambatovy Project ($1.3 billion), Ambatovy Joint Venture non-controlling partners' contributions ($160 million) and cash on hand.

Metals

Full-year production (100% basis) is currently expected to be approximately 32,500 tonnes of nickel and 3,500 tonnes of cobalt, reflecting the production from Phase I of the expansion and also the difficulties experienced with CN Rail in the first quarter of 2008 in moving mixed sulphides across Canada.

The key focus in 2008 will be on the commissioning of the Phase 1 Moa/Fort Saskatchewan expansion, which commenced in the first quarter, and the continued construction of Phase 2 at Moa/Fort Saskatchewan. Phase 1 is expected to increase annual production capacity by 4,000 tonnes (100% basis) of mixed sulphides. The Corporation expects to realize operating margin improvements as mixed sulphides from Moa Nickel temporarily displace more expensive third-party feed as Phase 1 becomes operational.

Significant progress is also expected to be made on Phase 2 of the Moa/Fort Saskatchewan expansion in 2008, with commissioning forecasted to commence in mid 2009. Phase 2 is projected to add a further 9,000 tonnes per annum (100% basis) of mixed sulphide production capacity.

Sustaining capital expenditures for the Moa Joint Venture and for the utility and fertilizer assets in Fort Saskatchewan in the first quarter and full year 2008 are expected to be $8 million and $37 million, respectively. Growth capital spending at Moa and Fort Saskatchewan is estimated at approximately $89 million in the first quarter and $322 million for the full year (50% basis). Sherritt’s partner will contribute $257 million of the Moa Joint Venture growth capital in 2008.

Construction activities at the Ambatovy Project are progressing well and current forecasts call for commissioning in 2010.

Capital expenditures at Ambatovy for the full year 2008 are expected to be $1.6 billion (100% basis), of which $1.3 billion will be funded by project financing, and $160 million will be contributed by non-controlling shareholders. Sherritt’s portion of cash capital expenditures is estimated at $120 million in 2008.

Coal

Royal Utilities, which Sherritt operates and in which it has a 41.2% interest, declared distributions of $93.8 million in 2007. The Fund expects to maintain current levels of distributions in 2008. However, due to rapid increases in diesel prices and the timing of productive capacity maintenance, fluctuations in payout ratios could occur. The Fund anticipates that the payout ratio could exceed 100% of the distributable cash flow during 2008.

In 2008, Coal Valley is in a position to renegotiate approximately 75% of its contracts. Given current market prices for export thermal coal, the settlement prices of the renewed contracts are likely to be materially higher than the average realized price in 2007.

Full-year production at Coal Valley is expected to be approximately 4 million tonnes (100% basis) – an increase of 17% over 2007 levels, as $32.1 million (100% basis) of newly acquired leased equipment is anticipated to increase raw coal release capacity in the pits, which should result in increased production levels at the site.

The Dodds-Roundhill coal gasification project is proceeding as planned and Sherritt expects to submit the Environmental Impact Assessment to Alberta government regulators in the second quarter.

Coal capital expenditures, excluding Royal Utilities, for the full year are expected to be approximately $12 million (100% basis), all of which are categorized as sustaining capital expenditures. Royal Utilities expects to spend approximately $40 million in productive capacity maintenance in 2008, which excludes spending on growth initiatives, to meet scheduled major repairs on draglines and equipment replacement.

Oil and Gas

In 2008, both gross working-interest and net working-interest production volumes are expected to remain consistent with prior year levels. In Cuba, negotiations continue with respect to the terms and conditions of an enhanced oil recovery concession and a number of new exploration blocks.

Total capital expenditures for 2008 are expected to be approximately $150 million and will include drilling of 11 development wells and one exploratory well in Cuba, as well as one development well in Pakistan and a seismic program in the East Irish Sea.

Power

Construction on the recently approved 150 MW combined cycle expansion at Boca de Jaruco is expected to begin in 2008. The increase in capacity from the initial 125 MW estimate reflects the optimal configuration for the project considering existing infrastructure and capital costs. The combined cycle expansion will increase Sherritt's total capacity in Cuba to 526 MW and provide Cuba with additional low cost, efficient power. The project is also expected to qualify for certified emission credits through the UN's Clean Development Mechanism. Full operation of the facility is scheduled to begin in late 2010.

