



**ALGOMA STEEL INC.**  
105 West Street  
Sault Ste. Marie, Ontario, Canada P6A 7B4

**NEWS RELEASE**  
**Thursday, December 27, 2007**

## **Algoma to Make a Prepayment Under Term Loan Agreement**

**SAULT STE. MARIE, ONTARIO** - Algoma Steel Inc. announced today that it has notified UBS AG of its intention to make a prepayment under its term loan agreement on December 28, 2007 in the amount of \$130 million. The company does not intend to make any further announcement upon such prepayment.

A member of the Essar Group, Algoma Steel Inc. is based in Sault Ste. Marie, Ontario. As a fully integrated steel producer, Algoma's 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: 1.705.945.2209  
Email: [bstenta@algoma.com](mailto:bstenta@algoma.com)