Earnings Call Presentation

For the Quarter ending September 30, 2021

November 12th, 2021

in Canadian dollars unless otherwise noted

Disclaimer (1/2)

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This presentation 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 Algoma's strategic objectives and outlook for the third 2022 and statements regarding Algoma's planned invesquarter of fiscal tment in EAF steelmaking, reduction in carbon emissions and role as a leader in green steel, planned growth, increased productivity and profitability . Forward-looking statements and information generally can be identified by the use of forward-looking terminology such as "outlook", "objective", "may", "will", "expect", "intend", "estimate", "anticipate", "believe", "should", "plans", "continue" or similar expressions suggesting future outcomes or events. Forward-looking statements and information include, but are not limited to, statements regarding the operations, business, financial condition, expected financial results, performance, opportunities, strategies, outlook and guidance of the Company, the potential government financing and the transformation to electric arc furnace steelmaking (the "EAF Transformation").

Although we believe that our anticipated future results, performance or achievements expressed or implied by the forward-looking statements and information are based upon reasonable assumptions and expectations, the reader should not place undue reliance on forward-looking statements and information because they involve known and unknown risks, uncertainties and other factors, many of which are beyond our control, which may cause the actual results, performance or achievements of the Company to differ materially from anticipated future results, performance or achievements expressed or implied by such forward-looking statements and information. The material factors or assumptions that were applied by us in drawing conclusions or making forecasts or projections set out in the forward-looking statements and information, and those risks, uncertainties and other factors that could cause actual results to differ materially from the forward-looking statements and information, include, but are not limited to: global and North American product demand, production levels and capacity utilization; our production levels and capacity utilization; the risk that the anticipated benefits of the Government of Canada's funding, which is subject to the negotiation of definitive documentation, will fail to materialize as planned or at all; the risk that the benefits of the merger transaction (the "Transaction") between the Company and Legato Merger Corp. may not be realized; the outcome of any legal proceedings that may be initiated following announcement of the Transaction; the effect of the announcement on the Company's business relationships, operating results and business generally; the risks associated with the steel industry generally; the ability of the Company to implement and realize its business plans and strategic objectives, including the EAF Transformation and the corresponding reduction in carbon emission, the retirement of certain secured long term debt and development of its supply chain; the risks that higher cost of internally generated power and market pricing for electricity sourced from Algoma's current grid in Northern Ontario could have an adverse impact on our production and financial performance; the risk of downturns and a changing regulatory landscape in the Company's highly competitive and cyclical industry; future results of operations; future cash flow and liquidity; future capital investment; the impact of the foregoing items on our debt service obligations; our ability to operate our business, remain in compliance with debt covenants and make payments on our indebtedness with a substantial amount of indebtedness; restrictive covenants in debt agreements limit our discretion to operate our business; plant operating performance; upgrades to our facilities and equipment; our research and development activities; our ability to source raw materials and other inputs at a competitive cost; debt financing, government or regulatory accommodation for key operational inputs and other current or future compliance requirements; our ability to supply to new customers and markets; our ability to effectively manage costs; our ability to attract and retain key personnel and skilled labour; our ability to obtain and maintain existing financing on acceptable terms; changes in environmental, tax and other laws, rules and regulations, including international trade regulations; growth in steel markets and industry trends; significant domestic and international competition; increased use of competitive products; a protracted fall in steel prices; plant operating performance; product mix; level of contract sales; excess capacity, resulting in part from expanded production in China and other developing economies; low-priced steel imports, import levels and government actions or lack of actions with regard to imports; protracted declines in steel consumption caused by poor economic conditions in North America or by the deterioration of the financial condition of our key customers; increases in annual funding obligations resulting from our under-funded pension plans; supply and cost of raw materials and energy; natural gas prices and usage; currency fluctuations, including an increase in the value of the Canadian dollar against the United States dollar; environmental compliance and remediation; unexpected equipment failures and other business interruptions; a protracted global recession or depression; North American and global economic performance and political developments; and changes in general economic conditions, including as a result of the COVID-19 pandemic.

The foregoing list of factors is not exhaustive and readers should also consider the other risks and uncertainties set forth in the section entitled "Risk Factors" and "Cautionary Note Regarding Forward-Looking Statements" in the prospectuses filed by Algoma with the Securities and Exchange Commission and the Ontario Securities Commission.

Given these risks, uncertainties and other factors, readers should not place undue reliance on forward-looking statements or information as a prediction of actual results. The forward-looking statements and information reflects management's current expectations and beliefs regarding future events and operating performance and is based on information currently available to management. Although we have attempted to identify important factors that could cause actual results to differ materially from the forward-looking statements and information contained herein, there are other factors that could cause results not to be as anticipated, estimated or intended. The forward-looking statements and information contained herein is current as of the date hereof and, except as required under applicable law, we do not undertake to update or revise it to reflect new events or circumstances.

Certain information in this presentation may be considered as "financial outlook" within the meaning of applicable securities legislation. The purpose of this financial outlook is to provide readers with disclosure regarding the Company's reasonable expectations as to the anticipated results of its proposed business activities for the periods indicated. Readers are cautioned that the financial outlook may not be appropriate for other purposes.

