



BEAR FACTS

ALGOMA CENTRAL CORPORATION NEWSLETTER • SPRING 2014

President's Message



2013 Financial Results

The Corporation's consolidated revenues were \$491.5 million compared to \$527.9 million in 2012. This decrease of \$36.4 million is mainly attributed to reductions in volumes shipped for domestic dry-bulk business. Net earnings for 2013 were \$41.9 million or \$1.08 per share compared to \$42.2 million or \$1.08 per share. Lower segment earnings after tax of \$13.7 million were largely offset by reduced foreign exchange losses and our increase in interest income.

Challenging Season Opening

Over the winter and continuing into May the Great Lakes has experienced the greatest concentration of ice in over three decades.

This abnormal year has caused significant delays at the beginning of the season and has required considerable political pressure to get sufficient Canadian ice breaker assets assigned to the Great Lakes. Canadian Coast Guard's normal level of service in the winter is covered off with two ice breakers.

Delays continued throughout the month of April even with the addition of two large Canadian ice breakers mid month and a third Canadian breaker in the third week.

I would like to express my thanks to our vessel Captains and Chief Engineers and all crew who worked under such difficult operating conditions - to do so without any significant incidents is a credit to all - both shipboard and shoreside.

Please see page 10 for more information related to the Winter of 2013/2014.

Canada's Best Managed

On March 25th, 2014 it was announced that Algoma Central Corporation had re-qualified as one of Canada's Best Managed Companies in 2013. Canada's Best Managed Companies, the country's leading business awards program recognizing excellence in Canadian owned and managed companies, was established in 1993.

Every year the program announces 50 winners from the hundreds of companies that compete for this designation in a rigorous and independent process that evaluates the calibre of their management abilities and practices. Winners in previous years re-qualify for the recognition, provided they maintain the standards of performance demonstrated in earning the initial recognition.

Following is an excerpt from the press release we issued on March 26th.

"Algoma was proud to be selected as one of Canada's Best Managed Companies for 2012 and it is our goal to continue to earn the recognition of re-qualification for this prestigious award. The trend of significant accomplishments and ongoing evolution of our One Vision, One Purpose, One Team strategic focus will continue and I thank all 2,000 Algoma employees, without whom our success and this recognition would not be possible."



Algowood in Rock Cut, St. Marys River on January 5th, 2014.

President's Message (Continued)



From left to right: Vice President, Procurement & IT, ArcelorMittal Dofasco Inc. Brian Benko, President & CEO, St. Lawrence Seaway Management Corporation Terence Bowles, Chief Engineer Francois Tremblay, Captain Ross Armstrong, Administrator, St. Lawrence Seaway Development Corporation Betty Sutton and President & CEO Greg Wight in front of the *Algoma Equinox*.

Opening of the Welland Canal

On March 28th the opening of the 2014 Navigation Season was marked with the traditional Top Hat Ceremony held at Lock 3 in the Welland Canal. The Top Hat was awarded to the *Algoma Equinox* as the first upbound vessel through the Welland Canal. The *Algoma Equinox* was represented by Captain Ross Armstrong and Chief Engineer Francois Tremblay.

I had the privilege of speaking at the Top Hat Ceremony and was able to extol the accomplishments we have achieved with the *Algoma Equinox*.

Equinox Class

The second Equinox Class vessel, the *Algoma Harvester*, completed successful sea trials on April 22nd and we took delivery of the vessel on May 13th.

The *Algoma Harvester* has commenced its 60 day return voyage and we now expect the vessel to arrive in Canada in early July.

The next two Equinox Class vessels, the *CWB Marquis* and *CWB Strongfield*, are expected to be delivered later in 2014. The two vessels will be owned by the CWB but managed both commercially and operationally by Algoma. The balance of the Equinox Class vessels, the four self-unloaders, are expected to be delivered throughout 2015.

Georgian College Event

On April 12th members of the Federal Government's Marine Industry Caucus visited the Georgian College Owen Sound campus. The eight Conservative Party members including Jason Kenney and Rick Dykstra had the opportunity to tour the state-of-the-art Great Lakes International Marine Training and Research Centre including the navigation and engine room simulators.

After the tour the Marine Industry Caucus members heard from both Georgian College and industry representatives regarding the need for a Marine Emergency Duties (MED) training facility in Ontario. Georgian College has provided a proposal to build the MED training facility in Owen Sound provided the necessary government and industry financial support can be obtained.



From left to right: President & CEO Greg Wight, Minister of Employment and Social Development Honourable Jason Kenney, M.P. St. Catharines Rick Dykstra, V.P. Human Resources Karen Watt, Director Marine Corporate Training - Georgian College Captain Peter Buell and SR V.P. Commercial Wayne Smith at the Georgian College Owen Sound Campus.

President's Message (Continued)

Directors Retiring

On May 2nd at the Company's Annual General Meeting of Shareholders, Michael Burns and Steve Vaughan retired from the Board of Directors of the Corporation after serving 34 years and 15 years respectively.

We wish to thank both Michael and Steve for their outstanding service and wise counsel to the Corporation and wish them all the best in their future endeavours.



From left to right: President & CEO Greg Wight, Steve Vaughan, Michael Burns and Chairman of the Board Duncan Jackman.

2014 Fit-out

We continued the practice that was initiated in 2011 by having a fit-out meeting on each vessel that included a member of Algoma's Executive Team in attendance.

The fit-out presentation included a discussion on the fleet's improved safety performance and the "Road to Zero", the fleet's operational performance in 2013, a Commercial update and an overview of significant accomplishments in 2013. The Executive Team looks forward to these visits and to further visits during the year.

Safe Sailing and please remember, Stop and Think and Safety First.

President & CEO

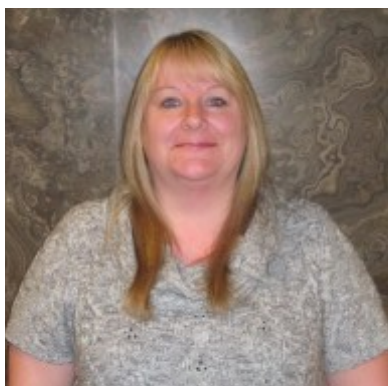
A handwritten signature in black ink, appearing to be 'G. Wight'.

Algoma Central Corporation

New Hires



Jeff DeRosario joined Algoma's Sales Department as Director, Sales on December 2, 2013.



Melissa Collison joined Algoma's Payroll Department in the position of Payroll Clerk beginning January 1, 2014.

Organizational Changes

Wayne Hennessy, Director - Vessel Traffic has been seconded to the position of Director - Special Projects while he oversees the Veson Project (new commercial system).

As a result **Darren Pearson**, Manager, Ports & Harbour has been promoted temporarily to Director, Vessel Traffic and **Captain Scott Balko** has been seconded to the position of Manager - Ports & Harbours.

