

ALGOMA CENTRAL CORPORATION

Annual Meeting of Shareholders
Friday, April 30, 2010

All amounts in thousands of dollars, except per share figures or as noted

Algobay first cargo March, 2010

Forward-Looking Statement



This presentation may include forward-looking statements concerning the future results of the Corporation. These forward looking statements are based on current expectations. The Corporation cautions that all forward-looking information is inherently uncertain and actual results may differ materially from the assumptions, estimates or expectations reflected or contained in the forward-looking information, and that actual future results could be affected by a number of factors, many of which are beyond the Corporation's control, including economic circumstances, technological changes, weather conditions and the material risks and uncertainties identified by the Corporation and discussed in its 2009 Management's Discussion and Analysis and Annual Information Form filings.

Revenue

(\$millions)



- Revenue decreased by \$169 million or 25%.
- Reduced customer shipments.
- Reduced fuel surcharges.
- Some offset due to capacity expansion and foreign exchange.



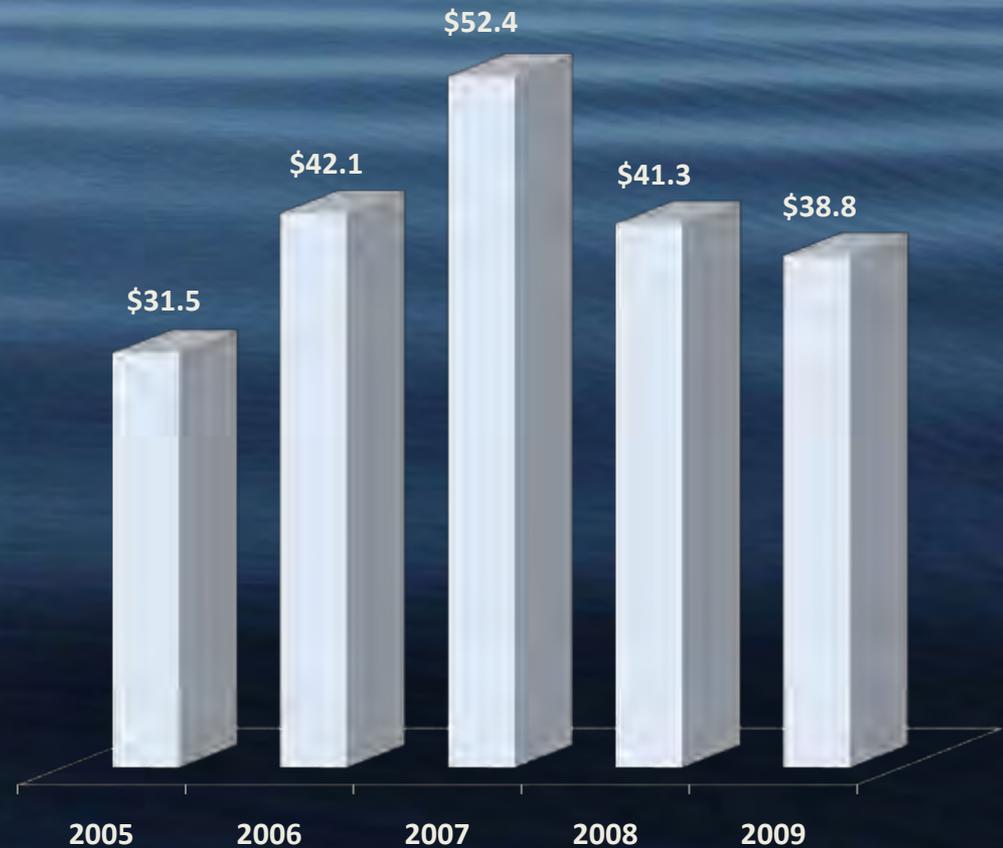
Net Earnings

(\$millions)



• Net earnings are down only \$2.4 million or 6% from 2008.

- Net foreign exchange gains improved earnings by \$7.3 million year over year.
- Tax rate decreases and a one time tax deduction benefitted earnings by \$6.1 million.