Outlook

The outlook in this presentation constitutes forward-looking statements and is based on a number of assumptions and subject to a number of risks. Actual results could vary materially as a result of numerous factors, including certain risk factors, many of which are beyond our control. Please see "Cautionary Statement Regarding Forward-Looking Statements" above.

In addition to the other assumptions and factors described in this presentation, our outlook assumes continued high prices of steel, ongoing inflationary pressures on raw material inputs, labor, and logistics costs, and the absence of material changes in our industry or the global economy. These statements supersede all prior statements made by us and are based on current expectations.

Disclaimer (2/2)

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PRESENTATION OF FINANCIAL INFORMATION

The Company's fiscal year runs from April 1st to March 31st. The Company and its subsidiaries' functional currency is the United States dollar ("US dollar" or "US$"). The US dollar is the currency of the primary economic environment in which the Company and subsidiaries operate. The items included in the consolidated financial statements are measured using the US dollar.

For reporting purposes, the consolidated financial statements are presented in millions of Canadian dollars ("C$" or "$"). The assets and liabilities are translated into the reporting currency using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at average exchange rates for the reporting period. Exchange differences arising are recognized in other comprehensive (loss) income and accumulated in equity under the heading 'Foreign exchange on translation to presentation currency.'

The Company's financial statements have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS"). IFRS differs in certain material respects from U.S. generally accepted accounting principles ("U.S. GAAP"). As such, the Company's financial statements are not comparable to the financial statements of U.S. companies prepared in accordance with U.S. GAAP.

This presentation should be read in conjunction with the Company's consolidated financial statements as at and for the six months ended Sep 30th, 2021 and the Company's audited annual financial statements as at and for the fiscal year ended March 31, 2021

NON-IFRS FINANCIAL MEASURES

Adjusted EBITDA, as defined by Algoma, refers to net (loss) income before amortization of property, plant, equipment and amortization of intangible assets, finance costs, interest on pension and other post-employment benefit obligations, income taxes, restructuring costs, impairment reserve, foreign exchange loss (gain), finance income, carbon tax, share based compensation related to performance share units and business combination adjustments. Adjusted EBITDA margin is calculated by dividing Adjusted EBITDA by revenue for the corresponding period. Adjusted EBITDA is not intended to represent cash flow from operations, as defined by IFRS, and should not be considered as alternatives to net earnings, cash flow from operations, or any other measure of performance prescribed by IFRS. Adjusted EBITDA, as defined and used by Algoma, may not be comparable to Adjusted EBITDA as defined and used by other companies. We consider Adjusted EBITDA to be a meaningful measure to assess our operating performance in addition to IFRS measures. It is included because we believe it can be useful in measuring our operating performance and our ability to expand our business and provide management and investors with additional information for comparison of our operating results across different time periods and to the operating results of other companies. Adjusted EBITDA is also used by analysts and our lenders as a measure of our financial performance. In addition, we consider Adjusted EBITDA margin to be a useful measure of our operating performance and profitability across different time periods that enhances the comparability of our results.

The terms "Net Sales Realization" and "Cost Per Ton of Steel Products Sold" are financial measures utilized by Algoma in reporting its financial results that are not defined by IFRS. Net Sales Realization, as defined by Algoma, refers to steel revenue less freight per steel tons shipped. Net Sales Realization is included because it allows management and investors to evaluate our selling prices per ton of steel products sold excluding the geographic impact of freight charges in order to enhance comparability when comparing our sales performance to that of our competitors. Cost Per Ton of Steel Products Sold, as defined by Algoma, refers to cost of steel revenue less freight, amortization, carbon tax and exceptional items (included in cost of steel revenue) per steel tons shipped. Cost Per Ton of Steel Products Sold allows management and investors to evaluate the Company's cost of steel products sold on a per ton basis, excluding the items that we exclude when calculating Adjusted EBITDA, to evaluate our operating performance and to enhance the comparability of our costs over different time periods. We consider each of Net Sales Realization and Cost Per Ton of Steel Products Sold to be meaningful measures to assess our operating performance in addition to IFRS measures. Adjusted EBITDA, Adjusted EBITDA margin, Net Sales Realization and Cost Per Ton of Steel Products Sold have limitations as analytical tools and should not be considered in isolation from, or as alternatives to, net income, cash flow from operations or other data prepared in accordance with IFRS. Some of these limitations are: they do not reflect cash outlays for capital expenditures or contractual commitments; they do not reflect changes in, or cash requirements for, working capital; they do not reflect the finance costs, or the cash requirements necessary to service interest or principal payments on indebtedness; they do not reflect income tax expense or the cash necessary to pay income taxes; they do not reflect interest on pension and other post-employment benefit obligations; although depreciation and amortization are non-cash charges, the assets being depreciated and amortized will often have to be replaced in the future, and Adjusted EBITDA does not reflect cash requirements for such replacements; they do not reflect the impact of earnings or charges resulting from matters we believe not to be indicative of our ongoing operations; and other companies, including other companies in our industry, may calculate this measure differently than as presented in by us, limiting their usefulness as a comparative measure. Because of these limitations, such measures should not be considered as measures of discretionary cash available to invest in business growth or to reduce indebtedness. We compensate for these limitations by relying primarily on our IFRS results using such measures only as supplements to such results.

