



Sherritt Outlines 2016 Capital Spending Cuts and Suspends \$0.01 per Share Quarterly Dividend

TORONTO, September 17, 2015 – Sherritt International Corporation (“Sherritt” or the “Corporation”) (TSX:S) announced today that, as part of a comprehensive initiative to cut operating costs and capital spending, the Board has suspended the \$0.01 per share quarterly dividend. At current spot prices of approximately US\$4.50 per pound, nickel is down 32% since Q1 2014 when the dividend was last reduced from \$0.043 to \$0.01 per share quarterly. Nickel and crude oil are both trading at lows last seen in 2009. Suspending dividend payments and cutting capital spending and operating costs are both part of a broader strategy, with actions already in progress or to be implemented through 2016, to achieve the following objectives:

1. Maximizing liquidity by conserving Sherritt's cash, cash equivalents and short term investments;
2. Managing capital spending and operating costs for the Sherritt business units by aligning capital spending with cash flow generation in 2016; and
3. Achieving financial completion at Ambatovy by month end, after which time the US\$1.7 billion Ambatovy Joint Venture Financing (100% basis, balance at June 30, 2015) becomes non-recourse to all the Ambatovy partners.

“We are taking action to protect our balance sheet and to withstand a commodity pricing environment where more than 60% of global nickel production is underwater on a cash cost basis,” commented David Pathe, President & CEO, Sherritt. “Our assets in Cuba, both at Moa and in Oil & Gas, have produced profitably for over 20 years, and Ambatovy is proving its potential as one of the world's largest and lowest cost integrated laterite nickel operations. The nickel reserves in Moa and Ambatovy are expected to support commercial production for the next 20 years. We see cash on our balance sheet as critical in managing through this challenging period, and being able to capitalize on the next cycle of rising prices.”

Expect 2016 Capital Expenditures to Fall by 25 – 35%

Capital expenditures for 2015 were revised downward by \$15 million to the current \$195 million expected, as disclosed in our second quarter reporting. Capital expenditures for 2016 will be finalized along with production guidance at the end of this year and announced with specific ranges for each business unit, in accordance with our normal reporting cycle; however, at this time based upon early capital allocation review, we are targeting a reduction of 25 – 35% from the current 2015 guidance of \$195 million. The Moa JV acid plant construction will continue as scheduled with non-recourse financing for the project being provided by a Cuban financial institution.

Forward-Looking Statements

This press release contains "forward-looking information" within the meaning of applicable securities legislation. Forward-looking information includes, but is not limited to, 2016 capital expenditures, Financial Completion at Ambatovy by month end, and 2016 objectives. Often, but not always, forward-looking information can be identified by the use of forward-looking words like "plans", "targets", "expects", or "does not expect", "is expected", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates", or "does not anticipate", or "believes" or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might", or "will be taken", "occur", or "be achieved". There can be no assurance that such forward-looking information will prove to be accurate. Forward-looking information is based on the opinions and estimates of management of Sherritt as of the date such information is

provided and is subject to known and unknown risks, uncertainties and other factors that may cause the actual results to be materially different from those expressed or implied by such forward-looking information. Key factors that may result in material differences between actual results and developments and those contemplated by this press release include the demand for commodities which Sherritt produces, general economic and business conditions and business, economic and political conditions in Madagascar. Other such factors include, but are not limited to, uncertainties in the ramp-up of large mining, processing and refining projects; potential interruptions in transportation; political, economic and other risks of foreign operations; the Corporation's reliance on key personnel and skilled workers; the possibility of equipment and other unexpected failures; the potential for shortages of equipment and supplies; risks associated with mining, processing and refining activities; and other factors listed from time to time in the Corporation's continuous disclosure documents. Accordingly, readers should not place undue reliance on forward-looking information. The forward-looking information contained in this press release is made as of the date hereof and the Corporation undertakes no obligation to update publicly or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by applicable securities laws. The forward-looking information contained herein is expressly qualified in its entirety by this cautionary statement.

About Sherritt

Sherritt is a world leader in the mining and refining of nickel from lateritic ores with projects and operations in Canada, Cuba, and Madagascar. The Corporation is the largest independent energy producer in Cuba, with extensive oil and power operations across the island. Sherritt licenses its proprietary technologies and provides metallurgical services to mining and refining operations worldwide. The Corporation's common shares are listed on the Toronto Stock Exchange under the symbol "S".

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