

**FOR IMMEDIATE RELEASE**  
**November 7, 2007**

**ALGOMA CENTRAL CORPORATION**  
**Operating results to September 30, 2007 and 2006**  
**(in thousands of dollars except per share figures)**

	<b>Three Months Ended</b>		<b>Nine Months Ended</b>	
	<b>September 30</b>		<b>September 30</b>	
	<b>2007</b>	<b>2006</b>	<b>2007</b>	<b>2006</b>
<b>Revenue from continuing operations:</b>	<b>\$180,248</b>	<b>\$169,484</b>	<b>\$395,412</b>	<b>\$384,932</b>
<b>Net earnings :</b>				
<b>Continuing operations</b>	<b>\$21,580</b>	<b>\$17,717</b>	<b>\$26,366</b>	<b>\$22,701</b>
<b>Discontinued operations</b>	<b>0</b>	<b>(47)</b>	<b>0</b>	<b>678</b>
<b>Total</b>	<b>\$21,580</b>	<b>\$17,670</b>	<b>\$26,366</b>	<b>\$23,379</b>
<b>Earnings per share:</b>				
<b>Continuing operations</b>	<b>\$5.55</b>	<b>\$4.56</b>	<b>\$6.78</b>	<b>\$5.84</b>
<b>Discontinued operations</b>	<b>0.00</b>	<b>(0.02)</b>	<b>0.00</b>	<b>0.17</b>
<b>Total</b>	<b>\$5.55</b>	<b>\$4.54</b>	<b>\$6.78</b>	<b>\$6.01</b>
<b>Dividends paid per common share:</b>	<b>\$0.35</b>	<b>\$0.35</b>	<b>\$1.05</b>	<b>\$0.95</b>

The Corporation is reporting net earnings for the three months ended September 30, 2007 of \$21,580 compared to net earnings of \$17,670 for the same period in 2006, an increase of \$3,910.

Net earnings for the nine months ended September 30, 2007 were \$26,366 compared to net earnings of \$23,379 for the same period in 2006, an increase of \$2,987. Included in the net earnings for the nine months ended September 30, 2006 was a decrease in income tax expense of \$2,805 due to the 2006 announcement by the Federal government concerning future corporate tax rate reductions. Excluding this item in 2006, net earnings for the nine months ended September 30, 2007 were better than the comparable period by \$5,792.

The increases in net earnings of \$3,910 for the three months ended September 30, 2007 and \$5,792 (after the impact of the 2006 corporate tax rate adjustment) for the nine months ended September 30, 2007 when compared to the same prior year periods were due primarily to the following:

- Improved earnings for the ocean shipping segment due mainly to fewer out-of-service days to September 30, 2007 compared to the corresponding period in 2006 due to reduced regulatory planned dry-dockings, the addition of the *Honourable Henry Jackman* which entered service on August 1, 2007 and strong earnings from positioning cargoes for a vessel going to and returning from a scheduled regulatory dry-docking in China.

- Improved earnings for the domestic dry-bulk segment due mainly to improved revenue levels and fuel surcharge recoveries.
- A reduction in amortization expense due to changes in the remaining estimated lives of certain capital assets.
- An increase in net foreign exchange gains due to the strengthening of the Canadian dollar against the U.S. dollar.
- Gain realized on the disposal of the *Algonova* and a gain from proceeds relating to an insurance claim for a damaged engine.

The above increases in net earnings were partially offset with the following:

- Decreased operating earnings of the tanker fleet due primarily to fewer operating days due to the sale of the *Algonova* in January 2007.
- The impact of the deferral of earnings on capital work performed by our ship repair business on certain vessels chartered to the Seaway Marine Transport partnership.

On November 7, 2007 the Board of Directors declared a dividend of \$0.35 per common share payable on December 3, 2007 to shareholders of record on November 19, 2007.

The Corporation, in conjunction with Upper Lakes Shipping Ltd., an unrelated party, has entered into agreements with Chengxi Shipyard located in Jiangyin, China to construct two maximum seaway size self-unloading forebodies and to attach these new forebodies to the aft-ends of the *Algobay* and the *Algoport*.

The completed vessels are expected to be in service in December 2009 and September 2010, respectively at an expected cost of approximately \$125 million with the Corporation's share amounting to \$62.5 million. This expected total cost includes cost estimates to modernize the aft-ends of both vessels and a 25% import duty currently payable on the imported forebodies.

Upon delivery in December 2009 and September 2010, these vessels will be bareboat chartered to Seaway Marine Transport, a partnership with Upper Lakes Shipping Inc.

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