Earnings Call Agenda

ALGOMA STEEL INC.

Today's Presenters:

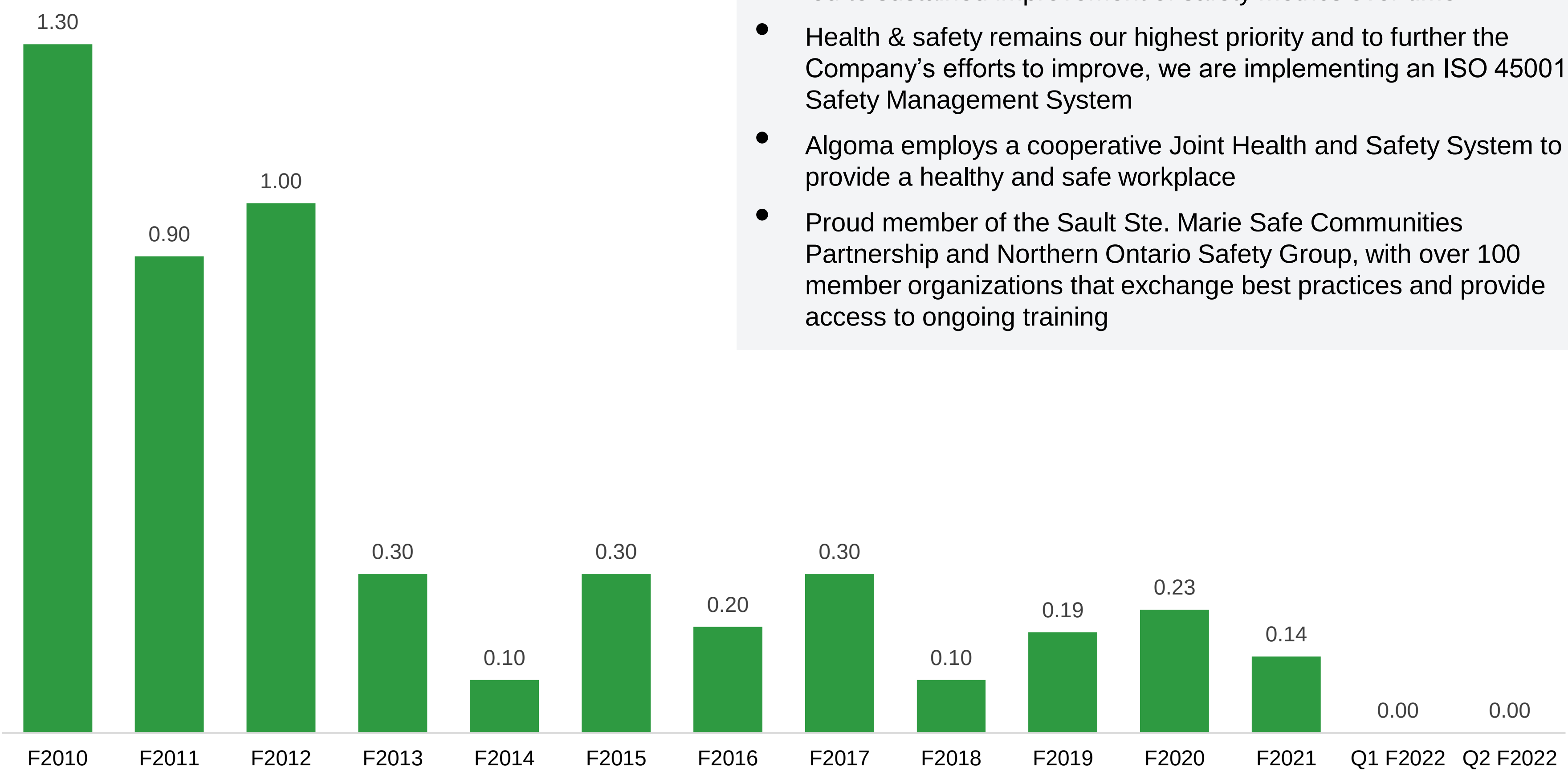
Michael McQuade
Chief Executive Officer

Rajat Marwah
Chief Financial Officer

- Safety Performance / COVID-19 Update
- EAF Update
- Debt Reduction / Capital Structure
- Financial Performance
- Market Update / Guidance
- Strategic Update
- Questions & Answers

Safety Without Compromise

Continued Focus and Improvement in Lost Time Injury Frequency Rate (LTIFR)



