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Sherritt Notes Maturity Extension Supported by Over 99% of Votes Cast

TORONTO, July 25, 2016 – Sherritt International Corporation (“Sherritt” or the “Corporation”) (TSX: S) is pleased to announce that at a meeting held earlier today (the “Meeting”) of holders (the “Noteholders”) of Sherritt’s \$720 million of outstanding senior unsecured debentures (the “Notes”), Noteholders approved the previously announced proposed 3-year extension of the maturity dates in respect of the Notes (the “Extension”). At the Meeting, 99.85% of the votes cast by Noteholders, representing over 94% of the Notes, were voted in favour of the Plan.

Under the plan of arrangement (the “Plan”), pursuant to which the Extension will be implemented, the maturity dates of the three series of Notes will be extended as follows:

- the 8.00% senior unsecured debentures will mature on November 15, 2021;
- the 7.50% senior unsecured debentures will mature on September 24, 2023; and
- the 7.875% senior unsecured notes will mature on October 11, 2025.

Details of the voting results from the Meeting will be made available on SEDAR at www.sedar.com.

Sherritt also announces that holders of approximately 94% of the Notes (the “Early Consenting Noteholders”) are entitled to receive on implementation of the Extension either Early Consent Cash Consideration or Early Consent Warrants as described in the management information circular dated June 15, 2016 mailed to Noteholders and available on SEDAR. Noteholders holding approximately 36% of the Notes elected to receive the Early Consent Warrants and Noteholders holding approximately 58% of the Notes will be entitled to received Early Consent Cash Consideration.

Based on the elections made by certain Early Consenting Noteholders to receive Early Consent Warrants, the total number of Early Consent Warrants expected to be issued on implementation of the Extension is 19,122,840. If all of such Early Consent Warrants are ultimately exercised, the maximum potential dilution to shareholders upon the exercise of such Early Consent Warrants would be approximately 6.5%.

Court Approval and Implementation

The hearing seeking court approval of the Plan pursuant to the *Canada Business Corporations Act* has been scheduled for July 27, 2016. The implementation of the Extension is expected to take effect on or about July 29, 2016, provided the final order from the Ontario Superior Court of Justice approving the Plan is obtained and subject to the satisfaction or waiver of all other conditions to the Extension.

Information for Shareholders

The common shares and shareholders of the Corporation are not directly involved in the Extension and the legal rights of shareholders are not affected by the Extension.

About Sherritt

Sherritt is the 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".

Source: Sherritt Investor Relations

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