



BEAR FACTS

ALGOMA CENTRAL CORPORATION NEWSLETTER • WINTER 2014

President's Message



Third Quarter Results

The Corporation is reporting revenues for the 2014 nine month period of \$354 million compared to \$342.6 million for the first nine months of 2013. The increase was driven primarily by the Domestic Dry-Bulk segment due to strong customer demand and high fleet utilization.

Segment earnings after income taxes were \$22.2 million for the 2014 nine month period compared to \$24.6 million for the first nine months of 2013, reflecting the second quarter results that were below expectations resulting primarily from the poor operating conditions in April and early May.

Our net earnings and earnings per share were \$17.4 million and \$0.45, respectively, compared to \$19.1 million and \$0.49 for the same period last year.

Our Balance Sheet remains very strong and on November 5th we announced a further 7¢ per share dividend payable on December 1st. This dividend brings the total dividends for 2014 to 28¢, the same as 2013.

Employee Share Purchase Program

As a reminder, you can share in these dividends if you enrol in the Algoma Employees Share Purchase Program (ESPP). This program allows employees to invest in Algoma Central Corporation shares through regular payroll deductions. The ESPP is open to all permanent employees of the Corporation.

Key points of the ESPP:

- A plan administrator has been appointed who will purchase shares on the employees' behalf into a pooled account.
- Algoma will pay the cost of acquiring the shares.
- The account you set up to hold the shares can be either a non-registered account, a RRSP account or a tax-free savings account (TFSA).

Marine Money Rankings

Marine Money Magazine's 2013 Rankings included 84 publically traded shipping companies from around the world. The annual Marine Money Overall Performance Rankings are designed to measure a company's ability to improve efficiency and to create shareholder value. For 2013 Algoma placed 23rd in this ranking, down from 6th place in 2012.

Marine Money also ranks companies based on financial strength. In 2013 Algoma placed 2nd in this ranking, up from 5th place in 2012.

This is a very impressive performance when you consider our competition is the entire world. These results continue to validate that we work for a "World Class" company.

Sustainability Highlight

On October 31st, we announced that we had received all required approvals of our exhaust gas scrubbing systems installed on our Equinox Class series of vessels. The scrubber units, manufactured by Wartsila are designed to remove 97% of sulphur oxide emissions from the vessel's exhaust streams. The scrubber concept works with fresh water recirculating in a closed loop system. The sulphur oxides are washed out of the exhaust then neutralized. The resulting containments are disposed of at reception facilities in port.

Commissioning of the first scrubber unit installed on the *Algoma Equinox*, the first of the eight Equinox Class series, was completed by a team from Wartsila, together with Algoma technical and shipboard personnel during this past summer. After rigorous testing it was confirmed that the scrubber was effective in removing 97% of the sulphur oxide emissions from all engine exhaust streams onboard the *Algoma Equinox*. We are extremely pleased to have the first unit commissioned and approved for use. Our Equinox Class are not only the most fuel efficient ships operating on the Great Lakes, they are now clearly the cleanest.



President's Message Continued



Above: Bottle of champagne was broken against the bow of the ship.

Equinox Class

We took delivery of the second Equinox Class vessel, the *Algoma Harvester*, on May 13th and the vessel departed from the Shipyard on May 18th. Following a 54 day voyage across the Pacific and through the Panama Canal, the *Algoma Harvester* loaded its first cargo at Port Cartier, Quebec on July 11th.

The vessel then departed for Hamilton and following its arrival the *Algoma Harvester* was christened by Mrs. Kathy Baske, wife of Jim Baske, the President and CEO of ArcelorMittal Dofasco. As is customary for these ceremonies, a bottle of champagne was broken against the bow of the ship, a banner revealing the ship's name was unveiled and Father David Mulholland of the Mission to Seafarers offered prayers and other words of wisdom and inspiration to the crew of the ship.

Following this Jim Baske offered a few words of congratulations on behalf of ArcelorMittal Dofasco. Following is an excerpt from his remarks.

"Great Lakes and St. Lawrence Seaway marine transport is integral to our business and fleet renewal is critical for a sustainable supply chain. Sustainability is a core value for

our company and a main area of focus. The range of environmental improvements that we see on this fleet aligns with our efforts to continuously improve our productivity, efficiency and environmental footprint. It's a win-win when one of our partners is able to achieve the kinds of improvements that Algoma has with this new fleet, effectively reducing the environmental impact of our supply chain, from raw material inputs to shipping of finished products."

See page 16 for more details on the *Algoma Harvester* Christening.

The third Equinox Class vessel, the *CWB Marquis*, departed China on November 5th and is expected to arrive in Canada around December 26th. The *CWB Marquis* is owned by CWB Inc. but will be operated as part of the Algoma Domestic Dry-Bulk fleet. The vessel will be managed both commercially and technically by Algoma and is fully crewed by Algoma employees.

The fourth Equinox Class vessel, and the last gearless bulk carrier in the series, the *CWB Strongfield*, is expected to be launched in early December and should be delivered by the end of the first quarter of 2015.

Retirement

On September 5th, I announced that I plan to retire during the first quarter of 2015. By my retirement date, I will have worked for Algoma for over 35 years. During this period I have witnessed Algoma's rise to be the largest owner and operator of Canadian flag vessels on the Great Lakes – St. Lawrence Waterway. More importantly though is that Algoma prides itself on its contribution to the Canadian economy and on the role it plays in the communities in which employees live and work.

Algoma is a very strong company that has been recognised as one of Canada's Best Managed Companies in both 2012 and 2013. I feel very comfortable knowing I can retire and leave the future of Algoma in the capable hands of the managers and employees who have been responsible for getting us where we are today.

I would like to personally thank all the Algoma employees for contributing to this achievement and making my job so enjoyable and easy.

During 2014, we continued our strong focus on worker safety with the goal to achieve zero personal injury incidents throughout the Corporation. I would like to thank all employees for their continual diligence in ensuring they and their fellow works are safe.

As we continue on the road to zero remember, **STOP AND THINK – SAFETY FIRST.**

In closing, I would like to wish all employees, retirees and their families the very best for the Holiday Season and a Happy New Year.

Algoma Central Corporation

New Hires



Denise Ebbett joined Algoma Shipping Ltd. on a full-time basis as Senior Accountant on July 14th.



Nicolae Coman joined Algoma on a full-time basis as ACM Chief Engineer on November 17th.



Bruce Partridge joined Algoma on a full-time basis as Director, Sales on November 24th.