Earnings per Share



- Earnings per share in 2009 decreased to \$9.98 from \$10.61 in 2008.



Adjusted Net Earnings



- Adjusted net earnings decreased by \$15.9 million or \$4.08 per share.

- Foreign exchange gains.
- One-time corporate tax impact.

	Year Ended December 31	
	2009	2008
Net Earnings	\$ 38,845	\$ 41,280
FX after tax	(3,387)	3,924
Tax rate reduction	<u>(6,127)</u>	<u>—</u>
Adjusted Net Earnings	<u>\$ 29,331</u>	<u>\$ 45,204</u>
Earnings Per Share	\$ 7.54	\$ 11.62

Algoma Structure



Domestic Dry-Bulk Segment



Domestic Dry-Bulk Operating Earnings Net of Tax



- Operating earnings decreased to \$3.2 million.

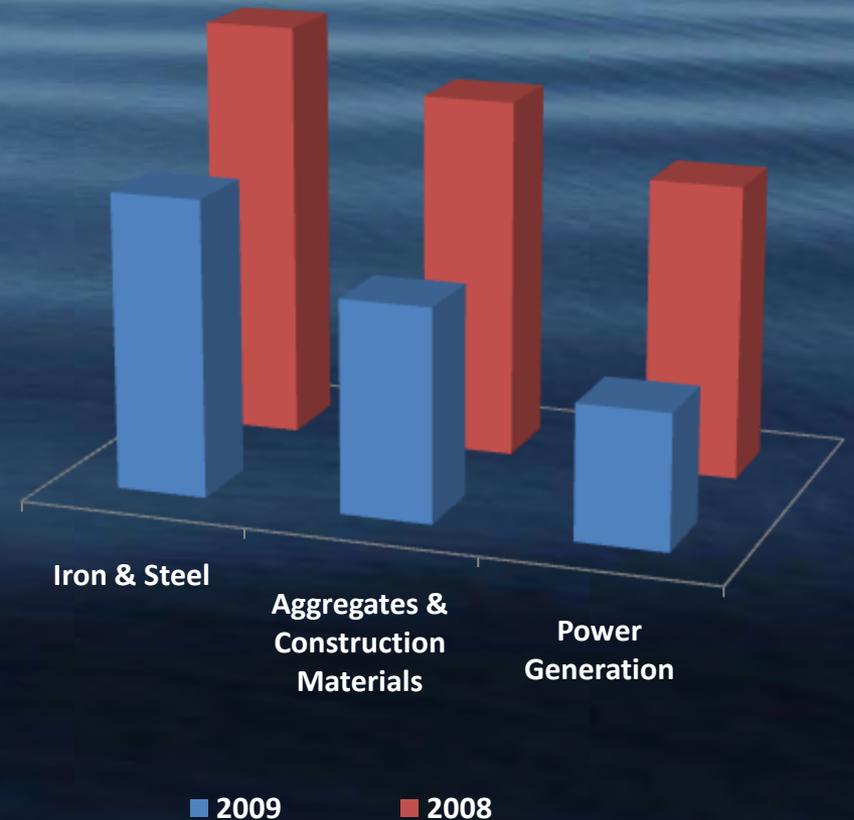
- Reduced operating days due to reduced customer activity.
- Increase in repairs and maintenance.
- Offset by gain from insurance proceeds.

	2009	2008
Operating earnings net of tax	\$3,230	\$12,797

Domestic Dry-Bulk Shipments (MT)



- Customer requirements were down significantly:
 - Iron and steel were down 29%.
 - Aggregates and construction materials down 41%.
 - Power generation was down 54%.



Domestic Dry-Bulk Operating Earnings Net of Tax



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	2009	2008
Operating earnings net of tax	\$3,230	\$12,797

Domestic Dry-Bulk *Algoport* Loss



- The *Algoport* was lost on September 6, 2009 while under tow to China.
- There were no injuries, loss of life or environmental damage.
- A new aft-end to be attached to the forebody under construction.