Sherritt expects 2008 power production to be approximately 2,400 GWh, reflecting production from the 65 MW expansion for a full year as well as an expected seven-month outage for one turbine following a fire late in 2007. The net capacity factor for 2008 is estimated to be approximately 80%.

Subsequent to quarter end, Sherritt signed a memorandum of understanding with the Government of Madagascar to develop up to 100 MW of power generating capacity, which is separate from the power plant to be built to support the Ambatovy project. The initial 20 MW is expected to involve oil or diesel fired units, while the remaining 80 MW could utilize a portion of Madagascar's extensive hydro resources.

Power capital expenditures are expected to be approximately $75 million for 2008. Estimated capital costs at the Boca de Jaruco expansion are $247 million, of which $59 million are scheduled for 2008.

Technologies

Sherritt Technologies will continue to support the Metals projects in Canada and Madagascar. There continues to be a strong interest in Sherritt's nickel, cobalt and zinc pressure leach technologies, particularly from China, where additional license agreements are anticipated to be signed in 2008. The construction of the Centre for Clean Coal Technology should be completed in 2008, with partial funding from the Alberta Energy Research Institute. In addition, Technologies will continue to provide support for the Dodds-Roundhill coal gasification project.

Review of Operations

Metals

				Year ended December 31	
	Q4 2007	Q3 2007	Q4 2006	2007	2006
Production (tonnes)					
Nickel	4,344	3,803	4,209	15,696	15,106
Cobalt	483	418	458	1,787	1,656
Sales (thousands of pounds)					
Nickel	9,368	8,367	9,250	34,398	33,541
Cobalt	1,187	923	1,022	3,974	3,685
Revenue ($mm)	$ 176.9	$ 150.7	$ 192.3	$ 805.7	$ 543.4
EBITDA ($mm)	$ 93.1	$ 87.3	$ 108.5	$ 481.8	$ 263.8
Realized Prices					
Nickel ($/lb)	$ 12.63	$ 14.14	$ 16.88	$ 17.85	$ 12.59
Cobalt ($/lb)	30.41	26.61	20.85	29.40	17.52
Reference Prices					
Nickel (US$/lb)	$ 13.36	$ 13.71	$ 15.00	$ 16.87	$ 11.02
Cobalt (US$/lb) (1)	32.68	25.84	18.66	27.99	15.22
Capital Expenditures(2)					
Moa Joint Venture ($mm) (50% basis)	$ 51.2	$ 48.4	$ 25.1	$ 179.7	$ 72.8
Ambatovy Joint Venture ($mm) (100% basis)	$ 487.7	$ 152.0	-	$ 647.6	-

(1) Average Metal Bulletin: Low Grade cobalt published price
(2) Portion of capital expenditures (maintenance and project capital) attributable to Sherritt, with the exception of Ambatovy Joint Venture, which includes non-controlling interests

With steady plant operation at the Moa facility, mixed sulphide production in the fourth quarter reached a record 8,864 tonnes (100% basis), 1,504 tonnes higher than in the prior-year quarter and 474 tonnes above the third quarter. The annual production of 33,661 tonnes (100% basis) established an annual production record and reflected the impact of process improvements implemented to alleviate bottlenecks experienced in the prior year.

Full-year finished nickel production was 31,392 tonnes (100% basis), exceeding last year's production by 1,180 tonnes. Annual cobalt production of 3,573 tonnes (100% basis) exceeded last year's production by over 260 tonnes to establish an annual production record. The increase in production also reflected higher feed availability, despite being restricted by low mixed sulphide inventories at the beginning of the year, the rail strike and dusting issues that limited third-party feed additions.

Annual finished nickel and cobalt sales volumes grew 2.6% and 7.8% respectively, reflecting the higher finished nickel and cobalt production volumes.

Full-year EBITDA was a record $481.8 million, an 83% increase over the prior year. The significant improvement was a result of record nickel and strong cobalt prices and higher production volumes, which were partly offset by higher operating costs and a stronger Canadian dollar.

The average LME nickel price in fourth quarter was US$13.36/lb, or US$1.64/lb lower than in the prior year, when stainless steel demand was stronger. For the year, the LME nickel price averaged US$16.87/lb, or US$5.85/lb higher than last year. The Metal Bulletin Low Grade cobalt reference price averaged US$27.99/lb in 2007, or US$12.77/lb above prior year's prices, as the metal benefitted from stronger demand from a number of industry sectors.

