



ALGOMA STEEL INC.

105 West Street
Sault Ste. Marie, Ontario, Canada P6A 7B4
Phone: 705-945-2351 Fax: 705-945-2203

NEWS RELEASE
Monday, August 18, 2003

TSE Symbol: AGA

UPDATE ON POWER OUTAGE

SAULT STE. MARIE, ONTARIO – Steel production returned to normal levels early Saturday morning, following a power disruption shortly after 4:00 p.m. on Thursday, August 14th. All major backup systems performed as planned during the shutdown and there was no major damage sustained due to this event. Our employees have been cooperating to ensure that the effect on customers is minimized.

Algoma is working with the Province to conserve power usage and shift demand to off peak hours. We have been advised that the risk of power curtailments may continue through the week.

Algoma Steel Inc. is an integrated steel producer based in Sault Ste. Marie, Ontario. Revenues are derived primarily from the manufacture and sale of rolled steel products, including hot and cold rolled sheet and plate.

Company Contact:

Glen Manchester
V.P. - Finance & Chief Financial Officer
705-945-2470