

December 22, 2004

ALGOMA CENTRAL CORPORATION

The Corporation, through a wholly-owned subsidiary, today purchased for cash consideration of \$28 million US a 100% interest in an ocean-going self-unloading vessel, the M.V. Bahama Spirit, from Marbulk Shipping Inc. Marbulk Shipping Inc. is owned 100% by Marbulk Canada Inc. which in turn is 50% owned by the Corporation.

The M.V. Bahama Spirit was built in Japan in 1995 and converted to a self-unloader at the Hyundai Shipyard in Korea in 2000. The vessel has a carrying capacity of 44,000 tonnes and currently operates on the East Coast of North America moving aggregates. The current commercial management arrangements, through the CSLI Pool located in Beverly, Mass., and the current technical management arrangements, through Atlantic Marine Limited Partners located in Hamilton, Bermuda, will remain unchanged.

This transaction effectively increases our interest in the vessel from 50% to 100%. In addition we continue to own a 50% interest in Marbulk Canada Inc. which owns five other ocean-going self-unloaders all of which are part of the CSLI commercial pool.

- 30 -

Tim S. Dool,
President and Chief Executive Officer
905-687-7888

Greg D. Wight
Vice President, Finance
905-687-7850