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Sherritt Announces Dutch Auction to Purchase up to \$75 Million of Outstanding Debentures

TORONTO, January 16, 2018 – Sherritt International Corporation (“Sherritt”) (TSX:S) today announced the commencement of an offer to purchase for cash its outstanding 8.0% Senior Unsecured Debentures due 2021, 7.5% Senior Unsecured Debentures due in 2023 and 7.875% Senior Unsecured Notes due in 2025 (collectively, the “Notes”) for a targeted aggregate principal amount of up to \$75 million (each, an “Offer” and collectively, the “Offers”).

The Offers will be priced per \$1,000 principal amount for each series of Notes determined by a modified Dutch Auction procedure whereby eligible participants may specify either the minimum offer they are willing to receive for each \$1,000 principal amount or accept the Clearing Price (as defined below) determined by Sherritt to purchase each \$1,000 principal amount the holders choose to submit into the each Offer. Bid prices specified must be less or equal to the Maximum Price (as defined below) for each series of Notes. Bid prices in excess of the Maximum Price for each series of Notes will not be accepted or used for the purposes of determining the relevant tender price for each series of Notes (the “Clearing Price”). Holders that properly tender and do not withdraw their Notes will be paid any accrued and unpaid interest from the last interest payment to the Settlement Date (as defined below).

The following table sets out, for each series of Notes, the CUSIP number, outstanding principal amount and certain other information, including, the maximum price per \$1,000 principal amount of Notes at which a tender to the Offers may be made (the “Maximum Price”):

Title of Security	CUSIP	Principal Amount Outstanding	Maximum Price Per Unit
8.00% Senior Unsecured Debentures due 2021	823901AH6	\$220,000,000	\$950.00
7.50% Senior Unsecured Debentures due 2023	823901AK9	\$250,000,000	\$900.00
7.875% Senior Unsecured Notes due 2025	823901AL7	\$250,000,000	\$880.00

Each series of Notes will be open for tender commencing as of 9:00 am Toronto time on January 17, 2018 and will expire at 5:00 pm Toronto time, February 13, 2018 (the “Expiration Time”) unless extended or earlier terminated as described in the Purchase Offer filed on SEDAR. Holders of Notes must properly tender and not validly withdraw their Notes on or before the Expiration Time in order to receive the applicable Clearing Price for each series of Notes. Tendered Notes may be withdrawn by holders at any time prior to 5:00 pm Toronto time on February 13, 2018 unless extended by the Company. The settlement date of the Offers is expected on or about February 16, 2018 (the “Settlement Date”).

The principal purpose of the Offers is for Sherritt to reduce its outstanding liabilities. The Offers are being conducted in concert with a Unit Offering consisting of shares and warrants to raise gross proceeds of up to \$100 million. For further details of the Unit Offer, investors are advised

to consult Sherritt's press release dated January 16, 2018, entitled *Sherritt Announces \$100 Million Unit Offering Comprised of Common Shares and Cobalt-Linked Warrants*.

The Offers are subject to certain conditions described in the Purchase Offer filed on SEDAR. The above dates and times are subject, where applicable, to the right of Sherritt to extend, re-open, amend and/or terminate the Offers, subject to applicable laws. Sherritt may increase or decrease the Offer amount at any time in its sole discretion. Holders should be aware that their broker, dealer, commercial bank, trust company or other intermediary will establish their own earlier deadlines for participation in, or withdrawal from, the Offers.

National Bank Financial Markets (416-869-8635) is acting as dealer manager for the Offers and Computershare Investor Services Inc. (1-800-564-6253) is acting as depositary for the Offers.

This notice does not constitute or form part of any offer or invitation to purchase, or any solicitation of any offer to sell, the Bonds or any other securities in the United States or any other country, nor shall it or any part of it, or the fact of its release, form the basis of, or be relied on or in connection with, any contract therefor. The Offers are made only by and pursuant to the terms of the Offer to Purchase and the information in this notice is qualified by reference to the Offer to Purchase. None of the Offerors, the Issuers or the Information and Tender Agent make any recommendations as to whether holders should tender their Notes pursuant to the Offers.

This notice to the market does not represent an offer to sell securities or a solicitation to buy securities in the United States or in any other country.

About Sherritt

Sherritt is a world leader in the mining and refining of nickel and cobalt 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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Forward-Looking Statements

This press release contains certain forward-looking statements. Forward-looking statements can generally be identified by the use of statements that include such words as "believe", "expect", "anticipate", "intend", "plan", "forecast", "likely", "may", "will", "could", "should", "suspect", "outlook", "projected", "continue" or other similar words or phrases. Specifically, forward-looking statements in this document include, but are not limited to, statements set out in this press release relating to estimated costs and future funding requirements.

Forward-looking statements are not based on historic facts, but rather on current expectations, assumptions and projections about future events, including matters relating to the transaction disclosed herein; availability of governmental, regulatory and third party approvals; and the ability to achieve corporate objectives, goals and plans for 2018. By their nature, forward-looking statements require the Corporation to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that predictions, forecasts, conclusions or projections will not

prove to be accurate, that those assumptions may not be correct and that actual results may differ materially from such predictions, forecasts, conclusions or projections.

The Corporation cautions readers of this press release not to place undue reliance on any forward-looking statement as a number of factors could cause actual future results, conditions, actions or events to differ materially from the targets, expectations, estimates or intentions expressed in the forward-looking statements. These risks, uncertainties and other factors include, but are not limited to the risks and uncertainties set out in the Management's Discussion & Analysis of the Corporation for the period ending September 30, 2017 and the Corporation's Annual Information Form dated March 28, 2017, each of which are available on SEDAR at www.sedar.com. Readers are cautioned that the foregoing list of factors is not exhaustive and should be considered in conjunction with the risk factors described in this press release and in the Corporation's other documents filed with the Canadian securities authorities.

The Corporation may, from time to time, make oral forward-looking statements. The Corporation advises that the above paragraph and the risk factors described in this press release and in the Corporation's other documents filed with the Canadian securities authorities should be read for a description of certain factors that could cause the actual results of the Corporation to differ materially from those in the oral forward-looking statements. The forward-looking information and statements contained in this press release are made as of the date hereof and the Corporation undertakes no obligation to update publicly or revise any oral or written forward-looking information or statements, whether as a result of new information, future events or otherwise, except as required by applicable securities laws. The forward-looking information and statements contained herein are expressly qualified in their entirety by this cautionary statement.