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## NOTIFICATION OF TWO INVESTMENT PROJECTS IN CANADA

*Please find attached two investment projects in Canada.*

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## NOTIFICATION OF TWO INVESTMENT PROJECTS IN CANADA

**Company:** Lake Erie Steel Company Ltd., subsidiary of Stelco Inc. The company is a major supplier of hot rolled sheet for the automotive, construction and other manufacturing sectors.

**Location:**

**Description of Principal Production Unit:** In September 1997, Stelco announced that was upgrading its 80 inch hot strip mill in Nanticoke. The project will include the installation of a third reheat furnace and two new downcoilers along with various handling and related equipment. This project is designed to allow Lake Erie Steel Company to take full advantage of its recently enhanced steelmaking capability and significantly increase its shipments of hot rolled sheet.

**Date of Completion:** The project is to be completed in the second quarter of 2000.

**Effect on Capacity:** The upgrade will increase Lake Erie's hot strip rolling capacity by 454 000 tonnes (500 000 tons) to 2.45 million tonnes (2.7 million tons).

**Effect of Jobs:** Unknown.

**Cost:** \$120 million, Canadian funds (about \$80 million, US funds).

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**Company:** Stelco-McMaster Ltée., a subsidiary of Stelco Inc. The firm is a major supplier of steel used in the manufacture of automotive leaf springs, reinforcing and special quality bars, railroad components and cast billets.

**Location:** Contrecoeur, Quebec

**Description of Principal Production Unit:** In September 1998, Stelco-McMaster announced plans to modernise its rolling facilities. The project will replace existing equipment with a 16 stand, in-line rolling mill and extend the cooling bed.

**Date of Completion:** This project is expected to be completed by the second quarter of 2000.

**Effect on Capacity:** Production capacity will increase by more than 90 000 tonnes (100 000 tons) to 635 000 tonnes (690 000 tons).

**Effect of Jobs:** None.

**Cost:** \$27 million, Canadian funds (about \$17.9 million, US funds).