Health & Safety Performance

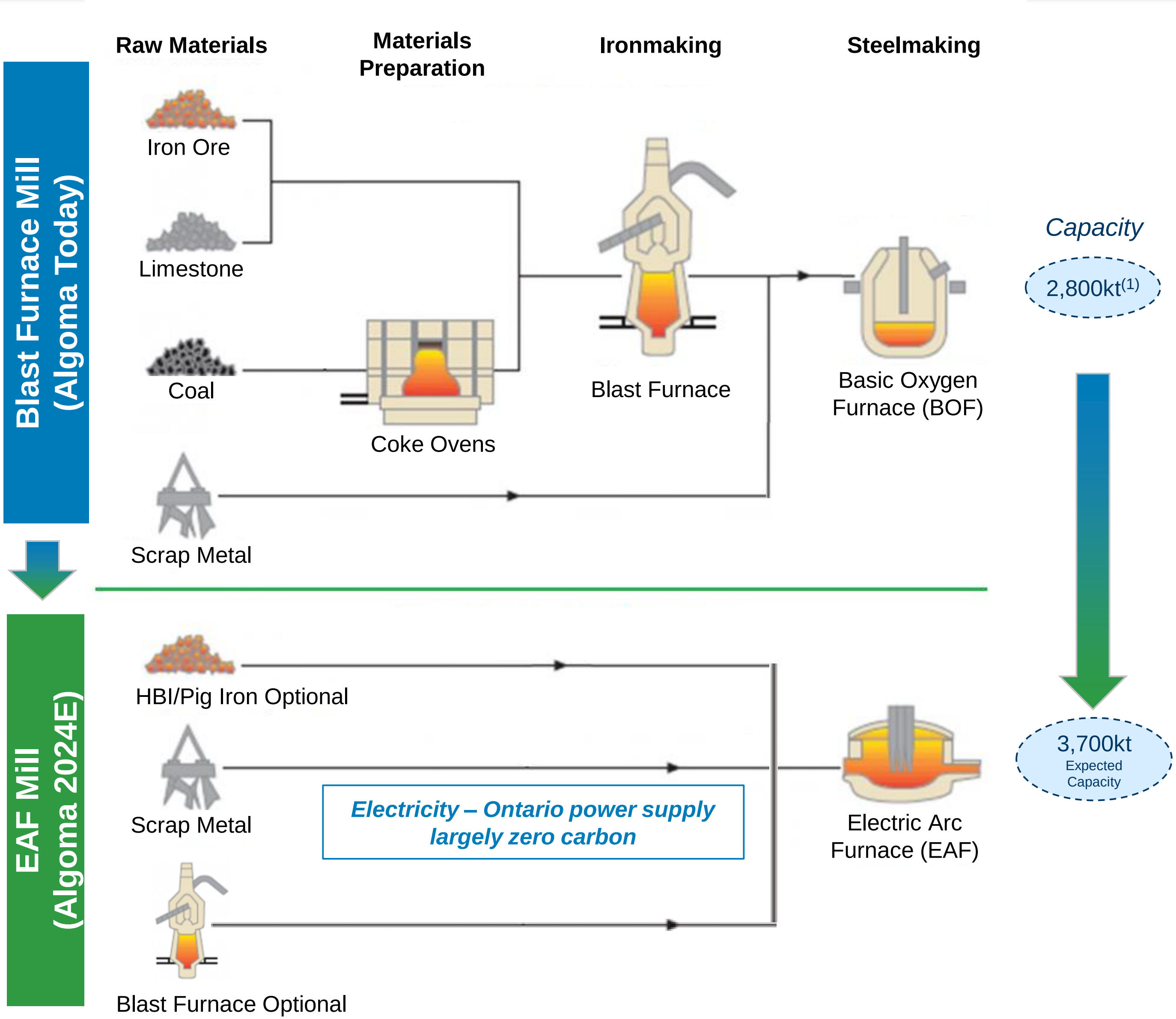
- Ongoing commitment to superior Health & Safety performance has led to sustained improvement of safety metrics over time
- Health & safety remains our highest priority and to further the Company's efforts to improve, we are implementing an ISO 45001 Safety Management System
- Algoma employs a cooperative Joint Health and Safety System to provide a healthy and safe workplace
- Proud member of the Sault Ste. Marie Safe Communities Partnership and Northern Ontario Safety Group, with over 100 member organizations that exchange best practices and provide access to ongoing training

ZERO Lost Time Injuries in the first half of F2022 – Safety is a Top Priority for Algoma

Source: Company information. Note: Lost Time Injury Frequency is calculated as ((Number of lost time injuries in the reporting period x 200,000) / Total hours worked in the reporting period).

Algoma's EAF Conversion Project: a generational opportunity

ALGOMA STEEL INC.



Expected Benefits of EAF

- ✓ ~Adds ~700kt of finished steel capacity aligning steelmaking capacity to rolling capacity
- ✓ Reduced conversion cost vs integrated
- ✓ ~70% fewer total CO2 emissions (annual reduction of 3 million tonnes of CO2)
- ✓ Elimination of coal as an input to steelmaking process
- ✓ Reduces long-term reliance on volatile iron ore market
- ✓ Dual furnace eliminates single blast furnace outage risk
- ✓ More flexible operations capable of responding dynamically to market conditions
- ✓ Lower fixed costs and incremental volume driving cost absorption
- ✓ Reduced sustaining CapEx
- ✓ Improves employee productivity (as measured in tons per employee)

Expected to transform Algoma into one of the leading producers of green steel in North America

Source: Company information.
(1) Excludes BF#6 which is currently idled.