Metals capital expenditures, excluding Ambatovy, were $179.7 million in 2007. Capital spending increased due to higher expenditures associated with the Metals expansion at Moa and Fort Saskatchewan and increased spending related to on-going operations. For the year, maintenance capital expenditures were $47.5 million, $23.5 million higher than in 2006. Spending increased as a result of the higher level of investment required to sustain production, and includes a $14.5 million purchase of real estate in Fort Saskatchewan.

As Phase 2 of the Moa/Fort Saskatchewan expansion moved into more active construction activities, the combination of growth capital for Phases 1 and 2 increased to $132.2 million in 2007 from $48.8 million in 2006.

Ambatovy capital expenditures after the acquisition of Dynatec were $647.6 million (100% basis). Increased spending can be attributed to the commencement of construction activity at the mine and processing sites. In the fourth quarter, expenditures were $487.7 million (100% basis). There were no draw-downs on the project financing as of December 31, 2007.

As at December 31st, Sherritt owned 40% of the Ambatovy Project. Sumitomo Corporation of Japan and Korea Resources Corporation each owned 27.5% and SNC Lavalin Inc. owned 5%. A put/call arrangement is in place, which stipulates that following completion of the Project, Sherritt and Sumitomo can acquire SNC Lavalin's interest or SNC Lavalin can divest of its interest to Sherritt and Sumitomo.

Coal

	Q4 2007	Q3 2007	Q4 2006	Year ended December 31 2007	2006
Coal					
Revenue					
Coal Valley and other coal development assets[1]	$ 23.2	$ 28.1	$ 17.1	$ 95.7	$ 77.0
Royal Utilities [2]	-	-	-	-	116.2
Total	$ 23.2	$ 28.1	$ 17.1	$ 95.7	$ 193.2
EBITDA					
Coal Valley and other coal development assets[1]	$ (5.1)	$ (2.5)	$ (1.3)	$ (8.5)	$ (3.5)
Royal Utilities [2]	-	-	-	-	34.9
Total	$ (5.1)	$ (2.5)	$ (1.3)	$ (8.5)	$ 31.4
Equity-accounted earnings in Royal Utilities [2]	$ 18.7	$ 4.0	$ 4.7	$ 34.6	$ 9.9
Distribution received from Royal Utilities [2]	$ 9.6	$ 9.7	$ 9.6	$ 38.6	$ 16.4
Capital Expenditures					
Coal Valley and other coal development assets[1]	$ 1.2	$ 0.9	$ 1.9	$ 3.2	$ 5.6
Royal Utilities [2]	-	-	-	-	3.2
Total	$ 1.2	$ 0.9	$ 1.9	$ 3.2	$ 8.8
Royal Utilities [3]					
Realized prices ($/tonne)	$ 12.83	$ 13.47	$ 11.86	$ 13.00	$ 12.04
Sales volumes (millions of tonnes) [5]	9.4	8.6	9.3	35.8	36.5
Production volumes (millions of tonnes) [5]	9.6	8.6	9.5	36.1	36.2
Coal Valley [4]					
Realized prices ($/tonne)	$ 49.22	$ 50.39	$ 46.98	$ 50.50	$ 47.45
Sales volumes (millions of tonnes) [5]	0.5	0.5	0.3	1.9	1.6
Production volumes (millions of tonnes) [5]	0.4	0.4	0.5	1.7	1.8

(1) Coal development assets include certain undeveloped reserves that produce coal-bed methane and technologies under development, including the Dodds-Roundhill coal gasification project.

(2) For all periods prior to June 27, 2006, the Corporation proportionately consolidated its 50% interest in Royal Utilities. Subsequent to June 27, 2006, the Corporation has equity accounted for Royal Utilities.

(3) Royal Utilities includes the seven mine-mouth operations, of which two are contract mines, and the Bienfait mine and Char plant.

(4) Coal Valley mine is primarily involved in the export of thermal coal.

(5) Royal Utilities sales and production volumes are presented on a 100% basis. Coal Valley sales and production volumes are presented on a 50% basis.

