



ALGOMA STEEL INC.

105 West Street
Sault Ste. Marie, Ontario, Canada P6A 7B4

NEWS RELEASE
Tuesday, July 27, 2004

TSE Symbol: AGA

Algoma Steel Inc. Announces Tentative Collective Agreements

SAULT STE. MARIE, ONTARIO – Algoma Steel Inc. today announced that the Company has reached tentative settlements with USWA Locals 2251 and 2724 on the terms of new labour agreements. The current collective agreements are set to expire on July 31, 2004. The negotiating committees of both Locals are unanimously recommending approval of the agreements. Ratification votes on the tentative agreements are to be held over the next few days. The Company intends to release the major items of the tentative agreements simultaneously with the information meetings being held by the Unions.

Algoma President and CEO, Denis Turcotte, commented on the outcome, “We are pleased that we have reached tentative agreements without a labour disruption. As we move forward, we can continue to work cooperatively with our Unions to reposition the Company for success.”

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.

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