

ALGOMA CENTRAL CORPORATION NEWSLETTER • WINTER 2015

President's Message



It has been nine months since I took the helm at ACC and what an experience it has been!

My arrival in Canada coincided with the opening of the Welland Canal and the end of a very long and challenging winter for the domestic vessels that continued to operate through one of the worst winters in recent history.

Spring finally arrived and we welcomed a new vessel to our domestic fleet - the *Algoma Integrity* - albeit only for two years until she will find her permanent home in Algoma's international fleet.

During the summer months our Executive team was busy working on a new strategic plan for the Corporation that was reviewed and approved by the Board of Directors in September. We will be communicating the Company's new strategic vision to our Captains and Chief Engineers during our Annual Meetings in February and to the wider fleet during the 2016 fit out meetings.

Company Announcements

As part of the strategic planning review, the difficult decision was made to sell the Real Estate portfolio. At this time I wish to thank our employees at Algoma Central Properties for their hard work and dedication to the Corporation and wish them every success wherever their future may take them.

One of the reasons for divesting the real estate portfolio was to focus the Corporation on its core Marine businesses.

To that end, in recent months Algoma has made a series of announcements with respect to investments in the marine business both domestically and internationally.

On November 10th we announced that our wholly owned subsidiary, Algoma Shipping Ltd., has reached agreement with Klaveness Selfunloaders AS, a subsidiary of Klaveness Ship Holding AS (KSH) purchase the ocean going panamax self-unloaders Balchen and Baldock. Marbulk Shipping Ltd., 50% owned by Algoma, also reached an agreement with KSH to acquire the handymax size selfunloader Balder. These vessel purchases are subject to technical due diligence. Upon entering our fleet the vessels will become the Algoma Vision and Algoma Value respectively. The Balder will become the Venture.

On November 25th we announced that the contracts with Uljanik d.d. of Croatia to build three 740 foot

Seaway Max self-unloading bulk freighters became effective. These contracts replace three of the contracts with a Chinese shipyard that were cancelled earlier this year.

On November 30th Algoma announced we have contracts in place to build two 740 foot Seaway Max self-unloading bulk freighters to join the Company's Great Lakes – St. Lawrence Waterway dry-bulk fleet. These new Equinox Class ships will be built by Jiangsu Yangzijiang Shipbuilding Co. Ltd. and will feature a standard rear boom.

Equinox Class Deliveries

The new orders bring the total of Equinox Class vessels under construction to seven. In total, Algoma expects to invest approximately \$450 million in this phase of its fleet renewal program.

Following the delivery of the two new Equinox Class 650 foot self-unloaders in early 2017, will be the scheduled delivery of the first 740 foot self-unloading bulk freighters in early 2018. The balance of the ships will be delivered by the end of 2018 bringing the total to 10 new Equinox vessels.

With the addition of these new ship orders, the Company is reviewing its fleet plan and considering the retirement of certain older vessels.

For more information regarding the new Equinox Class refer to the Fleet Renewal Report article on page 17.

President's Message Continued

Financial Results

On November we announced our results for the third quarter of 2015. This year has been a challenging one for the domestic shipping business and for Algoma. It began with a long and tough winter; however, unlike 2014 when we were caught by surprise by the delayed opening of the season, for 2015 we planned our ship fit -outs in anticipation of delays. While we avoided the cost associated with operating ships during weather delays, the slower start to the season resulted in fewer revenue days than is usual for April. As we moved into the late summer and fall, shipping volumes in agriculture and grains slowed noticeably, more than offsetting strength in other commodities.

As a result of these conditions, our nine month revenues were

down 10% compared to last year, with most of this decrease occurring in the third quarter. Net earnings and earnings per share were also down compared to the prior year.

It is becoming clear that the domestic market is facing a challenging environment and that this situation is likely to extend into 2016 and perhaps beyond. As we plan for 2016 we are, as always, focused on ensuring that we are the carrier of choice for our customers. We are also focusing on operating our fleet in the most efficient manner as we wait for the delivery of the seven new domestic dry-bulk vessels currently on order. As a result of the delays and the eventual cancellation of our orders at Nantong Mingde, we have operated several of our current vessels longer than we had planned. You are commended

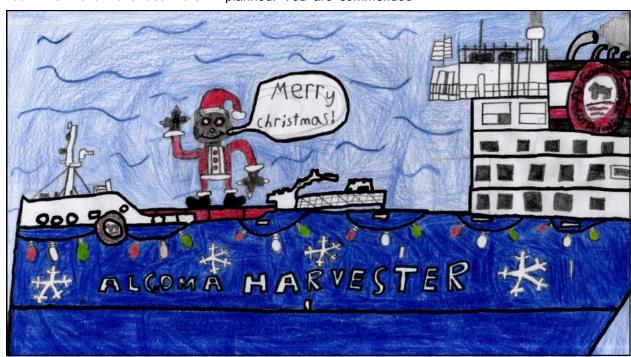
for your efforts in ensuring that we retain our hard-won reputation for running a safe and reliable fleet under these circumstances.

While there has been significant amount of forward planning, the daily operations of a marine business cannot ever be ignored.

