CIT BUSINESS CREDIT CANADA INC.

as Administrative Agent

and

CIT BUSINESS CREDIT CANADA INC.
GE CANADA FINANCE HOLDING COMPANY

as Lenders

and

THE OTHER FINANCIAL INSTITUTIONS
LISTED ON THE SIGNATURE PAGES HERETO

as Lenders

and

CIT BUSINESS CREDIT CANADA INC.
GE CANADA FINANCE HOLDING COMPANY

as Co-Collateral Agents

and

STELCO INC.

as Borrower

AMENDED AND RESTATED EXIT FACILITY CREDIT AGREEMENT FIRST AMENDING AGREEMENT

Dated as of May 7, 2007

STIKEMAN ELLIOTT LLP

AMENDED AND RESTATED EXIT FACILITY CREDIT AGREEMENT FIRST AMENDING AGREEMENT

This **AMENDED AND RESTATED EXIT FACILITY CREDIT AGREEMENT FIRST AMENDING AGREEMENT** dated as of **May 7, 2007** among **CIT BUSINESS CREDIT CANADA INC.** as administrative agent (in such capacity, the "**Agent**"), **CIT BUSINESS CREDIT CANADA INC.**, **GE CANADA FINANCE HOLDING COMPANY**, and any other party which is or may become a lender from time to time pursuant to the Credit Agreement as lenders (the "**Lenders**"), **CIT BUSINESS CREDIT CANADA INC.** and **GE CANADA FINANCE HOLDING COMPANY** as co-collateral agents in the performance of certain functions and duties (the "**Co-Collateral Agents**"), **STELCO INC.,** as borrower (the "**Borrower**") and **HAMILTON STEEL GP INC., LAKE ERIE STEEL GP INC., HAMILTON COKE GP INC., LAKE ERIE COKE GP INC., HMLTN ENERGY GP INC., LAKE ERIE ENERGY GP INC., HLE MINING GP INC., HAMILTON LAND GP INC., LAKE ERIE LAND GP INC., HAMILTON STEEL LIMITED PARTNERSHIP, LAKE ERIE STEEL LIMITED PARTNERSHIP, HAMILTON COKE LIMITED PARTNERSHIP, LAKE ERIE COKE LIMITED PARTNERSHIP, HMLTN ENERGY LIMITED PARTNERSHIP, LAKE ERIE ENERGY LIMITED PARTNERSHIP, HLE MINING LIMITED PARTNERSHIP, HAMILTON LAND LIMITED PARTNERSHIP, LAKE ERIE LAND LIMITED PARTNERSHIP, STELCO USA, INC., STELCO HOLDING COMPANY, STELCO COAL COMPANY, ONTARIO HIBBING COMPANY, ONTARIO TILDEN COMPANY, COMMERCIAL DISTRIBUTION SERVICES, INC., ONTARIO COAL COMPANY, CHISHOLM COAL COMPANY, ONTARIO EVELETH COMPANY, STELCO ERIE CORPORATION** and **KANAWHA COAL COMPANY** (collectively, the "**Guarantors**").

RECITALS:

(a) Pursuant to an amended and restated exit facility credit agreement dated March 23, 2007 (as further amended, supplemented, amended and restated or otherwise modified from time to time, the "**Credit Agreement**") among the Borrower, the Agent and the Lenders, the Lenders have made available to the Borrower a revolving credit facility in a maximum amount of $600,000,000; and

(b) The parties to the Credit Agreement have agreed to make certain amendments to the Credit Agreement on the terms and conditions set forth herein.

NOW THEREFORE in consideration of the mutual agreements herein contained and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the parties hereto agree as follows:

Section 1 Defined Terms.

Capitalized terms used in this First Amending Agreement and not otherwise defined have the meanings specified in the Credit Agreement.

Section 2 Amendment to Article 1 of the Credit Agreement.

The definition of "Material Adverse Effect" in Section 1.1 of the Credit Agreement is amended by changing the reference in the second last sentence of such definition from Section "9.1(w)" to Section "9.1(v)".

Section 3 Amendment to Article 1 of the Credit Agreement.

The definition of "Other Collateral" in Section 1.1 of the Credit Agreement is amended by adding the words ", subject to Section 2.7 of the Intercreditor Agreement" after the word "means" and before the "(i)" in the first line of such definition.

Section 4 Amendment to Article 3 of the Credit Agreement.

Section 3.11(2)(b) is amended by adding a "," between the words "claims sanctions" in subsection (iii) thereof.

