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RIGHT TO PURCHASE SHERRITT'S MINING SERVICES HAS BEEN EXERCISED

TORONTO, September 28, 2007 - Sherritt International Corporation ("Sherritt" – TSX:S) announced today that pursuant to the agreement negotiated with FNX Mining, FNX has exercised the call option to purchase Sherritt's Mining Services Division. Sherritt acquired the Mining Services Division when it purchased Dynatec Corporation in June 2007. The purchase price for the Division is \$53 million and the transaction, subject to the satisfaction of customary closing conditions, is expected to close at the end of October.

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 acquired the issued and outstanding common shares of Dynatec effective June 14, 2007, and assumed ownership of the Company's assets and businesses, including its interest in Ambatovy.

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 \$3.8 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 contains 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. Similarly, statements contained in each of the "Outlook" sections of this news release including those with respect to expectations concerning assets, prices, foreign exchange rates, earnings, production, market conditions, capital expenditures, commodity demand, risks, availability of regulatory approvals, 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 Sherritt'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 Metal Exchange 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 relations; environmental regulation and other risk factors listed from time to time in Sherritt's continuous disclosure documents such as its annual report, annual information form and management information circular.

Sherritt does not intend, and does not assume any obligations, to update these forward-looking statements.

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For further information please contact:

Michael Minnes
Tel: 416-935-2468
mminnes@sherritt.com