Royal Utilities’ sales volumes increased slightly in the fourth quarter of 2007 to 9.4 million tonnes. Higher demand at Paintearth, where the power station was not fully operational in the prior year, offset reduced Bienfait sales to Ontario Power Generation due to lower demand in Ontario. Average realized prices of $12.83 per tonne were lower during the quarter compared to earlier in the year, mainly reflecting lower operating and capital cost recoveries at the contract mines. Escalating costs and their impact on both indexed prices (owned mines) and operating and capital cost flow through (contract and Genesee mines) increased the average realized price per tonne from the same quarter last year.

Coal Valley revenues for the fourth quarter increased by $6.1 million, or 36%, to $23.2 million, compared to the fourth quarter of 2006, as a result of higher realized prices and sales volumes. Despite the higher revenues, EBITDA from the Coal segment in the fourth quarter declined by $3.8 million from the prior-year period due to higher unit production costs at the Coal Valley mine site and the impact of a strengthening Canadian dollar, which averaged US$1.02 during the quarter.. Fuel, tire and maintenance costs were significantly higher on lower production volumes, which contributed to the EBITDA decline. In light of the robust current pricing environment for coal, Sherritt has engaged regulators and the public in discussions related to a number of mine expansion proposals in Alberta.

The public consultation process for the Dodds-Roundhill Coal Gasification Project in central Alberta is proceeding as planned. If approved by regulators, construction of the plant and coal mine would commence in 2010 and would be operational in 2012.

Capital expenditures at Coal Valley and other coal development assets totaled $1.2 million in the fourth quarter.

Oil and Gas

	Q4 2007	Q3 2007	Q4 2006	Year ended December 31 2007	Year ended December 31 2006
Daily Production Volumes [1] [2]					
Production (boepd)					
Gross working-interest production in Cuba [3] [5]	31,453	30,420	30,510	30,637	30,394
Net production [4]					
Cuba (heavy oil)					
Cost recovery [5]	7,666	10,689	11,832	9,900	7,931
Profit oil [5]	9,640	8,037	7,339	8,348	8,790
Total Cuba	17,306	18,726	19,171	18,248	16,721
Spain (light/medium oil) [4]	528	586	379	504	459
Pakistan (natural gas) [4]	400	395	406	402	297
Total	18,234	19,707	19,956	19,154	17,477
Revenues	$ 85.9	$ 81.5	$ 68.7	$ 303.5	$ 272.1
EBITDA ($mm)	$ 65.6	$ 61.9	$ 51.0	$ 227.9	$ 214.5
Realized Prices					
Cuba (per bbl)	$ 50.20	$ 44.13	$ 36.87	$ 42.53	$ 41.51
Spain (per bbl)	87.47	78.00	67.43	77.56	73.84
Pakistan (per boepd)	6.09	7.88	8.84	6.58	8.77
Reference Prices					
US Gulf Coast Fuel Oil #6 (US$ per bbl)	$ 67.98	$ 55.32	$ 39.53	$ 52.85	$ 45.33
Capital Expenditures	$ 29.2	$ 35.5	$ 35.6	$ 147.8	$ 125.4

(1) Production figures exclude production from wells for which commerciality has not been established.

(2) Oil production is stated in barrels per day ("bpd"). Natural gas production is stated in barrels of oil equivalent per day ("boepd"), which is converted at 6,000 cubic feet per boepd.

(3) In Cuba, Oil and Gas delivers all of its gross working-interest oil production to CUPET at the time of production. Gross working-interest oil production excludes (i) production from wells for which commerciality has not been established in accordance with production-sharing contracts; and (ii) working interests of other participants in the production-sharing contracts.

(4) Net production (equivalent to net sales volume) represents the Corporation's share of gross working-interest production. In Spain and Pakistan, net oil production volumes equal 100% of gross working-interest production volumes.

(5) Gross working-interest oil production is allocated between Oil and Gas and CUPET in accordance with production-sharing contracts. The Corporation's share, referred to as 'net oil production', includes (i) cost recovery oil (based upon the recoverable capital and operating costs incurred by Oil and Gas under each production-sharing contract) and (ii) a percentage of profit oil (gross working-interest production remaining after cost recovery oil is allocated to Oil and Gas). Cost recovery pools for each production-sharing contract include cumulative recoverable costs, subject to certification by CUPET, less cumulative proceeds from cost recovery oil allocated to Oil and Gas. Cost recovery revenue equals capital and operating costs eligible for recovery under the production-sharing contracts. Therefore, cost recovery oil volumes increase as a result of higher capital expenditures and decrease when selling prices increase. When oil prices increase, the resulting reduction in cost recovery oil volumes is partially offset by an increase in profit oil barrels.

