

SHERRITT INTERNATIONAL CORPORATION
(the “Corporation”)

BOARD OF DIRECTORS “MAJORITY VOTING” POLICY

The board of directors of the Corporation believes that each of its members should carry the confidence and support of its shareholders. To this end, the directors have unanimously adopted this statement of policy. Future nominees for election to the board will be asked to subscribe to this statement before their names are put forward.

Forms of proxy for the vote at a shareholders’ meeting where directors are to be elected will enable the shareholder to vote in favour of, or to withhold from voting, separately for each nominee. At the meeting, the Chair will call for a vote by ballot and the scrutineers will record with respect to each nominee the number of shares in his or her favour and the number of shares withheld from voting. Prior to receiving the scrutineer’s report on the ballot, the Chair may announce the vote result based on the number of proxies received by the Company. Promptly following the meeting, the final report on the results of the ballot must be filed on SEDAR. If, with respect to any particular nominee, the number of shares withheld exceeds the number of shares voted in favour of the nominee, then for purposes of this policy the nominee shall be considered not to have received the support of the shareholders, even though duly elected as a matter of corporate law.

A person elected as a director who is considered under this test not to have the confidence of the shareholders is expected forthwith to submit to the board of directors his or her resignation, to take effect upon acceptance by the board of directors. The Nominating and Corporate Governance Committee will then review the matter and recommend to the board whether to accept the resignation. The Committee will recommend acceptance of the resignation barring exceptional circumstances which would warrant the director continuing to serve on the board. The board will make its decision and announce it (including, if the resignation is not accepted due to exception circumstances, the reason for not accepting it) in a press release within 90 days of the annual meeting where the election was held. A copy of such press release will be provided to the Toronto Stock Exchange. A director who submits his or her resignation will not participate in the board or committee deliberations in respect of such resignation.

Subject to any corporate law restrictions, the board of directors may (i) leave the resultant vacancy unfilled until the next annual general meeting; (ii) fill the vacancy through the appointment of a new director whom the board considers to merit the confidence of the shareholders; or (iii) call a special meeting of shareholders at which there will be presented a management slate to fill the vacant position or positions.

This policy does not apply in any case where the election involves a proxy battle -- i.e., where proxy material is circulated in support of one or more nominees who are not part of the slate supported by the board of directors.