Certificate Update

Quido Tessel has upgraded his certificate to Second Class Engineer, Motor Ship.

Algoma Central Corporation

Retirements

Alonzo Vokey retired effective November 26, 2013 after 22 years of service. Alonzo sailed onboard the ACL fleet as a Second Cook.

After 22 years of service **Patrick Kennedy** retired on December 30, 2013. Patrick was an Ordinary Seaman and most recently sailed onboard the *Peter R Cresswell*.

Administrative Assistant (Leasing) for Algoma Central Properties **Mary Borowicz** retired on December 31, 2013 after 29 years of service.

After 15 years of sailing onboard the Captain Henry Jackman, **Carl Jardine** retired on January 19, 2014.

Joshua Payne retired effective January 23, 2014 after 33 years of sailing. Joshua sailed his entire Algoma career on the *Radcliffe R. Latimer*.

Chief Cook for the ACL fleet **David Lyrette** retired on January 27, 2014 after 33 years of service. David most recently sailed onboard the *Algoma Montrealais*.

On February 1, 2014 after 16 years of service **Cyril Butler** retired. Cyril sailed onboard the ACL fleet as an Oiler.

Receptionist **Barb Allan** retired on February 26, 2014 after 7 years of service.

Donald Mac Phee retired on March 10, 2014 after 39 years of service. Donald was an Electrician with ACL, sailing his entire Algoma career on the *Algoma Enterprise*.

After 34 years of service **Ellison (Bruce) Barnes** retired on March 1, 2014. Bruce was a Wheelsman on the ACL fleet.

Oiler with the ACL fleet **Brian Price** retired on March 1, 2014 after 35 years of service. Brian most recently sailed onboard the *Algoma Olympic*.

Gerald Mahoney retired on March 15, 2014 after 33 years of service. Gerald sailed onboard the ACL fleet as Head Cargo Maintenance.

Assistant Head Cargo Maintenance **George Keagan** retired on April 10, 2014 after 35 years of service. George sailed onboard numerous vessels within the ACL fleet.

We wish those who retired with Algoma a healthy and happy retirement and appreciate the many years of dedicated service they provided.

Births



Repairman at ASR **Jason Reles** and his spouse Nicole are proud to announce the birth of their son Isaac who was born on December 12, 2013.



Chief Engineer Dean Kettle is proud to announce the birth of his granddaughter Bree who was born on January 23, 2014.



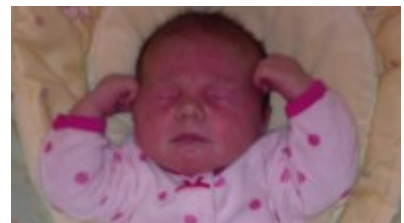
Third Engineer, **Sandeep Bose** is proud to announce the birth of his daughter who was born on January 24, 2014.



Purchasing Supervisor, **Dalia Dief** and her husband Peter are proud to announce the birth of their son Arthur who was born on February 25, 2014. Arthur is also the grandson of SR V.P. Technical, **Al Vanagas**.



HR Coordinator (Health & Wellness), **Lisa Rotella** and her husband Jay are proud to announce the birth of their daughter Aliya who was born on February 28, 2014.



Repairman at ASR **Terry Benner Junior** and his spouse Kayla are proud to announce the birth of their daughter Nora who was born on April 3, 2014.

Congratulations to the families of these beautiful babies!

Scholarship Program

The Algoma Central Corporation Scholarship program was launched in 1993 and has since provided assistance to over 200 deserving students. To be eligible to receive the \$2,000 first-year post-secondary education scholarship, the student making the application must meet the following criteria:

- a) The student must be a dependent child of an employee of Algoma Central Corporation or one of its subsidiaries (please note that all divisions are eligible); and
- b) The student has or is about to graduate from high school and/or CEGEP and has been accepted by a recognized post-secondary institution for the purpose of continuing their education by full-time attendance.

Application packages for 2014 scholarships are available now through the Human Resources Department. For further information and an application package please contact Judy Ann Savoia, Administrative Assistant; Human Resources, 63 Church St, Suite 600, St. Catharines ON, L2R 3C4 or by email at JudyAnn.Savoia@algonet.com. Applications for 2014 scholarships must be received by the Human Resources Department no later than June 25, 2014.



Chief Cook Spotlight



I started sailing in March 1980 at the ripe age of 20. My classical training at Okanagan College in Kelowna, BC was shaped over the years into what I call 'ship style' cooking. Ship style cooking is a blend of regional foods that cover everything from salt cod fish cakes and jig's dinners to holiday meals like prime rib and yorkshire pudding.

Looking back over my 35 years of working in the ships galley I find I have few regrets. I look forward to the challenges and rewards that lie ahead.

Wishing all a happy and safe season.

DAVE SNELL

(Chief Cook ACL fleet)

Jambalaya - Spicy Cajun Rice Casserole

Ingredients: 1 case boneless skinless chicken breast, 5 pounds of smoked sausages (sliced thick), 3 peppers (red, yellow and green bell peppers medium chopped), 2 onions (finely chopped), 2 cans of diced tomatoes, 4 tbsp of Cajun seasoning, 1 tbsp of worcestershire sauce, 4 tbsp of Franks hot sauce, 2 bay leaves, 1.36 litres of V8 juice, 4 cups of rice, 6 gloves of garlic (minced) and 3 tbsp of olive oil.

Directions: Preheat oven to 350 degrees fahrenheit. Place chicken and sausage into a heavy roasting pan and place in the oven. Place oil into large skillet on high heat. When oil is hot, add onions, peppers and garlic. Cook until browned lightly. Add vegetables and remaining ingredients to roasting pan with meat. Stir well. Cover with aluminum foil and bake for 1.5 hours or until liquids are absorbed by rice. Serve garnished with fresh chopped parsley. Add shrimp if available for a truly original New Orleans style Jambalaya.

Dijon Backed Salmon

Ingredients: 3/4 cup Dijon mustard, 1/3 cup honey, 1 1/4 cup butter (melted), 1 1/4 cup dry bread crumbs, 1 1/4 cup pecans or walnuts (finely chopped), 1/3 cup fresh parsley (chopped), 20 - 4 ounce of salmon fillets, salt & pepper for taste and lemon for garnish.

Directions: Preheat oven to 400 degrees fahrenheit. In a bowl stir together butter, mustard and honey. In another bowl mix together bread crumbs, nuts and parsley. Brush each fillet with honey mustard mix and then sprinkle the top of the fillets with the bread crumb mixture. Bake salmon for 20 minutes in preheated oven or until it flakes easily with a fork. Season and plate with lemon wedge to garnish.