Oil & Gas revenues for the year ended December 31, 2007 were 11.5% higher than 2006 due to higher net production and higher realized oil prices. Fourth quarter revenues were approximately 25% higher than in the fourth quarter of 2006, as a result of greater operating efficiencies and significantly higher oil prices. The positive impact of higher oil prices was partially offset by lower net production during fourth quarter due to lower cost recovery spending in Cuba and lower realized prices on the Pakistan production. Higher realized oil prices at the Cuban operations during the fourth quarter 2007 led to a 29% increase in EBITDA to $65.6 million as compared to the prior-year period.

Capital expenditures for the fourth quarter of 2007 were $29.2 million and were primarily in support of development and exploration drilling and facility construction. During the quarter, drilling of two development wells and one exploration well commenced and three development wells and one exploration well were completed.

As a direct result of the ongoing exploration and development programs, well workovers and a commitment to the updating and improvement of the producing operations, Sherritt expects to maintain its current rate of production throughout 2008.

Power

	Q4 2007	Q3 2007	Q4 2006	Year ended December 31 2007	2006
Electricity sold (000's of MWh) [(1)]	607	628	501	2,288	2,047
Revenue ($mm)	$ 29.9	$ 31.6	$ 26.1	$ 117.7	$ 105.7
EBITDA ($mm)	$ 20.4	$ 21.8	$ 14.9	$ 83.6	$ 71.5
Realized price per MWh	$ 40.15	$ 42.38	$ 45.27	$ 43.11	$ 44.68
Capital Expenditures ($mm)	$ 1.9	$ 1.2	$ 16.0	$ 18.8	$ 33.7

(1) Includes non-controlling interest.

Power had another strong year, with full-year production of a record 2,288 GWh in 2007, almost 12% higher than in the prior year. The increase in annual production came as a result of the successful commissioning of a 65 MW expansion in the second quarter, which has brought the total power production capacity to approximately 376 MW of electricity. The net capacity factor for 2007 was 82%, while the fourth-quarter capacity was 79%, which includes the impact of a minor fire at one of the turbines at Boca de Jaruco.

Revenues from electricity sales in 2007 were higher than in the prior year due to the contribution of the 65 MW expansion, and were partially offset by lower realized prices due to the stronger Canadian dollar. EBITDA margin in 2007 improved relative to 2006, as operating costs declined due to a decrease in scheduled maintenance. It is estimated that repairs to the gas turbine at Boca de Jaruco will take approximately seven months to complete.

Capital expenditures in 2007 were $18.8 million, versus $33.7 million in 2006. Fourth-quarter capital expenditures amounted to $1.9 million.

Technologies

Revenues from the Sherritt Technologies division for the year ending December 31, 2007 were $10.0 million, which includes fees from licensing of zinc pressure leach technology and payments for test work and associated engineering services. These revenues were driven by high demand for contract work from third parties.

Summary Financial Results by Segment (unaudited)

The tables below present EBITDA and operating earnings from continuing operations by segment and reconciles these non-GAAP measures to earnings before income taxes. The Corporation discloses EBITDA in order to provide an indication of revenue less cash operating expenses. Operating earnings is a measure used by Sherritt to evaluate the operating performance of its businesses as it excludes interest charges, which are a function of the particular financing structure for the business, and certain other charges. EBITDA and operating earnings do not have any standardized meaning prescribed by Canadian generally accepted accounting principles and are, therefore, unlikely to be comparable with similar measures presented by other issuers.

All amounts in this news release represent Sherritt's 100% interest unless otherwise indicated. Amounts relating to Metals reflect the Corporation's 50% interest in the Moa Joint Venture, 100% of utility and fertilizer operations in Fort Saskatchewan and the consolidation of the Ambatovy Joint Venture. Amounts relating to Coal reflect the Corporation's 50% proportionate interest in Coal Valley and Royal Utilities up to June 27, 2006. Subsequent to June 27, 2006, the Corporation changed its accounting for Royal Utilities to the equity method. Amounts relating to Power reflect the consolidation of Energas S.A. The non-controlling interests in the Ambatovy Joint Venture and in Energas S.A. are disclosed separately in the consolidated financial statements.