Promotions



On March 22nd, **Terry Viscount** was promoted to full-time Captain with ACM.



On March 27th, **Christopher Leonard** was promoted to full-time Captain with ACM.



On September 10th, **Muazzam Hussain** was promoted to Training Chief Engineer with ACL.



On November 1st, **PC Brunet** was promoted to Director, Sales.



On November 4th, **Timothy Mustard** was promoted to Training Captain with ACL.



On December 1st, **Hannah Chamberlain** transferred to the position of Clerk, Payroll.

Algoma Central Corporation

Birth Announcements



Third Mate **Ramil Ringor** is proud to announce the birth of his son Ramgen who was born on May 1st.



Operations Manager **Dave Belisle** and his wife Shawna are proud to announce the birth of their daughter Avery who was born on May 8th.



Second Engineer **Thomas Pittman** is proud to announce the birth of his daughter Grace who was born on June 10th.



Leasing Administrator **Krysta Donovan** and her husband Corey are proud to announce the birth of their daughter Hannah who was born on June 24th.



Chief Engineer **Calvin Poole** is proud to announce the birth of his granddaughter Emerson who was born on August 6th.



Accounting Manager **Adam Carpenter** and his wife Amanda are proud to announce the birth of their son Evan who was born on August 8th.



Helpdesk Administrator **Janine Pilon** is proud to announce the birth of her granddaughter Kiara who was born on September 28th.



Oiler **Michael Copping** and former employee Roxy Fraser are proud to announce the birth of their daughter Brittney who was born on October 15th.



Wheelsman **Mark Hurst** is proud to announce the birth of his granddaughter Berlin who was born on October 16th.

Congratulations to the proud parents and grandparents of these beautiful babies!

Algoma Central Corporation

Retirements

Chief Engineer Seth Gordon retired on April 1st after 12 years of service. Seth sailed throughout the dry-bulk fleet most recently on the *Algoway*.

On June 1st after 31 years of service, **Captain Craig Ball** retired. Craig sailed onboard numerous vessels throughout the dry-bulk fleet most recently on the *Algoma Guardian*.

Oiler **Piercy Ellsworth**, retired on June 1st after 27 years of service. Piercy sailed onboard the *Algoma Montrealais*.

After 20 years of service, **Captain Donald Hurlbut** retired on June 6th. Donald sailed onboard numerous vessels within the dry-bulk fleet.

Mechanical Assistant **Peter Nuss** retired on June 6th after 18 years of service. Rupert sailed onboard the *English River*.

Chief Cook **Margaret Derraugh** retired on June 10th after 13 years of service. Margaret sailed onboard the *John B. Aird*.

On June 30th after 20 years of service, **Glenn Birrell** retired. Glenn was a Mechanical Assistant and most recently sailed onboard the *Algorail*.

Second Engineer **Peter Sullivan** retired on June 30th. Peter had over 38 years of service and sailed onboard the *Algoscotia* within the tanker fleet.

After 16 years of service, Chief Cook **Michael Monahan** retired on July 1st. Michael sailed onboard the *Algosea* and *Algoscotia*.

George Wheaton retired on July 2nd after 26 years of service. George most recently sailed onboard the *Stephen B. Roman* as Ordinary Seaman.

After 25 years of 14 service **Wayne Hatcher** retired on July 8th. Wayne was a Mechanical Assistant sailing onboard the *Peter R Cresswell*.

Head Cargo Maintenance **Norman Tucker** retired on July 11th after 34 years of service. Norman most recently sailed onboard the *Algoma Progress*.

After 40 years of service **Lawrence Wheaton** retired on July 28th. Lawrence most recently sailed onboard the *Algoma Enterprise* as Deck Foreman.



On August 1st after 10 years of service, Oiler **George Burke** retired. George sailed onboard numerous vessels throughout the dry-bulk fleet.

After 14 years of service, Assistant Head Cargo Maintenance **Hugh Mac Lean** retired on August 1st. James most recently sailed on the *Algoma Progress*.

After 34 years of service, **Ian Ross** retired on August 1st. Ian was an Ordinary Seaman and most recently sailed onboard the *Stephen B Roman*.

First Mate, **Michael Lawrence** retired on August 1st after 18 years of service. Michael most recently sailed onboard the *John B. Aird*.

Vladimir Kolesnik retired on August 1st after 2 years of service. Vladimir most recently sailed onboard the *Algoscotia* as a Second Engineer.

George Dawe retired on August 11th after 30 years of service. George sailed onboard the *Stephen B. Roman* as Ordinary Seaman.

After 29 years of service **Clyde Chant** retired on August 13th. Clyde was an Able Seaman sailing onboard the *Radcliffe R, Lattimer*.

On August 21st after 18 years of service, **Roland Buckland** retired. Roland sailed onboard the dry-bulk fleet as Oiler.

Deck Foreman **Clarence Barrett** retired on September 4th after 45 years of service. Clarence most recently sailed onboard the *John D. Leitch*.

After 14 years of service **Gilbert Hansford** retired on September 9th. Gilbert sailed onboard the *Algoway* as Able Seaman.

Harold Anderson retired on September 15th after 35 years of service. Harold most recently sailed onboard the *Algoma Montrealais* as Ordinary Seaman.

On September 15th after 19 years of service, Ordinary Seaman **Winston Hiscock** retired. Winston sailed onboard numerous vessels throughout the dry-bulk fleet.

After 25 years of service, **Don Dickie** retired on October 1st. Don was a Repairman Class 1 at Algoma Ship Repair.

Algoma Central Corporation

Retirements

Ordinary Seaman **Wade Chaulk** retired on November 1st after 33 years of service. Wade most recently sailed onboard the *Algoma Transport*.

On October 6th after 25 years of service, Oiler **Carl Berry** retired. Carl sailed onboard on the *Algoma Montrealais*.

John Burt retired on October 15th after 26 years of service. John was an Ordinary Seaman who most recently sailed onboard the *Algoma Olympic*.

After 19 years of service, Chief Cook **Lionel Lyrette** retired on November 1st. Lionel sailed onboard numerous vessels throughout the dry-bulk fleet.

On November 13th after 14 years of service, Wheelsman **Gilbert Brinson** retired. Gilbert most recently sailed onboard the *Algoma Enterprise*.

Ordinary Seaman **Donald Walters** retired on November 15th after 36 years of service. Donald most recently sailed onboard the *Algoma Transport*.

Lloyd Abbott retired on November 17th after 25 years of service. Lloyd was a Wheelsman who most recently sailed onboard the *Algoma Progress*.

