

FOR IMMEDIATE RELEASE

March 17, 2008



ALGOMA CENTRAL CORPORATION

The Corporation, through a wholly-owned subsidiary, has entered into an agreement to purchase three ocean-going handy-sized bulk carriers from Viken Shipping AS, of Bergen, Norway for a total cost of approximately \$38 million. The vessels, which are sisterships, were built in eastern Europe in 1986 (*Sandviken*) and in 1987 (*Daviken* and *Goviken*). These maximum St. Lawrence Seaway size vessels each are fitted with four cranes and have a carrying capacity of 34,000 tonnes. The vessels are currently operating under long-term time charter agreements with Fednav International Ltd. which the Corporation will assume.

This acquisition represents an excellent fit with the Corporation's established and recently announced ocean shipping activities and the Corporation is pleased to be able to assume charters with Fednav, an established leader in ocean dry-bulk shipping. The acquisition also has the potential to provide a competitive fleet renewal option for the Seaway Marine Transport (SMT) gearless bulk carrier fleet. SMT is a partnership between the Corporation and an unrelated party and it operates and manages the largest fleet of dry bulk cargo vessels operating on the Great Lakes and St. Lawrence Seaway. It is the Corporation's intention to make these vessels available for use by SMT in Canadian-flag service upon the expiry of the existing Fednav commitments. This decision will be based on market conditions at the time.

The Corporation owns two ocean-going self-unloaders through a wholly-owned foreign subsidiary and an interest in five ocean-going self unloaders through a joint venture. These seven vessels are part of a 29 vessel, ocean-going, self-unloader fleet that is commercially managed by CSL International.

The Corporation has previously announced the construction of five IMO II product tankers in China to be delivered in late 2010 and early 2011. These vessels, upon delivery, will be employed and operated in the Hanseatic Tankers joint venture. Hanseatic Tankers plans to employ and operate 24 similar product tankers with the expected trading areas to be focused in Europe, the Mediterranean, the Middle East and Asia. The Corporation also owns a 1998 built foreign-flag product tanker through a wholly-owned foreign subsidiary. It is expected this vessel, the *Amalienborg*, will also be employed and operated as part of Hanseatic Tankers commencing in late 2008.

The Corporation owns and manages four Canadian-flag product tankers with delivery of an additional two product tankers, the *Algonova* and *AlgoCanada*, scheduled for the second half of 2008.

In addition to ocean shipping and product tankers the Corporation owns 19 Canadian flag dry-bulk vessels that operate on the Great Lakes – St. Lawrence Waterway as part of the SMT fleet. As previously announced, the SMT partners have entered into agreements to construct two maximum seaway size self-unloading forebodies which will be attached to the refurbished and upgraded aft-ends of the *Algobay* and *Algoport*.

The Corporation also provides diversified ship repair, diesel engine repair services and fabrication services to ship-owners and industrial customers throughout the Great Lakes – St. Lawrence Waterway.

The Corporation, through a wholly-owned subsidiary, also owns and manages commercial real estate properties in Sault Ste. Marie, St. Catharines and Waterloo, Ontario.

-30-

Tim S. Dool
President and Chief Executive Officer
905-687-7878

Greg D. Wight
Executive Vice President and CFO
905-687-7850