



Essar Steel Algoma Inc.
105 West Street
Sault Ste. Marie, Ontario
Canada P6A 7B4

T +1 - 705 - 945 2351
F +1 - 705 - 945 2203
www.essarsteelalgoma.com

NEWS RELEASE

Friday, July 30, 2010

ESSAR STEEL ALGOMA INC. AND USW LOCAL 2724 AGREE TO TAKE MEDIATOR'S RECOMMENDATION TO SETTLE TO PRINCIPALS AND MEMBERSHIP

SAULT STE. MARIE – In an effort to conclude the final terms of a new collective agreement, ESSAR Steel Algoma and USW Local 2724, the union representing the Company's technical, professional and front line management employees, have agreed to take the mediator's recommendation to settle to their principals and membership for ratification.

Should this mediator's recommendation to settle fail to be ratified by midnight July 31, 2010 it shall be rendered null and void.

-30-

A member of the Essar Group, Essar Steel Algoma Inc. is based in Sault Ste. Marie, Ontario. As a fully integrated steel producer, the Company derives its revenues primarily from the manufacture and sale of hot and cold rolled steel products including sheet and plate.

COMPANY CONTACT:

Brenda Stenta
Manager Corporate Communications
Phone: +1.705.945.2209
E-mail: brenda.stenta@essar.com