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

Final Sailings

It is with our deepest sympathy that we announce the passing of the following employees. They will be greatly missed.

Ordinary Seaman **Austin Oldford** passed away on July 3rd.

Retired Second Cook **Alonzo Vokey** passed away on August 22nd.

Retired Watchkeeper **Jean Yves Duchaine** passed away on September 10th.

Retired **Captain Charles Edward "Ted" Belcher** passed away on November 20th.

Retired Operations Manager **Art Christenson** passed away on November 24th.

Certificate Upgrade

Alexandre Daunais has upgraded his certificate to Chief Mate, Near Coastal on May 8th.

Weddings



Chief Cook **Haniff Jafralie's** son Jason married Linda on October 25th.



Payroll Clerk **Hannah Chamberlain** married Matt on November 8th.



Artwork created by Ashlynn, 5 year old granddaughter of **Terry Cochrane**, Payroll Manager.

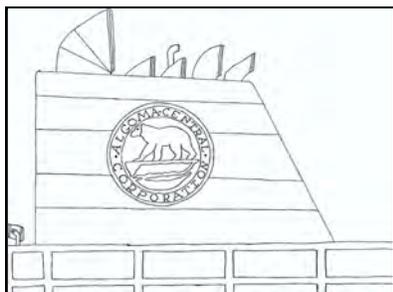


Colouring Book

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. 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.

Please send the line art via email in a jpeg format to [BearFact@algonet.com](mailto: BearFact@algonet.com) or via mail to: Algoma Central Corporation - Attention Bear Facts - 63 Church Street Suite 600 - St. Catharines ON - L2R 3C4.

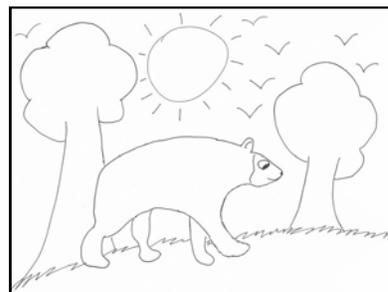
We have already received some great submissions!



Drawing by 10 year old Kailey, daughter of Captain Robert Loveless.



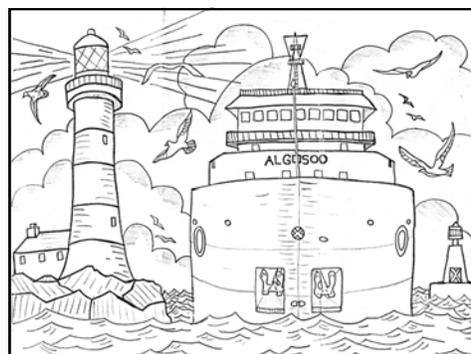
Drawing by 13 year old Jocelyne, daughter of ASR Field Superintendent Paul Plamondon.



Drawing by 11 year old Mackenna, daughter of Technical Services Director Dave Ross and HR Manager Gabe Ross.



Left: Drawing by External Reporting Manager Elena Cannatelli.



Right: Drawing by Able Seaman Calvin Chaulk.



Artwork created by Mia Rose, 7 year old daughter of **Barb McFadyen**, Crewing Coordinator.



Artwork created by Alexandra, 4 year old daughter of Chief Engineer **Serguei Morozov**.

Career Fairs

Algoma continues to participate in career fairs to increase awareness of career opportunities within the Marine Industry. Recently, Human Resources Crewing Coordinators participated in two career fairs including the 2014 Ontario College Information Fair (OCIF) in Toronto and the Pathways Night in Hamilton.



From left to right: Crewing Coordinators Eva Ingribelli and Barb McFadyen and Second Engineer Nathaniel Wheeler at OCIF held in Toronto on October 20th.



Crewing Coordinator Barb McFadyen attended the Pathways Night at the Nicholas Mancini Centre in Hamilton on November 20th.

Marine School Scholarships

Through a variety of scholarship awards, Algoma provides financial support to deserving cadets throughout marine schools in Canada who demonstrate academic excellence, hard work and involvement in extracurricular activities. The marine scholarship awards were presented to two cadets at the Institut Maritime du Quebec (IMQ) and two cadets at the Marine Institute of Memorial University of Newfoundland (Marine Institute).



Captain Denis Saucier (L) and Chief Engineer Francois Tremblay (R) presents Algoma Cadet Julie Lamoureux with her scholarship award at IMQ.



Captain Denis Saucier (L) and Chief Engineer Francois Tremblay (R) presents Algoma Cadet Hubert Morin-Bussieres with his scholarship award at IMQ.



Crewing Coordinator Amanda Dyson (M) presents 4th year Nautical Science student Tyler Coady (L) and 2nd year Marine Engineering student Garrett Fitzgerald (R) at the Marine Institute with their scholarship awards.

Algoma Scholarship Recipients

The Algoma Central Corporation Scholarship program was launched in 1993 and has since provided \$436,000 to 244 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 of a permanent 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.

Application packages for 2015 scholarships (which include the full consideration criteria) will be available beginning in January 2015 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 2015 scholarships must be received by the Human Resources Department no later than May 31, 2015.



Lori Brown

Daughter of Michael Brown
3rd Engineer, *Algoma Harvester*
Attending: Niagara College



Ryan Collins

Son of Frederick Collins
Ordinary Seaman, *Algoma Navigator*
Attending: College of the North Atlantic



Teanna Curcio

Daughter of Danny Brown
Wheelsman, *Stephen B. Roman*
Attending: Niagara College



Brittany Denomme

Daughter of Kevin Berg
Able Seaman, *Algoway*
Attending: Seneca College



Jarrod Gushue

Son of Andre Gushue
2nd Mate, *Algosar*
Attending: Marine Institute



Charlee Harris

Daughter of Charles Harris
GP Watchkeeper, *Algonova*
Attending: Memorial University

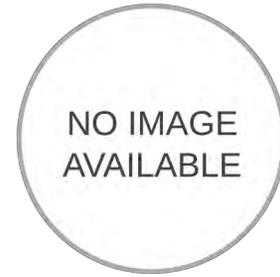
Scholarship Program



Parker Hayward
Son of Peter Hayward
Operations Manager, Tankers
Attending: Georgian College



Mackenzie Lewis
Daughter of Linda Lewis
Property Manager, ACP
Attending: Western University