As the outlook for 2016 is indicating that it will be a challenging year, we will all be tasked with ensuring that as a team we are working together as efficiently and effectively as possible while continuing to serve our customers exceptionally and safely.

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.

Ken



WINNER OF THE CHRISTMAS CARD CONTEST

Artwork created by Donovin, 10 year old son of Crewing Coordinator Eva Ingribelli.

Algoma Central Corporation

New Hires



Georges Cote joined Algoma on a full-time basis as Captain on June 29th.



Bryan Palazola joined Algoma Shipping Ltd. on a full-time basis as Senior Accountant on July 20th.



Pierre-Luc Caron joined Algoma on a full-time basis as Chief Engineer on August 1st.



Kelsey Luchyshyn joined Algoma on a full-time basis in the HR department on August 4th.



Jamie Regular joined Algoma on a full-time basis as Crewing Coordinator on August 10th.



Brittney Gillard joined Algoma on a full-time basis as Crewing Coordinator on August 10th.

Promotions



Gregg Ruhl joined Algoma on a full-time basis as Senior V.P. Engineering on October 1st.



Charles Bungard joined Algoma on a full-time basis as Operations Manager on December 18th.



On September 4th, **Peter Norman** was promoted to Training Captain.

Algoma Central Corporation

Retirements

Second Mate Robert Donaldson retired on June 24th after 43 years of service. Robert sailed within the drybulk fleet.

On July 1st, after 31 years of service, **Ralph Foggoa** retired. Ralph was a GP Watchkeeper and most recently sailed onboard the *Algoscotia*.

After 28 years of service, **Michel Lafrance** retired on July 16th. Michel was an Ordinary Seaman sailing onboard the *Tim S. Dool*.

GP Watchkeeper Roger Dufour retired on July 22th after 17 years of service. Roger sailed onboard the *Algosea*.

Third Mate (David) **Chris Bennett** retired on August 1st. Chris had over 4 years of service and most recently sailed onboard the *Algoma Harvester*.

After 29 years of service, Llewellyn Bates retired on August 1st. Llew was a Licensed Crane Operator at Algoma Ship Repair.

On October 1st, after 36 years of service, Third Engineer **David Evely** retired. David sailed onboard the *Algoscotia*.

Third Engineer **Donald Anderson** retired on October
1st after 36 years of service.
Donald sailed onboard the *Algonova*.

After 37 years of service, Captain John Chaffey retired on October 1st. John sailed onboard numerous vessels within the tanker fleet.

GP Watchkeeper **Brad Fougere** retired on October 1st after 39 years of service. Brad sailed onboard the *Algosar*.

Mary McNutt retired on July October 7th after 27 years of service. Mary most recently sailed onboard the *Stephen B. Roman* as 2nd Cook.

Billing Clerk **Helen Miller** retired on September 1st after 21 years of service.

After 17 years of service, **Robert Tremblay** retired on December 4th. Robert was a GP Watchkeeper.

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.

Captain **Louis Drolet** passed away on June 9th.

Deck Foreman **Patrick Ricketts** passed away on July 17th.

Dayman **Michael Dunphy** passed away on August 30th.

Lead Hand of ASR **Tim Bridge** passed away on October 26th.

Third Engineer **Peter Witty** passed away on November 9th.

Retired Truck Driver of ASR **Tony Caperchione** passed away on November 24th.

Weddings



Head Cargo Maintenance **Alan Robertson** married Cassandra on May 30th in Goderich. The couple posed in front of an Algoma vessel with their wedding party.



Algoma Central Corporation

Births



Third Engineer Alexandre Mayer is proud to announce the birth of his daughter Rose who was born on May 19th.



Captain Dennis Taylor is proud to announce the birth of his grandsons Taylor (L) who was born on August 15th and Dennis (R) who was born on September 22nd.





Ordinary Seaman **Peter Cole** is proud to announce the birth of his grandchildren Paige & Owen who were born on October 16th.



Repairman at ASR **Terry Benner Junior** and his wife Kayla are proud to announce the birth of their son Dylan who was born on October 31st.



Purchasing Supervisor **Dalia Dief** and her husband Peter are proud to announce the birth of their son Solomon who was born on November 11th. Solomon is also the grandson of Senior V.P. Al Vanagas.



Crewing Coordinator Jamie Regular and 1st Mate Adam Regular are proud to announce the birth of their daughter Ellie who was born on November 29th.

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



Certificate Upgrade

Alexandre Daunais has upgraded his certificate on November 6th.

Julien Delarosbil has upgraded his certificate on November 16th.

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 Pathways Night in Hamilton and Your Future Your Choice in Guelph.



Crewing Coordinator Kelsey Luchyshyn at the Hamilton Wentworth Catholic Schools Pathways Night at the Nicholas Mancini Centre in Hamilton on November 4th.



Crewing Coordinator Brittney Gillard attended the Your Future Your Choice at Centennial Collegiate Vocational Institute in Guelph on November 18th.

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 British Columbia Institute of Technology (BCIT) and two cadets at the Marine Institute of Memorial University of Newfoundland (Marine Institute).



Steve Wright (R) presents Algoma Cadet James Nairne (L) with his scholarship award at BCIT.



