# MATERIAL CHANGE REPORT

1. **Name and Address of Company**

   IPSCO Inc.
   Armour Road, P.O. Box 1670
   Regina, Saskatchewan
   S4P 3C7

2. **Date of Material Change**

   May 3, 2007

3. **News Release**

   A press release with respect to the material change referred to in this report was issued by IPSCO Inc. ("IPSCO") on May 3, 2007 through the facilities of Canada Newswire and filed on the System for Electronic Document Analysis and Retrieval ("SEDAR").

4. **Summary of Material Change**

   On May 3, 2007, IPSCO, SSAB Svenskt Stål AB, a corporation existing under the laws of Sweden ("SSAB") and SSAB Canada Inc., a wholly owned subsidiary of SSAB and a corporation existing under the laws of Canada ("Acquisition Sub"), entered into an Arrangement Agreement (the "Arrangement Agreement"). The Arrangement Agreement provides that, upon the terms and subject to the conditions set forth in the Arrangement Agreement, Acquisition Sub will acquire all of the outstanding common shares of IPSCO for cash at a price per share of $160.00 (the "Purchase Price"), to be implemented by way of a court-approved plan of arrangement (the "Arrangement").

5. **Full Description of Material Change**

   On May 3, 2007, IPSCO, SSAB and Acquisition Sub entered into the Arrangement Agreement. The Arrangement Agreement provides that, upon the terms and subject to the conditions set forth in the Arrangement Agreement, Acquisition Sub will acquire all of the outstanding common shares of IPSCO for the Purchase Price, to be implemented by way of the Arrangement.

   At the effective time of the Arrangement, IPSCO will become a wholly owned subsidiary of SSAB and each common share of IPSCO (other than shares held by (i) any shareholders who properly exercise dissent rights under Canadian law or (ii) SSAB, Acquisition Sub or any of their affiliates) will be transferred to Acquisition Sub in consideration for the Purchase Price.

   Consummation of the Arrangement is subject to customary conditions, including IPSCO shareholder approval, court approval, expiration or termination of the applicable Hart-Scott-Rodino waiting period and similar antitrust laws in Canada, and receipt of certain other regulatory approvals, including under the Investment Canada Act.

The Arrangement Agreement contains certain termination rights for both IPSCO and SSAB, and further provides that, upon termination of the Arrangement Agreement under specified circumstances, IPSCO may be required to pay SSAB a termination fee of 3.0% of the aggregate Purchase Price. The Arrangement Agreement additionally provides that upon termination of the Arrangement Agreement under specified circumstances, IPSCO may be required to reimburse SSAB for expenses incurred by SSAB in connection with the transactions contemplated by the Arrangement Agreement in an amount not to exceed $10 million.

* * * * *

The foregoing description of the Arrangement Agreement does not purport to be complete and is qualified in its entirety by reference to the Arrangement Agreement, which has been filed separately as a material document on SEDAR.

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, Mr. Leslie T. Lederer, Vice President, General Counsel and Corporate Secretary of IPSCO may be contacted at (630) 810-4800.

9. **Date of Report**

May 3, 2007.