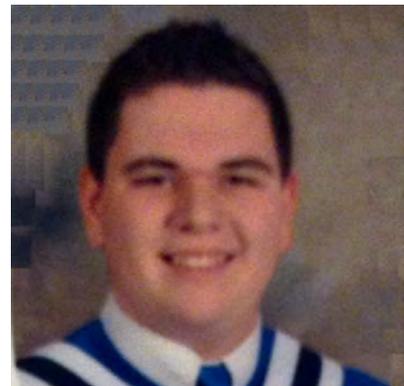
Katelyn McCallum
Daughter of Brook Shipp
1st Mate, *Algosea*
Attending: Georgian College



Simran Modak
Son of Suhail Modak
V.P. Technical Operations, ASL
Attending: University of South
Florida



Sarah Neuenhagen
Daughter of Martin Neuenhagen
Quality Systems Manager
Attending: University of Toronto



Brody Ostermaier
Son of Wade Ostermaier
Olier, *Algoma Mariner*
Attending: Niagara College



Eric Pearson
Son of Darren Pearson
Vessel Traffic Director
Attending: University of Waterloo



Joel Riffin
Son of Robin Riffin
3rd Mate, *Algosar*
Attending: Lambton College



Mason Shears
Son of Chief Engineer Kevin
Shears, *Algorail*
Attending: Conestoga College

Scholarship Program



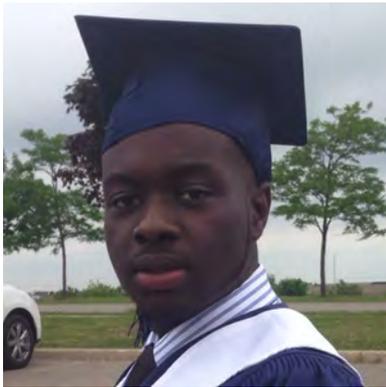
Michael Sheldon
 Son of Captain Robert Sheldon,
AlgoCanada
 Attending: NS Community
 College



Natalie St. Pierre
 Step-daughter of Frank Donohoe
 Superintendent, ASR
 Attending: Brock University



Julia Szulewska
 Daughter of Tomasz Szulewski
 1st Mate, *Stephen B. Roman*
 Attending: University of Toronto



Eyong Tabot
 Son of Ojong Tabot
 2nd Engineer, *Tim S. Dool*
 Attending: York University



Artwork created by
 Kaitlynn, 5 year old daughter
 of **Kerri Hildebrandt**,
 Accounts Payable Clerk.



Artwork created by Kailey,
 11 year old daughter of
Captain Robert Loveless.



Artwork created by Vayda,
 4 year old daughter of **Lisa
 Rotella** Human Resources
 Coordinator.

Share Your Story

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](mailto: BearFact@algonet.com).

\$25 Bear Bucks will be awarded to employees whose story is shared in Bear Facts.



Captain Dave Jones submitted a picture of the kayak he built. Pine, red cedar and mahogany wood strips were used for the hull and deck and curly maple for the stem and stern post. Dimensions of the kayak are 16'09" long, 21.5" wide and wt. 40lb. It took two months to build the kayak which included ripping strips to varnishing.



Representatives of Algoma's HR staff attended a BBQ at the SIU Hall in Thorold in honour of the Day of the Seafarer on June 25th. Since its inauguration in 2011, the "Day of the Seafarer" recognizes the invaluable contribution seafarers make to international trade and the world economy, often at personal costs to themselves and their families. Also in the picture are SIU President Jim Given and Thorold Major Ted Luciani.



Captain Ross Armstrong submitted a picture of the free fall life boat launch from the *Algoma Equinox* this summer. The free fall life boat launch is part of a safety regulation that must be completed at a minimum of once per year. Vessel employees free fall the life boat for safety and routine maintenance of the craft. "Free falling" means to launch the boat with the use of gravity. No ropes or wires are used. This exercise is a valuable part of training as crew talk about procedures along with getting the practical real life engagement. During the exercise, crew members are given the option to either ride along inside the boat or assist with the operation from the deck side.

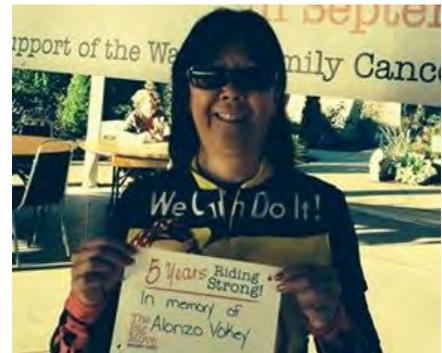
Share Your Story

Captain Peter Carpenter shared this photo during a “Man Overboard” drill on the *Algoma Navigator*. Second year Georgian College Deck Cadet Delta Vermeulen helped provide some realism by volunteering to go overboard. Using all the necessary safeguards and Personal Protective Equipment, Delta was placed into the icy 18 degree waters of Lake Huron. The crew of the *Navigator* worked vigilantly to bring her back safely aboard.



Way to go Delta and congratulations to the crew of the *Algoma Navigator* on demonstrating teamwork which is one of Algoma's core values.

Vision Travel Solutions is one of Algoma's travel management providers. This year, Corporate Manager Kim Kobayashi at Vision participated in the Big Move Cancer Ride in honour of Alonzo Vokey. Alonzo was a retired second cook who passed away this year. Kim mentioned Alonzo was a huge sponsor of her cancer rides.



This story was shared by **Captain Robert Loveless** on the *Algoma Mariner*.

Captain Monford Organ shared this photo of the crew on the *Algoma Guardian* playing poker to raise money for the Alzheimer's Society. The crew coordinated a bingo game and name that tune game to help raise funds for Alzheimer's. Thank you to the crew members for donating items for the prize tables.



Crewing Coordinator **Steve Hodgson** noticed the *Algogulf* in the Cleveland Harbour while watching the 1989 movie 'Major League' starring Charlie Sheen.



On October 31st the **Human Resources Department** at 63 Church Street showed their Halloween Spirit by dressing up as Cruella DeVille with her seven Dalmatians.



Community Involvement

Alzheimer's National Coffee Break

On September 18th, Algoma participated in the Alzheimer Coffee Break Barbeque. This year's barbeque was hosted by Bell Marine.

On board the Algoma vessels, the crews participated in the Alzheimer Society's National Coffee Break Day by having a Pop and Chip Party. In total, the vessels raised \$10,810. Congratulations to the *John D. Leitch* for being the vessel to raise the highest amount at \$2,970. Thanks to all the vessels that participated in this event!

All together with various fundraising events Algoma employees including corporate donations raised \$21,620 for the Alzheimer Society.



