

IN THE MATTER OF THE *COMPANIES' CREDITORS*  
*ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PROPOSED PLAN OF  
COMPROMISE OR ARRANGEMENT WITH RESPECT TO  
**U. S. STEEL CANADA INC.** (the "USSC")

**NOTICE OF MEETINGS AND SANCTION HEARING**

On March 15, 2017, USSC filed a plan of compromise and arrangement (the "**Plan**") under the *Companies' Creditors Arrangement Act* (the "**CCAA**") and obtained an order (the "**Meetings Order**") relating to meetings of its creditors to be held to vote on the Plan (the "**Meetings**"). All defined terms used in this notice that are not defined here have the meanings given to them in the Plan or Meetings Order.

**NOTICE IS HEREBY GIVEN** as follows:

1. The Plan contemplates the compromise of rights and claims of certain creditors of USSC (collectively, and as more fully defined in the Plan, the "**Affected Creditors**").
2. Claims of Affected Creditors are separated into two classes under the Plan: (i) the General Unsecured Creditor Class; and (ii) the Non-USW Main Pension and OPEB Class.
3. You are receiving this Notice because you have been identified as a member of the General Unsecured Creditor Class or because you have been identified as a member of the Non-USW Main Pension and OPEB Class who is an Opt-Out Individual.
4. Enclosed with this Notice, you will find a copy of an Information Circular prepared by USSC (which attaches the Plan as an exhibit), a General Unsecured Creditor Proxy and a Non-USW Main Pension and OPEB Proxy. In addition to this material, the Meetings Order should be reviewed and it and additional information are available on the Monitor's Website at [www.ey.com/ca/ussc](http://www.ey.com/ca/ussc).
5. The purpose of these materials is to provide you with documents required to enable you to consider the Plan and vote to accept or reject the Plan, and to provide you with notice of the Meetings that will be held at **Metro Toronto Convention Centre, North Building, Room 201, 222 Bremner Blvd, Toronto, Ontario** as follows:
  - (a) General Unsecured Creditor Class Meeting on **April 27, 2017 at 10:00 a.m.**; and
  - (b) Non-USW Main Pension and OPEB Class Meeting on **April 27, 2017 at 12:00 p.m.**.
6. **General Unsecured Creditor Convenience Creditors**
  - (a) Pursuant to the Plan (to the extent implemented and in accordance with the terms thereof), Convenience Creditors will receive payment in an amount equal to the lesser of \$7,500 and the actual amount of such Proven Claims.

- (b) If you are a General Unsecured Creditor with Proven Claims not exceeding an aggregate of \$7,500, you are not required to attend the Meetings or to complete or file any forms. You are deemed to be a Convenience Creditor who will receive an amount equal to the actual amount of such Proven Claims pursuant to the Plan (to the extent implemented and in accordance with the terms thereof) and deemed to vote in favour of the Plan. Only if you wish to vote against the Plan are you required to submit the attached General Unsecured Creditor Proxy or attend the Meeting in person, and notify the Monitor in writing of your intention to vote against the Plan prior to the Meeting of the General Unsecured Creditor Class.
  - (c) If you are a General Unsecured Creditor with Proven Claims exceeding an aggregate of \$7,500, you may elect to be a Convenience Creditor and to receive \$7,500 in full satisfaction of such Proven Claims in accordance with the Plan (to the extent implemented and in accordance with the terms thereof). You may make this election by completing and duly submitting the Election Notice portion of the attached General Unsecured Creditor Proxy. Once such an election is made, the Convenience Creditor will be deemed to vote in favour of the Plan unless they have notified the Monitor in writing of their intention to vote against the Plan prior to the Meeting of the General Unsecured Creditor Class and do vote against the Plan at such Meeting either in person or by submitting the General Unsecured Creditor Proxy.
7. **All other General Unsecured Creditors:** if you are a General Unsecured Creditor with Proven Claims exceeding an aggregate of \$7,500 and do not elect to be a Convenience Creditor, you may attend the General Unsecured Meeting at the time and location set out above to cast your vote in person. If you wish to vote at the Meeting but will not be attending in person or if the Affected Creditor is a corporation or other entity and not an individual, then you must duly complete and submit the General Unsecured Creditor Proxy.
  8. **Non-USW Main Pension and OPEB Class:** if you are a member of the Non-USW Main Pension and OPEB Class and have not previously opted out of being represented by Koskie Minsky LLP as “Representative Counsel” pursuant to the Representative Counsel Appointment Order of the Court made on October 8, 2014, you are not required to attend the Non-USW Main Pension and OPEB Class Meeting or to complete or file any forms to vote for the Plan as Representative Counsel is deemed to be your proxy who is authorized to vote any and all of your Non-USW Main Pension and OPEB Claims in favour of the Plan. If you previously opted out of representation by Representative Counsel or if you are represented by Representative Counsel but wish to vote against the Plan, you may attend the Non-USW Main Pension and OPEB Class Meeting at the time and location set out above to cast your vote in person. If you wish to vote at the Meeting but will not be attending in person, then you must duly complete and submit the Non-USW Main Pension and OPEB Proxy. For greater clarity, Non-USW Employee Restructuring Claims and Non-USW Supplemental Pension Claims are General Unsecured Claims not Non-USW Main Pension and OPEB Claims.
  9. Any Proxy, including any Election Notice portion of the General Unsecured Creditor Proxy, must be sent to the Monitor by email, fax, or mail such that it is received by the Monitor **by no later than 5:00 p.m. on April 24, 2017 or 3 (three) Business Days prior to any adjournment** of the relevant Meeting (provided that the Monitor may waive strict compliance with the time

limits imposed for receipt of a Proxy if deemed advisable to do so by the Monitor, in consultation with the Applicant).

10. Any failure to file a Proxy will not affect your right to any distribution under the Plan.
11. For the Plan to become effective,
  - (a) the Plan must be approved by a majority in number of the Affected Creditors of each class holding Voting Claims representing a two-thirds majority in value of such class that is present and voting at the Meeting in person or by proxy (the “**Required Majorities**”) in accordance with the Meetings Order. Votes by Affected Creditors with Unresolved Claims will not be included in the Required Majorities and will be treated as set out in the Meetings Order.
  - (b) the Plan must be sanctioned by a final order of the Court, pursuant to the Plan. Notice is hereby given that if the Plan is approved at the Meetings and the other necessary conditions are met, the Applicant intends to make an application to the Court (the “**Sanction Hearing**”) for an order sanctioning the Plan pursuant to the CCAA **on May 9, 2017**. Any person wishing to oppose the relief sought at the Sanction Hearing shall serve on the Service List a notice setting out the basis for such opposition and a copy of the materials to be used to oppose the granting of the Sanction Order at least four (4) Business Days before the date set for the Sanction Hearing, or such shorter time as the Court, by order, may allow.
  - (c) The conditions to implementation and effectiveness of the Plan as set out in the Plan must be satisfied or waived pursuant to the terms of the Plan.
12. If you have any questions regarding the process described above or the enclosed Proxies, please contact the Monitor. The email address/fax number/address for delivering Proxies to the Monitor are as follows:

Ernst & Young Inc.  
Monitor of USSC  
222 Bay St., P.O. Box 251  
Toronto-Dominion Centre  
Toronto, ON M5K 1J7  
Attention: USSC Monitor  
Fax: 1-416-943-2887  
Tel: 1-844-941-7764  
e-mail: [ussc.monitor@ca.ey.com](mailto:ussc.monitor@ca.ey.com)