



**FOR IMMEDIATE RELEASE**  
**January 30, 2012**

**(TSX : ALC)**

**Algoma Central Corporation**

**To Install New Technology to Scrub Out Air Emissions**

Algoma Central Corporation (“Algoma”), the largest Canadian shipowner and operator of domestic, Great Lakes vessels, will install fresh water, exhaust gas scrubbers on six new vessels that will remove 97% of sulphur oxides emissions generated by vessel engines.

The St. Catharines, Ontario-based company has signed a contract with Wärtsilä Ship Power for the supply of the systems for its *Equinox Class* vessels, which are currently being built by Chinese shipbuilder Nantong Mingde Heavy Industry Co. Ltd. The total supply and installation cost of the six scrubber systems is US\$12 million.

The two gearless bulk carriers and four self-unloading bulk carriers are designed specifically for Great Lakes service. These ships have been designed with high efficiency hulls that will require less horsepower to achieve higher speeds than any previous Great Lakes design and thus achieve the lowest fuel consumption and emissions per tonne/kilometre of cargo carried. The first *Equinox Class* vessel will arrive in Canada in the first half of 2013.

The Algoma order is the first for Wärtsilä’s new, integrated, fresh water, exhaust gas scrubber design. The scrubbers are designed to clean the exhaust gases of the vessels’ main and auxiliary engines as well as the oil-fired boiler and will meet more stringent environmental regulations taking effect over the next three years.

These scrubber systems will allow shipowners to use lower cost, heavy fuel oils while, at the same time, meet the new Emission Control Area sulphur limits established by the International Maritime Organization (IMO) and adopted by Canada and the United States for the Great Lakes and coastal waters. Without scrubber technology, shipowners will be forced to convert vessels to burn more expensive diesel oil.

“The installation of scrubber units on our *Equinox Class* vessels fits with our stated strategic objective of improving the efficiency of our fleet while at the same time reducing our environmental footprint” says Greg Wight, President and CEO, Algoma Central Corporation.

"These are truly important vessels as they will set new standards for environmentally sustainable shipping on the Great Lakes and for cargo vessels in general. The Wärtsilä integrated scrubber solution removes more than 97 percent of sulphur oxides

emissions," says Juhani Hupli, Vice President, Ship Power Technology at Wärtsilä Ship Power.

"In addition to the environmental initiatives another key focus for Algoma's fleet renewal process has been to reduce maintenance costs. Wärtsilä's capability in providing both an integrated marine solution and global service support was a major reason Wärtsilä was selected to provide this comprehensive equipment package." says Al Vanagas, Senior Vice President Technical, Algoma Central Corporation.

The Wärtsilä scrubber concept works with fresh water recirculating in a closed-loop system. Sulphur oxides that are washed out of the exhaust are neutralized with caustic soda. A small amount of scrubbing water is continuously extracted and an on board water treatment unit removes other captured contaminants such as particulate matter.

A major advantage of fresh water scrubbers is the possibility to operate in a zero discharge mode which means that there is no effluent (waste product) from the scrubber discharged into the lake water. The treated, clean effluents would be held in a holding tank for discharge at an appropriate location. Solid contaminants are disposed of at reception facilities in port.

This process meets all the quality and monitoring requirements stipulated by the IMO. Wärtsilä is the first manufacturer to have been awarded a marine scrubber certificate by the classification societies Det Norske Veritas, Germanischer Lloyd and Bureau Veritas.

Headquartered in Finland, Wärtsilä is a global leader in complete lifecycle power solutions for the marine and energy markets. The Algoma order is the first for Wärtsilä's new, integrated, fresh water, exhaust gas scrubber design. In addition to scrubbers, Wärtsilä will supply a fuel efficient main engine, shafting and propeller, auxiliary generators, oily bilge water treatment systems and bow thrusters for the *Equinox Class* vessels.

### **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 19 self-unloading dry-bulk carriers, nine 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.

**For further information please contact:**

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

Al Vanagas,  
Senior Vice-President, Technical  
905-687-7860

**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](http://www.sedar.com).