CIBC Run for the Cure

On October 5th, the Algoma Care Bears along with family members participated as a team in the annual Canadian Breast Cancer Foundation CIBC Run for the Cure. Algoma raised over \$13,000 for this year's event and was awarded the Corporate Spirit Award. 127,000 participants and volunteers came together on Run day throughout Canada raising over \$25 million for innovative breast cancer research, health education and advocacy initiatives. The funds raised will bring us closer to a future without breast cancer.



Rankin Cancer Run

Carson Houston, son of Algoma's Technical Director Rob Houston, participated in the 2014 Rankin Cancer Run. The run is focused on raising funds for cancer care in the Niagara Region. A total of 12,000 individuals participated in the 2014 run, raising a total of \$750,000.

Carson raised \$4,520, including a corporate match total of \$1,780 was raised from Algoma employees.

The *Algoma Progress* was passing through the canal during the Run.



Community Involvement

United Way

Backpacks for Kids

The Backpacks for Kids Program supports less advantaged students in the Niagara Region by providing them with a free backpack filled with school supplies at back to school time.

On August 22nd, Algoma participated in this program with a team of 36 volunteers filling backpacks with school supplies for children.

In total, an outstanding 1400 backpacks for kids were filled and delivered to local schools.



Grape and Wine Parade

Algoma held the 8th Annual United Way Grape and Wine BBQ on September 6th.

It was a fantastic turn out of employees who brought their children, grandchildren and even their furry friends to the parade. The weather cooperated and it turned out to be a beautiful day!

Algoma raised \$1,360 from BBQ sales alone with all proceeds donated to the United Way.



Multiple Sclerosis (MS)

The MS Walk is a community event that brings together people touched by Multiple Sclerosis. At the MS Walk, individuals affected by MS connect with others who understand the reality of the disease. This year on May 5th, Director, Sales Darryl Smith participated in the 2014 MS Walk. With the generosity of employee donations and company match, \$2,800 was raised for MS support and research.

Darryl also participated in the MS Golf Tournament. His team was sponsored by Algoma.



Georgian College Graduation

V.P. of Human Resources, Karen Watt attended the graduation golf and dinner event held at the Stone Tree Golf Club in recognition of Georgian College navigation and engineering cadets. Karen was honoured when she was asked to make a speech to Georgian College graduates. Karen highlighted with the right attitude and tools you can stand out when applying and securing a job. Karen also encouraged graduating cadets to aim high and put their education to good use.

The inaugural event was a great success with over 60 students, instructors and industry representatives in attendance enjoying a day on the golf course followed by a dinner and speeches.



Equinox Vessel Update

Algoma Harvester

Dignitaries joined the Officers and crew at Eastport in Hamilton, Ontario on July 17th to witness the christening of the newest addition to the Algoma fleet: *MV Algoma Harvester*, Nantong Mingde Hull 150.

Mrs. Kathy Baske did a marvelous job as sponsor of the *Harvester*. After delivery of the blessing, a bottle of champagne was broken on the Port bow, in accordance with ancient tradition. The assembled group could not have been more proud. Following the festivities, the *Algoma Harvester* and her crew were right back to work and delivered a record breaking cargo of iron ore pellets to ArcelorMittal Dofasco.

The *Harvester* is currently completing her 15th voyage of 2014. We all wish her a long, safe, profitable and operationally excellent service life!



Left: Ship's bow and vessel name covered.

Right: Father David Mulholland of the Mission of Seafarers offering words of wisdom and a poem.



Left: Bottle of champagne breaking.

Top: Dofasco group, President & CEO Greg Wight, Captain Richard Hesketh and Chief Engineer Calvin Poole.



Algoma Harvester crew.

Equinox Vessel Update

CWB Marquis - Delivery Voyage

The *CWB Marquis* is the latest Equinox-class vessel to prepare for assignment on the Great Lakes.

Following successful builder's trials and completion of every last detail, Captain Seann O'Donoughue, Chief Engineer Dave Michalowicz, Officers and crew departed from Nantong on November 5th.

The *Marquis* was originally flagged and registered at the shipyard in Nantong as a Chinese ship. However, on the eve of her departure the *Marquis* officially changed registry and became a Canadian vessel. She is now registered and flagged in Canada and crewed by Canadians.



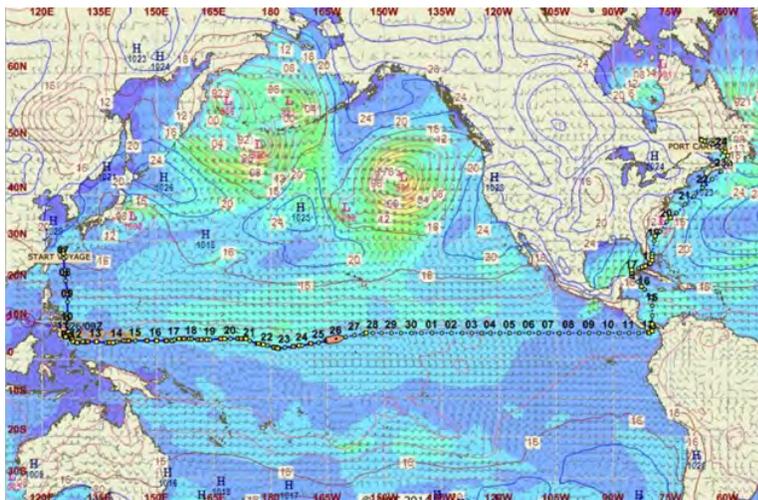
CWB Marquis at sea trials.



The first stop on the delivery voyage was a fuelling stop at Davao, Philippines anchorage on November 11th.



Executives of the CWB join President & CEO Greg Wight and Captain Seann O'Donoughue aboard the newly-delivered vessel.



Having taken a full fuel load, the *Marquis* embarked on her month-long voyage to Panama. The estimated time of arrival at the Pacific entrance to the famed canal is December 14th.

While awaiting her turn for transit off Balboa, the *Marquis* will take fuel again and sail directly to St. Lambert.

We look forward to welcoming her home at Christmas.

Algoma Montrealais

The Last Remaining Canadian Steamer

If a list were to be drawn up of steadfast Great Lakers that enjoyed a long and resilient career, the *Algoma Montrealais* would feature prominently. Being the last remaining Canadian steamship, the *Algoma Montrealais* has not only survived its predecessors, but even many of its successors.