Three months ended December 31, 2007

($ millions)	Metals	Oil and Gas	Power	Coal (1)	Corporate and Other(4)	Consolidated
Revenue	$ 176.9	$ 85.9	$ 29.9	$ 23.2	$ 7.7	$ 323.6
Operating, selling, general and administrative expenses	83.8	20.3	9.5	28.3	6.2	148.1
EBITDA	93.1	65.6	20.4	(5.1)	1.5	175.5
Depletion, amortization and accretion	6.0	21.8	7.5	2.6	1.7	39.6
Operating earnings (loss) from continuing operations	87.1	43.8	12.9	(7.7)	(0.2)	135.9
Share of earnings of equity investments(2)	-	-	-	18.7	-	18.7
Fair value adjustment						(8.9)
Net financing expense						(3.8)
Income taxes						(53.9)
Non-controlling interests						(4.9)
Earnings from continuing operations						83.1
Earnings from discontinued operations						0.4
Net earnings						83.5
Capital expenditures(3)	$ 538.9	$ 29.2	$ 1.9	$ 1.2	$ 2.4	$ 573.6

(1) Coal includes the Corporation's 50% proportionate interest in the Coal Valley export thermal coal mine and other coal development assets
(2) Share of earnings of equity investments includes Royal Utilities.
(3) Total capital expenditures include $0.5 million from discontinued operations.
(4) The Corporate and Other segment includes results of the metallurgical technology business acquired from Dynatec.

Three months ended December 31, 2006

($ millions)	Metals	Oil and Gas	Power	Coal [1]	Corporate	Consolidated
Revenue	$ 192.3	$ 68.7	$ 26.1	$ 17.1	$ -	$ 304.2
Operating, selling, general and administrative expenses	83.8	17.7	11.2	18.4	14.1	145.2
EBITDA	108.5	51.0	14.9	(1.3)	(14.1)	159.0
Depletion, amortization and accretion	6.1	21.4	6.0	2.9	1.0	37.4
Operating earnings (loss) from continuing operations	102.4	29.6	8.9	(4.2)	(15.1)	121.6
Share of earnings of equity investments[2]	-	-	-	4.7	0.1	4.8
Loss on sale of investments						(0.3)
Write-down of investments						(2.3)
Net financing expense						(3.5)
Income taxes						(39.0)
Non-controlling interests						(3.5)
Earnings from continuing operations						77.8
Earnings from discontinued operations						0.8
Net earnings						78.6
Capital expenditures[3]	$ 25.1	$ 35.6	$ 16.0	$ 1.9	$ 0.1	$ 78.7

(1) Coal includes the Corporation's 50% proportionate interest in the Coal Valley export thermal coal mine and other coal development assets

(2) Share of earnings of equity investments includes Royal Utilities and the tourism businesses.

(3) Total capital expenditures include $nil million from discontinued operation.

Year ended December 31, 2007

($ millions)	Metals	Oil and Gas	Power	Coal [1]	Corporate and Other[4]	Consolidated
Revenue	$ 805.7	$ 303.5	$ 117.7	$ 95.7	$ 17.8	$ 1,340.4
Operating, selling, general and administrative expenses	323.9	75.6	34.1	104.2	49.7	587.5
EBITDA	481.8	227.9	83.6	(8.5)	(31.9)	752.9
Depletion, amortization and accretion	23.3	87.9	27.4	8.9	4.9	152.4
Operating earnings (loss) from continuing operations	458.5	140.0	56.2	(17.4)	(36.8)	600.5
Share of earnings of equity investments [2]	-	-	-	34.6	-	34.6
Gain on sale of investments						1.4
Fair value adjustment						(14.9)
Net financing expense						(21.7)
Income taxes						(208.1)
Non-controlling interests						(21.1)
Earnings from continuing operations						370.7
Loss from discontinued operations						(0.3)
Net earnings						370.4
Capital expenditures[3]	$ 827.3	$ 147.8	$ 18.8	$ 3.2	$ 5.7	$ 1002.8

(1) Coal results include the Corporation's 50% proportionate interest in the Coal Valley export thermal coal mine and other coal development assets.
(2) Share of earnings of equity investments includes Royal Utilities.
(3) Total capital expenditures include $3.4 million from discontinued operation.
(4) The Corporate and Other segment includes results of the metallurgical technology business acquired from Dynatec.