Steve Wright (R) presents Algoma Cadet Sam Garmulewicz (L) with his scholarship award at BCIT.







Crewing Coordinator Amanda Dyson (M) presents 4th year Nautical Science student Branden O'Brien (L) and 3rd year Marine Engineering student Tyler Strickland (R) with their scholarship awards at the Marine Institute.

Algoma Scholarship Recipients

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The Algoma Central Corporation Scholarship program was launched in 1993 and has since provided \$464,000 to 258 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 (age 24 or under) of a permanent employee of Algoma Central Corporation or one of its subsidiaries;
- b) The student has or is about to graduate from high school and/or CEGEP and plans to enroll for their first time in a full-time graduate degree credit program at an accredited college or university in a two, three or four year program.

Application packages for 2016 scholarships (which include the full consideration criteria) will be available beginning in January 2016 through the Human Resources Department. Interested students must complete the application and mail it to the Human Resources Department no later than June 15, 2016.



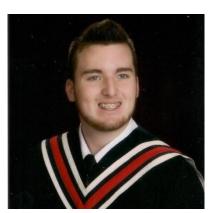
Genevieve AndreaDaughter of Gerard Andrea
O/S, *Algosoo*Attending: St. Francis Xavier



Caroline Bagrowski
Daughter of Slawomir Bagrowski
O/S, *Algorail*Attending: University of Toronto



Ivan Bertumen Son of Edgardo Bertumen O/S, *Algoma Spirit* Attending: Brock University



Corey Byrne
Son of Leo Byrne
3rd Engineer, *Algoma Enterprise*Attending: College of North
Atlantic



Ryan Chaulk
Son of Seymour Chaulk
Deck Foreman, John D. Leitch
Attending: College of North
Atlantic

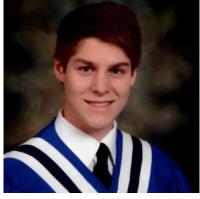


Sarah Morgan DayDaughter of Richie Day
5th Engineer, *ACL fleet*Attending: Mount Allison
University

Scholarship Program



Michael Hube Son of Mira Hube Director, Environment Attending: Western University



Russell James
Son of William James
Coordinator, Logistics
Attending: University of Waterloo



Peter KeaganSon of Michael Keagan
O/S, *Stephen B. Roman*Attending: Niagara College



Jawwan Khan Son of Nadeem Khan 1st Mate, *Peter R. Cresswell* Attending: Ryerson University



Emily NeuenhagenDaughter of Martin Neuenhagen
Manager, Ports & Harbours
Attending: University of Ottawa



Daughter of Chief Engineer Francois Tremblay, Algoma Equinox Attending: Conservatoire de Musique du Quebec



Lucas WaltersSon of Chief Engineer Todd
Walters, *Algoma Mariner*Attending: Memorial University



Erin WattDaughter of Karen Watt
Vice-President, Human Resources
Attending: University of Toronto

Congratulations to our scholarship recipients!



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.

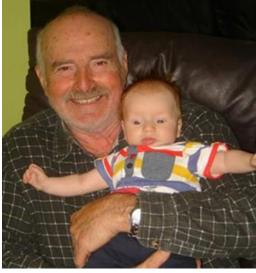
\$25 Bear Bucks will be awarded to employees whose story is shared in Bear Facts.



The Seafarers' International Union of Canada (SIU) hosted a BBQ on June 25th to celebrate seafarers and thank them for their services and sacrifices. Now in the fifth year, Day of the Seafarer is observed around the world and highlights the importance of the more than 1.5 million men and women who deliver more than 90% of the world's goods.



Second Mate Bill Chapman shared the picture above of the crew of the *Peter R. Cresswell* in St. Mary's, Detroit.



Wheelsman Andre Hamel (with grandson Samuel) quit sailing for Upper Lakes Shipping after getting married in 1979 to raise a family. Recently when Andre informed his family he was returning to work at sea they laughed at him. Andre completed a Bridgewatch course and started working for Algoma on the Stephen B. Roman in 2014. After a 35 year vacation from sailing, Andre is enjoying his second season sailing with Algoma.



Captain Seann O'Donoughue shared this photo of a view from the bridge of the CWB Marquis as a Black Squall approaches, rolling overhead across the Southern part of Lake Erie on July 7th. Five minutes after picture was taken, the winds went from calm to about 40 knots and visibility went almost zero.

Share Your Story



Technical Services Manager **Kelly Humes** shared the above photo of herself (L), Technical Services Student Mark Elliot and Deck Cadet Kathryn Watton (R) while doing a ballast tank inspection. The photo was taken with their faces between the ballast piplelines in one of the tanks on the *Algoma Mariner*. Kelly enjoys taking young employees through inspections and explaining why she loves working for Algoma to hopefully influence them in a marine career.



Shipkeeper **Ken McIntyre** shared this photo of his granddaughter Emily with her horse Ben.