A conventionally designed Great Lakes Bulk Carrier, the ship originally named '*Montrealais*' was built in 1961 in two separate sections. The stern section was built by Canadian Vickers Ltd. as hull No. 278 in Montreal, QC and the bow section was built by George T. Davie & Sons Ltd. as hull No. 77 in Lauzon, QC. The two sections were launched separately and later joined at Champlain Drydock in Lauzon. The vessel was christened on April 12, 1962 at the Canadian Vickers Ltd. shipyard in Montreal.

During her prodigious career, the *Montrealais* passed through several owners and operators. This includes Canadian Vickers Ltd.(1962 to 1965), Papachristidis Co. Ltd.(1962 to 1972), Eastern Lake Carriers Ltd.(1965 to 1972), Upper Lakes Shipping Inc.(1972 to 2004) and Seaway Marine Transport, who operated and managed the vessel from 2004 to 2011 with Upper Lakes Shipping Inc. maintaining ownership.

Finally, in the spring of 2011, Algoma Central Corporation was proud to have the *Montrealais* join its fleet following the acquisition of the former Upper Lakes Shipping Inc. fleet. In early 2012, the vessel's name was formally changed to '*Algoma Montrealais*' and is currently trading on the Great Lakes as the reliable vessel she has always been.

What is unique about the *Algoma Montrealais* is that she is the only remaining Canadian steamship. Diesel propulsion, which dominates the marine industry today through the use of large internal combustion diesel engines, is far different in operating principle than steam propulsion, which dominated the marine industry at the time the *Algoma Montrealais* was built. The operating principle of a steam propulsion plant, even by today's standards, is quite fascinating and thought provoking.



Overhead of engine room including main turbine and boilers.



Side view of engine room machinery deck including main turbine and generator sets.

The steam propulsion and power generating plant on the *Algoma Montrealais* operates on the continuous thermodynamic Rankine cycle, which can be described in the following steps:

1. Two large Babcock & Wilcox sectional header type water tube boilers take in feed water that is heated by boiler burner exhaust gases, and the pressure and corresponding temperature of the feed water is raised.

Algoma Montrealais

2. The water is completely evaporated into steam in the boiler and this steam is supplied continuously to a 9000 shaft-horsepower General Electric cross compound steam turbine engine as the steam is being generated.
3. The steam supply to the turbine engine expands, giving up its heat energy and, in doing so, causes rotary motion of the turbine. This turbine is connected through speed reduction gearing to the propeller shaft, thus rotating the propeller.
4. The steam is exhausted from the turbine engine under vacuum conditions into a seawater cooled condenser where the steam is condensed back into feed water.
5. The feed water is then pumped through an elaborate closed feed water system to a large feed heating tank called a deaerator where the water is heated directly with steam. Here, the dissolved gases in the feed water are also extracted in order to prevent corrosion in the boilers.
6. Finally, a steam turbine driven feed pump will pump the feed water from the deaerator back to the boilers at a high pressure in order to overcome boiler pressure and the cycle begins again.

Electrical power generation on the *Algoma Montrealais* is also dependent on steam and operates on the same principle as the main engine but uses two separate General Electric 500 kilowatt turbine generator sets for this purpose.

Today, the diesel engine, due to its improved thermal efficiency, is almost universally the choice for marine propulsion and power generation. The use of free running turbochargers that increase the density of the charge air for combustion allows a diesel engine to burn more fuel, yielding a corresponding increase in power.

Of course there are many advantages and disadvantages to steam propulsion. The advantages include lower maintenance costs, very minimal lube oil consumption, improved reliability, a cleaner and quieter engine room and reduced vibration. The disadvantages include increased fuel consumption due to its lower thermal efficiency and the inherent fact that there are increased sulphur emissions since a steamship must burn a bunker grade fuel in order to make it economically feasible to operate.

It is quite possible that technological advances will address the disadvantages of steam propulsion in the coming years and even perhaps that one day steamships will once again become a viable component in marine transportation.

Although she is to be retired from service at the conclusion of the 2014 operating season, the *Algoma Montrealais* has consistently completed her tasks with very minimal operational difficulties and will be missed by many. It was a wonderful experience working on such an iconic ship and I am very proud to have served on her. Article written by Chief Engineer Bill Armitage.



From left to right: Second Engineer Leno Del Duca, Chief Engineer Bill Armitage and Oiler Carl Berry.



From left to right: Wheelsman Randy Hancott, Second Mate David Roos and Captain Peter Klaassen.

Algoma Central Properties Inc.

H&M's grand opening took place at Station Mall on September 25th. The lineup far exceeded anyone's expectations and was already 300 people strong 2 hours before the store opened. Sales have continued to be fantastic since opening day and the new store has created some much needed buzz in Sault Ste Marie. We are hopeful that the balance of retailers in the mall will benefit from the H&M excitement and experience strong sales this Christmas season.