Section 5 Amendment to Article 5 of the Credit Agreement

Section 5.6(2) of the Credit Agreement is amended by (i) inserting the words "or any third party agent of the Borrower, selected by the agent under the Term Credit Agreement," following the word "Person" in the second line thereof; (ii) inserting the words "or make prepayment offers in respect of" following the word "prepay", on the seventh line thereof, (iii) inserting the word "gross-up" following the word "interest," on the eighth line thereof, and (iv) deleting the last sentence thereof and replacing it with the following:

> "For greater certainty, (A) the obligation of the Borrower or any other Credit Party to prepay outstanding accommodations (together with all interest, gross-up, fees and other amounts owing with respect thereto) under the Term Credit Agreement or the Exchange Notes, as the case may be, from any Asset Sale Proceeds or Insurance Proceeds in respect of Term Priority Collateral pursuant to this Section 5.6(2) shall, without limitation to the prepayment obligations under this Section 5.6(2), be subject to any provisions in such documents which (i) require that the Borrower or any other Credit Party offer to prepay each lender under the Term Credit Agreement and, upon acceptance by each such lender of any such offer, to prepay such amounts to each such accepting lender, and/or (ii) require such offers or such prepayments to be made above a certain dollar threshold, (B) the obligation of the

Borrower or any other Credit Party to prepay outstanding Accommodations (together with all interest, gross-up, fees and other amounts owing with respect thereto) from any excess Asset Sale Proceeds or Insurance Proceeds in respect of Term Priority Collateral pursuant to this Section 5.6(2) not used to make prepayments pursuant to prepayment offers or, in the case of any such Insurance Proceeds, reinvestments, as applicable, under the Term Credit Agreement or to thereafter deposit the amount of any such excess Asset Sale Proceeds or Insurance Proceeds into a Blocked Account pursuant to this Section 5.6(2) shall not be restricted, prohibited or limited by or otherwise subject to such provisions in such documents referenced in subsections (A)(i) and (A)(ii) above, and (C) the prior written consent of the Co-Collateral Agents shall be required with respect to any use or application by the Term Agent or any Credit Party of Insurance Proceeds in respect of Term Priority Collateral of (or held on behalf of) the Borrower, any Steel Entity or any Coke Entity in excess of an aggregate amount of $50,000,000, provided that the Co-Collateral Agents shall not be entitled to refuse to provide such consent if the proposed use or application of such proceeds is to offer to prepay each lender under the Term Credit Agreement and, upon acceptance of any such lender of any such offer, to prepay such amounts to each such accepting lender or to reinvest such proceeds, in each case, in the order contemplated by subsections (1), (2) and (3) of this Section 5.6(2)."

Section 6 Amendment to Article 6 of the Credit Agreement

(1) Section 6.2(c) of the Credit Agreement is amended by inserting the words ", subject to the prior rights of the agent under the Term Credit Agreement with respect to the Term Priority Collateral," immediately before the words "are forthwith delivered to the Administrative Agent after issuance to be held as security for the Obligations pursuant to the applicable security and pledge agreement".

(2) Section 6.3(3) of the Credit Agreement is amended by:

(i) deleting clauses (i) and (ii) of Section 6.3(3)(a) in their entirety and substituting the following therefor:

"(i) provided no Default or Event of Default has occurred which is continuing or would result therefrom which has not been waived in accordance with the terms hereof, (w) payments of principal by the Borrower under the Term Credit Agreement, provided that any prepayments of principal by the Borrower thereunder (other than prepayments (including, for greater certainty, pursuant to prepayment offers) made from the proceeds of Dispositions of Term Priority Collateral and Insurance Proceeds in respect of any loss, destruction or condemnation of any Term Priority Collateral to the extent permitted by and in accordance with Section 5.6(2) and which prepayments, for greater certainty, are also permitted to be made while a Default or Event of Default has occurred and is continuing (such prepayments, together with all interest, gross-up, fees and other amounts owing with respect thereto, being collectively referred to as "**Term Credit Permitted Prepayments**")) shall be subject to the following additional restrictions: (A) Availability shall be greater than $125,000,000 both before and immediately after giving effect to the prepayment; and (B) if Availability would be less than $200,000,000 at the time of or immediately after giving effect to such prepayment, the prior written consent of the Co-Collateral Agents shall be required; (x) payments of principal by the Borrower under the TD Banking Services Agreement, (y) regularly scheduled payments by the Borrower of interest, fees, gross-up, indemnification and reasonable expense reimbursement under and in accordance with the provisions of each of the Term Credit Agreement, the Secured Floating Rate Notes, the Province Note and the TD Banking Services Agreement (but for greater certainty, Secured Notes Capitalized Interest Payments are also permitted while a Default or Event of Default has occurred which is continuing), and (z) payments in respect of Guaranteed Indebtedness expressly provided under Section 6.6(a), (b) and (f); and

