Investor Presentation

BMO Metals & Mining Conference

March 1st, 2022

in Canadian dollars unless otherwise noted

Disclaimer

ALGOMA STEEL INC.

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, planned investment 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 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 risks associated with the steel industry generally; the ability of the Company to implement and realize its business plans, including the EAF Transformation; 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 prospectus filed by Algoma with the Ontario Securities Commission and the Form S-1 registration statement filed with the Securities and Exchange 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.

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 condensed interim financial statements are measured using the US dollar.

For reporting purposes, the condensed interim 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 December 31, 2021 condensed interim consolidated financial statements and the accompanying notes of the Company and the March 31, 2021 audited consolidated financial statements and the accompanying notes of the Company.

Investment Highlights

ALGOMA STEEL INC.

Today's Presenter:

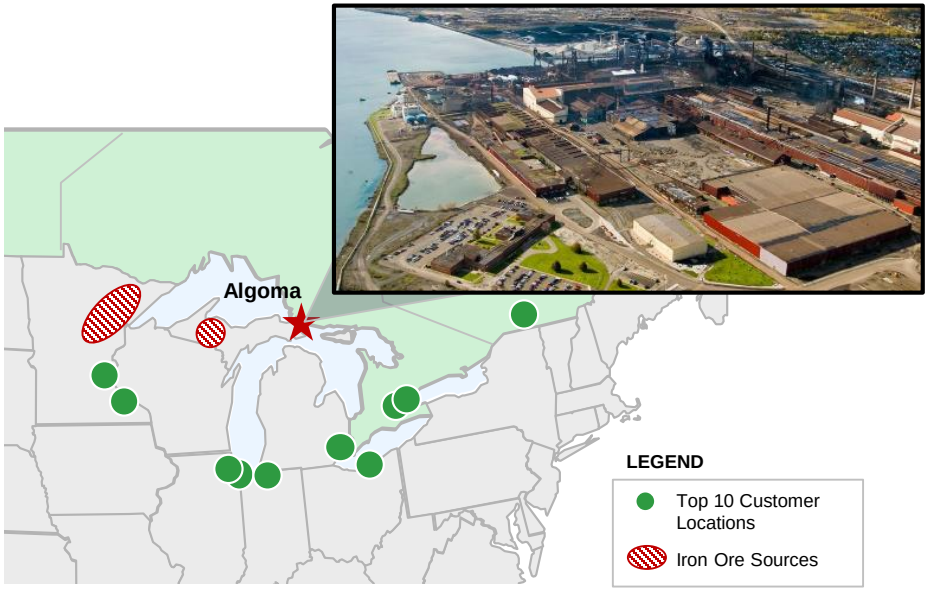
Michael McQuade
Chief Executive Officer

1. Premier Canadian Steel Producer and one of the Leading Flat Steel Producers in North America
2. Continuing to build on a track record of success
3. Record Earnings Performance
4. Transitioning to Low Carbon Electric Arc Technology
5. Generating Long-term value for Shareholders

Premier Canadian Steel Producer...

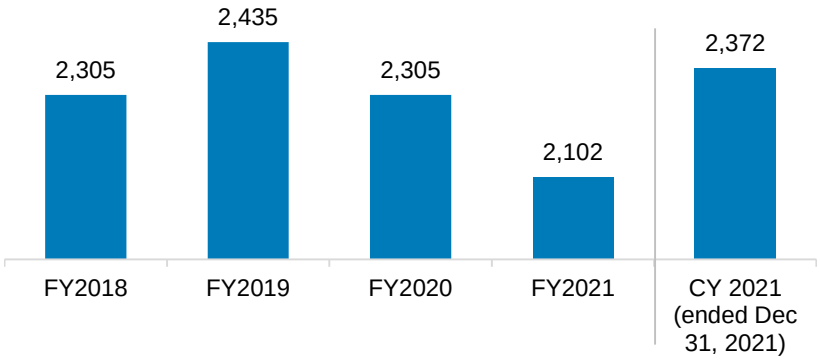
Leading North American Flat-Rolled Producer Located in the Great Lakes Region in Sault Ste. Marie, Ontario

- Raw steel capacity of 2.8mm tons (with incremental 0.9mm tons from idled blast furnace capacity) per year
- Broad range of high-quality finished sheet and plate steel for automotive, construction, energy, infrastructure and manufacturing end markets
- Expanded capabilities versus traditional Blast Furnace / Basic Oxygen Furnace ("BOF") competitors
  - Advanced 2.3mm ton Direct Strip Production Complex ("DSPC") is the newest thin slab caster with direct hot rolling capability in North America coupled to a BOF melt shop, and provides a $30-$40/t cost advantage
- Heat-Treated Plate facility provides a complete range of high-quality heat-treated products, including abrasion resistant, ballistic and other specialty plate applications
- Transformational EAF investment expected to improve product mix, reduce fixed costs, increase production capacity and improve environmental footprint
- Several other ongoing investments to increase profitability, including Plate Mill Modernization, LMF No. 2 and cost savings initiatives

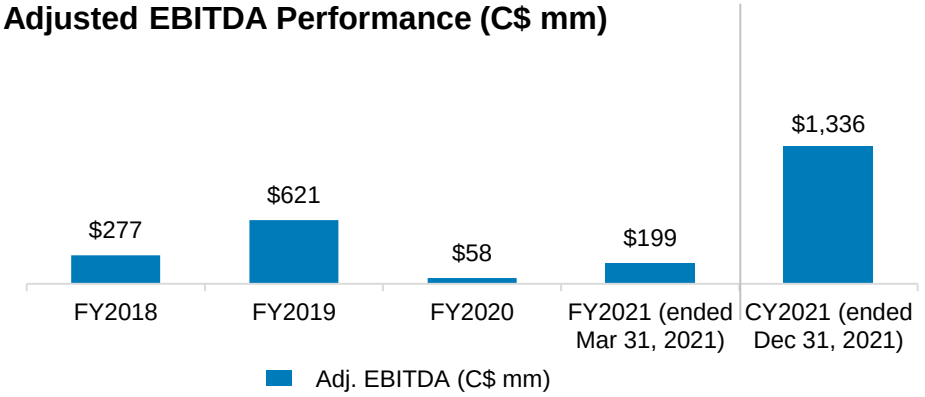


Historical Performance (FY end March 31)

Shipments (kt)



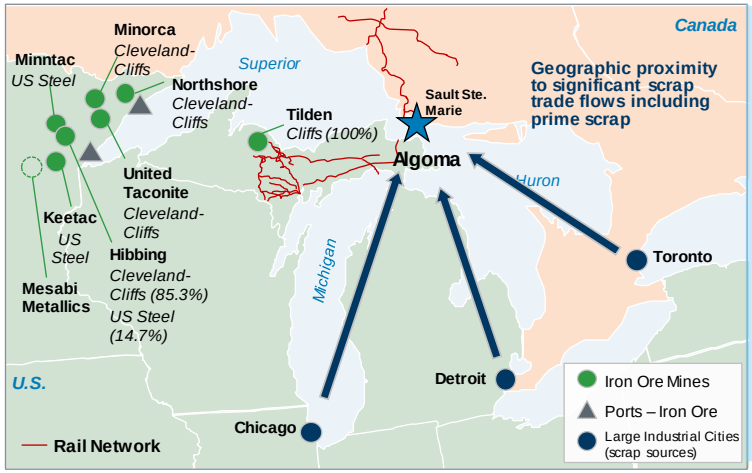
Adjusted EBITDA Performance (C$ mm)



Strategically Located on the Great Lakes in Close Proximity to Customers and Suppliers

ALGOMA STEEL INC.