Year ended December 31, 2006

($ millions)	Metals	Oil and Gas	Power	Coal [1]	Corporate	Consolidated
Revenue	$ 543.4	$ 272.1	$ 105.7	$ 193.2	$ -	$ 1,114.4
Operating, selling, general and administrative expenses	279.6	57.6	34.2	161.8	40.8	574.0
EBITDA	263.8	214.5	71.5	31.4	(40.8)	540.4
Depletion, amortization and accretion	20.8	85.8	25.3	32.6	4.5	169.0
Operating earnings (loss) from continuing operations	243.0	128.7	46.2	(1.2)	(45.3)	371.4
Share of earnings of equity investments [2]	-	-	-	9.9	1.0	10.9
Gain on sale of investments						4.7
Write-down of investment						(2.3)
Net financing expense						(29.3)
Income taxes						(95.3)
Non-controlling interests						(17.2)
Earnings from continuing operations						242.9
Earnings from discontinued operations						2.7
Net earnings						245.6
Capital expenditures[3]	$ 72.8	$ 125.4	$ 33.7	$ 8.8	$ 2.1	$ 242.8

(1) Coal results include the Corporation's 50% proportionate interest in Royal Utilities up to June 27, 2006, and the Corporation's 50% proportionate interest in the Coal Valley export thermal coal mine and other coal development assets.
(2) Share of earnings of equity investments includes Royal Utilities and the tourism businesses.
(3) Total capital expenditures include $0.9 million from discontinued operation.

Supplementary Information

The tables below present EBITDA and operating earnings from continuing operations by segment and reconcile these non-GAAP measures to earnings before income taxes. The Corporation discloses EBITDA in order to provide an indication of revenue less cash operating expenses. Operating earnings is a measure used by Sherritt to evaluate the operating performance of its businesses as it excludes interest charges, which are a function of the particular financing structure for the business, and certain other charges. EBITDA and operating earnings do not have standardized meaning prescribed by Canadian generally accepted accounting principles and are, therefore, unlikely to be comparable with similar measures presented by other issuers.

Three months ended September 30, 2007

($ millions)	Metals	Oil and Gas	Power	Coal (1)	Corporate and Other(4)	Consolidated
Revenue	$ 150.7	$ 81.5	$ 31.6	$ 28.1	$ 9.4	$ 301.3
Operating, selling, general and administrative expenses	63.4	19.6	9.8	30.6	19.3	142.7
EBITDA	87.3	61.9	21.8	(2.5)	(9.9)	158.6
Depletion, amortization and accretion	5.8	20.0	7.3	1.2	1.1	35.4
Operating earnings (loss)	81.5	41.9	14.5	(3.7)	(11.0)	123.2
Share of earnings of equity investments (2)	-	-	-	4.0	-	4.0
Gain on sale of investments						1.4
Write-down of investment						(6.0)
Net financing expense						(10.5)
Income taxes						(41.0)
Non-controlling interests						(5.0)
Earnings from continuing operations						66.1
Loss from discontinued operations						(0.7)
Net earnings						65.4
Capital expenditures(3)	$ 200.4	$ 35.5	$ 1.2	$ 0.9	$ 3.0	$ 241.0

(1) Coal results include the Corporations 50% proportionate interest in the Coal Valley export thermal coal mine and other coal development assets.
(2) Share of earnings of equity investments includes Royal Utilities.
(3) Total capital expenditures include $2.8 million from discontinued operations.
(4) The Corporate and Other segment includes results of the metallurgical technology business acquired from Dynatec.

Three months ended June 30, 2007

($ millions)	Metals	Oil and Gas	Power	Coal (1)	Corporate and Other (4)	Consolidated
Revenue	$ 274.1	$ 77.7	$ 28.3	$ 24.6	$ 0.7	$ 405.4
Operating, selling, general and administrative expenses	107.4	18.4	7.1	24.3	2.3	159.5
EBITDA	166.7	59.3	21.2	0.3	(1.6)	245.9
Depletion, amortization and accretion	5.5	23.0	6.6	2.7	1.1	38.9
Operating earnings (loss)	161.2	36.3	14.6	(2.4)	(2.7)	207.0
Share of earnings of equity investments (2)	-	-	-	5.0	-	5.0
Net financing expense						(6.6)
Income taxes						(67.2)
Non-controlling interests						(5.8)
Net earnings						132.4
Capital expenditures(3)	$ 57.0	$ 35.8	$ 5.6	$ 0.7	$ 0.2	$ 99.3

(1) Coal results include the Corporation's 50% proportionate interest in the Coal Valley export thermal coal mine and other coal development assets.
(2) Share of earnings of equity investments includes Royal Utilities.
(3) Total capital expenditures include $0.1 million from discontinued operations.
(4) The Corporate and Other segment includes result of the metallurgical technology business acquired from Dynatec, for the period from June 14 to June 30, 2007.