Algoma Central Corporation

Career Fairs

In an effort to increase awareness of marine career opportunities, Algoma employees continue to participate in career fairs. Below are pictures from the IMQ Career Fair in Rimouski (QC); at St. Catharines (ON) Collegiate Secondary School Career Fair which was hosted by the Job Gym; at Career Fair Grey Bruce in Owen Sound (ON); and at Marine Institute's Annual Career Fair in St. John's (NL).



Crewing Coordinators Steve Hodgson (L) and Eva Ingrubelli (R) at the Institut Maritime du Quebec (IMQ) Career Fair.



Crewing Coordinator Steve Hodgson at the career fair at St. Catharines Collegiate Secondary School hosted by the Job Gym.



From left to right: Crewing Coordinator Steve Hodgson, Captain Seann O'Donoughue, Crewing Coordinator Barb McFadyen and Captain Ray Schrempp at the Career Outlook Grey Bruce at Georgian College in Owen Sound.



From left to right: Captain Clarence Vautier, HR Manager (Crewing) Brooke Cameron and Chief Engineer John Tipton at Marine Institute's 12th Annual Career Fair.

Marine School Scholarships

Algoma recently presented scholarship awards to four deserving Georgian College Cadets who demonstrated a good balance between scholastic achievement, extracurricular activities, maturity and work habits. The scholarship awards were presented to two Marine Technology - Navigation Cadets and two Marine Engineering Technology Cadets. Congratulations to the four students!



Captain Jim Pound (M) presents Georgian College Marine Technology - Navigation Cadets Jason Davenport (L) and Tim Westmorland (R) with their scholarship awards.



Captain Jim Pound (M) presents Georgian College Marine Engineering Technology Cadets Jordan Jackson (L) and Anas Siddiqui (R) with their scholarship award.

Engineering Cadets Ship Visit

On February 20th, 2014 first year engineering cadets from the Great Lakes International Marine Training and Research Centre at Georgian College, were treated to a tour of the engine room of the *Algomarine*, while the vessel was berthed at her winter lay up dock in Owen Sound. Both Chief Engineer William Halder and Oliver Hildebrand of Walter Hildebrand Marine Services explained both the inner workings of the Sulzer 6RD76 engine and other machinery in the engine room which powers the *Algomarine* and enables her to do her job for Algoma Central Corporation. The cadets showed a lot of enthusiasm and asked many questions regarding the machinery and the running of the engine room on Algoma vessels.



Community Involvement

Algoma Central Corporation supports the United Way not only because it allows our employees to support their own communities nationwide but because it invests in the basic needs of the people it helps. This purpose was taken from United Way of St. Catharines' website: "The United Way brings people and resources together to strengthen and enhance quality of life for the people who are most vulnerableOne donation to United Way will benefit thousands by enabling local agencies to provide a wide-ranging network of services that address important issues facing people in our communities."

The Company's shipboard campaign encourages each vessel to meet a goal of \$1,000 in employee donations. Almost 95% of Algoma vessels participated in the 2013 campaign and a total of 15 were able to surpass the shipboard goal! The coveted plaque for the most successful campaign will live onboard the *Algosa*r for another year as that crew raised the highest amount: \$3,550! Other highlights of the 2013 shipboard campaign was the *Algoma Equinox* achieved 100% participation, the *Algoeast* for raising the 2nd highest amount and the *Algoma Mariner* for raising the 3rd highest amount. A special thank you to the crew members who participated in this year's campaign. Every dollar counts!

Algoma's office employees' campaign went into high gear this year. A Committee of volunteers taken from each department got together with the following goals in mind:

- To raise awareness of the United Way campaign in general;
- To inform others about what the United Way does in our communities;
- To follow where the donations go; and
- To cheerlead throughout the campaign.



To that end, the Committee met with representatives of our local United Way office to learn the facts and followed that with a presentation to all the St. Catharines and Port Colborne office employees. The Committee members were available to answer questions, dispel myths and cheer on their departments in their quest to accomplish 100% participation. They did a fabulous job because all departments increased their participation rate by a significant amount. The highlight of the office campaign was when the final participation results were made available and the Church Street location had 100% participation!!!

The 2013 United Way campaign came to an end in December and the generosity of our employees was amazing. Employee donations, Algoma's corporate match plus other fundraisers carried on throughout the year produced an astounding total of \$138,000 – a 32% increase over the 2012 campaign results!

Algoma's 2013 Campaign was recognized as the "Campaign of the Year" by the United Way of St. Catharines and District. Congratulations and thank you to all who contributed to the successful results of the 2013 United Way Campaign.



President and CEO Greg Wight (M) presents from left to right Chief Engineer Mustapha Guedroudju, Captain Duncan Roberts, Chief Engineer Andrey Serdyuk and Captain John Chaffey from the *Algosa*r with the United Way plaque. This award is presented to the vessel with the most dollars raised during the annual campaign.

Community Involvement

2013 United Way Campaign (Continued)



From left to right: Captain Seann O'Donoughue, Captain Kenneth MacKenzie, Chief Engineer Dmitrijs Zaika, Captain Dennis Keating, Chief Engineer Marc Cimon, Captain Robert Loveless and President and CEO Greg Wight. Congratulations to Captain Seann O'Donoughue on the 100% participation on the *Algoma Equinox*; Chief Engineer Dmitrijs Zaika and Captain Dennis Keating for the 2nd highest amount raised on the *Algoeast*; and Captain Kenneth MacKenzie, Chief Engineer Marc Cimon and Captain Robert Loveless for the 3rd highest amount raised on the *Algoma Mariner*. Congratulations to the crew on the *Algoma Equinox*, *Algoeast* and *Algoma Mariner*!

Pathstone Mental Health

Algoma has announced a \$250,000 pledge to support the Mending Children's Minds campaign for the future home of Pathstone Mental Health. The new state of the art treatment centre will be located in St. Catharines and will compliment a variety of programs that are already located in Fort Erie, Port Colborne, Welland, Niagara Falls, Thorold and Grimsby.



2014 United Way Campaign

On February 26, 2014 as part of the Captains and Chiefs annual meeting, Algoma hosted a Games Night. The night consisted of a sit down dinner and games including Blackjack, Let It Ride Poker, Roulette, Craps, Mini-Putt, Toonie Toss and Digging for Diamonds. The event raised \$3,150 during the Games Night to kick off the 2014 United Way Campaign.



Charity Curling

On March 29, 2014 Georgian College cadets participated in the Owen Sound Hospital Foundation charity curling event. The Company supported the team the "Georgian Navigators" who were the highest pledging team for a third year in a row with \$700 raised. Overall the event raised \$18,370 to support several pieces of equipment for the hospital's laboratory.