Attractive Access to Key Suppliers and Customers Across The Great Lakes



North American EAF's are Concentrated in Midwest and Southern US, providing Algoma Competitive Access to Scrap from the Great Lakes Industrial Region

- Located close to key steel consuming regions of the U.S. - Midwest and Northeast and Canada - Southern Ontario
- ~70% of customers located within a 500-mile radius of Algoma, including an established local service center customer base
- On-site deep-water port facilitating access to low-cost transportation across Lake Superior
- Access to well-established rail links and multiple forms of transportation which allows it to negotiate competitive rates

Located on Lake Superior with access to barge, rail and road transportation, including an on-site deep-water port, Algoma has several options that allow for cost-effective transportation logistics

Continuing to build on a track record of success

Strategic Direction

1 Operational & Capital Improvements

Algoma has developed and executed numerous operational and capital 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 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 Approval** — Received board approval to begin construction of Electric Arc Furnace — **Nov 2021**
- **EAF Project** — Construction started Vendors selected : **Danieli** – EAF equip **GE** – Power upgrade **PTI -**Transformers — **Dec / Jan**

2 Financial Discipline

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 extinguished all of its $358M USD Sr. Secured debt — **Nov 2021**
- **Regular Dividend** — Algoma to commence quarterly dividend of $.05 / share — **Mar 2022**
- **Normal Course Issuer Bid** — Algoma intends to launch NCIB for share repurchases — **2022/23**

3 Strategic Partnerships

Algoma continues to develop partnerships focused on de-risking the organization and creating long term value for stakeholders

- **New Iron Ore Supply contract with USS** — De-risking supply of largest input — **May 2020**
- **New Joint Venture** — JV with Triple M Metals for supply of scrap and metallic units to meet needs — **Nov 2021**
- **PUC Transmission** — PUC to construct local 230KV power line to support Algoma's EAF transformation. — **2022-2025**
- **Suncoke Coke Contract** — 5 Year contract to facilitate the migration to EAF operations — **2022-2026**

4 ESG Focus

Algoma is committed to initiatives geared at driving performance, reducing risk and developing a culture of organizational excellence that improve our ESG performance

- **Secured Algoma's Legacy Environmental Action Plan** — **Nov 2018**
- **Focus on Safety** — A Top Priority for Algoma Record safety performance — **Calendar 2021**
- **Newly Constituted Board** — diversity of experience, thought and perspective — **Oct 2021**
- **Performance Management** — Implemented a robust performance management system — **May 2019**
- **Enterprise Risk Management** — Develop a culture of risk management — **Nov 2019**
- **Emission Reduction** — EAF project expects to reduce GHG emissions by 70% — **2024**

We are positioning Algoma for a new era in steel, well-capitalized to make critical investments that enhance long term performance and create value for our shareholders

