

Stinson Represents Stelco in Option to Acquire Interest in Mine

Press Release

05.12.2020

Stinson LLP represented Stelco Inc., a wholly-owned subsidiary of Stelco Holdings Inc. (TSX: STLC), on U.S. law matters in connection with an option agreement with United States Steel Corporation (NYSE: X) to purchase a 25% ownership interest in a to-be-formed joint venture that will own 100% of U.S. Steel's iron ore mine located in Mt. Iron, Minnesota and related infrastructure, including a pellet plant, which is referred to as the Minntac Mine.

The Minntac Mine is a fully-integrated iron ore mine operated by U.S. Steel and is the largest iron ore operation in the United States, with annual production capacity of up to 16 million tons per year of iron ore pellets. The option is exercisable by Stelco at any time following the payment of the initial consideration until January 31, 2027.

Stelco will pay \$100 million to U.S. Steel in consideration for the option. This initial consideration is payable in five \$20 million installments, with the first installment paid upon closing of the option agreement and the remaining four installments payable every two months thereafter. Upon the exercise of the option, Stelco would pay a net exercise price of \$500 million.

Stelco is a low cost, integrated and independent steelmaker with one of the newest and most technologically advanced integrated steelmaking facilities in North America. Stelco produces flat-rolled value-added steels, including premium-quality coated, cold-rolled and hot-rolled steel products. With first-rate gauge, crown and shape control, as well as reliable uniformity of mechanical properties, Stelco's steel products are supplied to customers in the construction, automotive and energy industries across Canada and the United States as well as to a variety of steel services centers, which are regional distributors of steel products.

Stinson Represents Stelco in Option to Acquire Interest in Mine

Stinson attorneys included [Steve Quinlivan](#), [Paul Hoffman](#), [Elsa Manzanares](#), [Robert Botts, Jr.](#), [Selena Samale](#), [Robert Devolve](#), [Audrey Fenske](#), [Rick Pins](#) and Tim Joyce.

CONTACTS

Robert E. Botts, Jr.

Robert F. Devolve

Audrey A. Fenske

Paul M. Hoffmann

Elsa Manzanares

Richard W. Pins

Stephen M. Quinlivan

Selena Samale

RELATED CAPABILITIES

Corporate Finance

Energy

STINSON

STINSON LLP \ STINSON.COM