



ALGOMA STEEL INC.

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

NEWS RELEASE

Wednesday, June 20, 2007

TSX Symbol: AGA

ALGOMA STEEL ANNOUNCES CLOSING OF ITS ACQUISITION BY ESSAR

SAULT STE. MARIE, ONTARIO – Algoma Steel Inc. today announced the completion of the arrangement involving the acquisition by a subsidiary of Essar Steel Holdings Limited of all of Algoma's outstanding common shares for all cash consideration of \$56 per share.

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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