Record Earnings Performance

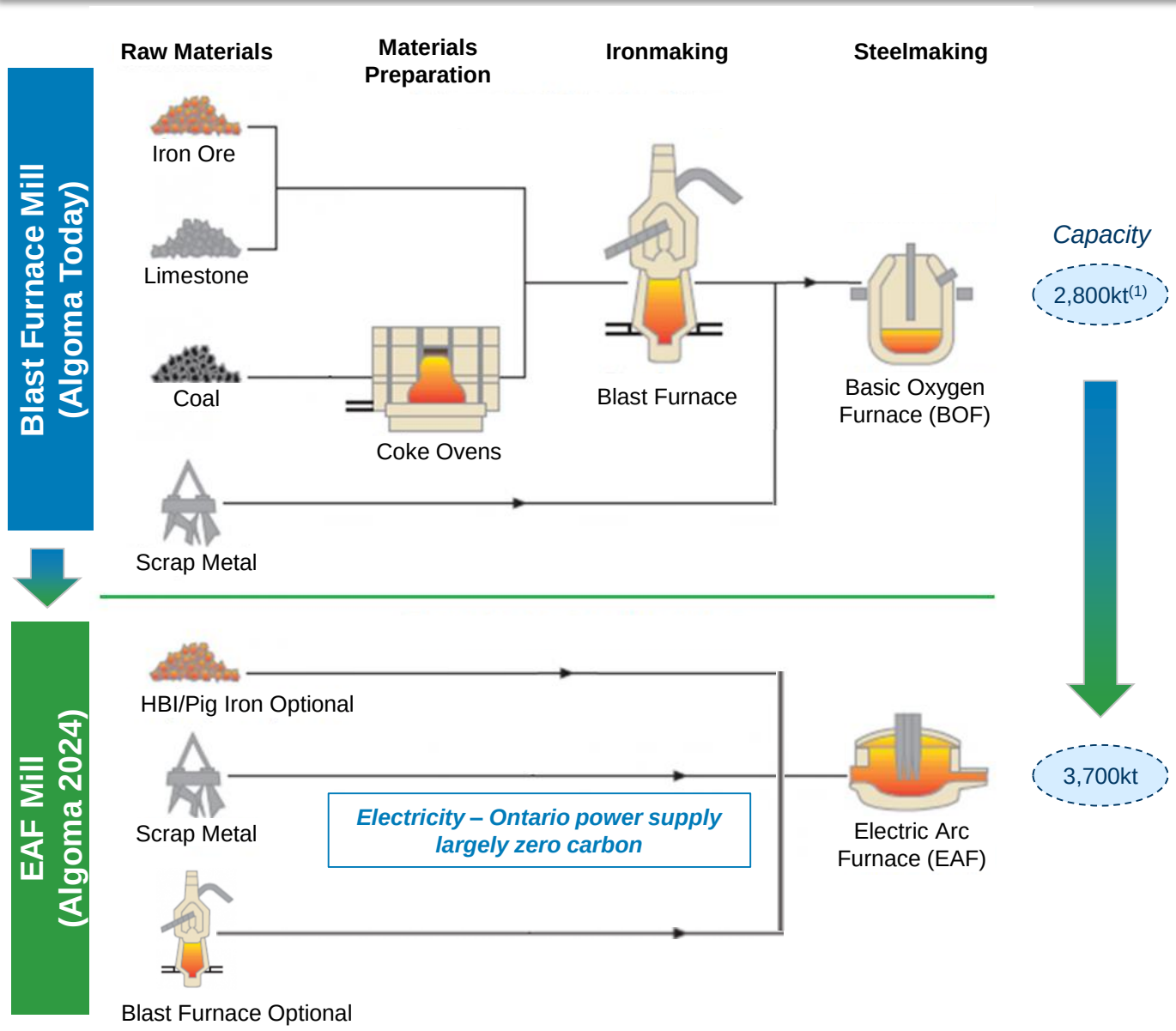
Q3 FY 2022 - Ended December 31, 2021

- **Shipment volume** was 553K NT in Q3 FY 2022, down 6% from 587K NT in Q2 FY 2022 and up 1% from 548K NT in Q3 FY 2021
- **Steel Revenue:** was $1,010 million in Q3 FY 2022, up 8% from $937 million in Q2 FY 2022 and up 163% from $384 million in Q3 FY 2021
- **Adjusted EBITDA** was $457 million in Q3 FY 2022 a quarterly record and up 6% from $431 million in Q2 FY 2022 and up from $12 million in Q3 FY 2021
- **Net Income** was $123 million in Q3 FY 2022, down from $288 million in Q2 FY 2022 and up from a net loss of $74 million in Q3 FY 2021
- **Cash position** was $588 million at the end of Q2 FY 2022 with full availability of $291 million under the Revolving Credit Facility

FY 2022 YTD	1,750 kNT Shipments	$2,669 million Steel Revenue	$1,169 million Adjusted EBITDA

Adjusted EBITDA margin for quarter ended December 31stth, 2021 was 43%

Algoma's EAF Conversion Project: a generational opportunity



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
- ✓ 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)

Transforms Algoma into one of leading producers of green steel in North America

EAF Transition Would Materially Improve Algoma's Environmental Footprint...

Environmental Strategy

- EAF production would unlock significant environmental benefits – EAF steelmaking generates substantially less CO2 and other air pollutants compared to Blast Furnace producers
- 3.0mm metric tonnes anticipated reduction (~70%) of carbon GHG emissions[(1)] representing:
  - ✓ **11% of the Canadian Federal 2030 Paris Agreement target for industrial emitters**
  - ✓ **100% of the provincial 2030 target for industrial emitters**
  - ✓ **75% reduction in emissions per net ton**

Improving Algoma's Environmental Profile Provides Long-Term Advantages

- ✓ Algoma expected to become one of the leading producers of green steel in North America
- ✓ Improves competitiveness for government spending programs where ESG is a criteria
- ✓ Improves profile with select customers who are similarly ESG focused
- ✓ Improves employee engagement
- ✓ Reduction of greenhouse gas emissions may provide for lower annual repayment on the SIF loan

		Reduction[(1)]	% Reduction
GHG Emissions	CO2	3.0mm tonnes	70%
	CO2/NT production	1.33 tonnes	75%
SOx emissions		4,060 tonnes	82%
NOx emissions		1,604 tonnes	52%
Stack and Fugitive Emissions		Complete elimination of Stack and Fugitive Emissions	100%

Construction update

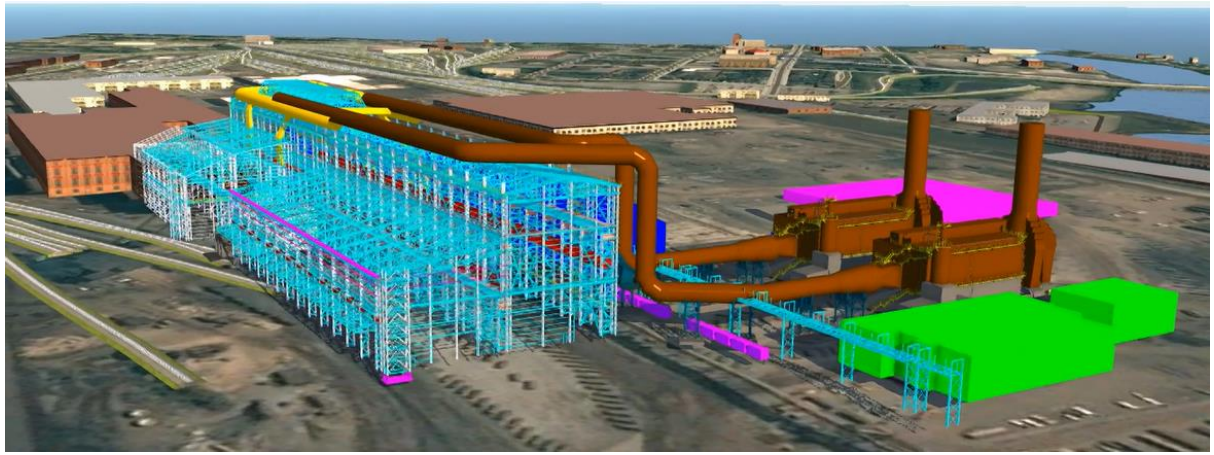
Future home of Algoma's new EAF facility:

BOSP: Basic Oxygen Steel Production (existing)
DSPC: Direct Strip Production Complex (existing)
EAF Meltshop: Electric Arc Furnace (**new** consisting of 2 independent -250NT Danieli Electric Arc Furnaces)
WTP: Water Treatment Plant (new)

Construction Milestones:

- Long lead time equipment ordered by OEM supplier (Danieli)
- EAF Melt Shop Piling installation in progress.
- Foundation contractor selected and underway
- Rail and service relocations underway
- EAF building fabrication and erection vendor selection in progress
- Detailed engineering in progress
- Air and noise models under development for permitting process
- PUC proceeding with new 230KV line local transmission line
- GE Canada contracted for upgrades to internal power generation facility

3D Rendering:



Key Partnerships:

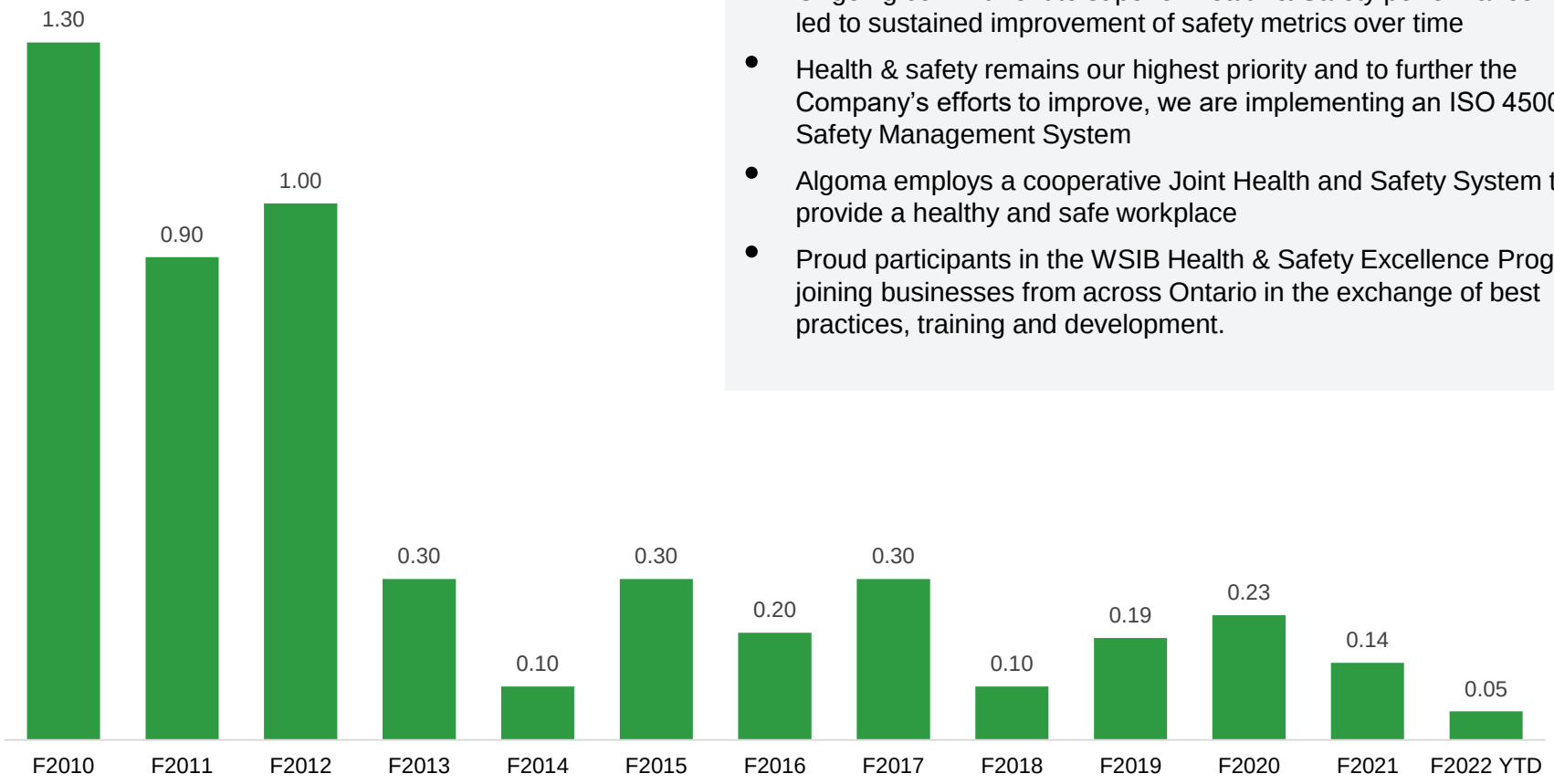
- **Danieli & C. Officine Meccaniche S.p.A**
  - EAF Equipment
  - Q-One Digimelter technology
- **GE Gas Power**
  - Two Gas Turbines for Algoma's 110MW combined cycle power plant
  - Generator Rewind & Control upgrade
- **PTI Transformers**
  - 2- 200MVA Transformers

Supplemental Materials

ALGOMA STEEL INC.

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 participants in the WSIB Health & Safety Excellence Program, joining businesses from across Ontario in the exchange of best practices, training and development.

Safety is Top Priority for Algoma

Algoma Remains Committed to Sustainable Corporate Citizenship

Environment

- Algoma has a demonstrated commitment to environmental stewardship and is ISO 14401 certified
- Published a Health, Safety and Environment Policy with a focus on continuous improvement

5 Key Areas of Commitment to the Environment	
Air	• Algoma has achieved a 65% reduction in particulate emissions since 2002 • Currently focus on cokemaking emissions
Energy	• Demonstrated partner in Canada's commitment to the global reduction of CO2 emissions with an overall reduction of 54% in energy intensity per ton of steel since 1993
Waste	• Steel is the most recycled material in the world and doesn't lose quality through the recycling process • Every steelmaking heat at Algoma contains scrap steel which is recycled through manufacturing for new end-use applications • Algoma recycles or reuses 80%+ of waste materials from operations
Water	• Treated process water meets or exceeds requirements set out by the Ontario Ministry of Environment • 45% of water is recycled
Noise	• Algoma has developed a plan to reduce noise emissions from 11 sources throughout the steelworks

Community Involvement

- As the largest employer in Sault Ste. Marie, Algoma Steel is an active responsible stakeholder and is actively involved in advancing and preserving the quality of life in the community
- Long history of charitable giving and corporate partnerships
  - 50-year partnership with United Way as a founder and leading corporate sponsor
  - Member of Sault Ste Marie Chamber of Commerce
- In addition, Algoma sponsors several scholarships, which are primarily intended for children of Algoma's past and present employees
  - Northern Ontario School of Medicine
  - Sault College: Algoma Award of Excellence
  - Algoma University: Algoma Student Assistance Award

Canadian Government to Provide Attractive "Green Steel Financing" to Support the EAF Investment

ALGOMA STEEL INC.

Overview of the Green Steel Financing

Algoma Secures C$420M of Federal Government Financing for EAF Investment

Canada Infrastructure Bank C$220M

- On November 29, 2021 Algoma entered into a definitive agreement with respect to the CIB's previously announced (July 5th 2021) commitment to finance the transformational upgrade of Algoma's steelmaking processes at its facility in Sault Ste. Marie, Ontario.
- The C$220 CAD CIB Financing is a low-interest loan on commercial terms
- Funding is available on a reimbursable basis for project related expenses

SIF[1] Financing C$200

- C$200 million through the Net Zero Accelerator, with annual repayments that commence once the final project is complete and Algoma has access to grid power supporting full production.
- Payments to be scalable based on Algoma's greenhouse gas emission performance
- Funding available on a reimbursable basis up to 28.4% ($200/$703) of eligible project expenses