(ii) during the continuance of a Default or Event of Default which has occurred and is continuing (including, without limitation, after the commencement of any Enforcement Action or any Insolvency Proceeding which is continuing), regularly scheduled payments by the Borrower of interest, fees, indemnification, gross-up and reasonable expense reimbursement under and in accordance with the Term Credit Agreement and in each such case, only to the extent that each of (y) Availability and (z) projected Availability on a rolling 13-week-basis (based on consolidated cash flow projections prepared by the Borrower for such rolling 13-week period in form and content satisfactory to the Co-Collateral Agents acting reasonably) are in excess of $60,000,000 (and, in such cases, only to the extent that Availability would remain in excess of $60,000,000 after the making of any such payments); or"; and

(ii) deleting the last paragraph of Section 6.3(3) in its entirety and replacing it with the following:

"For greater certainty, (x) the Borrower may make Term Credit Permitted Prepayments, at any time, including while a Default or Event of Default has occurred which is continuing, (y) without limiting clause (x), proceeds of Dispositions of property and assets effected in compliance with Section 6.8 may be applied to payments of principal outstanding under the Term Credit Agreement in accordance with Section 5.6 and the Intercreditor Agreement at any time, including while a Default or Event of Default has occurred which is continuing, and (z) this Section 6.3(3) shall not be effective unless and until the Intercreditor Consent has been provided to the Borrower and the Administrative Agent, but once this Section 6.3(3) becomes effective, Section 6.3(2) shall thereafter be of no further force and effect."

(3) Section 6.16(2)(ii) is amended by deleting the words "and such additional mandatory repayments and prepayments which are not in an aggregate, in excess of one (1) percent of the aggregate principal amount then outstanding for each year the obligations owing under the Term Credit Documents are outstanding," from such Section.

(4) Section 6.18 of the Credit Agreement is amended by deleting it in its entirety and replacing it with the following:

"The Borrower shall not, and shall cause each of the other Credit Parties not to, engage in any transaction involving speculative commodity options, futures contracts, interest rate swaps, caps or collars or similar transactions, except for non-speculative commodity options, future contracts or similar transactions on an unsecured basis, secured by Letters of Credit issued pursuant to this Agreement or pursuant to Bank Products, in any of the foregoing cases, solely to hedge in the ordinary course of business against fluctuations in the values of commodities, foreign currencies or interest receivable or payable by it."

Section 7 Representation and Warranty.

The Borrower and each Guarantor jointly and severally represents and warrants to the Agent and the Lenders that, as of the date hereof, this First Amending Agreement has been duly authorized, executed and delivered by the Borrower and each Guarantor, and this First Amending Agreement and the Credit Agreement, as amended hereby, and the other Loan Documents, constitute legal, valid and binding obligations of the Borrower and each Guarantor party thereto, enforceable in accordance with their respective terms.

Section 8 Conditions to Effectiveness.

This First Amending Agreement shall not become effective until the Agent and the Lenders shall have received this First Amending Agreement, duly executed by the Borrower and the Guarantors.

Section 9 Bringdown.

Each of the representations and warranties made by each of the Credit Parties in or pursuant to the Credit Agreement or any other Loan Document are true and correct on and as of the date hereof, as if made on and as of the date hereof, except where any such representation or warranty expressly relates to a specific date, in which case, such representation and warranty is true and correct on and as at such date, and each of the Credit Parties is in full compliance with its covenants in each Loan Document and no Default or Event of Default has occurred and is continuing.

Section 10 Credit Agreement in Effect.

Except as specifically stated herein, the Credit Agreement and the other Loan Documents shall continue in full force and effect in accordance with the provisions thereof, as amended hereby, and all obligations of the Borrower and the Guarantors under the Credit Agreement and the other Loan Documents are hereby ratified and confirmed and shall continue in full force and effect. Any reference to the Credit Agreement or a Loan Document shall refer to the Credit Agreement and Loan Document as amended hereby. This First Amending Agreement is a "Loan Document", as defined under the Credit Agreement. Each of the Agent and the Lenders reserves all of its rights, remedies, defences and claims, if any, it may have against the Borrower or any other person under the Loan Documents or under applicable law. Any failure by the Borrower or any Guarantor to observe or perform any covenant, condition or agreement herein or any breach by the Borrower or any Guarantor of any representation and warranty under this First Amending Agreement, shall constitute an immediate Event of Default under the Credit Agreement and entitle the Agent and the Lenders to immediately terminate the Credit Agreement and to exercise all rights and remedies under the Credit Agreement and the other Loan Documents.