A New Bear Cub

Algoma received the following email from a mother: "My son will be 4 in October and loves Algoma Central boats so much that he has asked to have an Algoma themed birthday party. He refers to the company as the "Bear Team" company and feels he is also a member of the bear team. If we are driving past the locks and he sees one of the boats; he insists on us honking the car horn as a hello to the bear team. We are also able to hear the boat horns from our house and regardless of where he is or what he is doing when he hears a boat horn he yells "Hi bear team!" He has printed logos hanging in his bedroom and after driving past one of your offices he now thinks that is the "clubhouse" location and has asked to go visit. This all must sound quite ridiculous but he has a wonderful imagination. I am looking to purchase a shirt to surprise him with to wear for his party. Although it is going to take some imagination on my behalf we plan on throwing him the "bear team" party he requested."

As soon as Algoma received this email the Algoma Care Bears started to brainstorm on how we could make this 4 year old boy's birthday party the best one yet. We invited the young boy Patrick and his family into our "clubhouse" at 63 Church Street and surprised him with a box full of Algoma goodies including a bag, shirt, flashlight and baseball cap. We also provided a collection of Algoma items for Patrick and his friends to enjoy during his party which included balloons, crayons, sunglasses, stickers and gummy bears. Patrick was ecstatic to finally meet The Bear and see what it was like at the "clubhouse" when he visited the office. Patrick's mother followed up after the birthday party and let us know he had a great birthday party and sent us pictures to show us even his birthday cake was Algoma inspired. Welcome to the bear team Patrick!







Share Your Story









Top left: The Honourable Elizabeth Dowdeswell, Lieutenant Governor of Ontario boards the *MV Algoma Equinox* in Lock 7. She is being met by Cmdr. Matt Davies, Aide de Camp Royal Canadian Navy.

Top middle: Captain Peter Schultz explains the navigation equipment and operation to The Honourable Elizabeth Dowdeswell.

Top right: The Honourable Elizabeth Dowdeswell receives a gift from Algoma's President & CEO Ken Soerensen.

To the left: The personal standard of the Governor General of Ontario flies on stern flagstaff of the *MV Algoma Equinox*. Flag etiquette dictates that as a vice regal the standard of the Governor General of Ontario takes precedence over the national flag. It is flown on any building or ship that the Governor General of Ontario is on. As such the Governor General of Ontario's standard takes the stern position and the national flag of Canada moves to the forward mast while the vice regal is on board.





Captain Richard Hesketh on the *Algoma Harvester* shared this story: The story behind the visit is that when we were departing Snell Lock on August 11th, I was asked to call the Seaway Inspector, which is usually not a good thing. I was more than pleased when the Seaway Inspector asked if we would be acceptable to hosting Matt Meacham of the Chicago Blackhawks coaching staff, and the Stanley Cup, so he could have some pictures taken in Eisenhower Lock with the ship. We were just lucky to be in the right place at the right time and we took advantage of the opportunity. The people in the picture from left to right are: Captain Richard Hesketh, Chief Engineer Darren Nichol, Wheelsman Jim Field, 4th Engineer Jerome Vaillancourt, Wheelsman Stirling Clark and Matt Meacham, Chicago Blackhawks video coach.

Algoma in the News



Plans to erect a tribute are underway for the 137 individuals who died building the Welland Canal. The \$450,000 memorial will feature a large black steel monolith with a quote from then federal Minister of Railways and Canals Robert James Manion. "Peace has its heroes as well as war, and in a construction job of this magnitude, with its daily risk and hazard, the sacrifices of human life seems to be unavoidable," Manion said at the opening of the canal in 1932. "In due course we shall see that the names of these workmen are suitably preserved and made an unduring portion of the great structure that rises not only as a monument to their effort and their lives, but to the efforts of the thousands of working men and engineering helpers whose unremitting toil, often in the face of difficulty and discouragement, made possible the triumph of the present hour." There will also be two smaller black monoliths engraved with the names of the workers who died building the canal from 1918 to 1932, along with those killed dredging the canal from 1932 to 1936. Algoma Central Corporation has pledged \$25,000 to the project.



In eight seasons, Mighty Ships has featured the world's most technologically advanced and most sophisticated vessels with one being the Algoma Equinox. The Algoma Equinox was featured on Mighty Ships on August 2nd. On the voyage, her crew worked through a challenging load to transport grain from one end of the world's largest inland waterway to the other - passing through four Great Lakes, as well as the mammoth locks and tight canals that comprise the St. Lawrence Seaway.

Take Our Kids to Work Day

Algoma participated in Take Our Kids to Work Day on November 4th. Eight grade 9 students learned about the marine industry by touring the Corporate office, Algoma Ship Repair, the ACC Consolidation Centre and the St. Lawrence Seaway Management Corporation. Some of the students were lucky enough to visit the *Algoma Equinox* as it passed through the canal in the late afternoon.





Captain David P. Dobbins Award

On August 14th, the crew of the *Algoway* spotted and reported a pleasure craft and its occupants in distress in the waters off Lorain Ohio. The situation was reported to the USCG and the crew of the *Algoway* commenced rescue and recovery procedures by launching the workboat with three crew along with their trauma kit, defibrillator and oxygen kit.