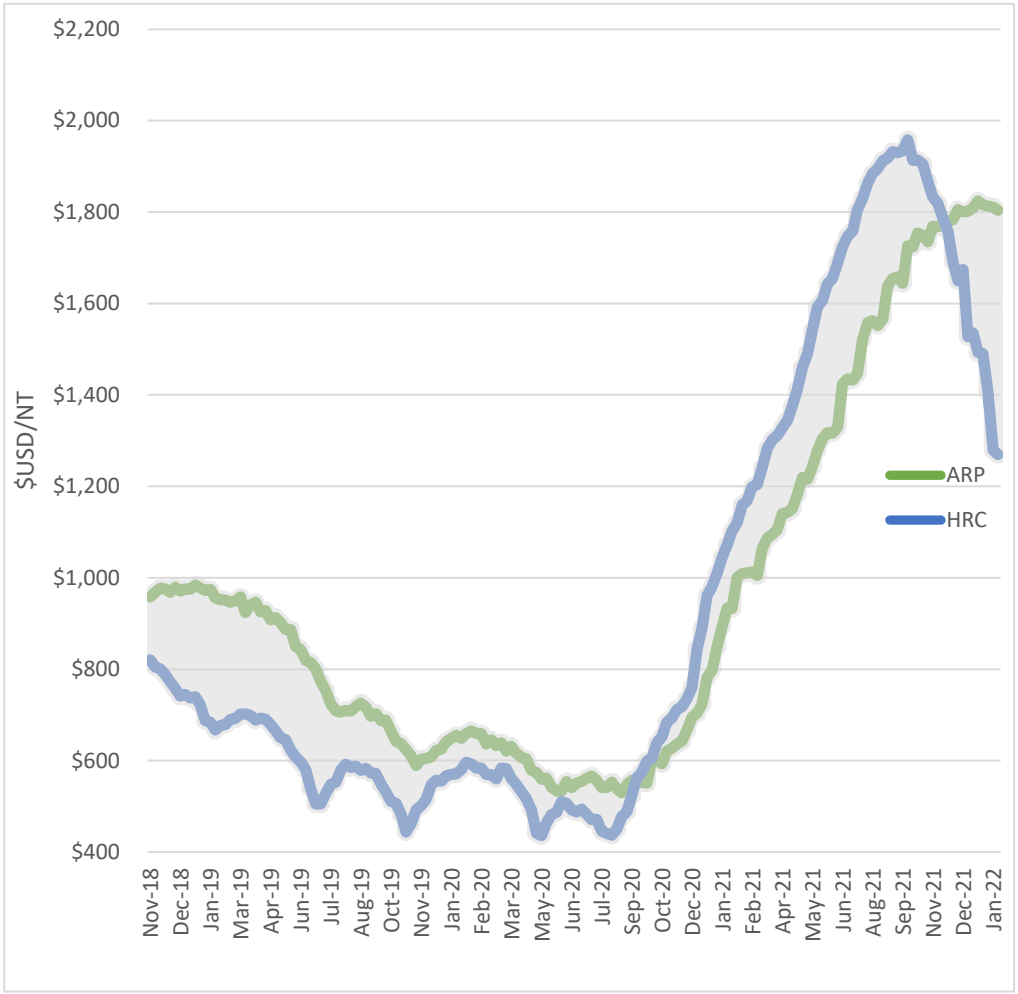
Financing is part of a broader effort by the Canadian government to achieve environmental goals of reducing GHG emissions from, and increasing sustainability of, industrial processes

(1) Innovation Science and Economic Development Canada's Strategic Innovation Fund (the "SIF Funding")

Market Update

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

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



Key Market Drivers

- HRC steel prices have experienced price declines and shorter mill lead times, however ARP spread over HRC have continued to grow since late 2021
- North American steel capacity utilization has remained largely steady over the course of 2021 into early 2022, signaling supply control
- Service center inventory expected to normalize as underlying product demand remains strong, including automotive sector
- s232 tariffs on European and Japanese producers introduce tariff rate quota system, deemed a positive measure for import control in North America
- Further sentiment for a Carbon Border adjustment for imported steel products seen as a replacement / alternative to s232 tariffs

Source: Algoma's Fiscal Q3 Earnings Call Presentation

High-Quality Products and Diversified Blue Chip Customer Base in Attractive End Markets

FY2020 Product Shipment Mix

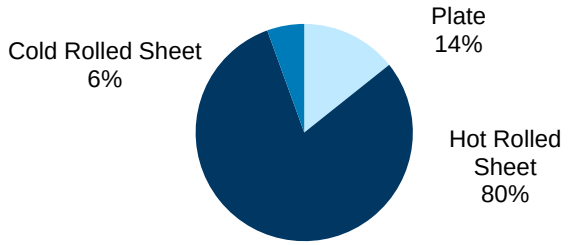
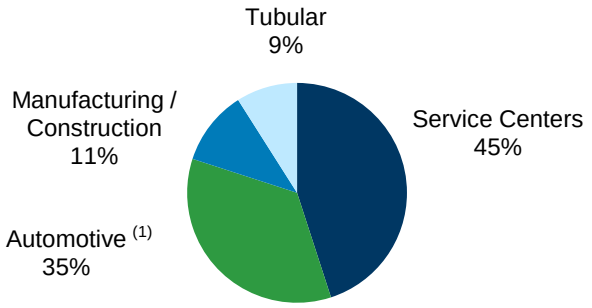


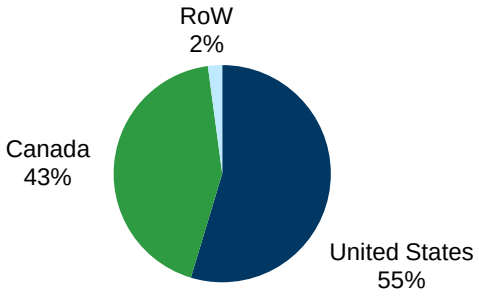
Plate expected to increase to be 20%+ of Algoma's product mix with implementation of Plate Mill Modernization (volume component by Fiscal Q3 2022)

FY2020 End Market Exposure (Sales)



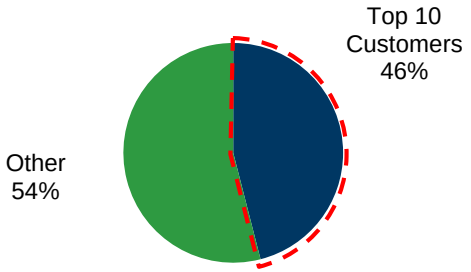
Strategy to expand direct-to-customer sales to Automotive, Construction and Tubular markets by 5-10% each (de-emphasizing service centers)

FY2020 Geographic Sales Mix



Incremental volume from proposed EAF investment would target the Canadian market, with goal of Canada becoming destination for 55-60% of shipments

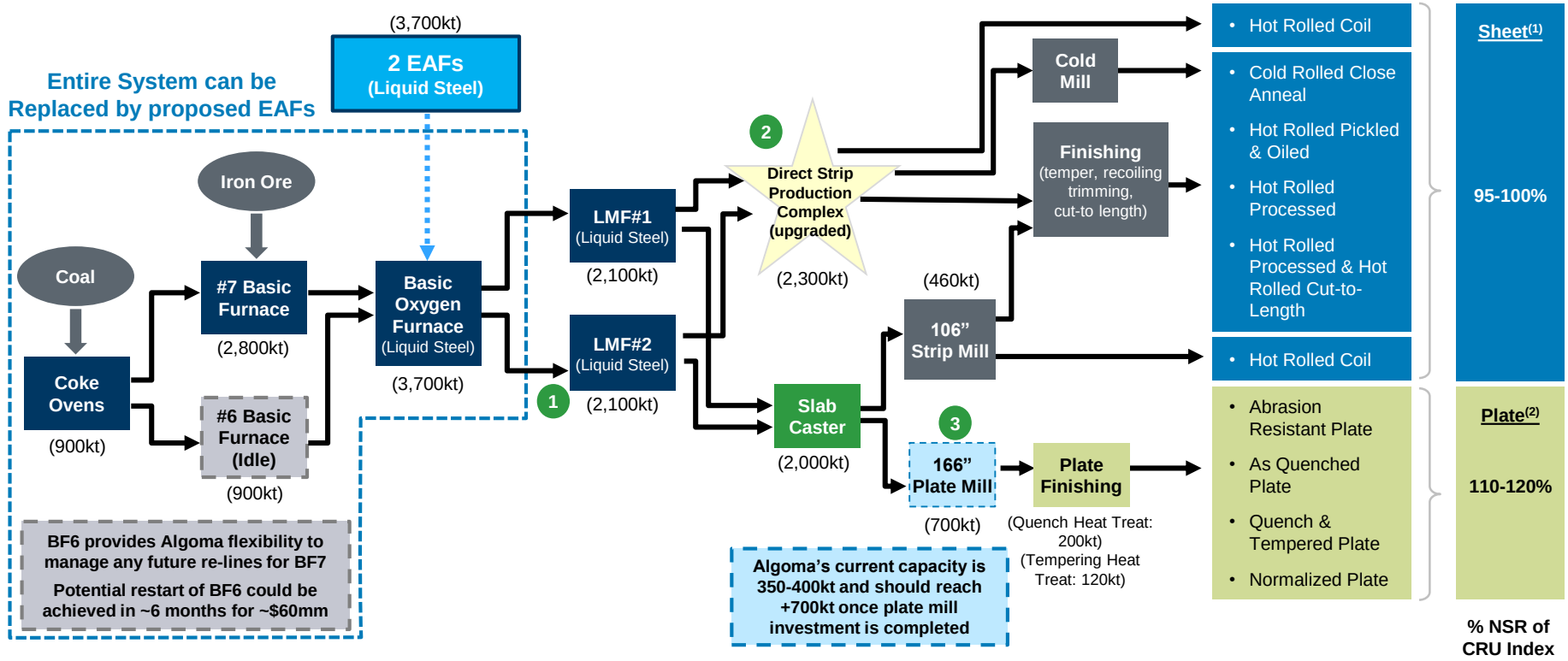
FY2020 Key Customers (Sales)