Section 11 Confirmation of Security.

The Borrower acknowledges, confirms and agrees that (i) all security granted by the Borrower to and in favour of the Agent on behalf of the Lenders as security for the obligations of the Borrower under the Credit Agreement and the other Loan Documents to which it is a party (collectively, the "**Borrower Security**") remains in full force and effect, unamended, and the security interests, mortgages, charges, liens, assignments, transfers and pledges granted by the Borrower in favour of the Agent on behalf of the Lenders pursuant to the Borrower Security continue to secure and extend to all debts, liabilities and obligations of the Borrower to the Agent and the Lenders whether direct or indirect, absolute or contingent, present or future, pursuant to, arising out of, or in connection with, the Credit Agreement (as amended hereby) and the other Loan Documents to which it is a party; and (ii) the Borrower Security is hereby ratified and confirmed.

Section 12 Confirmation of Guarantee and Security.

Each of the Guarantors acknowledges, confirms and agrees that:

(1) the guarantee dated March 31, 2006 made by it in favour of the Agent on behalf of the Lenders (the "**Guarantee**") remains in full force and effect, is enforceable in accordance with its terms and guarantees the payment of all present and future debts, liabilities and obligations described therein, including without limitation, those pursuant to, arising out of, or in connection with, the Credit Agreement (as amended hereby) and the other Loan Documents, and such Guarantor shall continue to be bound by such Guarantee;

(2) all security granted by such Guarantor to and in favour of the Agent on behalf of the Lenders as security for the obligations of such Guarantor under the Guarantee and the other Loan Documents to which it is a party (collectively, the "**Guarantor Security**") remains in full force and effect, unamended, and the security interests, mortgages, charges, liens, assignments, transfers and pledges granted by such Guarantor in favour of the Agent pursuant to the Guarantor Security continue to secure and extend to all debts, liabilities and obligations of such Guarantor to the Agent and the Lenders whether direct or indirect, absolute or contingent, present or future, pursuant to, arising out of, or in connection with, the Guarantee and the other Loan Documents to which it is a party; and

(3) its Guarantee and Guarantor Security are hereby ratified and confirmed.

Section 13 Costs and Expenses.

The Borrower shall pay all costs and expenses of the Agent and the Lenders associated with the preparation, execution and delivery of this First Amending

Agreement and all documentation contemplated hereby and delivered in connection herewith.

Section 14 Governing Law.

This First Amending Agreement shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

Section 15 Counterparts.

This First Amending Agreement may be executed in any number of counterparts (including counterparts by facsimile and electronic PDF transmission) and all of such counterparts taken together shall be deemed to constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have caused this First Amending Agreement to be effective, executed, accepted and delivered at Toronto, Ontario by their proper and duly authorized officers as of the date first set forth above.

CIT BUSINESS CREDIT CANADA INC. (as Administrative Agent, Co-Collateral Agent, Funding Agent, Co-Lead Arranger and Lender)

By: *"E. Dennis McCluskey"*
Name: E. Dennis McCluskey
Title: President & CEO

By: *"Donald Rogers"*
Name: Donald Rogers
Title: Senior Vice President

GE CANADA FINANCE HOLDING COMPANY (as Co-Collateral Agent, Syndication Agent and Lender)

By: *"Richard Zeni"*
Name: Richard Zeni
Title: Duly Authorized Signatory

By: ______________________
Name:
Title:

BANK OF AMERICA, N.A., CANADA BRANCH (as Lender)

By: *"Medina Sales De Andrade"*
Name: Medina Sales De Andrade
Title: Vice President

By: ________________________
Name:
Title:

GMAC COMMERCIAL FINANCE CORPORATION - CANADA (as Lender)

By: *"Grace Lam"*
Name: Grace Lam
Title: Vice President

By: ________________________
Name:
Title:

LASALLE BUSINESS CREDIT, A DIVISION OF ABN AMRO BANK N.V., CANADA BRANCH (as Lender)

By: *"Darcy Mack"*
Name: Darcy Mack
Title: First Vice President

By: *"David Carson"*
Name: David Carson
Title: Vice President

UBS AG CANADA BRANCH (as Lender)

By: *"Janice L. Randolph"*

Name: Janice L. Randolph

Title: Associate Director
Banking Products Services, US

By: *"Joselin Fernandes"*

Name: Joselin Fernandes

Title: Associate Director
Banking Products Services, US

WELLS FARGO FINANCIAL CORPORATION CANADA (as Lender)

By: *"Nick Scarfo"*

Name: Nick Scarfo

Title: Vice President

By: ______________________________

Name:

Title:

STELCO INC. (as Borrower)

By: *"D. Chad Hutchison"*
Name: D. Chad Hutchison
Title: General Counsel & Corporate Secretary

By: *"J. Kenneth Rutherford"*
Name: J. Kenneth Rutherford
Title: Chief Financial Officer

GUARANTORS

HAMILTON STEEL GP INC.