Ocean Shipping Segment



Ocean Shipping Operating Earnings Net of Tax



- Operating earnings decreased to \$15.9 million.
 - Over supply of vessels due to reduced shipments.
 - Higher operating costs.

	2009	2008
Operating earnings net of tax	\$15,943	\$21,135

Real Estate Segment



Real Estate Operating Earnings Net of Tax



- Operating earnings of \$3.4 million.
 - Temporary closure of hotel property.
 - Gain on sale in 2008.

	2009	2008
Operating earnings net of tax	\$3,437	\$5,256

Product Tanker Segment



Product Tankers

Operating Earnings Net of Tax



- Operating earnings improved to \$8.1 million.
- Fewer regulatory dry-dockings.
- Impact of new capacity offset by reduced activity from balance of the fleet.

	2009	2008
Operating earnings net of tax	\$8,107	\$6,673

Cash Flow Per Share from Operations



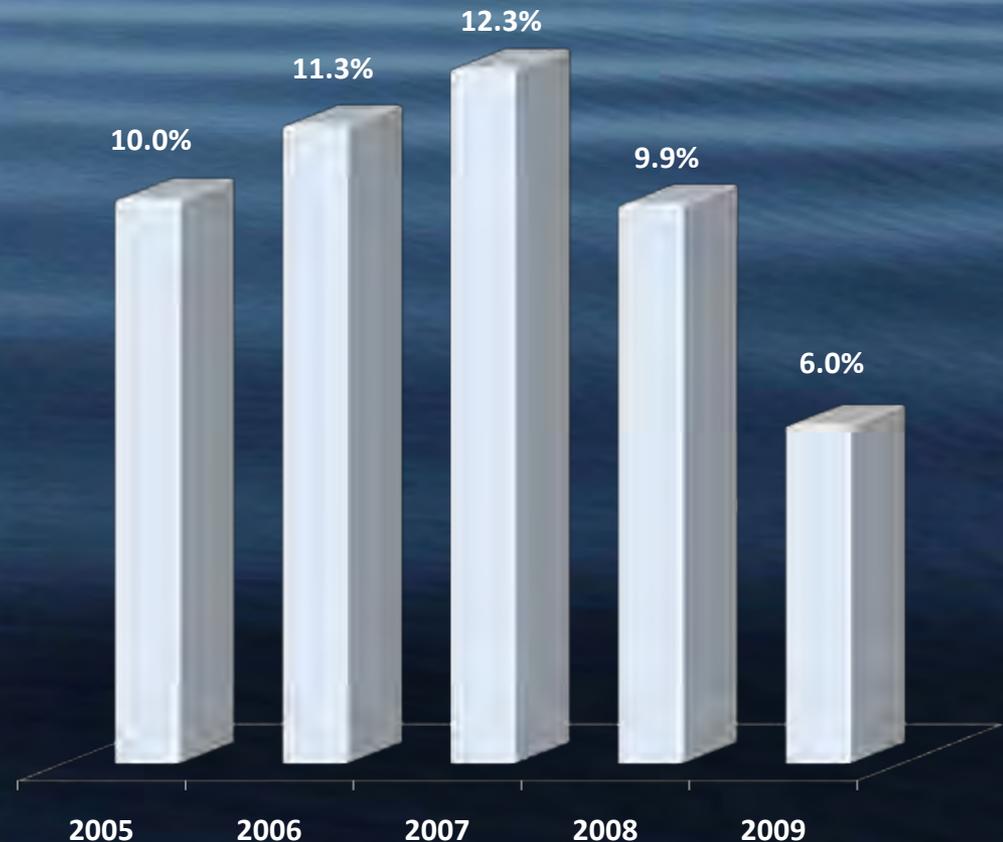
- Impacted by reduced earnings.
- \$60.3 million compared to \$90.0 million in 2008.
- Used to fund dividend payments, service existing debt and fund a portion of capital requirements.