On November 25th, Captain Brian W. Roche - Commander, USCG Sector Buffalo and Commander Dan C. Jones - Chief of Response USCG Sector Buffalo presented Captain Aladino Dini the *Captain David P. Dobbins Award for Excellence in Search and Rescue* on behalf of crew on the *Algoway*. The following is the citation to the vessel: "Thank you for your outstanding efforts which led to the rescue of two individuals from Lake Erie on 14 August 2015. While transiting near Lorain Harbor, a vigilant watchstander on the bridge sighted three children aboard a 20 foot pleasure craft struggling to pull a person out of the water. As a member of ALGOWAY's crew, you quickly responded by notifying the U.S. Coast Guard and launching your small boat to assist. Shortly thereafter, Station Lorain's 45 foot response boat arrived on scene with your small boat and it was discovered that there were actually two people in the water, one of whom was unresponsive. You assisted in bringing both individuals aboard the Coast Guard vessel for immediate transport to awaiting Emergency Medical Services. The gallant efforts of your crew allowed for a swift rescue and transport. Your actions are in keeping with the Ninth Coast Guard District's Search and Rescue Ethos. By virtue of your efforts, you have joined the ranks of individuals who performs distinguished Great Lakes Search and Rescue." Congratulations to the *Algoway* on receiving this honour!



Commander Dan C. Jones reading the citation to staff.



Captain Brian W. Roche (R) presenting the award to Captain Aladino Dini (L)



From left to right: Commander Dan C. Jones, Captain Brian W. Roche, Captain Aladino Dini and President & CEO Ken Soerensen.



Captain Michael Jollifffe presenting the award to A/B Richard Titus.



Tom Anderson presenting the award to O/S Maximiano Dionisi.



Tom Anderson presenting the award to O/S Patrick Hogan.

Community Involvement

Ride to Conquer Cancer

The Big Move Cancer Ride



Technical Manager **Todd Fleming** (above left) participated in the two-day 8th Annual Enbridge Ride to Conquer Cancer. Todd opted for "The Classic" course which was a historic 200+ km route from Toronto to Niagara Falls which started on June 13th. The money raised from the event will benefit the Princess Margaret Cancer Centre located in Toronto which is one of the top five cancer research centres in the world.

Todd's goal was to raise \$2,500 but with Algoma's generous employee match Todd exceeded his goal by raising \$3,790.



Application Analyst **Giulia Smyth** participated in the 7th Annual Big Move Cancer Ride on September 13th. Giulia rode 100 km on her bike to help raise funds and awareness for the Walker Family Cancer Centre. Proceeds for the Big Move stay in Niagara and support a regional cancer centre.

Giulia's goal was to raise \$500 but she exceeded her goal by raising \$780.

CIBC Run for the Cure

The Algoma Care Bears along with family members participated as a team in the annual Canadian Breast Cancer Foundation CIBC Run for the Cure on October 4th. Algoma raised \$11,348 for this year's event and was awarded the Corporate Spirit Award. The funds raised will bring us closer to a future without breast cancer.





Community Involvement

Alzheimer's National Coffee Break

The annual Alzheimer's vessel campaign ran through June and July with a total of \$12,539 raised. The *Algoway* was the highest grossing vessel with \$3,593 raised for the cause. With Algoma's company match, the vessel campaign donated just over \$25,000.

On August 20th, the annual Fish Fry/BBQ took place in Port Colborne raising an additional \$7,422. The Niagara Marine Industry Charitable Council event, of which Algoma is a Founding and Charter Member, was sponsored this year by Marine Clean and was an outstanding success. Congratulations to Tracy Steward and the Marine Clean crew for their outstanding efforts on a day when the rain gods also decided to attend the event, delivering significant amounts of rain, that started as the lunch bell rang and stopped as the last happy, fulfilled customer left the event.

The total amount presented to the Alzheimer's Foundation at their opening event at Brock University in September was \$32,000.





United Way

Backpacks for Kids

Backpacks for Kids is a collaborative annual initiative coordinated by the United Way and supported by numerous community partners, one of which is Algoma. For the fifth consecutive year, 23 Algoma employees participated in the program on August 28th filling over 1400 backpacks with school supplies for less advantaged children throughout the Niagara school boards.



Grape and Wine Parade

Algoma held the 9th Annual United Way Grape and Wine BBQ on September 26th. It was a fantastic turn out of employees who brought their children, grandchildren and even furry friends to the parade. The weather cooperated and it turned out to be a beautiful day!

Algoma raised \$1,347 from BBQ sales alone with all proceeds donated to the United Way.



Equinox Vessel Update

CWB Marquis

Dignitaries joined the Officers and crew of the CWB Marquis in Thunder Bay, Ontario at Mission Terminal on July 22nd.

Ms. Dayna Spiring performed an excellent job as the sponsor and a bottle of champagne was broken in accordance with tradition. This is the first vessel to be owned by the CWB (now G3 Canada). Algoma manages the vessel on behalf of the CWB and recognizes that this is an important strategic relationship. Special thanks to the Officers and crew onboard the *CWB Marquis* who participated in the ceremony and worked hard to ensure the vessel was ship shape in advance.



Reverend Ed Swayze sharing a prayer.