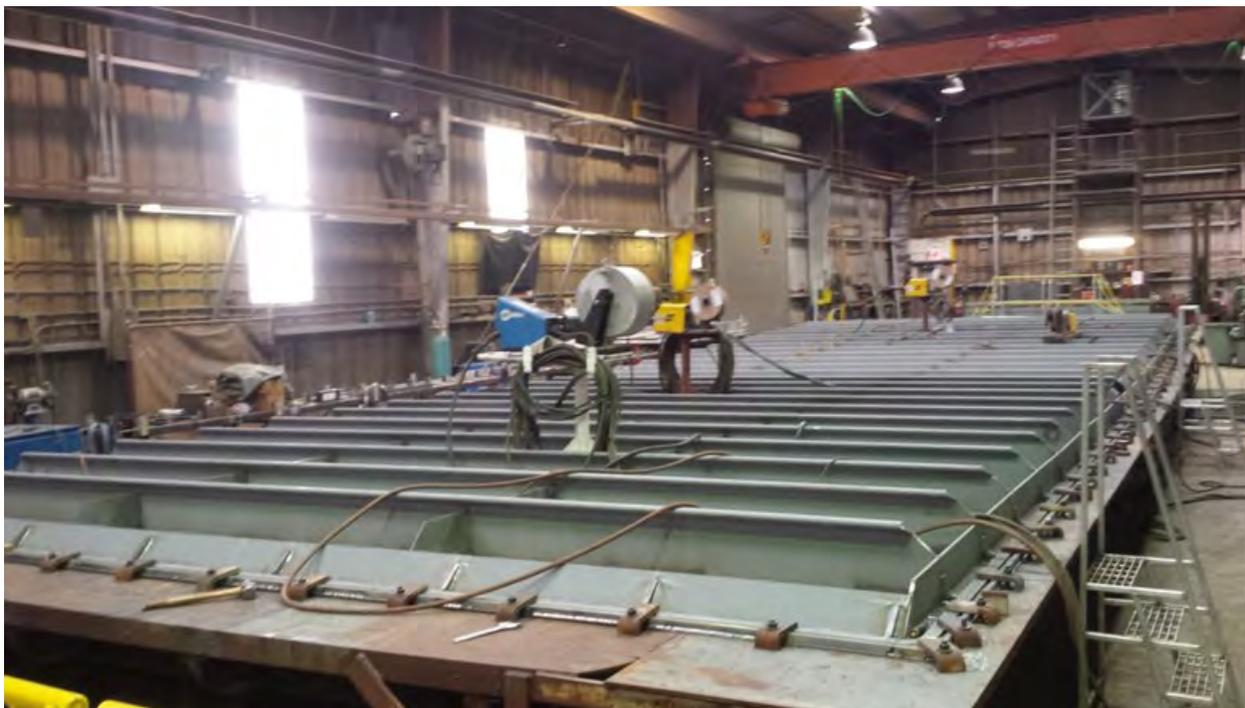


Algoma Ship Repair

It's shaping up to be a busy winter for ASR in 2015. The fabrication shop is already making hatch covers for the *Captain Henry Jackman* and tank top panels for the *Algoma Transport*.

Upcoming projects are the drydocking and Special Survey for the *Algoma Enterprise*, longitudinal bulkhead repairs on the *Algoma Olympic*, Intermediate Special Survey work on the *Algoway* and *Algosteel*, as well as screen bulkhead repairs on the *Algosteel* and *Algomarine*. The new vessels will require their DVS (Delivery Voyage Strengthening) removed which will probably happen in Hamilton for the *Algoma Harvester* and the *Algoma Marquis*.

This past summer was very busy as well with more than the usual sailing season work. The *Algoma Navigator* started her ITSS (Intermediate Special Survey) which will be finished up in the winter works.



Captain Henry Jackman hatch cover.

Service Awards



Steve Wright (L) presents Clarence Barrett (R) with his 45 year service award.



Chief Engineer Evgueni Ananiev (L) presents Jerome Bishop (R) with his 35 year service award.



Captain Edmund Dewling (R) presents Gregory Marsh (L) with his 35 year service award.



Captain Kris Alle (L) presents Gilbert Toope (R) with his 35 year service award.



Captain Mark Young (R) presents Donald Walters (L) with his 35 year service award.



Tom Anderson (R) presents Captain Mark Young (L) with his 35 year service award.



Captain Dennis Keating (L) presents Flavio Agüero (R) with his 30 year service award.



Michail Bryliov (L) and Al Vanagas (R) presents Craig Ball with his 30 year service award.



Captain Dennis Keating (L) presents Ralph (Jim) Foggoa (R) with his 30 year service award.

Service Awards



Captain Kris Alle (L) presents Stanislaw Michalski (R) with his 30 year service award.



Al Vanagas (L) presents Wilfredo Allonar (R) with his 25 year service award.



Steve Wright (L) and Captain Peter Carpenter (R) presents Michael Boudreau with his 25 year service award.



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



Captain Wallace James (L) presents John Burt (R) with his 25 year service award.



Captain Peter Carpenter (L) presents Frederick Collins (R) with his 25 year service award.



Graham Lindfield (L) presents Pierre Corriveau (R) with his 25 year service award.



Captain Edmund Dewling (R) presents James Fulford (L) with his 25 year service award.



Steve Wright (L) and Captain Jeff Pink (R) presents Michael Graham with his 25 year service award.

Service Awards



Captain Saleem Iqbal (R) presents Rex Harvey (L) with his 25 year service award.



Al Vanagas (R) presents Elvis Jones (L) with his 25 year service award.



Captain David Jones (L) and President & CEO Greg Wight (R) presents Randolph Kelland with his 25 year service award.



Chief Engineer Gordon Smith (R) presents Robert Mac Donald (L) with his 25 year service award.



Graham Lindfield (L) presents Donald MacLeod (R) with his 25 year service award.



Captain Saleem Iqbal (R) presents Peter MacKenzie (L) with his 25 year service award.



Steve Wright (L) presents Chief Engineer Martin Olivier (R) with his 25 year service award.



Captain Kris Alle (L) presents Derek Wheaton (R) with his 25 year service award.



Graham Lindfield (L) presents Kevin Wheaton (R) with his 25 year service award.

Service Awards



Captain Wallace James (L) presents Bernard Wright (R) with his 25 year service award.



Captain Paul Morrison (R) presents Hiram Billard (L) with his 20 year service award.



Captain Peter Schultz (L) presents Norman Bryan (R) with his 20 year service award.



Captain Dino Dini (L) presents Douglas Fogal (R) with his 20 year service award.



Samuel Francis received his 20 year service award.



Michail Bryliov (L) and Al Vanagas (R) presents Norman Gerrow with his 20 year service award.



Captain Doug Taylor (L) presents Jacquie Hayward-Francis (R) with her 20 year service award.



Captain Dino Dini (L) presents Ronald Ingram (R) with his 20 year service award.



Captain David Jones (L) and President & CEO Greg Wight (R) presents Carl Swan with his 20 year service award.

Service Awards



Chief Engineer John Tipton (L) presents Perry Baker (R) with his 15 year service award.



Peter Hayward (L) presents Richard Bertrand (R) with his 15 year service award.



Captain Doug Inglis (R) presents Andre Chantal (L) with his 15 year service award.



Captain Mark Young (L) presents David Fowlow (R) with his 15 year service award.



Captain Dino Dini (L) and Graham Lindfield (R) presents Edilberto Frejoles with his 15 year service award.



Captain Hugh Bain (L) presents Chief Engineer Mustapha Guedroudj (R) with his 15 year service award.



Kevin Minkoff (R) presents Andre Gushue (L) with his 15 year service award.



Captain Doug Inglis (L) presents Andre Johansen (R) with his 15 year service award.



Steve Wright (L) and Chief Engineer Martin Olivier (R) presents Craig Jones with his 15 year service award.

Service Awards



Captain Dennis Keating (L) presents Robert Joyce (R) with his 15 year service award.



Peter Hayward (L) presents Mervyl Kennedy (R) with his 15 year service award.



Captain David Jones (L) and President & CEO Greg Wight (R) presents Harry Lampman with his 15 year service award.