By: *"Chad Hutchison"*
Name: Chad Hutchison
Title: Secretary

LAKE ERIE STEEL GP INC.

By: *"Chad Hutchison"*
Name: Chad Hutchison
Title: Secretary

HAMILTON COKE GP INC.

By: *"Chad Hutchison"*
Name: Chad Hutchison
Title: Secretary

LAKE ERIE COKE GP INC.

By: *"Chad Hutchison"*
Name: Chad Hutchison
Title: Secretary

HMLTN ENERGY GP INC.

By: *"Chad Hutchison"*
Name: Chad Hutchison
Title: Secretary

LAKE ERIE ENERGY GP INC.

By: *"Chad Hutchison"*
Name: Chad Hutchison
Title: Secretary

HLE MINING GP INC.

By: *"Gordon Spelich"*
Name: Gordon Spelich
Title: President

HAMILTON LAND GP INC.

By: *"Chad Hutchison"*
Name: Chad Hutchison
Title: Secretary

LAKE ERIE LAND GP INC.

By: *"Chad Hutchison"*
Name: Chad Hutchison
Title: Secretary

HAMILTON STEEL LIMITED PARTNERSHIP, by its general partner, HAMILTON STEEL GP INC.

By: *"Chad Hutchison"*
Name: Chad Hutchison
Title: Secretary

LAKE ERIE STEEL LIMITED PARTNERSHIP, by its general partner, LAKE ERIE STEEL GP INC.

By: *"Chad Hutchison"*
Name: Chad Hutchison
Title: Secretary

HAMILTON COKE LIMITED PARTNERSHIP, by its general partner, HAMILTON COKE GP INC.

By: *"Chad Hutchison"*
Name: Chad Hutchison
Title: Secretary

LAKE ERIE COKE LIMITED PARTNERSHIP, by its general partner, LAKE ERIE COKE GP INC.

By: *"Chad Hutchison"*
Name: Chad Hutchison
Title: Secretary

HMLTN ENERGY LIMITED PARTNERSHIP, by its general partner, HMLTN ENERGY GP INC.

By: *"Chad Hutchison"*
Name: Chad Hutchison
Title: Secretary

LAKE ERIE ENERGY LIMITED PARTNERSHIP, by its general partner, LAKE ERIE ENERGY GP INC.

By: *"Chad Hutchison"*
Name: Chad Hutchison
Title: Secretary

HLE MINING LIMITED PARTNERSHIP, by its general partner, HLE MINING GP INC.

By: *"Gordon Spelich"*
Name: Gordon Spelich
Title: President

HAMILTON LAND LIMITED PARTNERSHIP, by its general partner, HAMILTON LAND GP INC.

By: *"Chad Hutchison"*
Name: Chad Hutchison
Title: Secretary

LAKE ERIE LAND LIMITED PARTNERSHIP, by its general partner, LAKE ERIE LAND GP INC.

By: *"Chad Hutchison"*
Name: Chad Hutchison
Title: Secretary

STELCO USA, INC.

By: *"Jerome Nelson"*
Name: Jerome Nelson
Title: President

STELCO HOLDING COMPANY

By: *"Gordon Spelich"*
Name: Gordon Spelich
Title: President

STELCO COAL COMPANY

By: *"Gordon Spelich"*
Name: Gordon Spelich
Title: President

ONTARIO HIBBING COMPANY

By: *"Gordon Spelich"*
Name: Gordon Spelich
Title: President

ONTARIO TILDEN COMPANY

By: *"Gordon Spelich"*
Name: Gordon Spelich
Title: President

COMMERCIAL DISTRIBUTION SERVICES, INC.

By: *"Jerome Nelson"*
Name: Jerome Nelson
Title: President

ONTARIO COAL COMPANY

By: *"Gordon Spelich"*
Name: Gordon Spelich
Title: President

CHISHOLM COAL COMPANY

By: *"Gordon Spelich"*
Name: Gordon Spelich
Title: President

ONTARIO EVELETH COMPANY

By: *"Gordon Spelich"*
Name: Gordon Spelich
Title: President

STELCO ERIE CORPORATION

By: *"Gordon Spelich"*
Name: Gordon Spelich
Title: President

KANAWHA COAL COMPANY

By: *"Gordon Spelich"*
Name: Gordon Spelich
Title: President