General Counsel Dayna Spiring accepting the neck of the broken champage bottle from Chief Engineer Victor Gordynksii and Captain Seann O'Donoughue.



Bottle of champagne breaking.



From left to right: G3 Logistics Director Mark Dyck, G3 V.P. Terminal Ops Don MacDonald, Captain Seann O'Donoughue, G3 Senior V.P. Trading Ward Weisensel, C.F.O of G3 Brita Chell, ADM Milling Grain Manager Rick Steinke, General Counsel Dayna Spiring and G3 President & CEO Ian White.

Fleet Renewal Report

Most of you will have seen the recent contract announcements that show Algoma's new building program is moving forward despite the bankruptcy of the shipyard in China. During the last year Algoma has been successful at confirming projects to replace two of our 650' boom forward ships. We have also been able to develop the design for these ships into a 740' boom forward and confirm contracts for three of these vessels at the same shipyard in Croatia. In addition and to advance the fleet renewal program two 740 self-unloaders with the traditional aft boom arrangement have been contracted and confirmed with Jiangsu Yangzijiang Shipbuilding Co. Ltd. This is a new shipyard for Algoma and we are pleased to have these contracts with them. Yangzijiang is now the largest privately owned shipyard in China, and fifth overall, and has a very good history of delivering high quality ships for many well-known shipping companies.

Algoma is doing everything possible to advance these projects as quickly as possible and the new building team has been totally immersed in the specification, contract and design process throughout the year. In the last month the first significant events in the project process have started to be realized, the steel cutting and keel laying milestones.

The first steel cutting took place at the 3 Maj shipyard in Croatia on November 4th. The event was attended by our site manager Laurence Williams who is more commonly found at our China building site but happened to be in Europe at the time and didn't seem to mind a slight change of schedule to attend.



Steel Cutting for the first 650' Boom Forward project in 3 Maj Shipyard, Croatia.

Algoma was particularly honoured to have the Canadian Ambassador to Croatia Mr. Daniel Maksymiuk attend the steel cutting ceremony for our second 650' vessel being built in Croatia.



Steel Cutting for 3 Maj Hull 733 attended by Algoma Executives and the Canadian Ambassador to Croatia.



The Ambassador prepares to "push the button".

Having completed the two 650 steel cutting projects the shipyard immediately began preparations for the steel cutting of the three 740 boom forward ships under contract.

Hull 527 Steel Cutting November 20th is the picture on the right.



Fleet Renewal Report



Hull 528 Steel Cutting November 24th.



Special Projects Director Bernie Johnson pushing the button for the cutting of the first plate.



Hull 529 Steel Cutting on November 27th.



Technical Director Rob Houston starts the steeling cutting for Hull 529.

Meanwhile in China there has also been a couple of milestone steel cutting events at the Tiacang shipyard of Yangzijiang Shipbuilding Group.



Hull 1242 Steel Cutting on November 18th.



The cutting table for Hull 1243 on November 18th.

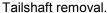
All of these new Equinox vessels will have all of the features of the existing Equinox design, including the exhaust gas scrubber technology pioneered by Algoma as well as application of many of the lessons learned from the first Equinox Class gearless bulk carriers already delivered and in service.

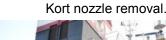
These new projects have deliveries scheduled throughout 2017 and 2018. Following these deliveries, the average age of our fleet will reduce from 31 years to 18 years.

Algoma Ship Repair

The main project this summer was dry-docking the Algoma Discovery. Employees repaired some grounding damage and removed the tailshaft for inspection. At this time, it was discovered that the bearings for the Kort nozzle needed replacing and then, upon further investigation, it was found that the rudder stock and steering assembly required overhauling. This entailed removal and replacement of the Kort nozzle (55 ton unit), the rudder stock and the steering assembly. This removal, overhaul and replacement proceeded smoothly and the ship was back in service in a timely manner.









Repaired Kort nozzle.



The undocking of the Algoma Discovery.



Artwork created by Nicholas, 6 year old son Chief Engineer Nicolae Coman.





Eric Height (R) presents Donald Anderson (L) with his 35 year service award.



Captain Bernard Girard (L) presents Greg Bolivar (R) with his 35 year service award.



Captain Wallace James (L) presents Norman Brayon (R) with his 35 year service award.



Crew of the *Algoma Dartmouth* presents Captain Greg Crewe with his 35 year service award.



Chief Engineer Nihal DeSilva (R) presents David Evely (L) with his 35 year service award.



Al Vanagas (L) presents Constantin Kakouris (R) with his 35 year service award.



Peter Hayward (L) presents Bradley Misener (R) with his 35 year service award.



Captain Wallace James (L) presents Michael Nicholls (R) with his 35 year service award.



Brad Tiffin (R) presents Kevin Ossinger (L) with his 35 year service award.



Brad Tiffin (R) presents David Roos (L) with his 35 year service award.



Al Vanagas (L) presents Franklin Sweetland (R) with his 35 year service award.



Dan Fournier (R) presents Captain Douglas Taylor (L) with his 35 year service award.



Captain Jim McAleer (L) presents Gary Bond (R) with his 30 year service award.



Captain Wallace James (L) presents Matthew Brennan (R) with his 30 year service award.