Diverse customer base with 200+ customers across multiple sectors; average customer tenure among top ten is 20-25 years

Algoma's Flexible, Low-Cost Operations Facilitates Optimization Across High Value Products

- ✓ Algoma produces a wide variety of products to serve diverse end-markets
- ✓ Algoma is the only plate producer in Canada with current capacity of 350-400kt and potential capacity of 700kt per year once debottlenecking initiatives are completed
- ✓ Algoma is the only integrated steel producer to operating a DSPC line, which provides a $30-$40/t competitive advantage
- ✓ DSPC positions the mill to seamlessly execute installation of EAF mills



Recent and Ongoing Initiatives

1. Addition of Ladle Metallurgy Furnace #2 (LMF #2): eliminated the bottleneck between steelmaking and casting facilities, enhances grades – **Completed (Feb-2021)**
2. DSPC upgrade: volume capacity has been increased to 2,300k tons from 2,100k tons with new grades capabilities – **Completed**
3. Plate Mill modernization: volume capacity will be raised to 700k tons from ~350k tons with new grades capabilities – **Stage 1 / 2 anticipated to be completed in October 2021 (Quality) / October 2022 (Volume)**

High-Quality Products and Diversified Blue Chip Customer Base in Attractive End Markets

- Product width and strength flexibility allows Algoma to serve a broad customer base across various end markets
- Operational flexibility to adjust product mix to align with market pricing and customer demand, and maximize profitability
- R&D investments support higher quality, lower cost products and drive value proposition for customers
- Serves 200+ customers across multiple industries in North America with no single customer making up greater than 10% of sales

Differentiated Product Offering With Flexibility To Meet Customer Needs

	Product Attributes	End Markets	Width Range	% NSR of CRU Index
Hot Rolled Coil 	✓ High strength formable hot rolled grades ✓ Broad width and strength capabilities	▪ Automotive ▪ Hollow structural product and welded pipe manufacturers ▪ Transportation ▪ Light manufacturing	106" Strip Mill 30"–96" DSPC 32"–63"	**Sheet Products:** 95-100%[1]
Cold Rolled Coil 	✓ Commercial grades ✓ High strength formable cold roll grades ✓ Full hard grades (not annealed)	▪ Automotive ▪ Welded pipe manufacturers ▪ Transportation ▪ Light manufacturing	36"–74"	
Plate 	✓ High strength, low-alloy grades ✓ Abrasion resistant and heat treat grades ✓ Only producer in Canada	▪ Fabrication industry - constructors or manufacturers of railcars, buildings, bridges off-highway equipment, etc.	72"–154"	**Plate Products:** 110-120%[2]

DSPC Line Offers ~C$30-$40/NT Structural Conversion Cost Advantage Over BOF Peers

ALGOMA STEEL INC.

Key Highlights

- Algoma is the only integrated steel producer to operate a DSPC line, which converts liquid steel directly into coil – Algoma believes the DSPC would facilitate a seamless transition to the proposed EAFs
- Industry leading technology
  - The DSPC line is among the newest, continuous thin slab casters in North America
  - Process provides the Company with a cost advantage over competitors due to reduced manpower, heating costs and reduced yield loss

DSPC Complex

- Annualized production capability: 2.4mm tons
- Facility
  - Thin slab caster
  - Tunnel furnaces & shuttles
  - Rougher
  - Heated Transfer Table
  - Finishing mill
  - Down coilers
- First coil: October 7, 1997

Recent Enhancements

- Upgraded automation to incorporate most recent OEM technology
- Software enhancements
  - Casting controls – better throughput
  - Defect detection – better quality
- Mechanical Upgrades
  - Upgraded segments – better quality and throughput
  - Spindles – more efficient
  - Stand Entry Tables, Coiler Mandrel – more reliable

Canada's Only Plate Mill with Potential to Ship 700,000 NT per year

Algoma's plate mill modernization project is expected to enhance the capacity and quality of one of Algoma's key products and sources of competitive advantage

Key Highlights

- Overall ~$90 million (C$120 million) is committed for modernizing the Algoma Plate Mill through 2023[(1)]
- Plate Modernization Project key areas of focus:
  - Achieving product quality requirements with respect to surface and flatness
  - Increase high strength capability with availability of new grades
  - Provide reliability of plate production with direct ship capability
  - Increase overall plate shipment capacity through debottlenecking

Phase I - Quality Focus

- Completion planned for October 2021 for installation and commissioning of the following upgrades:
  - New Primary De-scaler (improves surface quality)
  - Automated Surface Inspection System, detects and maps quality
  - New Hot Leveler (improves flatness)
  - Automation Upgrade of the 166 Mill (expands grade offering)

Phase II - Productivity Focus

- Completion planned for October 2022 for installation and commissioning of the following upgrades:
  - Onboard Descaling System Upgrade for 2Hi and 4Hi
  - Mill Alignment and Work Roll Offset at the 4Hi
  - 4Hi DC Drive Upgrade
  - In-Line Plate Cutting including new cooling beds coupling the plate mill and shear line, dividing shear and new plate piler
  - Automated Marking Machine