EAF Investment in Algoma (cont'd)

ALGOMA STEEL INC.

Key Anticipated Benefits for Algoma

- ✓ Adds 900kt of incremental liquid steel capacity, or ~700kt of finished steel capacity
- ✓ Improves operational flexibility and value-added product mix
- ✓ Drives variable cost structure that is more correlated to market pricing drivers, more scalable to market conditions and less likely to experience outages
- ✓ Enhanced ESG profile – greatly reduces CO2 emissions and other pollutants to position Algoma as one of the "greenest" flat rolled steel companies in Canada and North America
- ✓ Lower run-rate sustaining capital expenditure expected to drive higher free cash flow conversion
- ✓ Dual EAF operation eliminates key vulnerabilities associated with operating a single blast furnace, such as maintaining a secure and competitively priced iron ore supply and potential unplanned outages

We believe Algoma is Well-Prepared to Integrate the Proposed EAFs

- Algoma intends to contract with technology suppliers and engineering management consultants who have been active in constructing new EAFs in the United States
- Algoma currently has internal capabilities in constructing and operating EAF furnaces
- The Company's current operations should not be disrupted during the construction period, as the area of installation does not overlap with our existing steelmaking footprint
- Announced JV agreement with Triple M Metals intended to provide scrap and metallic units to meet business needs
- Given lack of environmental liabilities, the Blast Furnace and Basic Oxygen Furnace can be left intact, allowing decommissioning / demolition to be completed opportunistically

Targeted Debt Reduction

ALGOMA STEEL INC.

Key benefits:

- 100% redeemable at par with no penalty
- Eliminate approx. **USD$8.25M** in quarterly interest payments
- Active de-leveraging of balance sheet, improving cash generation through the cycle
- Significantly enhances credit metrics

Docks Term Loan

Amount: $73M USD
Current Balance: $56M
Close Date: 11/30/2018
Tenor: 6.5 Years
Rate : L+500

Secured Term Loan

Original Amount: $285M USD
Current Balance : $302M USD
Close Date: 11/30/2018
Tenor: 7 Years
Rate : L+850 (LIBOR floor 1.5%)
Amortization 1% per annum

Select Pro-forma Capital Structure Items & Leverage Profile

In Millions of $USD Loan Type / (Issue Amount & Currency)[1]	Effective Rate	Maturity	Current (9/30/2021) $USD	xCY2021P Expected Adjusted EBITDA	Pro-Forma (9/30/2021) $USD (Adjusted for debt paydown)	Pro-Forma xCY2021P Expected Adjusted EBITDA	*Projected Quarterly Interest Savings*
ABL Revolver ($250MUSD)	2.29%	Nov. 30, 2023	$0	-	$0	-	-
Secured Term Loan ($285M USD)	10.00%	Nov. 30, 2025	$302	0.3x	$0	0x	*$ 7.54*
Algoma Docks Term Loan Facility ($73M USD)	5.26%	May. 31, 2025	$56	0.1x	$0	0x	*$ 0.73*
Government Loans ($135MCAD)[2]	0.00% - 2.50%	2028 - 2031	$71	0.1x	$71	0.1x	*$ -*
Total Debt			**$429**	**0.4x**	**$71**	**0.1x**	*$ 8.27*
Less: Cash[3]			($594)		($236)		
Net Debt			**($165)**	**-0.15x**	**($165)**	**-0.15x**	

CY2021P Expected Adjusted EBITDA[4]	$1,100

(1) Original Issue amount displayed (note Secured term loan principal balance increased due to PIK interest) Note Current values shown in USD converted at FX (USD/CAD) 1.2741
(2) Govt Loans shown at fair value as per IFRS balance sheet presentation
(3) Cash includes balance sheet cash at Sep 30, 2021 converted at FX (USD/CAD) 1.2741 plus cash received from merger with Legato Merger Corp of approximately $306M
(4) CY2021P Expected Adjusted EBITDA corresponds to guidance projections

Key Performance Highlights

Q2 FY 2022 - Ended September 30, 2021

- **Shipment volume** was 587 kNT in Q2 FY 2022, down 4% from 610 kNT in Q1 FY 2022 and up 14% from 516 kNT in Q2 FY 2021
- **Steel Revenue:** was $937 million in Q2 FY 2022, up 30% from $723 million in Q1 FY 2022 and up 179% from $335 million in Q2 FY 2021
- **Adjusted EBITDA** was $431 million in Q2 FY 2022 a quarterly record and up 53% from $281 million in Q1FY 2022 and up from nil in Q2 FY 2021
- **Net Income** was $288 million in Q2 FY 2022, up from $204 million in Q1 FY 2022 and up from $(60) million in Q2 FY 2021
- **Cash position** was $367 million at the end of Q2 FY 2022 with availability of $292 million under the Revolving Credit Facility

6 Months ended Sep 30th 2021	1,197 kNT Shipments	$1,659 million Steel Revenue	$711 million Adjusted EBITDA

Adjusted EBITDA margin for quarter ended September 30th, 2021 was 43%

Second Quarter Financial Highlights[1]

ALGOMA STEEL INC.