Return on Capital Employed (ROCE)



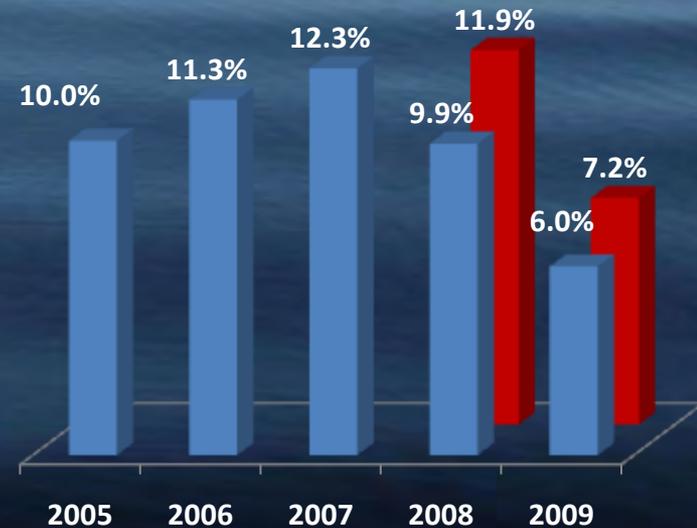
- Measures effective utilization of capital resources.
- Value created for shareholders.
- In 2009 a reduction to 6.0%.



ROCE Adjusted for Assets Under Construction



- Portion due to progress payments on capital assets under construction.
- If progress payments excluded improves to 7.2%.
- Balance due to reduced Operating Earnings experienced by four business segments.



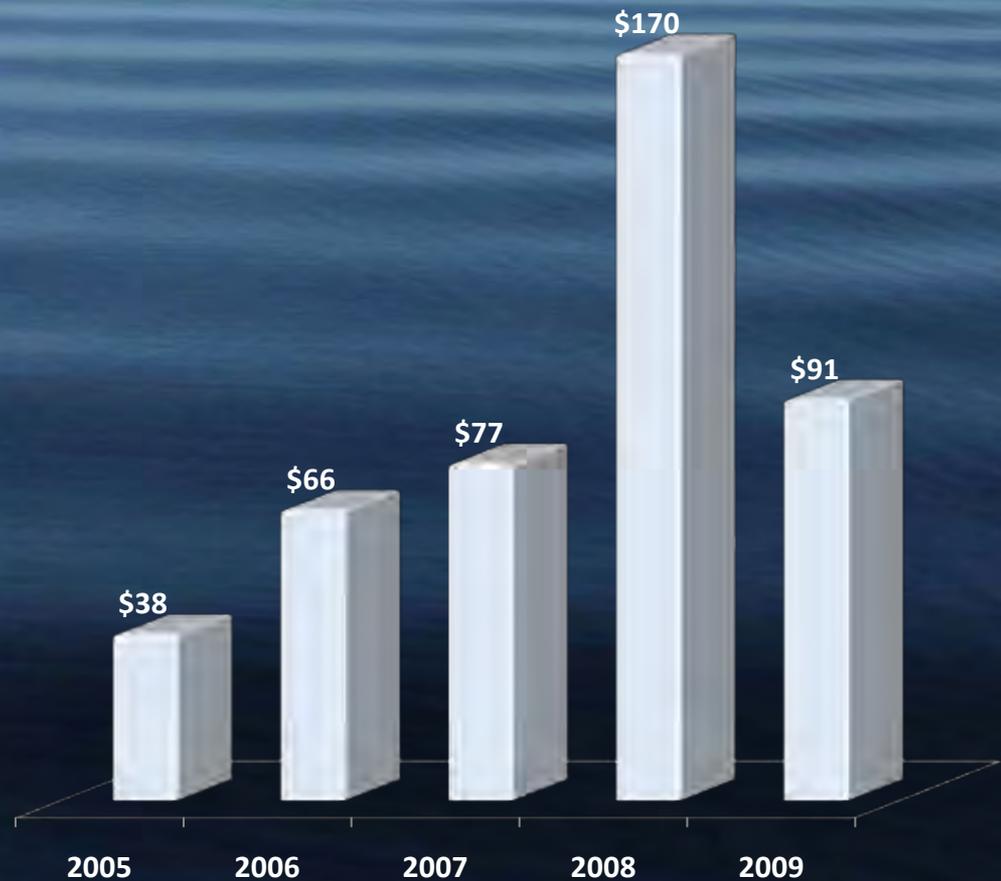
■ Return on Capital Employed ■ Adjusted Return on Capital Employed