Winter of 2013/2014

Further to the President's Message, the winter of 2013 and 2014 on the Great Lakes – St. Lawrence Seaway will go down as one of the most severe winters in recent memories. Ice coverage on the Great Lakes reached near record levels in early March. At one time, almost the total surface area of the Great Lakes was covered in ice. Shipping was severely impacted by the brutal arrival of an early winter in the first week of December that resulted in extensive vessel delays due to ice at the closing period of the St. Lawrence Seaway. The effect of this was that many late season trips and cargoes had to be cancelled with vessels struggling to make it to their lay up berths or above the Welland Canal prior to Seaway close. Ice conditions resulted in vessel transits taking upwards to five times longer than normal in the lower Seaway.

After the seasonal closure of the St. Lawrence Seaway on January 1, 2014 some Algoma vessels remained in operation above the Welland Canal engaged in the winter salt trade and the tanker trade. Vessel transits required dedicated icebreaker assistance basically from berth to berth. The extensive ice conditions resulted in major delays both for waiting for available icebreaking assistance and delays while in transits under icebreaker escort. For example, the *AlgoCanada* under full icebreaker escort took a full seven days to complete a trip from Sarnia to Nanticoke. This trip usually takes 22 hours to complete. Additionally, it took the *AlgoCanada* seven days to transit up the St. Mary's River in March even with dedicated icebreaker support.

The severe winter resulted in a steady demand for petroleum product and road salt movements. Vessels involved in the Great Lakes winter program were as follows:

- *Algosea, Algoeast and AlgoCanada.*
- *Algowood, Algomarine, Algosteel, Algoma Olympic, Algoway and Algoma Enterprise.*

Challenging ice conditions were experienced throughout the winter program with the sheer expanse of the ice coverage, the thickness of the ice, and rafting or ridging of the ice that in some cases was upwards to 10 feet high. Areas of especially tough ice conditions were experienced in the Straits of Mackinaw, the St. Mary's River, approaches to Goderich, the lower St. Clair River, the Western Basin of Lake Erie, and Lake Erie, from Long Point eastward.

The well below average temperatures that continued throughout the winter resulted in ice growth on the Great Lakes to reach a near record peak concentration of 92% in the first week of March, which is more than twice the seasonal average. This abnormal year caused significant delays at the beginning of the season and, in response to industry requests, the Canadian Coast Guard supplemented its usual two ice breakers assigned to the Upper Lakes with three additional ice breakers from Eastern Canada.



This unique formation of ice was seen on Lake Superior as the wind created waves on the open water. As the lake quickly froze during extremely low temperatures this winter, the waves froze in place.



The significant ice ridges are seen from the deck of Katmai Bay ice breaker. Windrows are estimated at 8 to 12 feet. The rubble fields are full of pressure ridges and windrows and were under immense pressure from the stiff NW winds.

Winter of 2013/2014

Even with the additional ice breaking assets from the Eastern Canada assigned to the Great Lakes, including two Arctic class icebreakers, the opening of the 2014 season was delayed due to the ice conditions. The St. Lawrence Seaway delayed its opening of the Welland Canal and St. Lawrence Seaway sections until March 28th and March 31st respectively. Lake Huron's ice coverage restricted access into Goderich. Attempts by the smaller ice breakers were unsuccessful resulting in a delay in servicing Sifto Salt until a large ice breaker could be tasked to the area. Although the US Locks at Sault Ste Marie were officially opened on March 25th, it was one week later that a commercial vessel was finally able to transit the locks.

Vessel transits through the St. Mary's River and across Lake Superior were the most challenging at the season opening. Vessels encountered very lengthy delays waiting in assigned queues for extensive ice breaker escorts in convoys across Lake Superior. Mid-Lake ice thickness of three to four feet, with ridging of up to ten feet, resulted in the first convoy across the lake taking seven days on a normal one day transit. Vessels were allowed to transit in convoys of five and with each convoy taking five to seven days the waiting list for a transit on Lake Superior grew to over seventy vessels. The need for ice breaker escorted convoys in Lake Superior persisted into the second week of May. The major grain port of Thunder Bay did not receive its first vessel for loading until April 21st, a good three weeks later than normal.

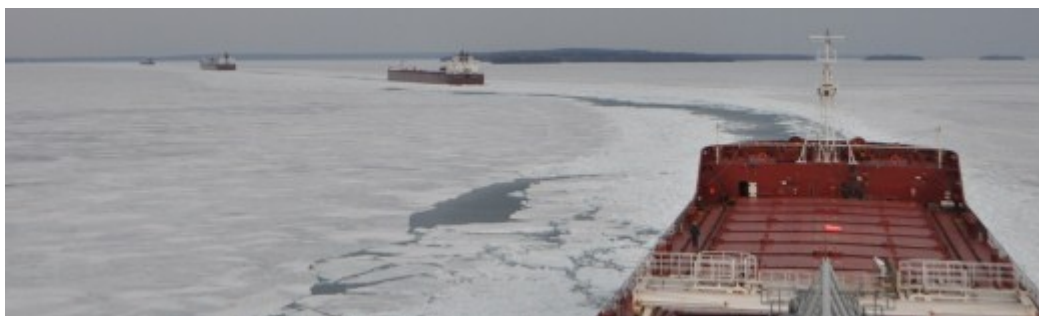
In spite of the severe ice conditions, most of our fleet was operating by the end of the first week of April to ensure our customers didn't run out of key raw materials to run their plants and meet sales commitments. Hats off to our vessel crews for a job well done under extremely challenging conditions.



Above picture was taken 10NM NW of WhiteFish Pt on March 22, 2014. The ice enclosed in the picture has a 24" plate.



CCGS Samuel RISLEY providing direct icebreaking support to the *Algoeast* in the St Clair River cut-off.



Upbound convoy in the St. Mary's River forming.

Equinox Vessel Update

Site Team Update

In mid-April while the Great Lakes freighters were still fighting with ice coverage the Algoma Harvester was sailing at 14.5 knots through the East China Sea on sea trials. The ship was packed full of shipyard personnel, manufacturer representatives and of course Owner Representatives from both the site team and the delivery crew. With over 125 people on board a ship designed for less than 20% of that number the quarters were certainly cramped.

During the sea trials testing is completed to both establish the performance of the vessel, fuel consumption, speed and maneuverability. There are also several tests related to the final certification of the ship such as UMS (Unattended Machinery Space), and Nav 1 (one man bridge watch).



Algoma Harvester heading out on sea trials.

As you might expect some testing went very well and other tests not as well, not to say that this isn't a good thing. The trials revealed several items which required modification and retesting on return to the shipyard and these have now been completed. The ship has now begun its delivery voyage to Canada and is expected to arrive in Canada in early July. Entry to full service in the Algoma Fleet is expected to occur within about 2 weeks of arrival during which time the delivery strengthening will be removed to allow for the ship to achieve its full deadweight capacity.

