



Algoma Steel Reaches Tentative Agreement with USW Local 2724

July 20, 2022

SAULT STE. MARIE, Ontario, July 20, 2022 (GLOBE NEWSWIRE) -- Algoma Steel Group Inc. (NASDAQ: ASTL; TSX: ASTL) ("Algoma" or the "Company") announced today that the Company has reached a tentative agreement for a new labour contract with United Steelworkers ("USW") Local 2724, the union representing its technical, professional and front-line supervisory employees. The current collective agreement expires July 31, 2022. Ratification votes are scheduled for July 21st through July 25th, 2022. The Company will not be releasing details of the tentative agreement until after the Union has held its information meetings.

Discussions are ongoing between the Company and the hourly employees represented by USW Local 2251, and the Company looks forward to reaching an agreement before the contract expires on July 31, 2022, ensuring the continuation of the Company's forward momentum.

Algoma President and Chief Executive Officer Michael Garcia commented on the outcome, "We are pleased that we have reached a tentative agreement with our salaried union local that provides an economic package that is acceptable to both parties and sets out the process to transition the workforce to electric arc steelmaking. We look forward to continuing our work together as we navigate Algoma's transformation, positioning the Company for a secure, sustainable future as a leading producer of green steel."

Cautionary Statement Regarding Forward-Looking Statements

This news release contains "forward-looking information" under applicable Canadian securities legislation and "forward-looking statements" within the meaning of the U.S. Private Securities Litigation Reform Act of 1995 (collectively, "forward-looking statements"), including statements regarding anticipated new labour agreements with Algoma's salaried and hourly employees, and Algoma's transition to electric arc steelmaking, its future as a leading producer of green steel, and Algoma's expected enhanced long-term profitability, cost-cutting initiatives, modernization of its plate mill facilities, transformation journey, investment in its people, processes, optimization and modernization, and growing capability and courage to meet the industry's challenges. These forward-looking statements generally are identified by the words "believe," "project," "expect," "anticipate," "estimate," "intend," "strategy," "future," "opportunity," "plan," "pipeline," "may," "should," "will," "would," "will be," "will continue," "will likely result," and similar expressions. Forward-looking statements are predictions, projections, and other statements about future events that are based on current expectations and assumptions. Many factors could cause actual future events to differ materially from the forward-looking statements in this document. Readers should consider the risks and uncertainties set forth in the section entitled "Risk Factors" and "Cautionary Note Regarding Forward-Looking Statements" in Algoma's Annual Report on Form 20-F, filed by Algoma with the Ontario Securities Commission (the "OSC") (available under the company's SEDAR profile at www.sedar.com) and with the Securities and Exchange Commission (the "SEC") (available at www.sec.gov), as well as in Algoma's current reports with the OSC and SEC. Forward-looking statements speak only as of the date they are made. Readers are cautioned not to put undue reliance on forward-looking statements, and Algoma assumes no obligation and does not intend to update or revise these forward-looking statements, whether as a result of new information, future events, or otherwise.

About Algoma Steel Group Inc.

Based in Sault Ste. Marie, Ontario, Canada, Algoma is a fully integrated producer of hot and cold rolled steel products including sheet and plate. With a current raw steel production capacity of an estimated 2.8 million tons per year, Algoma's size and diverse capabilities enable it to deliver responsive, customer-driven product solutions straight from the ladle to direct applications in the automotive, construction, energy, defense, and manufacturing sectors. Algoma is a key supplier of steel products to customers in Canada and Midwest USA and is the only producer of plate steel products in Canada. The Company's mill is one of the lowest cost producers of hot rolled sheet steel (HRC) in North America owing in part to its state-of-the-art Direct Strip Production Complex ("DSPC"), which is the newest thin slab caster in North America with direct coupling to a basic oxygen furnace (BOF) melt shop.

Algoma has achieved several meaningful improvements over the last several years that are expected to result in enhanced long-term profitability for the business. Algoma has upgraded its DSPC facility and recently installed its No. 2 Ladle Metallurgy Furnace. Additionally, the Company has cost-cutting initiatives underway and is in the process of modernizing its plate mill facilities.

Today Algoma is on a transformation journey. Algoma is investing in its people and processes, optimizing and modernizing to secure a sustainable future. Our customer focus, growing capability and courage to meet the industry's challenges head-on, position us firmly as your partner in steel.

For more information contact:

Brenda Stenta
Manager Communications & Branding
Algoma Steel Group Inc.
Phone: 705.206.1022
E-mail: brenda.stenta@algoma.com