Capital Investment

(\$millions)



- Spent \$91 million on capital projects in 2009.
- All but \$27 million was funded by cash flow.



Hanseatic Tankers



- Deposits of \$42.3 million on the five product tankers under construction.
- Deliveries projected throughout 2011.
- Will join Hanseatic Tankers commercial arrangement.



Algobay Added to the Fleet



- Payments of \$26.3 million.
 - Algobay delivered in November 2009.
 - Sister ship to be delivered in early 2011.
 - Jointly owned with partner in Seaway Marine Transport.



AlgoCanada Joins Fleet



- Final payment of \$8.7 million.
- Arrived in Canada in January 2009.
- Second of two Canadian flag product tankers from Turkey.



Sault Ste. Marie Hotel Refurbished



Delta Sault Ste. Marie Waterfront Hotel & Conference Centre

- Payments of \$4.2 million for modernization project.
- Completed in January 2010.
- City's only full service, four star hotel.



Capital Commitments



- Capital commitments of \$147 million.
- Five product tankers.
- Second Seaway size self-unloader.



Banking Syndicate Members



2010 Q1 Highlights



- Net loss of \$16.9 million
- Loss is \$1.5 million lower than 2009.
 - Improvement in Domestic Dry-Bulk due to reduced repairs and maintenance and improved revenue contributions.
 - Foreign exchange gains.

Three Months Ended March 31

	2010	2009
Revenue	\$57,844	\$ 60,435
Net loss	\$ 16,937	\$ 18,453
Loss per share	\$ 4.35	\$ 4.74

2010 Q1 Dividend



- Quarterly dividend of \$0.45.
- 61st consecutive quarterly dividend.

Annual Dividends per Share



ACC Salties



- *Algoma Discovery*, *Algoma Guardian* and *Algoma Spirit* to be added to domestic dry-bulk fleet in 2010.
- Long-term time charter arrangement with Seaway Marine Transport.