Highly Experienced Management Team with Extensive Industry Experience

Name	Title	Joined Algoma	Years of Experience	Bio
 Michael McQuade	Chief Executive Officer	2019	37	• Previously served as VP, Finance and CFO of Stelco from 2007 to 2016, retiring as President in 2017 • Led the restructuring and sale of Stelco / U.S. Steel Canada while Under CCAA
 Rajat Marwah	Chief Financial Officer	2008	20	• Joined Algoma as Controller in 2008 • Previously served as Financial Controller of ArcelorMittal, Czech Republic and previously worked at KPMG
 John Naccarato	Vice President, Strategy and General Counsel	2019	30	• Served as Director of Market and Product Development at Algoma from 2003 to 2007 • Prior experience with Dofasco Inc. and as EVP and General Counsel for Bracknell Corporation
 Robert Dionisi	Chief Commercial Officer	1979	42	• Joined Algoma in 1979 and has held multiple progressive roles as General Manager or Plate and Shape Product Sales and General Manager of Service Centre and Fabrication Sales and Marketing
 Shawn Galey	Vice President, Production	1980	41	• 41 years of experience at Algoma across progressive levels of responsibility spanning superintendent and general manager of cokemaking, ironmaking, direct strip complex and corporate transformation projects
 Mark Nogalo	Vice President, Maintenance and Operating Services	1988	33	• 33 years of experience at Algoma service across a variety of positions spanning Operations, Engineering, Maintenance and Energy Management • Past Chair of the Algoma University Board

Algoma's Manufacturing Capabilities

	Technical specifications	Year of Start-Up	Competitive advantage	Highlights
Coke Making Facilities	• Comprises 3 batteries: — #7 battery (60 ovens) — #8 battery (60 ovens) — #9 battery (57 ovens)	• #7 battery: 1959 • #8 battery: 1968 • #9 battery: 1979	• On-site coke production caters to ~90% of total coke requirement	• Annualized production capability of • ~0.8mm tons
Iron Making Facilities	• Two blast furnaces: BF #7; BF #6 (currently idle) • BF #7 Hot metal capacity of ~2.8mm ton • BF #6 relining and stove rebuild completed in 2008	• BF #7: 1975 • BF #6: 1954	• BF #6 can be re-started within a short period with low-start up costs • Continuous investments in BF #7 has improved productivity by ~1,000 nt/day	• Operational flexibility enhanced by two blast furnaces
Steelmaking Facilities	• Comprises two 260k ton Basic Oxygen Furnaces • Current liquid steel capacity of ~3.7mm tons annually (including 0.9mm from idle capacity of BF #6) • Two twin station Ladle Metallurgy Furnaces	• Basic oxygen furnaces: 1970 (replaced: 1995) • Ladle Metallurgy Furnace #1: 2000 • Ladle Metallurgy Furnace #2: 2021	• Implementation of LMF#2 will provide improved buffering between casters and Blast Furnace and will avoid DSPC downtime caused by requirements of LMF Slab Caster heats	• Debottlenecking the secondary metallurgy area through the LMF#2
Direct Strip Production Complex (DSPC)	• Automated facility • Size range: gauges between 0.060" and 0.625" and widths between 32" and 63" • Current capacity of ~2.3mm tons annually	• DSPC: 1999	• One of the lowest-cost North American mills in terms of HRC conversion cost per tn • ~C$30-40/nt structural conversion cost advantage over peers due to reduced manpower, lower heating costs and improved yields	• Only DSPC attached to a blast furnace in North America • Consists of a state-of-the-art thin slab continuous caster which converts liquid blast furnace steel directly into coil
Slab Caster	• Comprises two twin strands of 8" thick slabs with a width range of 42" to 86" • Current capacity of ~2.0mm ton annually	• Slab caster: 1979	• Wider steel chemistry processing capabilities	• Ability to cast crack sensitive boron-alloyed and peritectic steel • Efficient grade change practice allowing changes to steel chemistry without interrupting the cast
Plate and Strip Mills	• 106" Strip Mill: produces strips up to 96" wide • 166" Plate Mill: produces plate up to 152" wide • Cold Mill Complex comprises: — 0.8mm ton pickling line — 0.35mm ton reduction mill — 0.25mm ton anneal furnace — 0.8mm ton temper mill	• 106" Strip Mill: 1973 • 166" Plate Mill: 1965	• Only Combination Mill of its kind in North America • Both mills are widest of their kind in North America • Only heat treatment line in Canada	• 166" Plate Mill features a heat treat facility — Rated annual capacity of 240,000 tons

Recent Financial Performance: Revenue and Cost of Sales

	October 1 to December 31			April 1 to December 31		
	change	**FY 2022**	FY 2021	**change**	**FY 2022**	FY 2021
tons						
Steel Shipments	**↑ 0.9%**	**552,544**	547,733	**↑ 18.2%**	**1,749,942**	1,480,243
millions of dollars						
Revenue		**$ 1,064.9**	$ 430.0		**$ 2,864.2**	$ 1,156.4
Less:						
Freight included in revenue		**(41.2)**	(36.7)		**(124.9)**	(103.1)
Non-steel revenue		**(14.2)**	(9.5)		**(70.4)**	(23.8)
Steel revenue	**↑ 163.0%**	**$ 1,009.5**	$ 383.8	**↑ 159.2%**	**$ 2,668.9**	$ 1,029.5
Cost of steel revenue		**$ 544.3**	$ 385.9		**$ 1,513.3**	$ 1,034.7
Amortization included in cost of steel revenue		**(21.4)**	(22.7)		**(64.0)**	(65.2)
Carbon tax included in cost of steel revenue		**(0.1)**	(8.6)		**1.0**	(11.6)
Cost of steel products sold	**↑ 47.4%**	**$ 522.8**	$ 354.6	**↑ 51.4%**	**$ 1,450.3**	$ 957.9
dollars per ton						
Revenue per ton of steel sold	**↑ 145.5%**	**$ 1,927**	$ 785	**↑ 109.6%**	**$ 1,637**	$ 781
Cost of steel revenue per ton of steel sold	**↑ 39.8%**	**$ 985**	$ 705	**↑ 23.7%**	**$ 865**	$ 699
Average net sales realization on steel sales (i)	↑ 160.6%	$ 1,827	$ 701	↑ 119.4%	$ 1,525	$ 695
Cost per ton of steel products sold	↑ 46.2%	$ 946	$ 647	↑ 28.1%	$ 829	$ 647

(i) Represents Steel revenue (being Revenue less (a) Freight included in revenue and (b) Non-steel revenue) divided by the number of tons of Steel Shipments during the applicable period.

