

Algoma Central Corporation

63 Church Street, Suite 600, St. Catharines, Ontario, Canada L2R 3C4 Phone (905) 687-7888 Fax (905) 687-7840



FOR IMMEDIATE RELEASE

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ALGOMA CENTRAL CORPORATION Announces the Arrival in Canada of New Self-unloading Bulk Carrier, the *M.V. Algoma Mariner*

Algoma Central Corporation ("Algoma") today announced the arrival in Canada of its new maximum Seaway size, Coastal Class self-unloader, the *M.V. Algoma Mariner* (photos attached in Schedule A). The vessel was constructed at Chengxi Shipyard in China and was delivered to Algoma on May 31, 2011. The vessel sailed across the Pacific Ocean, through the Panama Canal and arrived at its first Canadian port of call, Port Cartier, Quebec, on August 2, 2011. The vessel made its maiden voyage with a Canadian crew under the command of Captain Ken McKenzie and Chief Engineer Dave Cooke.

This latest addition to the Algoma fleet follows the delivery of another new Seaway-max Coastal Class self-unloader, the *M.V. Algobay* which arrived in Canada in April, 2010. Both vessels are 740' (225.564 mtrs) long and 78' (23.7 mtrs) wide, have six cargo holds and a maximum deadweight of about 38,000 tonnes. Both vessels are classed by Lloyds Register for Great Lakes, St. Lawrence and coastal (North and South America) service and built under Canadian Flag and to full SOLAS standards.

While both the *Algoma Mariner* and *Algobay* are sisterships with respect to cargo carrying and discharge capabilities and have identical vessel forebodies, the *Algoma Mariner* has a very different aft section and machinery and accommodation areas. The stern hull form of the *Algoma Mariner* is a completely new design for the vessel by DeltaMarin, designers of Algoma's new Equinox Class dry-bulk cargo vessels. This new vessel is powered by a single slow speed engine which provides excellent fuel efficiency. This combined with the controllable pitch propeller and a modern advanced control system that interprets the power demand from the bridge and responds with the most efficient combination of engine speed and propeller pitch at any given load, giving a significant improvement in performance compared to other vessels currently in our bulk carrier fleet. The engine room has been designed as an Unmanned Machinery Space (UMS) which provides for remote and redundant alarm and monitoring systems.

The electric power generation and distribution system also takes full advantage of electronic control and monitoring from the same platform as the propulsion control system. A power management system (PMS) monitors vessel power demand and ensures that sufficient generating capacity is available at all times. It starts and stops generators automatically based on the power demand as well as having various operating modes to accommodate specific operating conditions such as unloading and transiting the St. Lawrence Seaway locks, ensuring sufficient capacity is available at all times.

The living areas on the *Algoma Mariner* are well equipped and comfortable. Individual crew cabins feature specially designed private washrooms, sleep, work and sitting areas and each cabin is equipped with connections to broadband internet and satellite TV. The accommodations also include comfortable dayrooms and a full gymnasium.

All self-unloading equipment within the tunnel, loop and boom will be certified for carriage of hazardous materials in accordance with the latest Transport Canada requirements. Dust control

and cargo handling enhancements which have been developed over the years have been included in the system design.

Algoma has announced an investment of approximately \$300 million to construct six new state-of-the-art Equinox Class vessels consisting of four full-size self-unloading vessels and two full-size gearless bulkers. The first new Equinox Class vessel is expected to be available for service in 2013, with additional ships following later that year and in 2014. Also, as previously announced, the Canadian Wheat Board will purchase two additional Equinox Class gearless bulk vessels that will be operated and crewed by Algoma. These vessels will be pooled with Algoma's other gearless bulk cargo vessels.

These investments in Algoma's dry-bulk fleet follow the nearly \$190 million spent by Algoma since 2002 to renew its fleet of Canadian flag double-hull product tankers, including the addition of the new product tankers, *M.T. Algonova* (2008) and *M.T. AlgoCanada* (2009).

About Algoma Central Corporation

Algoma Central Corporation owns and operates the largest Canadian flag fleet of dry and liquid bulk carriers operating on the Great Lakes - St. Lawrence Waterway, including 20 self-unloading dry-bulk carriers, 10 gearless dry bulk carriers and seven product tankers. Algoma also has interests in ocean dry-bulk and product tanker vessels operating in international markets. Algoma owns a diversified ship repair and steel fabricating facility active in the Great Lakes and St. Lawrence regions of Canada. In addition, Algoma owns and manages commercial real estate properties in Sault Ste. Marie, St. Catharines and Waterloo, Ontario.

- 30 -

For further information please contact:

Greg D. Wight, FCA
President and Chief Executive Officer
905-687-7850

Wayne Smith
Senior Vice-President, Commercial
905-687-7898

Cautionary Statements

This press release may include forward-looking information within the meaning of applicable securities laws including information concerning the business and future results of Algoma. Forward-looking statements in this press release include statements about the purchase of vessels by Algoma. Readers are cautioned to not place undue reliance on forward-looking information. Actual results and developments may differ materially from those contemplated by this information. The statements in this press release are made as of the date of this release and are based on current expectations. Algoma undertakes no obligation to update forward-looking information, other than as required by law, or to comment on analyses, expectations or statements made by third-parties in respect of Algoma, its financial or operating results or its securities. Algoma cautions that all forward-looking information is inherently uncertain and actual results may differ materially from the assumptions, estimates or expectations reflected or contained in the forward-looking information, and that actual future results could be affected by a number of factors, many of which are beyond Algoma's control, including economic circumstances, technological changes, weather conditions and the material risks and uncertainties identified by Algoma and discussed on pages 11 to 15 of Algoma's Annual Information Form for the year ended December 31, 2010, which is available on SEDAR at www.sedar.com.

Schedule A
M.V. Algoma Mariner Departs China on Voyage to Canada