During the voyage the ship will transit about 14,000 nautical miles consuming some 1200 MT of IFO 380. The Pacific crossing is done very near the Equator in order to minimize the effects of weather and to gain some advantage of currents. The ship will take on a full load of fuel oil in Davao, Philippines and from there turn south to about 4 degree's latitude for the voyage to Balboa, Panama. This segment of the journey is by far the longest and the ship will be arriving in Panama with about 6 days reserve in the fuel tanks.

The vessel will then transit the Caribbean Sea heading to the east coast of the U.S.A., where she will complete her maiden voyage and arrive in Canadian waters. We all look forward to seeing her in Canada and welcoming another new vessel into the Algoma fleet.



Main engine looking forward on the Algoma Harvester.



Central coolers, main engine in background on the Algoma Harvester.

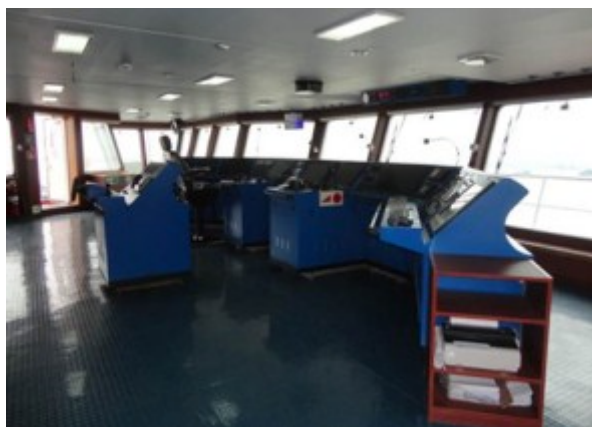
Equinox Vessel Update

M/V Algoma Harvester

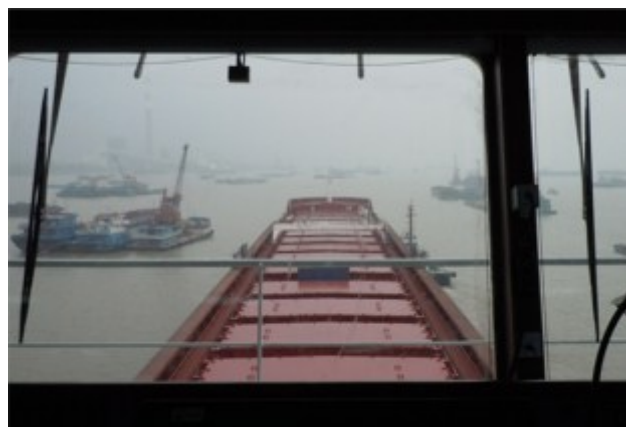
Bridge Perspective on Sea Trials by Captain John Ducey

When you begin a life at sea, there are several aspirations one wishes to achieve in their career. When starting out in the deck department, of course you want to work your way through the ranks to Master. To be chosen to travel half way around the world for sea-trials, final commissioning and delivery of a new vessel is just icing on the cake. Taking a new vessel out of dry dock and delivering it home is one thing, but taking this ship with the state of the art Navigation Bridge, equipment and machinery can be described as nothing less than outstanding.

As we push away from the dock and head down the Yangtze for our sea trials, one thing is absent, that familiar loud sound of the engine. This vessel picks up speed very quietly and goes about her business discreetly. It is quite evident that all the work done in the design and planning has paid off. Anticipation is now building as we make our final preparations for the 14,000 NM of water between us and home. The crew has arrived and departure is approaching. Before long you will see the *Algoma Harvester* plying the waters of the Great Lakes St. Lawrence Seaway System for many years to come. I look forward to introducing you to her!



Bridge equipment.



Algoma Harvester just after departure for Sea Trials.

Engine Room on Sea Trials by Chief Engineer Martin Desaulniers

Arrival in Shanghai: In March we had a lot to learn, communicating, and feeding were the most interesting challenges, in the first 2 weeks, I did not know what I was eating more than half the time. Today I still don't know what I am eating sometimes; we order food from a menu with pictures. The living facilities are great, and the training was awesome.

When we arrived at the Nantong Mingde Shipyard it was a little bit of a shock to see how much work was left to do in order to take delivery of the vessel. It is amazing to see how fast it comes together.

The sea trials: How to describe? Living in the company of co-workers and strangers, extreme culinary delicacy, and sleep when you can. Nothing is more fun than testing the ship's P.A. system starting at 22:00 until 03:00 the next morning, with someone yelling in the microphone. Some of us have decided to camp outside the normal living quarters. The river section has some interesting challenges with marine traffic in all directions.

The ship: The *Algoma Harvester* is a beautiful machine with all the bells and whistles. No money was spared



Lunch anyone?

Equinox Vessel Update

Engine Room on Sea Trials by Chief Engineer Martin Desaulniers (Continued)

on the main components and living quarters. On the Great Lakes we have missed a few generations of marine upgrades over the last three decades, so the learning curve is pretty steep once you arrive on one of these new vessels. The Equinox site team is doing a great job at assuring that we get a very nice vessel, long hours are worked here every day.

It has been an interesting journey so far, but now it's time to bring this new addition to the fleet home safely. We can't wait to see family and familiar places again.



Employee Photo Contest

It has been a wicked winter in Canada, with temperatures dipping as low as minus 50 degrees Celsius in parts of Ontario. Nowhere is the cold more prominent than the Great Lakes, which were essentially turned into a vast frozen wasteland over the winter season. The picture below on the left is a picture from NASA and the National Oceanic and Atmospheric Administration of the Great Lakes on January 9, 2014 which contrasts with the picture below on the right of the Great Lakes in warmer conditions.



The theme of this year's Employee Photo Contest is to submit your best Winter and Summer photos. You are encouraged to submit photos displaying the extreme weather conditions on the Great Lakes.

Contest Rules

This contest is open to all Algoma employees. You may send up to three photos to be entered into the Algoma Employee Photo Contest. Photos must be received by **September 30, 2014** to qualify. Voting will be conducted by Algoma Central Corporation office employees. The top three photo submissions will win Algoma Bear Bucks and be published in the Winter issue of Bear Facts. Please include your name, address, telephone number and a brief description of the photo along with your submission(s). Note that photos submitted will become the property of Algoma and may be used in other Company publications and/or promotion materials.

Please send your photos via email in a jpeg format to bearfact@algonet.com or via mail to:

Algoma Central Corporation
Attention: Bear Facts
63 Church Street, Suite 600
St. Catharines, ON L2R 3C4

Good Luck!

Algoma Ship Repair

The winter works program for 2014 at Algoma Ship Repair proved to be almost 50% more work than last year. A number of large projects contributed to this including some that had been postponed from last year. Our workforce swelled to almost 300 employees this year (temporary and full time) which was approximately 40% increase from last year.

Winter Work 2014 in Sarnia started off with the *Peter R. Cresswell* on the wall taking aboard all components and parts for the winter workload including the installation of three screen bulkhead inserts, the installation of 100+ sheets of Ultra High Molecular Weight plastic linings in all four cargo holds and the renewal of 34 cargo gates complete with cylinders.

