



ALGOMA STEEL INC.

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

NEWS RELEASE

Thursday, November 9, 2006

TSX Symbol: AGA

ALGOMA STEEL ANNOUNCES TSX APPROVAL OF NEW NORMAL COURSE ISSUER BID

SAULT STE. MARIE, ONTARIO - Algoma Steel Inc. today announced that it has received regulatory approval from the Toronto Stock Exchange to initiate a new normal course issuer bid. Under the terms of the bid, Algoma may purchase for cancellation up to 3,165,414 of its common shares, representing approximately 10% of its public float of common shares. As of November 1, 2006, there were 31,896,358 Algoma common shares issued and outstanding and a public float of 31,654,142 Algoma common shares. The purchases may commence on November 13, 2006 and will terminate on November 12, 2007, or on such earlier date as Algoma may complete its purchases pursuant to the Notice of Intention. The purchases will be made by Algoma in accordance with the rules of the exchange, and the prices that Algoma will pay for any common shares will be the market price of such shares at the time of acquisition. Algoma will make no purchases of common shares other than open-market purchases. Algoma has previously purchased (i) 5,479,452 common shares by way of a substantial issuer bid that expired on September 14, 2006 and (ii) 2,832,500 common shares by way of a normal course issuer bid that expired on August 7, 2006.

Algoma believes that, from time to time, the market price of its common shares does not fully reflect the value of its business and its future business prospects. As a result, Algoma believes that its outstanding common shares may represent an appropriate and desirable use of its available funds.

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:

Brenda Stenta
Manager, Corporate Communications
Phone: 705.945.2209
Email: bstenta@algoma.com