Captain Robert Sheldon (R) presents Wayne Lawrence (L) with his 15 year service award.



Captain Dennis Keating (L) presents Serge Leclerc (R) with his 15 year service award.



Captain Dennis Keating (L) presents Etienne Marchand (R) with his 15 year service award.



Kevin Minkoff (R) presents Jimmy Phillips (L) with his 15 year service award.



Captain Dennis Keating (L) presents Guy Poirier (R) with his 15 year service award.



Captain David Jones (L) and President & CEO Greg Wight (R) presents Gisele Rondeau with her 15 year service award.

Service Awards



President & CEO Greg Wight (L) presents David Ross (R) with his 15 year service award.



Brook Shipp (L) presents Gilles Sauvageau (R) with his 15 year service award.



David Ross (R) presents Allen Spinks (L) with his 15 year service award.



Captain Robert Sheldon (R) presents Rodney Savoury (L) with his 15 year service award.



Captain Edmund Dewling (R) presents Dante Ballon (L) with his 10 year service award.



Captain Ken Marsh (R) and Steve Wright (L) presents Simon Beaulieu with his 10 year service award.



Kevin Minkoff (R) presents Barry Benoit (L) with his 10 year service award.



Captain Jim Pound (R) presents Wade Bragg (L) with his 10 year service award.



Captain Wallace James (L) presents George Burke (R) with his 10 year service award.

Service Awards



Chief Engineer John Tipton (L) presents Benito Golveque (R) with his 10 year service award.



Captain Kris Alle (L) presents Ben Harwood (R) with his 10 year service award.



Captain Dennis Keating (L) presents Osvaldo Marrero-Lugo (R) with his 10 year service award.



Captain Ian MacFie (R) presents Blake Seymour (L) with his 10 year service award.



Captain Peter Schultz (L) presents Dietz Solondz (R) with his 10 year service award.

**Congratulations
to all Service
Award Recipients.
We thank all of
you for your
hard work,
commitment
and dedication
to the Company!**

Employees that also received a service award in 2014 but were unavailable for a photo include:

35 Years - Richard Feehan, Robert Knox & David Mason.

30 Years - Jean Bouffard & Douglas Inglis.

25 Years - Angus Enwood, Leslie Harvey & Mary Mc Nutt.

20 Years - Hiram Billard & Jacques Trudel.

15 Years - Herman Bulger, Craig Coleman, Thomas Collins, Roger Dufour, Robert Joshua, Gilbert Laliberte, Gary MacLean, Michael Monahan, Robin Riffin, William Ryan, Corey Spicer, John Tackaberry, Gregory Thorsteinson & Robert Tremblay.

10 Years - Randy Hancott, Herman Keeping & Patrick Kennedy.



Employee Photo Contest

This year's photo contest encouraged you to submit your best Winter and Summer photos. Employees were encouraged to submit photos displaying the extreme weather conditions on the Great Lakes.



1st Place Winner of \$100 Bear Bucks: Sea smoke at Port Cartier on December 12th, 2013 in minus 27 degree Celcius on the *Algoma Olympic*. Photo submitted by Chief Engineer Trevor D'Souza.



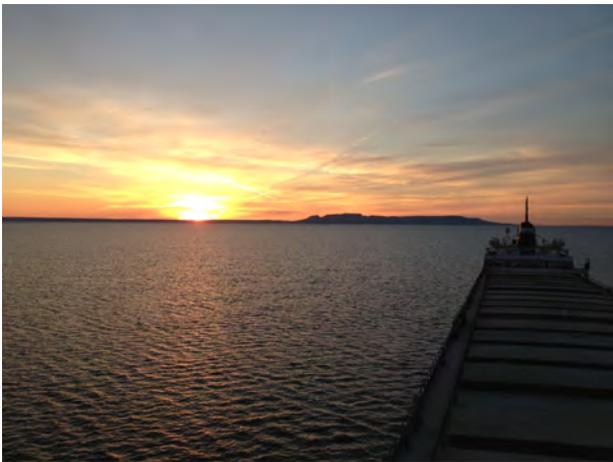
2nd Place Winner of \$75 Bear Bucks: *AlgoCanada* sailing during the winter months. Photo submitted by 3rd Mate Alexandre Daunais.

Employee Photo Contest



3rd Place Winner of \$50 Bear Bucks: *Algonova* heading to Grindstone on July 15th.
Photo submitted by 3rd Mate Arnesh Misra.

Employee Photo Contest Submissions



Photos submitted by 3rd Mate Chad Ruffett on the *Algoma Montrealais* (L) and the *Algoma Enterprise* (R).



Photos submitted by Able Seaman Vernon Munden on the *Algolake*.

Employee Photo Contest



Photos submitted by Oiler Carl Berry on the *Algoma Montrealais*.



Photos submitted by 3rd Mate Jeff Marchant on the *Algoma Equinox*.

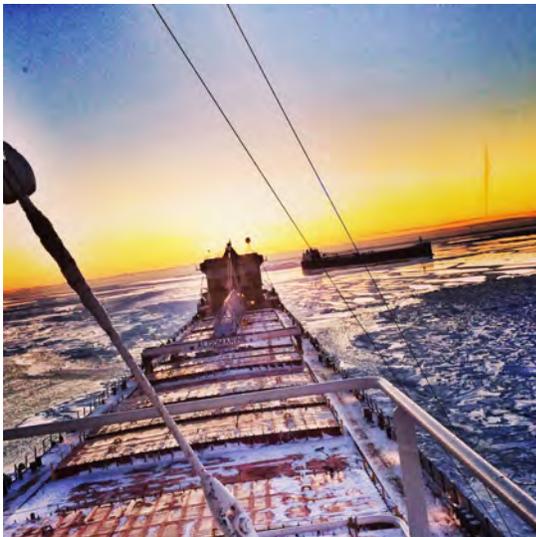


Photo submitted by 3rd Mate Arnesh Misra on the *Algomarine*.



Photo submitted by Chief Engineer Trevor D'Souza of the *Algoma Olympic* and *Peter R. Cresswell*.

Thank you to all the employees who participated in the photo contest!

Happy Holidays From Algoma

Wishing you a Happy Holiday and a joyful New Year.
Best wishes from your friends at Algoma Central Corporation!



WINNER OF THE CHRISTMAS CARD CONTEST

Artwork created by Ethan, 6 year old grandson of Captain Neil Olsen.



Artwork created by the daughters of Vessel Traffic Manager Jo-Anne McCulligh.

From left to right: Bridget age 7 and Abbey age 11.