The *Algoma Olympic* arrived and took its place on the wall and the *Cresswell* was moved to second ship out. The main projects on the *Olympic* were to remove and install #2 & #3 ballast tank longitudinal bulkheads, remove, fabricate and install harrow arms on the reclaimer, renew port side gears and chains on harrow drive, remove and overhaul harrow gear box as well as the usual list of miscellaneous winter work renewal and repairs.

The *Algoway* was on the Sidney Smith dock and underwent an extensive reconditioning of the port and starboard elevators.

The *Algosteel* was the last to arrive, was tied up third ship out and underwent repairs to screen bulkheads.

In Port Colborne, the *John D Leitch*, the *Algoma Enterprise*, and the *John B Aird* were the major project ships.

The *John D Leitch* underwent ballast tank internal renewals as well as fairly extensive shell renewals. The fact that there wasn't more shell work is a testament to the Captains' ship handling capabilities as there is only 1 foot either side when she enters the locks in the Welland Canal.



Algoma Enterprise - Boom Luffing Wires Complete.

The *Algoma Enterprise* started on the first year of a three year cargo hold tank top renewal program. Almost 200,000 lbs of steel was renewed on the tank top in way of ballast tanks #4 & #5. She also had ballast tank internal repairs and had the boom luffing cables changed out.

The *John B Aird* received the last 2 deck arches of 5 that had been fabricated the previous year as well as started ballast tank renewals for her Special Survey Laker and had the longitudinal bulkheads in cargo hold No.3 renewed.

Hamilton had the *Algoma Transport*, the *Tim S Dool*, the *Algoma Spirit* and the *Algoma Discovery*. The *Algoma Transport* was in the second year of her 3 year tank top renewal program with almost 200,000 lbs of steel renewed similar to the *Algoma Enterprise*. She also had 34 new tunnel gates installed.



Left: Algoma Olympic 2nd Shipout Gangway Install.

Right: Algoma Enterprise Boom Luffing Wires Installation.



Algoma Ship Repair

The *Tim S Dool* had almost 50,000 lbs of steel renewed in her ballast tanks and 2 new cement scuttles were added to her hatch covers while the *Algoma Spirit* and the *Algoma Discovery* had Engine Room piping and other miscellaneous repairs performed.



Jack Knight installing cargo gates on the *Algoma Transport*.



Tank top renewal on the *Algoma Transport*.

Delivery Voyage Strengthening (DVS) Removal

Throughout this past winter, ASR was charged with the removal of the Delivery Voyage Strengthening (DVS) plating as incorporated into the design of the Equinox Class Vessels. This project began a couple years ago, when we were approached by the Corporation to devise a plan to remove this component, with special emphasis on minimal heat transfer, and coating damage. After some R&D trials, it was determined that a plasma system would best fit the needs of our customer. Performing this work while afloat and throughout a very unusual winter presented some unique challenges to which our Team reacted quickly and efficiently to keep the project moving forward. This project involved a 4 stage process; prep work, cutting (under Ballast Condition to minimize stress levels) and removal of DVS, outfitting of handrails, panama chocks, fairlead and relocation of Midship gangways and lastly, re-coating and inspection. This project was completed with greater success than anticipated and required no re-work of coatings within the Ballast tanks. As with any project being completed for a first time, we will look into improving a proven process for operational excellence and further minimize operational downtime to the next vessels.



Arrival and setup being completed on the *Algoma Equinox* while in port in Toronto.

Algoma Ship Repair



Main Cut Line in progress using automated drive Plasma Equipment on the *Algoma Equinox*.



Vessel in Ballast Condition and DVS Cutting in Progress on the *Algoma Equinox*.



Dock Side Removals underway as well as installation of handrails on the *Algoma Equinox*.



Outboard Side Removals nearly complete on the *Algoma Equinox*.



Outfitting Components installed. Midship Gangways relocated and secured on the *Algoma Equinox*.

Algoma Ship Repair



Above: Removals and Installation Completed on the *Algoma Equinox*.
Below: *Algoma Equinox* ready for Service.



Student Opportunities

With the assistance of the City of Port Colborne, Algoma Central Corporation and the Niagara Catholic District School Board have recently formed a new partnership with the intention of enabling collaborative activities between the parties to broaden and encourage opportunities with regard to career opportunities in the marine industry both shipboard and shoreside through education and awareness.

The following is an excerpt from the Welland Tribune on May 7th, 2014 where President & CEO, Greg Wight speaks about the importance of developing partnerships such as these:

"For a corporation facing the retirement of more than half its workforce within the next decade attracting and retaining young workers is a very big challenge and priority for Algoma."

"Any chance we can get to partner with schools that will provide future employees, we jump at it - it's our future."



Algoma Central Properties

Sault Ste Marie

On May 7th, 2014 the merchants of Station Mall held their Annual General Meeting. They were pleased to welcome guest speakers, Mac and BJ Marcoux. Mac is a Gold and Bronze medal winner from this years Para Olympics in Sochi, Russia. Mac and his brother BJ (who is his guide), attended with their parents Lee and Bill. The family lives in Havilland just north of Sault Ste Marie. When Mac began to lose his sight the family researched an activity that the family could do together – skiing!

Their presentation was informative and entertaining. Afterward they signed autographs for the more than 80 attendees.



Wearing the coveted medals is Lynne Fabbro, Customer Service Agent (M) with Mac (L) and BJ (R).



Wearing the coveted medals is Melissa Cuglietta, Marketing Coordinator (M) with Mac (L) and BJ (R).

St. Catharines

On May 2nd, 2014, 63 Church Street was delighted to officially unveil their new shared board room facility, along with a renovated main floor lobby and garden area. These amenities, along with the new showers and bike room, proudly make the building the premier office building in St. Catharines. We're delighted at any opportunity to show off the improvements, so please stop by the next time you're in the vicinity!



Service Awards



President & CEO Greg Wight (L) presents Captain Dennis Keating (R) with his 40 year service award.



President & CEO Greg Wight (L) presents Captain Edwin Seward (R) with his 40 year service award.



President & CEO Greg Wight (L) presents Cindy Miatello (R) with her 35 year service award.



President & CEO Greg Wight (L) presents Edmond Rahn (R) with his 35 year service award.



President & CEO Greg Wight (L) presents Kevin Minkoff (R) with his 30 year service award.



President & CEO Greg Wight (L) presents Steve Wright (R) with his 30 year service award.



President & CEO Greg Wight (L) presents Peter Bennett (R) with his 25 year service award.



President & CEO Greg Wight (L) presents John Brenton (R) with his 25 year service award.



President & CEO Greg Wight (L) presents Pat Chiarelli (R) with his 25 year service award.