Three months ended March 31, 2007

($ millions)	Metals	Oil and Gas	Power	Coal (1)	Corporate	Consolidated
Revenue	$ 204.0	$ 58.4	$ 27.9	$ 19.8	$ -	$ 310.1
Operating, selling, general and administrative expenses	69.3	17.3	7.7	21.0	21.9	137.2
EBITDA	134.7	41.1	20.2	(1.2)	(21.9)	172.9
Depletion, amortization and accretion	6.0	23.1	6.0	2.4	1.0	38.5
Operating earnings (loss)	128.7	18.0	14.2	(3.6)	(22.9)	134.4
Share of earnings of equity investments (2)	-	-	-	6.9	-	6.9
Net financing expense						(0.8)
Income taxes						(46.0)
Non-controlling interests						(5.4)
Net earnings						89.1
Capital expenditures	$ 31.0	$ 47.3	$ 10.1	$ 0.4	$ 0.1	$ 88.9

(1) Coal results include the Corporation's 50% proportionate interest in the Coal Valley export thermal coal mine and the coal development assets.
(2) Share of earnings of equity investments includes Royal Utilities.

About Sherritt

Sherritt International Corporation is a leading diversified natural resource company involved in the production of thermal coal, nickel, cobalt, oil, gas and electricity. It also licenses its proprietary technologies to other mining companies. 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, capital projects and strategic acquisitions.

Sherritt is a world leader in producing nickel from lateritic ore, with operations in Cuba and Canada, and a significant project under development in Madagascar. In addition, Sherritt operates and owns 41.2% of Royal Utilities Income Fund, the largest thermal coal producer in Canada. Sherritt also produces more than 31,000 barrels of oil equivalent per day and manages 376 megawatts of power generation capacity.

Sherritt's 233.1 million common shares trade on the Toronto Stock Exchange under the symbol S. Sherritt's $273.6 million principal amount of 7.875% Senior Unsecured Debentures Series A due November 26, 2012 and Sherritt's $225 million principal amount of 8.25% Senior Unsecured Debentures Series B due October 24, 2014, trade on the over-the-counter bond market.

Forward-looking Statements

This news release contains certain 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", "forecast", "likely", "may" or other similar words or phrases. Similarly, statements in respect to expectations concerning assets, prices, costs, dividends, foreign-exchange rates, earnings, production, market conditions, capital expenditures, commodity demand, risks, availability of regulatory approvals, the impact of investments in asset-backed commercial paper, corporate objectives and plans or goals, are or may be forward-looking statements. 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 the Corporation's ability to control or predict. Actual results and developments may differ materially from those contemplated by this news release depending on, among others, such key factors as business and economic conditions in Canada, Cuba, Madagascar and the principal markets for Sherritt's products. Key factors that may result in material differences between actual results and developments and those contemplated by this news release also include the supply, demand and prices for Sherritt's products; dependence on significant customers; deliveries; production levels; production and other anticipated and unanticipated costs and expenses; energy costs; premiums or discounts realized over London Metals Exchange ("LME") cash and other benchmark prices; interest rates; foreign-exchange rates; rates of inflation; changes in tax legislation; the timing, capital costs and financing arrangements associated with development projects; the timing of the receipt of government and other approvals; political unrest or instability in the countries where Sherritt is active; risks related to collecting accounts receivable and repatriating profits and dividends from Cuba; risks related to foreign exchange controls on Cuban *government enterprises to transact in foreign currency; risks associated with the United States embargo on Cuba and the Helms-Burton Act; risks associated with mining, processing and exploration activities; potential imprecision of reserve estimates; market competition; developments affecting labour relation and the market for skilled workers; environmental and utility industry regulation; and other risk factors listed in this news release and from time to time in Sherritt's continuous disclosure documents such as its annual information form and management information circular.*

Further, any forward-looking statement speaks only as of the date on which such statement is made, and except as required by law, Sherritt undertakes no obligation to update any forward-looking statements.

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