

ALGOMA STEEL INC.

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NEWS RELEASE

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TSE Symbol: AGA

SAULT STE. MARIE, ONTARIO - Algoma Steel Inc. of Canada, and Siderca S.A. of Argentina, part of the global DST group, announced today that they have signed definitive agreements pursuant to which Siderca, through a newly incorporated Canadian affiliate, will lease and operate Algoma's seamless steel pipe manufacturing facilities in Sault Ste. Marie, Ontario, Canada. The agreements will become effective and Siderca will take possession of the facilities upon the clearance of certain corporate and regulatory requirements.

Algoma Steel is Canada's third largest integrated steel producer. Revenues are derived primarily from the manufacture and sale of rolled steel products, including hot and cold rolled sheet and plate. Siderca, through its participation in Dalmine S.p.A. of Italy and Tubos de Acero de Mexico S.A. of Mexico, is part of the DST Group, which is part of the larger Techint Group.

Siderca's new Canadian affiliate, Algoma Seamless Tubulars Inc., would become a part of the DST Group, taking advantage of its extensive commercial network operating in Europe, North America, South America and Asia, where it is currently undertaking the completion of certain agreements with NKK Corporation.

For further information, please contact:

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