Service Awards



President & CEO Greg Wight (L) presents Tammy Fournier (R) with her 25 year service award.



President & CEO Greg Wight (L) presents Don Larkin (R) with his 25 year service award.



President & CEO Greg Wight (L) presents Chief Engineer David Winsor (R) with his 25 year service award.



President & CEO Greg Wight (L) presents Captain Doug Ireland (R) with his 20 year service award.



President & CEO Greg Wight (L) presents Chief Engineer Marc Cimon (R) with his 15 year service award.



President & CEO Greg Wight (L) presents Captain Tom Higham (R) with his 15 year service award.



President & CEO Greg Wight (L) presents Rhea Lattimer (R) with her 15 year service award.



President & CEO Greg Wight (L) presents Chief Engineer Michel Rouleau (R) with his 15 year service award.



President & CEO Greg Wight (L) presents Kelly Turonski (R) with her 15 year service award.

Service Awards



President & CEO Greg Wight (L) presents Captain Wallace James (R) with his 15 year service award.



President & CEO Greg Wight (L) presents Mario Battista (R) with his 10 year service award.



President & CEO Greg Wight (L) presents Tony Hyska (R) with his 10 year service award.



President & CEO Greg Wight (L) presents Captain Duncan Roberts (R) with his 10 year service award.

Congratulations to all Service and Retirement Award Recipients.



We thank all of you for your hard work, commitment and dedication to the Company.

Retirement Awards



President & CEO Greg Wight (L) and Al Vanagas (R) present Roger Cox with his retirement award.



President & CEO Greg Wight (R) and Steve Wright (L) present Donald Graham with his retirement award.



President & CEO Greg Wight (R) and Captain Jim Pound (L) present Harvey Irmischer with his retirement award.

Training

Seafarers Training Institute Training (STI)

All STI Training was held at the Paul Hall Training Centre for Maritime Training in Piney Point, ML, USA.

Able Seaman

This two week course consisted of hands-on training and classroom work covering deck seamanship, rules of the road, marlinespike seamanship, helmsmanship, cargo handling, safety, fire fighting, emergency procedures, first aid, anchoring, mooring and aids to navigation.



Back row participants (from left to right): Murdock Hatcher, Vincent Harvey, Nolan Wells and Mark Sidlaca. Front row participants (from left to right): Mike Francis, Daniel Billard, Vernon Munden and Garland Fudge.

Cook

Algoma Chief Cooks, Second Cooks and members from the SIU attended this course which covered a variety of topics but focused on Heart Smart, Low Fat and Dietary Cooking, as well as menu planning and controlling costs. Employees had the opportunity to obtain their Safe Food Handling Certification.



Back row participants (from left to right): Tyrone Bruce, Janet Gates, Robin Reid and Leonore Doucette. Front row participants (from left to right): Ray Eaton, Tiffany Carey, Christine Crossan and Joanne Nash.

Mechanical Assistant

This two week long course consisted of cargo properties and emergency procedures, operation and maintenance of valves and pumps, loading procedures, cargo pump operations, cargo measurement, discharging procedures, ballasting procedures, tank cleaning, inert gas systems.



Back row participants (from left to right): Ron Elgie, Agerico Rosario and Nestor Guira. Front row participants (from left to right): Miguel Cuenca, Tyler Leech and Blair Taylor. Missing from photo: Daniel Ackom.

Seamanship

This course is designed to provide the seafarer with the basic principles of seamanship including safe work procedures and to provide the basics of watchkeeping. This course is not only meant for new seafarers but also provides a refresher of the fundamentals of a good seaman.



Back row participants (from left to right): Alisa Lacaria, Donovan Farrell, Don Ceci and Alex Guard. Front row participants (from left to right): Robert Lemoine, Mike Hayes and Marc Martin.

Training

STI - Welders

This course was introduced at the 2014 STI Training held at the Paul Hall Training Centre. Participants learned about welding introduction and safety, shielded stick metal arc welding, pipe welding, oxy-acetylene cutting, oxy-acetylene welding and brazing, soldering and brazing-copper pipe, oxyacetylene safety, gas metal arc welding-MIG, gas tungsten arc welding-TIG and heat treatment metallurgy and application.

Back row participants (from left to right): Greg Wells, Hector Guzman, Garry Carter, Shaun Hackett, Randy Meade and Dean Bobbett. Front row participants (from left to right): Larry Dunits, Emmanuel Quansah, Lonnie Boudreau and Dan Courteau.



Engine Room Resource Management (ERRM)

This course is designed to increase awareness of engineers and deck personnel to potential human errors which account for 80% or more of major casualties. Simulator training and seminars examine and point to methods to correct poor communications, poor engineering practices, low situational awareness, errors chains, stress and poor teamwork procedures.

Participants (from left to right): Course Instructor Dan Blackwell, Nathaniel Wheeler, Keerthi Wanigasekara, Scott Belyea and Luke Kondratowicz.



Bridge Resource Management (BRM) Refresher

This three day course consists of an introduction to Electronic Chart Display and Information System (ECDIS), refresher training in the principles of BRM and emergency ship handling. This course is designed to enhance the navigation skills of Captains, Chief Mates and Officers in charge of the navigation watch. The training will further enhance the bridge team in such areas as situational awareness, error chains, communications and bridge team - pilot relationships.



Participants (from left to right): Terry Holder, Greg Crewe, Sheldon Boyde and Carolyn Babin.



Participants (from left to right): John Tackaberry, Bernard Girard, Alex Daunais, Shawn Grandy, Philip Woodford and Martin Bateman.

Training

Electronic Chart and Information Systems (ECDIS)

This course trains Officers in the safe operation of ECDIS and electronic chart systems. It details the basic principles of the data, sensors and presentation as well as covering the operation and limitations of the systems and dates.



Participants (from left to right): Chris Leonard, Course Instructor Ahmed Farid, Dick Tackaberry and Constantin Kakouris.

Simulated Electronic Navigation (SEN) II

This course focuses on enabling Officers to make sound decisions in complex navigational situations to effectively plan, organize and manage a bridge team. Advanced simulators are used.



Participants (from left to right): Scotty MacDougall, Mahai Popescu, Henry Albo and Guangcia "Tiger" Sun.

Algoma Colouring Book

Algoma is putting together a colouring book for 'young cubs' that would feature marine and/or Algoma related drawings. Employees or family members are encouraged to submit line art for consideration for the colouring book. Line art can be sent via email in a jpeg format to BearFact@algonet.com or by paper copy to:

Algoma Central Corporation
Attention Bear Facts
63 Church Street Suite 600
St. Catharines, ON L2R 3C4

The deadline to submit artwork is June 30, 2014. Please include your name and current position (if it is a child or spouse please indicate the relationship to you). Each submission that is selected for the colouring book will receive 50 Bear Bucks!