Al Vanagas (L) presents Stirling Clark (R) with his 30 year service award.



Gabrielle Ross (L) presents Captain Leslie Comrie (R) with his 30 year service award.



Chief Engineer Steve Sparling (L) presents John King (R) with his 30 year service award.



Captain Douglas Taylor (L) presents Tony Nystedt (R) with his 30 year service award.



Chief Engineer Peter Stanley (L) presents Captain Neil Olsen (R) with his 30 year service award.



Captain Neil Olsen (L) presents Chief Engineer Peter Stanley (R) with his 30 year service award.



Chief Engineer Trevor D'Souza (R) presents Peter Altobello (L) with his 25 year service award.



Captain Mark Young (L) presents Richard Arnold (R) with his 25 year service award.



Captain Peter Carpenter (L) presents Roger Bown (R) with his 25 year service award.



Chief Engineer Muazzam Hussain (R) presents Colin Caines (L) with his 25 year service award.



Captain Doug Parsons (L) presents Harold Caines (R) with his 25 year service award.



Chief Engineer Muazzam Hussain (R) presents Real Carrey (L) with his 25 year service award.



Al Vanagas (L) presents Sheldon Carter (R) with his 25 year service award.



Amanda Dyson (R) presents Mark Clarke (L) with his 25 year service award.



Captain Doug Parsons (R) presents Captain John Croucher (L) with his 25 year service award.



Captain Douglas Taylor (L) presents Wallace Green (R) with his 25 year service award.



Captain Peter Carpenter (L) presents Christopher Hayward (R) with his 25 year service award.



Chief Engineer Calvin Poole (L) presents Jim Henderson (R) with his 25 year service award.



Captain Douglas Taylor (L) presents Kenneth Keeping (R) with his 25 year service award.



Captain Doug Taylor (L) presents Robert Keeping (R) with his 25 year service award.



Peter Bennett (R) presents Steve Kertai (L) with his 25 year service award.



Captain Wayne Penney (L) presents Danny Piercey (R) with his 25 year service award.



Captain Wayne Penney (L) presents Donald Piercey (R) with his 25 year service award.



Chris Lazarz (R) presents Patti Rennison (L) with her 25 year service award.



Captain Mark Young (L) presents Ross Sampson (R) with his 25 year service award.



Captain Seann O'Donoughue (L) and Wayne Smith (R) present Arthur Seymour with his 25 year service award.



Captain Peter Carpenter (L) presents Ted Simms (R) with his 25 year service award.



Captain Jim McAleer (L) presents Clifford Taylor (R) with his 25 year service award.



Chief Engineer Kevin Shears (L) presents David Tigert (R) with his 25 year service award.



Robin Waldie (L) and Captain Peter Schultz (R) presents Jacques Vezina with his 25 year service award.



Brad Tiffin (R) presents Scott Belyea (L) with his 20 year service award.



Captain Wallace James (L) presents David Brown (R) with his 20 year service award.



Peter Bennett (R) presents Tim Bridge (L) with his 20 year service award.



Captain Wayne Penney (L) presents Leo Byrne (R) with his 20 year service award.



Steve Wright (L) and Captain Peter Schultz (R) present Robert Eckmier with his 20 year service award.



Brad Tiffin (R) presents Curtis Faulkner (L) with his 20 year service award.



Captain Neil Olsen (L) presents Ronald Hamelin (R) with his 20 year service award.



Brad Tiffin (R) presents Michael Keagan (L) with his 20 year service award.



Peter Bennett (R) presents Stewart Maclean (L) with his 20 year service award.



Captain Wayne Penney (L) presents Larry Markarian (R) with his 20 year service award.



Captain Bernard Girard (L) presents Chief Engineer Cindy Martin (R) with her 20 year service award.



Captain Mark Young (L) presents Ewan Mc Minn (R) with his 20 year service award.



Captain Doug Taylor (L) presents (Allen) Brian McAlpine (R) with his 20 year service award.



Tony Hyska (L) presents Herb Muise (R) with his 20 year service award.



Michail Bryliov (L) presents Captain Monford Organ (R) with his 20 year service award.



Chief Engineer Muazzam Hussain (R) presents Gary Walters (L) with his 20 year service award.



Captain Neil Olsen (L) presents Todd Williams (R) with his 20 year service award.



Brad Tiffin (R) presents Captain Daniel Bielby (L) with his 15 year service award.



Maureen Webb (R) presents Philip Bumbaco (L) with his 15 year service award.



Captain Jerry Wheaton (L) presents Karyn Dale (R) with her 15 year service award.



Chief Engineer Wayne Armstrong (L) presents Derek Donnelly (R) with his 15 year service award.



Captain Ed Dewling (L) and Tom Anderson (R) present Michael Feehan with his 15 year service award.



Captain Wayne Penney (L) presents Clayton Francis (R) with his 15 year service award.



Captain Richard Hesketh (L) presents Clifford Gillis (R) with his 15 year service award.



Captain Kenneth MacKenzie (R) presents John Skinner (L) with his 15 year service award.



Chief Engineer Trevor D'Souza (R) presents Victor Stefashkin (L) with his 15 year service award.



