STELCO INC.

MATERIAL CHANGE REPORT

FORM 51-102F3

1. Name and Address of Company

Stelco Inc. ("Stelco")
368 Wilcox Street
Hamilton, ON, L8L 8K5

2. Date of Material Change

March 10, 2005.

3. News Release

The attached news release was issued by Stelco on March 3, 2006 through Canada NewsWire.

4. Summary of Material Change

Stelco announced on March 3, 2006 that its board of directors had approved a resolution authorizing an application for the delisting of Stelco's Series A Convertible Common Shares and Series B Convertible Common Shares (collectively, the "Common Shares") from the Toronto Stock Exchange (the "TSX"). The application requested that the shares be delisted as at the close of trading on March 10, 2006.

5. Full Description of Material Change

Stelco had previously announced that it was in discussions with the TSX concerning the delisting of the Common Shares, and indicated that it expected to file a delisting application at such time as it was confident that major business issues relating to implementation of its restructuring plan (the "Plan") would be satisfied. While there remain some significant issues to be settled between stakeholders before the Plan can be implemented, Stelco now reasonably expects such issues to be resolved for a March 31 Plan implementation date.

There is insufficient value in Stelco under the approved restructuring plan to provide recovery for the current holders of the Common Shares. As a result, the existing Common Shares will be eliminated on plan implementation with no value being attributed to them.

For additional information, please see the attached news release.

6. Reliance on Subsection 7.1(2) or (3) of National Instrument 51-102

Not applicable.

7. Omitted Information

Not applicable.

8. Executive Officer

For further information, please contact Helen Reeves at 905-515-0701.

9. Date of Report

March 6, 2006

SCHEDULE "A" – PRESS RELEASE

Transmitted by CNW Group on : March 3, 2006 11:16

Stelco to seek delisting of current common shares

HAMILTON, ON, March 3 /CNW/ - Stelco Inc. (TSX:STE) announces that its board of directors today approved a resolution authorizing an application for the delisting of the Company's current common shares from the Toronto Stock Exchange ("TSX"). The application will request that the shares be delisted as at the close of trading on March 10, 2006.

Stelco previously announced that it was in discussions with the TSX concerning delisting and indicated that it expected to file a delisting application at such time as it was confident major business issues relating to implementation of its restructuring plan would be satisfied. While there are still some significant issues to be settled between stakeholders before Stelco's plan can be implemented, Stelco now reasonably expects the issues to be resolved for a March 31 plan implementation date.

Courtney Pratt, President and Chief Executive Officer: "We are making progress in our drive to completion. Key stakeholders have agreed on an implementation timetable and we are committed to working toward a successful conclusion in the near future."

As disclosed on previous occasions, there is insufficient value in the Company under the approved restructuring plan to provide recovery for the current common shareholders. As a result, the existing common shares will be eliminated on plan implementation with no value being attributed to them.

About Stelco

Stelco is one of Canada's longest-established steel companies. It is currently in the final stages of a Court-supervised restructuring. This process is designed to establish the Company as a viable and competitive producer for the long term. The new Stelco will be focused on its Ontario-based integrated steel business located in Hamilton and in Nanticoke. These operations produce high quality value-added hot rolled, cold rolled, coated sheet and bar products. This news release may contain forward-looking information with respect to the Corporation's business operations, financial performance and conditions. Actual results may differ from expected results for a variety of reasons including factors discussed in the Corporation's Management's Discussion and Analysis section of the Corporation's 2004 Annual Report. To learn more about Stelco and its businesses, please refer to our Web site at www.stelco.ca %SEDAR: 00001549E

For further information:
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