Note that all drawings will become the property of Algoma and may be used in other company publications and/or promotion materials.

We look forward to receiving your submissions!



Algoma Tankers Captains and Chiefs 2014



CAPTAINS from left to right: Hugh Bain, Brian Durnford, John Chaffey, Dennis Keating, Bruce Chisling, Bernard Girard, Gregory Crewe and Duncan Roberts.

Absent when photo was taken: Douglas Inglis, Colin Mark, Denis Saucier and Robert Sheldon.



CHIEF ENGINEERS from left to right: Stewart Shellard, Mustapha Guedroudj, Serguei Morozov, Dmitrijs Zaika, Igors Martinenko and Andrey Serdyuk.

Absent when photo was taken: Vladimir Bershak, Anthony Coleman, Nileththi DeSilva, Richard George, Cindy Martin and Glenn Titford.

Algoma Central Captains and Chiefs 2014



CAPTAINS, back row, from left to right: David Jones, Wayne Penney, Kenneth Marsh, Ken MacKenzie, Austin Peckford, Terry Viscount, Jim McAleer and Gary Adcock.

Middle row: Ian MacFie, Ross Armstrong, Kristjan Alle, Peter Klaasen, John Ducey, Daniel McCormick, Edmund Dewling, Raymond Schrempf, Edwin Seward, Robert Loveless and Paul Morrison.

Front row: Chris Leonard, Melvin Ford, Tom Higham, Dennis Taylor, Chesley Thorne, Wallace James, Clarence Vautier, Peter Carpenter, Seann O'Donoughue, Aladino Dini, Doug Ireland, Jeff Pink and Trevor James.

Absent when photo was taken: Craig Ball, Daniel Bielby, Leslie Comrie, Louis Drolet, Richard Hesketh, Clarence Higham, Donald Hurlbut, Saleem Iqbal, Michael Joliffe, Neil Olsen, Monford Organ, Doug Parsons, Peter Schultz, Doug Taylor, Jerry Wheaton and Mark Young.



CHIEF ENGINEERS, back row, from left to right: Martin Schoenherr, Wayne Hankinson, Calvin Poole, Tim Lincoln, Xiu Yang, Yangming Wu and Claudin Tremblay.

Middle row: Dana Andrews, Daniel LeBlanc, Darren Nichol, Marc Cimon, Erik Zielonka, Martin Desaulniers, Yvon Lapointe, Kazimierz Mankiewicz and Colin Voyer.

Front row: Michel Brassard, William Armitage, Jean-Phillipe Marquis, David Winsor, Peter Stanley, William Halder, John Tipton, Trevor D'Souza, Michel Rouleau and Ghislain Rehel.

Absent when photo was taken: Evgeuni Ananiev, Anthony Arcand, Wayne Armstrong, Francis Brown, Calvin Curry, Stefan Danielski, Clarence D'Souza, John Fernandes, Charles Forde, Seth Gordon, Victor Gordynskii, Wacław Janda, Dean Kettle, Wojciech Kondratowicz, Alexandre Konev, David Michalowicz, Martin Olivier, Peter Pennock, Kevin Shears, Gordon Smith, Stephen Sparling, Francois Tremblay, Jacques Trudel, Todd Walters, Harry Wright, Yun Fu Wu and Nikolay Zhelinskiy.

Share Your Story



Picture submitted by **Tony Visca**, Field Superintendent at Algoma Ship Repair.

We all know it has been one of the worst winters we have seen in about twenty years. I would like to really commend my men that complete the work on the *John D. Leitch* as we had a massive work load with a very short time frame to complete the work in the most harsh environment.



Picture submitted by **Chief Engineer Dean Kettle**.

This is a picture of my son Jonathans Atom hockey team, the St Anthony Polars, winning the Atom provincial mega. A tournament held in St John's, Newfoundland.

I am the coach in the middle and Jonathans one of the players standing, you can see a bit of green underneath his jersey on his right arm.

Do you have a story, announcement or picture to share with Algoma employees?
If so, mail your story to: Algoma Central Corporation - Attention Bear Facts -
63 Church Street Suite 600 - St. Catharines ON - L2R 3C4
or email us at BearFact@algonet.com.

HR Notice to Fleet

Attention All Crewmembers

***NEW* Transport Canada Certificate of Proficiency Ship Personnel with Designated Security Duties**

Who needs it?

Crew sailing on Canadian flag SOLAS class

- Algoma Mariner
- Radcliffe R Latimer
- All Algoma Tanker vessels



When is the deadline to obtain it?

June 30, 2014

- Crew members who have not obtained a Certificate by this date will be ineligible to sail on any SOLAS class vessel
- After this date crew will have to enroll in a TC approved course to obtain the certificate



How do you apply for it?

Crew members must obtain a "Testimonial of Security Duties Performed" from the Captain or from a Company official. For further questions contact your Crewing Coordinator directly or email crewing@algonet.com



Do you qualify for it?

- Must show evidence of sea time prior to January 1, 2012
- Must show evidence of seagoing service for at least 180 days within 3 years before the date of application

The Company **HIGHLY RECOMMENDS** that all crew members apply for the certificate during this grandfathering period if they are eligible even if not working on a SOLAS vessel. This will avoid any unnecessary course costs to you in the future.

Canal Days 2014

Port Colborne's Canal Days is being held this year from August 1st to August 4th. The Canal Days Marine Heritage Festival offers activities and attractions that will enliven the senses. The Tall Ships gather in Port Colborne each Civic holiday weekend, for a four-day celebration of history and heritage with many activities for the family.

Algoma, in partnership with Georgian College, will again be participating in this year's Canal Days event, in an effort to highlight the many career opportunities within the marine industry. Highlighting our involvement will be the ability for attendees to try their hand on the College's bridge and engine room simulators.

Our display area will be open to the public at Allied Marine & Industrial's facility at 118 West Street, Port Colborne, Ontario.

All employees and their families are encouraged to attend this year's Canal Days event!



Onboard the *Tim S. Dool*



Top right: Chief Engineer Evgueni Ananiev (L) and Mechanical Assistant Jerome Bishop (R).



Above: 2nd Cook Tom Carpenter.

Below: Chief Cook Tyrone Bruce.



Onboard the *Peter R. Cresswell*



2nd Cook Grace Szczyglowska (L) and Chief Cook Alan MacPhail (R).



Mechanical Assistant Wayne Hatcher (L) and 4th Engineer Mike Andraza (R).



Able Seaman Dietz Solondz.



MUC Blake Seymour (L) and Captain Ian MacFie (R).



Canada's Best Managed Companies

Charting a course to the future



Propelled by an experienced workforce dedicated
to the pursuit of operations excellence

Algoma Central Corporation
Proud to be named one of
Canada's Best Managed Companies



63 Church Street, Suite 600, St. Catharines 905-687-7888 | www.algonet.com