Algoma Dartmouth



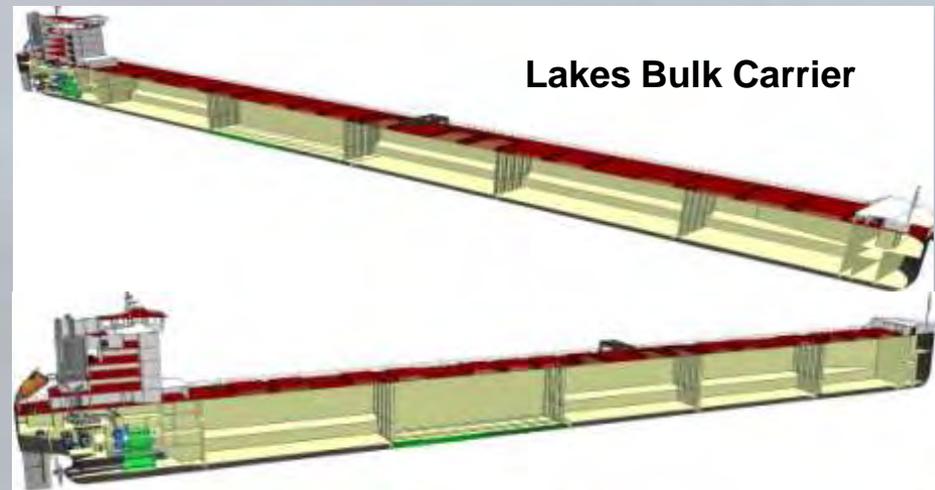
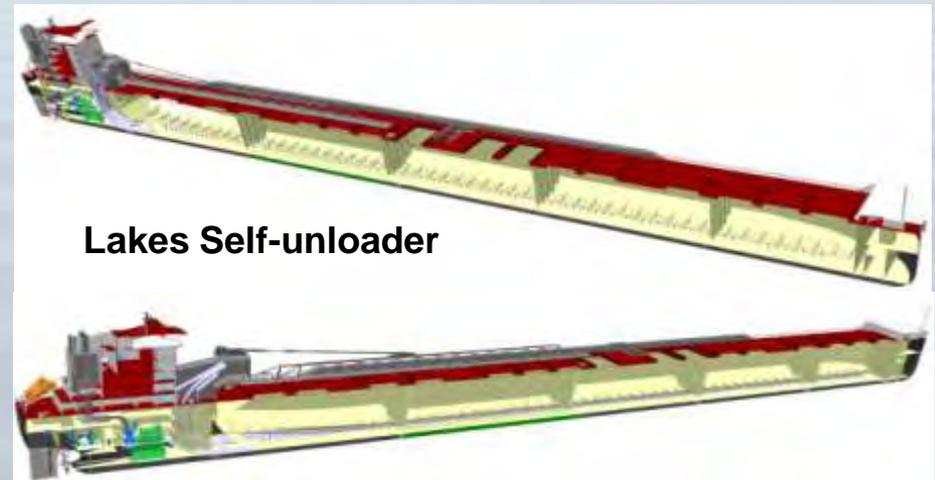
- Purchased a 2007 built product tanker in February 2010.
- Purchase price of USD \$9 million.
- Previously operated under long-term bareboat charter.
- Provides fuel delivery and vessel bunkering services within Halifax Harbour.



Domestic Dry-Bulk Fleet Renewal



- Removal of 25% import duty.
- \$260 million banking facility.
- New vessel design.

