

ALGOMA STEEL INC.

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NEWS RELEASE
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TSE Symbol: AGA

SAULT STE. MARIE, ONTARIO - Algoma Steel Inc. is pleased to announce that a draft Environmental Management Agreement has been achieved, setting the blueprint for Algoma's environmental program through the year 2005. This voluntary agreement has been developed among the Ontario Ministry of the Environment, Environment Canada and Algoma Steel Inc. Representatives of the public were involved and provided input to the process. The agreement will address environmental issues that go above and beyond mandatory compliance. It is a clear indication of Algoma's commitment to continuous environmental improvement.

The process was initiated by the Ontario Ministry of the Environment in consultation with Environment Canada. Due to its good record in environmental matters, Algoma Steel Inc. was selected as a candidate for a pilot program to develop voluntary agreements to advance environmental protection. The pilot program between the two levels of government and industry is designed to advance environmental standards to a new level beyond basic compliance.

The process of developing the agreement began in 1999 and is now in its final stages. The draft agreement will be posted on the Ontario Ministry of the Environment - Environmental Bill of Registry and the Environment Canada - Green Lane, for public access and comment. A public open house will be held on May 18, 2000, to present the draft agreement to the public.

The agreement includes nine initiatives that Algoma has committed to manage during the period of 2000 - 2005. The items within the agreement address air, water, PCB and Mercury disposal, landfill issues and Environment Canada's Code of Practice for Integrated Steel Mills. The air initiatives focus on the cokemaking and ironmaking processes.

This process of developing an agreement required substantial commitment and resources by all of the stakeholders involved. Algoma Steel Inc. is committed to the voluntary agreement as a valuable tool to further improve the environment in the community.

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