	Q2 FY 2022	vs Q2 FY 2021		vs Q1 FY 2022	
Shipping volume ('000s tons)	**587**	516	14%	610	-4%
Net Sales Realization per ton ($/ton)	**1,594**	649	146%	1,185	35%
Steel Revenue($ million)	**937**	335	179%	723	30%
Cost of Steel Products Sold ($/ton)	**857**	626	37%	695	23%
Adjusted EBITDA ($ million)	**431**	-	N/A	281	53%
Net Income ($ million)	**288**	(60)	580%	204	42%

Algoma Q2 FY 2022 run rate approximately 90% utilization

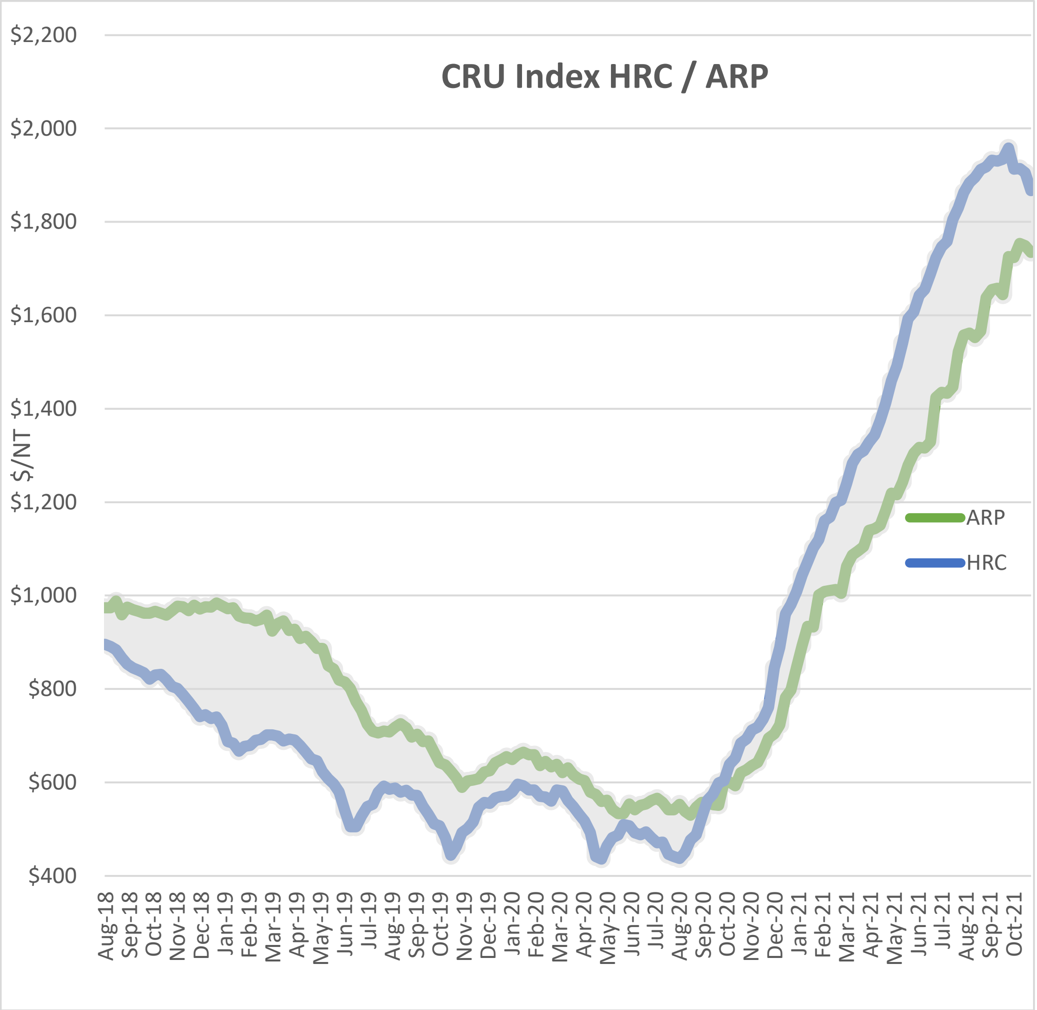
(1) Source: Company Q2 FY2022 Management's Discussion and Analysis

Market Update

ALGOMA STEEL INC.