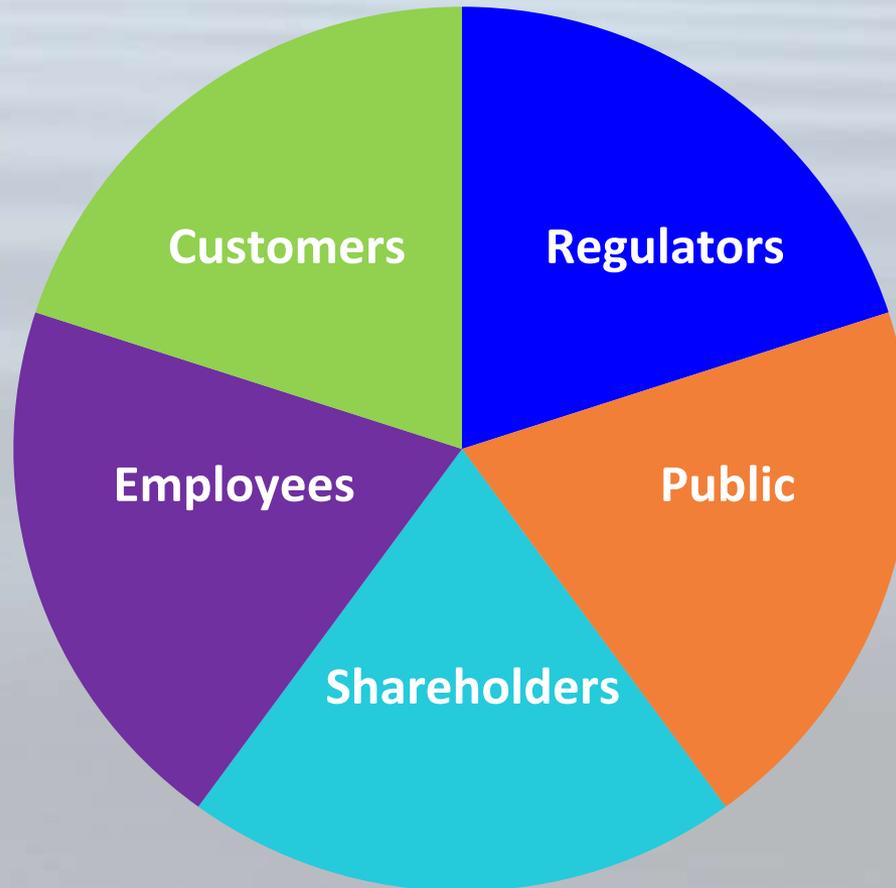


Strategic Priorities



- Sustainability
- Diversification
- Growth

Sustainability Stakeholders



Sustainability



- Operational Excellence
- Environmental
- Social Responsibilities
- Governance

Sustainability



• Operational Excellence

- Quality performance including cost control, reduced incidents and minimized non-productive time.
- Operate modern fleet.

Sustainability



• Environmental

- Reduced air and water emissions.
- Green Marine and ISO 14001.
- Design of new vessels with improved environmental capabilities.

Sustainability



- Social Responsibilities
 - Worker safety programs.
 - Employee health and welfare programs.
 - Employment practices.
 - Charitable giving and community involvement.

Sustainability



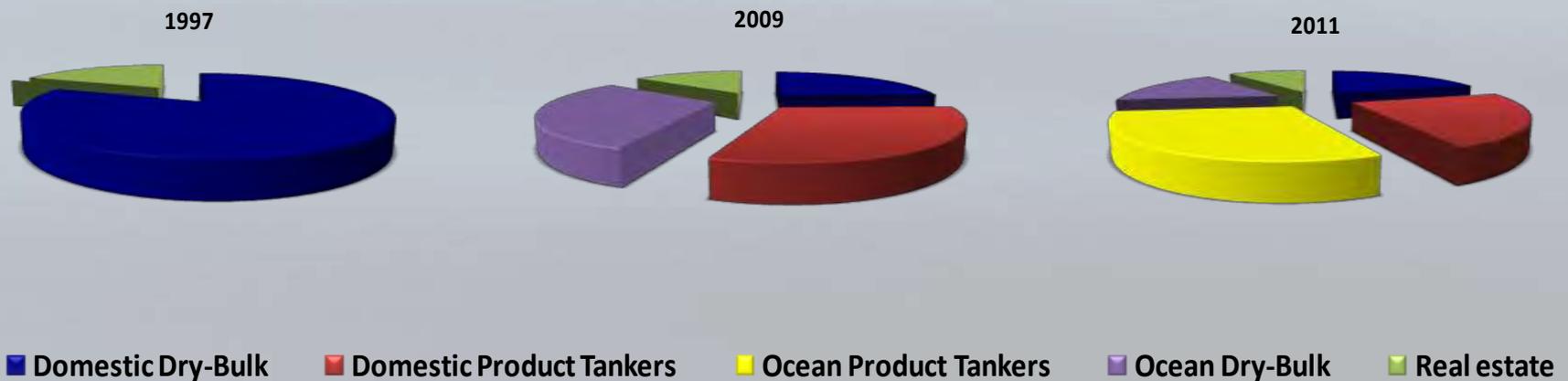
- Governance Policies
 - Corporate Disclosure
 - Code of Conduct
 - Insider Trading
 - Whistle Blower

Strategic Priorities



• Diversification and Growth

- Are complementary to Sustainability.
- Accretive investment opportunities will continue to be pursued.



Share Price vs. Net Book Value





Concluding Remarks



An aerial photograph of the Honorable Henry Jackman, a large oil tanker, navigating through Boston Harbour. The ship is moving from the bottom left towards the top right, passing under a large, raised steel truss bridge. The deck of the ship is painted red, and the hull is dark blue. In the background, a dense urban area with numerous buildings and a large white dome-shaped structure are visible. The water is dark blue, and several smaller boats are present in the harbour.

Thank you

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Honourable Henry Jackman arriving Boston Harbour