Captain Wayne Penney (L) presents Rodney Wells (R) with his 15 year service award.



Captain Wayne Penney (L) presents Glen Whitt (R) with his 15 year service award.



Chief Engineer Trevor D'Souza (R) presents Constantin Baetu (L) with his 10 year service award.



Brad Tiffin (R) presents Chief Engineer Calvin Curry (L) with his 10 year service award.



Chief Engineer Trevor D'Souza (R) presents Stephane Gilbert (L) with his 10 year service award.



Al Vanagas (L) presents Roy Hadland (R) with his 10 year service award.



Chief Engineer Muazzam Hussain (R) presents Ralph Hardy (L) with his 10 year service award.



Captain Doug Parsons (L) presents Wayne Kaiser (R) with his 10 year service award.



Peter Bennett (R) presents Brian Kezar (L) with his 10 year service award.



Chief Engineer Muazzam Hussain (R) presents Lee Laffin (L) with his 10 year service award.



Allen Spinks (L) presents Ron Terfry (R) with his 10 year service award.

Employees that also received a service award in 2015 but were unavailable for a photo include:

40 Years - Wayne Ferguson.

35 Years - Chief Engineer Wayne Armstrong, Philip Bailey, Captain Peter Carpenter, Scott Cuff, Leno Del Duca, Andre Joly, Paul Morris, Edward Nolan, Gordon Quesnelle, Robert Stavenow and Robert Sweetland.

30 Years - Chief Engineer Stefan Danielski, Edward Fitzgerald and Shawn Thorne.

25 Years - Lloyd Abbott, Michael Baker, Norman Brochu, David Buckland, Melvin Chaulk, Alexander Ferguson, Blandford Keeping, Herbert Marks, Blaine Marsh, Larry Meade, Chief Engineer Peter Pennock, Terry Sharron and William Swan.

20 Years - Wayne Blagdon, Raymond Boudreau, Michael Byrne, Les Crossan, Andrew Dixon, Roger Harvey, John Hewetson, David Keough, Penelope Kukta, Robert Lawlor, Wade Ostermaier, Bernice Piercey, Patrick Smith and Gary Sweetland.

15 Years - Chief Engineer Evgueni Ananiev, Jackson Dewar, Lee Ann Gendron, Rachel Kawalec, Kelly Keeping, Alexander MacDougall, Donald Reashore, Samuel Riggs, Craig Savoury, Alan Wooller and Greg Zufelt.

Human Resource Bulletin

Certificates - Process for Crewmembers

Crewmembers should now send their updated certificates, including Certificates of Competency and marine medicals to training@algonet.com. All certificates are to be scanned and sent to the email address training@algonet.com as soon as received by the crewmember. When the document is sent electronically, there will be no need to send a paper copy to the office. Please ensure all certificates remain in your discharge book at all times.

Health & Wellness

All reports of injuries and illnesses should be sent to claims@algonet.com. You may also continue to fax the information to 905-687-7837. The division of claims will then be allocated between Kara Fink and Gabrielle Ross.

Marine Medicals

If an employee has not received their medical certificate and is within 6 weeks of the expiry date of their provisional certificate, they are requested to contact Transport Canada at the toll free number 1-866-577-7702.



Artwork created by Mia Rose, 8 year old daughter of Commercial **Systems** Administrator Barb McFadyen.













Employee Photo Contest

This year's photo contest encouraged you to submit your best 'Algoma Selfie'. Employees were encouraged to submit photos capturing their Algoma pride by means of an Algome selfie!







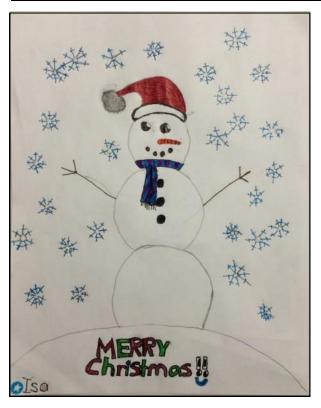
1st Place Winner of 100
Bear Bucks (top left): In the
Cold Harbour of Thunder Bay
on January 6th on the
Algosoo. Photo taken by O/S
Calvin R. Chaulk.

2nd Place Winner of 75 Bear Bucks (top right): Photo submitted by A/B Denis Vanden Eynden onboard the CWB Marquis in September.

3rd Place Winner of 50 Bear Bucks (to the left): Sunny day taken on May 21st on the Algoma Olympic. Photo taken by 3rd Mate Arnesh Misra.



Happy Holidays From Algoma





Artwork created by the daughters of Buyer (ASR) **Rubin Varghese**. From left to right: Isa age 8 and Tia age 9.





Artwork created by the grandsons of Operations Manager **Dave Pauze**. From left to right: Andrew age 2 and Adam age 5.

Happy Holidays From Algoma



Artwork created by Abigail, 12 year old daughter of Senior V.P. Engineering **Gregg Ruhl**.



Artwork created by Luke, 11 year old son of Controller (ACP) **Chris Lazarz**.



Office staff at 63 Church Street at the Ugly Christmas Sweater Day in support of the United Way Campaign.

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