North American HRC and Plate prices peaked but remain near all-time highs

Historical Hot Rolled Coil and As Rolled Plate Prices (US$/ton)



Key Market Drivers

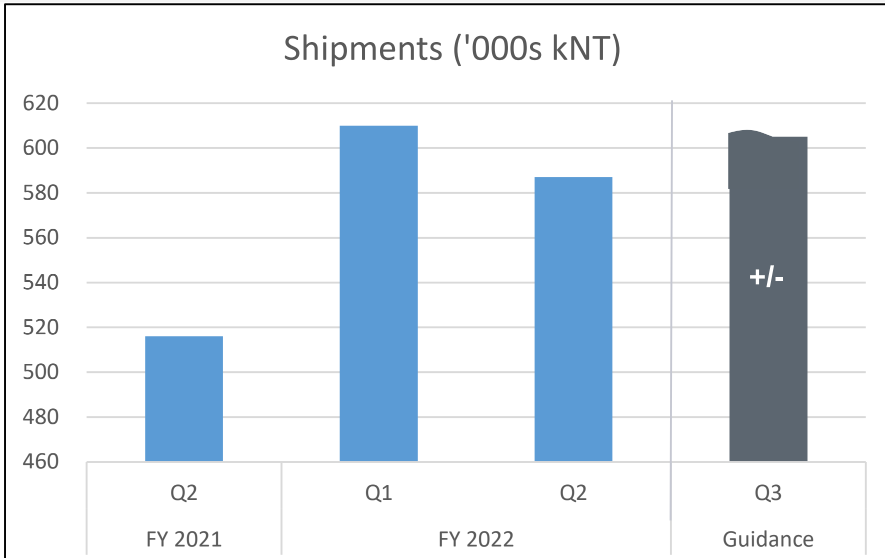
- Infrastructure stimulus spending in North America could boost demand for U.S. steel by 5 million tons per $100 billion in investment.[1]
- s232 tariffs on European producers introduce tariff rate quota system, deemed a positive measure for import control in N.A.
- Government sentiment building for a Carbon Border adjustment for imported steel products seen as a replacement to s232 tariffs
- Pricing has peaked. However it has remained stable at near record price levels
- USMCA strengthened rules of origin requirements for automotive production in North America requiring more North American-sourced steel to qualify for duty-free treatment

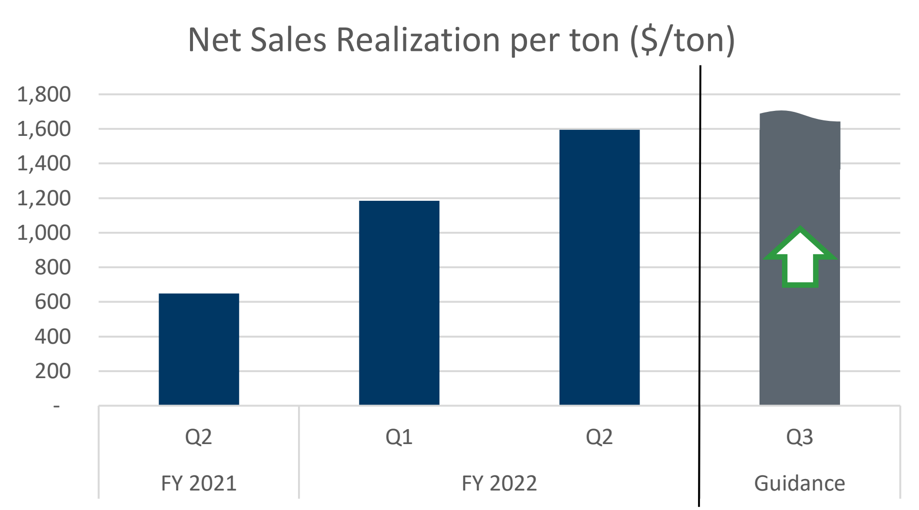
Source: Stee lBenchmarker, CME Group, Fastmarket. Note: Market data as of Nov 3, 2021
Note: Press Releases, IHS, Baker Hughes, EIA, US Census
(1) Reported by AISI ar https://www.steel.org/2021/11/aisi-applauds-house-passage-of-bipartisan-infrastructure-bill/

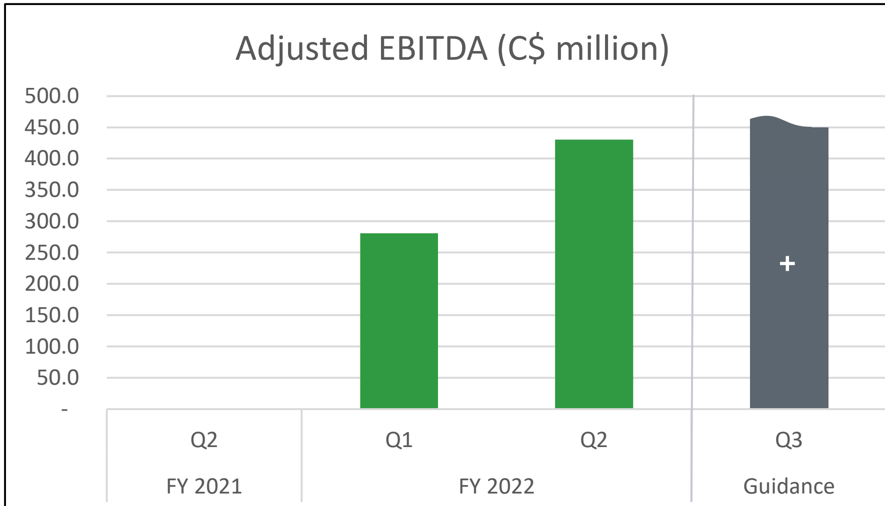
Third Quarter Outlook[1]

Third Quarter FY 2022 directional guidance:

Shipments (NT)	**590-610K**
Net Sales Realization per ton	
Adjusted EBITDA	**$450M+**
Operating Cash Flow	







In addition to cash Algoma has full availability of its revolving credit facility ($292M)

(1) Please see "Cautionary Note Regarding Forward-Looking Statements" on slide 1 of this presentation.

