

UNITED STEELWORKERS / SYNDICAT DES MÉTALLOS

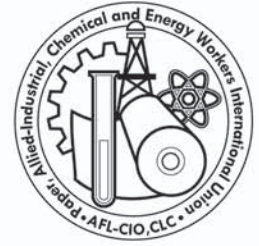


KEN NEUMANN
National Director for Canada
Directeur national pour le Canada

Building Power Renforcer le pouvoir

*Merged April 14, 2005
Fusion : le 14 avril 2005*

LEO GERARD
International President
Président international



BOYD D. YOUNG
Executive Vice President
Vice-président exécutif

JULY 13, 2005

Mr. Courtney Pratt
President and Chief Executive Officer
Stelco Inc.
386 Wilcox Street
Hamilton, Ontario
L8N 3T1

Dear Mr. Pratt:

RE: STELCO INC. – TIME TO CHOOSE

Yesterday Stelco announced that it intends to file a Plan Outline with the court for consideration on the 18th of July.

You have had the benefit of reviewing the USW's proposed Plan. As you know, our Plan has the strong support of a diverse coalition including: the committed financial sponsorship of a widely-respected Canadian institution – Brascan; the Ontario government; the unionized employees of Stelco; the company's managers and other salaried employees; and, its hourly and salaried retirees.

In November of 2004, you sought and received the approval of the Court for the Deutsche Bank Stalking Horse bid. Today, you have in front of you our Plan, which provides the Company with significantly greater liquidity, less leverage and a greater upfront pension contribution than did Deutsche Bank.

It is long past time for you and Stelco's Board of Directors to speak up for Stelco; not

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United Steel, Paper and Forestry, Rubber, Manufacturing,
Energy, Allied Industrial and Service Workers International Union

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Syndicat international des travailleurs unis de la métallurgie, du papier et de la foresterie,
du caoutchouc, de la fabrication, de l'énergie, des services et industries connexes

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kowtow to financial speculators. We find it inconceivable that you would not rush to embrace our Coalition Plan, with its \$1.35B of new committed financing and its strong commitment to the Company's aptly titled Critical Capital Spending Program, and make it your own.

Irresponsible nay saying by a company captured by financial speculators is not helpful. It is time to make a choice and be accountable for that choice.

We demand and expect that any Plan that Stelco files will be at least as good for the Company's long-term viability and its obligations to its most vulnerable stakeholders as is ours.

You have an obligation to fight for a long-term viable Stelco, but please understand that if you do not, we will.

Sincerely,



Scott Duvall, President, Local 5328



Bill Ferguson, President, Local 8782



Serge Gailloux, President, Local 6951



Guy Gaudette, President, Local 3258



Paul Perreault, President, Local 5220



Ken Neumann, Canadian National Director



Steve Hunt, Director
USW District 3



Michel Arsenault, Director
USW District 5



Wayne Fraser, Director
USW District 6