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NEWS RELEASE
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TSE Symbol: AGA

SAULT STE. MARIE, ONTARIO - Algoma Steel welcomed today's announcement by the Canada Customs and Revenue Agency (CCRA) that the federal government has initiated an investigation into the dumping and countervailable subsidy of Hot Rolled Steel Sheet from thirteen countries.

The investigation has been initiated in response to a complaint filed by Algoma Steel Inc. and supported by the other Canadian producers alleging dumping from Brazil, Bulgaria, China, India, Macedonia, New Zealand, Saudi Arabia, South Africa, South Korea, Chinese Taipei, Thailand, Ukraine and Yugoslavia. Countervailable subsidies were also alleged on some of the imports.

The CCRA has indicated that imports of Hot Rolled Steel Sheet from the named countries have surged from 1.1 % of the Canadian market in 1997, to 5.4% in 1998, to 8.6 % in 1999 and 16.7% in the first nine months of 2000. The domestic producers share of the market has declined from 76.6 % in 1997 to 67.4 % in the first nine months of 2000. 93.1 % of the imports reviewed appear to have been dumped with margins as high as 34.6 %. A preliminary determination of dumping and subsidy margins is expected to be made by mid April.

"The steel market in North America has been constantly inundated with unfairly traded imports for many years" said Sandy Adam, President of Algoma Steel Inc. "Just as we reach the successful conclusion of a trade case, imports flood in from other sources. This is the second complaint against Hot Rolled Sheet imports filed by Canadian producers in a little over two years."

For further information, please contact:

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