Committed to our path forward, working to create a track record of success

ALGOMA STEEL INC.

Strategic Direction

1 **Operational & Capital Improvements** Algoma is has committed and executed on numerous projects that add long term value to the business	**DSPC Automation Upgrade** Improves grade range and product offering **June 2020**	**Ladle Met Furnace #2** debottlenecks operations and increases capacity **Feb 2021**	**Project Aurora** $50M expected annualized efficiency Improvement across the steel works **Ongoing**	**Plate Mill Modernization** Enhancing capability and production on Canada's only discrete plate mill **2021-2022**	**EAF Project** Received board approval and final investment decision on Algoma's electric arc furnace conversion **Nov 2021**
2 **Balance Sheet Improvements** Algoma is has focused on streamlining its balance sheet, finding effective sources of capital to fund its strategic initiatives and providing long term value to stakeholders	**De-levered balance sheet** Upon emergence from CCAA **Nov 2018**	**$420M Federal Financing** announcement for EAF Project **July 2021**	**Return to Public Markets** including Equity injection of $306M USD **Oct 2021**		**Debt pay down** Algoma to extinguish all of its $358M USD sr. secured indebtedness, significantly improving debt profile **Nov 2021**
3 **Focus on Organizational Excellence** Algoma has focused organizational activities geared at driving performance, building strong relations, reducing risk and developing a culture of organizational excellence	**Performance Management** Implemented a robust performance management system **May 2019**	**Enterprise Risk Management** Develop a culture of risk management **Nov 2019**	**New Iron Ore Supply contract with USS** De-risking supply of largest input **May 2020**		**New Joint Venture[1]** Announced JV agreement with Triple M Metals intended to provide scrap and metallic units to meet business needs **Oct 2021**
4 **ESG Focus** Algoma is committed to initiatives that improve our ESG performance including continually improving on our safety and environmental performance	**Secured Algoma's Legacy Environmental Action Plan** **Nov 2018**	**Focus on Safety** Including zero lost time incidents for the past 2 Fiscal Quarters **Apr – Sep 2021**	**Newly Constituted Board** diversity of experience, thought and perspective **Oct 2021**		**70% reduction in GHG's** EAF project expects to reduce GHG emissions and improve total environmental performance **2024**

We believe that we are positioning Algoma to be a next generation steel maker, well capitalized and focused on enhancing our position, both operationally and financially, to make critical investments in our business that we expect will create a compelling value proposition for our shareholders

(1) Please see "Cautionary Note Regarding Forward-Looking Statements" on slide 1 of this presentation.

Annex: Adjusted EBITDA Reconciliation

Algoma Steel Group Inc.
Reconciliation of Net Income (Loss) to Adjusted EBITDA

	July 1 to September 30		April to September 30	
millions of dollars	**FY 2022**	FY 2021	**FY 2022**	FY 2021
Net income (loss)	**$288.2**	($60.0)	**$492.1**	($102.7)
Amortization of property, plant and equipment and amortization of intangible assets	**22.1**	23.5	**42.8**	42.7
Finance costs	**14.7**	17.4	**29.8**	36.2
Interest on pension and other post-employment benefit obligations	**2.9**	4.3	**5.8**	8.6
Income taxes	**104.0**	-	**121.4**	-
Foreign exchange loss (gain)	**(14.0)**	13.8	**(4.0)**	31.2
Finance income	**-**	(0.2)	**-**	(0.8)
Inventory write-downs *(amortization on property, plant and equipment in inventory)*	**-**	(0.3)	**-**	2.3
Carbon tax	**(0.5)**	1.5	**(1.1)**	3.0
Share based compensation	**6.9**	-	**15.4**	-
Transaction costs	**6.3**	-	**9.2**	-
Adjusted EBITDA (i)	**$430.6**	$0.0	**$711.4**	$20.5
Net Income (Loss) Margin	**28.5%**	-15.9%	**27.4%**	-14.1%
Net Income (Loss) / ton	**$490.62**	($116.21)	**$410.99**	($110.13)
Adjusted EBITDA Margin (ii)	**42.6%**	0.0%	**39.5%**	2.8%
Adjusted EBITDA / ton	**$733.14**	$0.00	**$594.12**	$21.98

(i) See "Non-IFRS Financial Measures" in this Press Release for information regarding the limitations of using Adjusted EBITDA.
(ii) Adjusted EBITDA Margin is Adjusted EBITDA as a percentage of revenue.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