Recent Financial Performance: Adjusted EBITDA Reconciliation

millions of dollars	October 1 to December 31		April 1 to December 31	
	FY 2022	FY 2021	**FY 2022**	FY 2021
Net income (loss)	**$ 123.0**	$ (73.5)	**$ 614.1**	$ (176.2)
Amortization of property, plant and equipment and amortization of intangible assets	**21.5**	22.8	**64.3**	65.5
Finance costs	**14.5**	16.4	**44.3**	52.6
Interest on pension and other post-employment benefit obligations	**2.9**	4.3	**8.7**	12.9
Income taxes	**99.2**	-	**221.6**	-
Foreign exchange loss (gain)	**2.0**	35.4	**(2.0)**	66.6
Finance income	**(0.1)**	(0.3)	**(0.1)**	(1.1)
Inventory write-downs *(amortization on property, plant and equipment in inventory)*	**-**	(2.0)	**-**	0.3
Carbon tax	**0.1**	8.6	**(1.0)**	11.6
Change in fair value of warrant liability	**(6.8)**	-	**(6.8)**	-
Change in fair value of earnout liability	**(33.6)**	-	**(33.6)**	-
Change in fair value of share-based compensation liability	**(2.9)**	-	**(2.9)**	-
Transaction costs	**12.3**	-	**21.5**	-
Listing expense	**235.6**	-	**235.6**	-
Share-based compensation	**(10.4)**	-	**5.0**	-
Adjusted EBITDA	**$ 457.3**	$ 11.7	**$ 1,168.7**	$ 32.2
Net Income (Loss) Margin	**11.5%**	-17.1%	**21.4%**	-15.2%
Net Income (Loss) / ton	**$ 222.57**	$ (134.19)	**$ 350.93**	$ (119.03)
Adjusted EBITDA Margin	**42.9%**	2.7%	**40.8%**	2.8%
Adjusted EBITDA / ton	**$ 827.60**	$ 21.36	**$ 667.84**	$ 21.75

(i) See "Non-IFRS Measures" for information regarding the limitations of using Adjusted EBITDA.

(ii) Adjusted EBITDA Margin is Adjusted EBITDA as a percentage of revenue.

Annex: Selected Quarterly Information

(millions of dollars, except where otherwise noted)	2022			2021				2020
As at and for the three months ended[1]	**Q3**	Q2	Q1	Q4	Q3	Q2	Q1	Q4
Financial results								
Total revenue	**$ 1,064.9**	$ 1,010.2	$ 789.1	$ 638.5	$ 430.0	$ 377.0	$ 349.4	$ 502.2
Steel products	**1,009.5**	936.5	722.9	585.6	383.8	335.3	310.4	441.7
Non-steel products	**14.2**	31.8	24.4	5.6	9.5	6.9	7.4	8.8
Freight	**41.2**	41.9	41.8	47.3	36.7	34.8	31.6	51.7
Cost of sales	**599.9**	578.7	510.2	476.0	432.2	389.8	339.7	499.3
Administrative and selling expenses	**18.9**	29.4	26.7	32.5	15.5	11.9	12.5	13.7
Income (loss) from operations	**446.1**	402.1	252.2	130.0	(17.7)	(24.7)	(2.8)	(10.8)
Net income (loss)	**123.0**	288.2	203.3	100.1	(73.5)	(60.0)	(42.7)	19.4
Adjusted EBITDA (loss)	**$ 457.3**	$ 430.6	$ 280.8	$ 166.9	$ 11.7	$ 0	$ 20.5	$ 11.8
Per common share (diluted)[3]								
Net income (loss)	**$ 0.92**	$ 4.02	$ 2.83	$ 1.40	$ (1.02)	$ (0.84)	$ (0.59)	$ 0.27
Financial position								
Total assets	**$ 2,520.7**	$ 2,185.7	$ 1,697.2	$ 1,553.9	$ 1,541.9	$ 1,554.4	$ 1,731.6	$ 1,829.7
Total non-current liabilities	**640.1**	1,038.8	1,002.5	1,031.5	1,184.7	1,236.2	1,220.1	1,094.5
Operating results								
Average NSR per nt2	**$ 1,827**	$ 1,594	$ 1,185	$ 942	$ 701	$ 649	$ 746	$ 712
Adjusted EBITDA per nt2	**827.6**	733.1	460.3	268.2	21.4	0.0	49.2	19.0
Shipping volume (in thousands of nt)								
Sheet	**481**	514	541	543	470	444	336	529
Plate	**72**	73	69	79	78	72	80	91

1 Period end date refers to the following: "Q4" - March 31, "Q3" - December 31, "Q2" - September 30 and "Q1" - June 30.
2 The definition and reconciliation of these non-IFRS measures are included in the "Non-IFRS Financial Measures" section of this MD&A.
3 Pursuant to the Merger Agreement with Legato as described in the "Merger Transaction" section of this MD&A, the Company effected a reserve stock split retroactively, such that each outstanding common share became such number of common shares,each valued at $10.00 per share, as determined by the conversion factor of 71.76775% (as defined in the Merger Agreement), with such common shares subsequently distributed to the equity holders of the Company's former

Glossary

Term	Definition
Basic Oxygen Furnace (BOF)	Vessel used to convert liquid hot metal from a blast furnace into steel
Blast Furnace (BF)	Metallurgical furnace combining fuel, ores and flux to smelt iron ore to produce pig iron, which is fed downstream into a BOF
Cogeneration	Also known as combined heat and power (CHP), a cogeneration plant uses gas generated from the steelmaking process to create electricity
Coke	Fuel for a Blast Furnace that is made by heating coal in the absence of air
Cold Rolled Sheet	Hot rolled steel that has been further processed to increase its strength and strength-to-weight ratio, providing better overall surface finish
Continuous casting	Process whereby molten metal is solidified into a "semi-finished" billet, bloom, or slab for subsequent rolling in the finishing mills
CRU Index	Price index which is widely used throughout the steel industry. Prepared by CRU, a leading steel data provider (https://cruindices.com/)
Electric Arc Furnace (EAF)	Method for producing steel with primary inputs of scrap steel and electricity. EAFs form new steel by heat charging material with an electric arc
Hard coking coal (HCC)	A category of metallurgical coal that is converted to coke and used as fuel for the blast furnace in an integrated steel mill
Hot Briquetted Iron (HBI)	Compacted form of direct reduced iron (DRI) that serves as a supplement for pig iron and scrap in electric arc furnace steel mills
Hot Metal	Blast furnace iron ore that is charged to the BOF in hot liquid form

Term	Definition
Hot Rolled Sheet	Carbon steel product commonly used for applications in which dimensional tolerances and surface finish quality is not critical (e.g. automotive accessories, stampings)
Iron Ore Pellets	Pellets are small balls of iron ore used in the production of steel that are agglomerated from fines
Limestone	Also referred to as flux, limestone is an essential input in a blast furnace
Ladle Metallurgy Furnace (LMF)	Holding furnace for hot metal coming out of the BOF or EAF, increases capacity of melt shop and allows for improvements to steel grade
Metallics	Iron ore or similar products that are used to produce raw steel
NOx	Nitrous oxide (NOx) is a greenhouse gas that traps heat in the atmosphere
NSR	Net Sales Realization: the average selling price of steel excluding costs of freight
Pig Iron	Intermediate solid input made by smelting iron ore with a high-carbon fuel and reductant, such as coke, with flux for use as a feedstock in the BOF
Plate	Includes steel sheet metal that is 5mm or thicker used for construction or structural purposes due to its low maintenance versatility (e.g. shipping containers, roofing, heavy equipment)
Prime Scrap	High quality, clean scrap metal that tends to trade at a premium to lower quality shredded scrap
Slab	Thick semi-finished (intermediate) steel that is further converted into hot rolled sheet or plate
Service center	Wholesalers that may further process steel purchased from manufacturer (e.g. cutting or forming)
SOx	Sulfur oxide (SOx) is an air pollutant that has negative health consequences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