Thank you, Mr. Chairman.

Before I move on to a review of 2009 and a look forward at 2010, I would like to contrast the expectations we had at the time of last year's AGM compared to our current expectations.

The main difference between our sentiments last year and this year is that last year at this time we were fully expecting business conditions to deteriorate (which they did) and today our sentiment is that we expect business conditions to improve. Let's hope we are as correct about 2010 as we were about 2009.

I am now going to take some time to review our 2009 results.

During 2009 the global economic crisis and North American recession had a significant negative impact on most of our customers' businesses.

As a result 2009 was difficult and challenging for the Corporation and our financial results were disappointing.

Let's look at Revenue first.

Our consolidated revenue was $520 million which is a decrease of $169 million or 25% from our record revenue of 2008.

The main factors contributing to this significant decrease were reduced operating days and time charters of third party vessels due to reduced customer shipments and reduced fuel surcharges due to declining fuel prices.

It should be noted that the decrease in revenue relating to fuel surcharges and third party charters would be almost entirely matched with an equal decrease to our fuel and time charter expense.

Offsetting some of the foregoing reductions were increases in revenue due to capacity expansion in our product tanker, ocean shipping and real estate segments and an increase in revenue due to foreign exchange translations.

In spite of the fact our Earnings before interest, taxes, amortization and non-controlling interest decreased by $32 million or 31% in 2009, our Net Earnings only decreased by $2.4 million or 6%.

The two main factors which mitigated the decrease in Net Earnings were first, an improvement to Net Earnings of $7.3 million due to the net gains on translation of foreign-denominated assets and liabilities due to the significant strengthening of the Canadian dollar relative to the U.S. dollar and secondly, an improvement to Net Earnings of $6.1 million due to the one-time tax adjustments relating to the announced lowering of the Ontario corporate income tax rate and the recognition of the income tax benefit related to environmental improvements achieved on certain vessels.

As a result the Corporation achieved Earnings Per Share of $9.98 compared to $10.61 in 2008.

After adjusting for the impact of foreign exchange gains and losses in both years and the one-time corporate income tax impact in 2009, adjusted Net Earnings in 2009 decreased by $15.9 million or $4.08 per share from 2008 adjusted Net Earnings.

On the positive side these results were better than many and once again the benefit of having four diversified business units was highlighted throughout 2009.

That being said, all business units, with the exception of Product Tankers, experienced decreased operating earnings resulting in a 33% decrease in Operating Earnings net of income tax.

I will now highlight the main factors contributing to this significant decrease in operating earnings from our four business segments.

Our Domestic Dry-Bulk segment which includes the activities of our Canadian flag self-unloading and gearless bulk carriers, our interest in one U.S. flag tug-barge unit and our ship repair business, generated Operating Earnings net of income tax of $3.2 million compared to earnings of $12.8 million in 2008. This significant decrease was due primarily to a 33% reduction in operating days for the Seaway Marine Transport fleet. Reduced customer activity mainly in the iron and steel sector, the aggregates and construction material sector and the power generation sector were the key contributors to this reduction in operating days.

The chart that is now being displayed illustrates that shipments for these three sectors decreased by 29%, 41% and 54% respectively.

In addition, the Domestic Dry-Bulk results were impacted negatively by an increase in repairs and maintenance costs.

These decreases were partially offset by the gain from the insurance proceeds on the loss of the *Algoport.*

The *Algoport* broke up in heavy seas in the Pacific Ocean while under tow enroute to the shipyard in China. Fortunately, there were no injuries, loss of life or environmental impact.

Upon arrival at the shipyard the aft-end of the vessel was to be attached to a new forebody being constructed at the yard. After a thorough review of our options it was decided to replace the *Algoport* aft-end with a new aft-end. Although the finished product will be delayed about six months, the new vessel will have significantly enhanced operational and environmental efficiencies due to the completely new stern section now being added to the forebody.

Our Ocean Shipping segment which includes a joint interest in five ocean-going self-unloaders, two wholly owned ocean-going self-unloaders and three ocean-going geared bulk carriers generated

Operating Earnings net of income tax of $15.9 million compared to earnings of $21.1 million in 2008. This 25% decrease was due primarily to reduced shipping requirements in the primary market sectors served by the international commercial pool and higher operating costs. Coal shipments were reduced by 7%, aggregate shipments were reduced by 27% and gypsum shipments were reduced by 34%.

Our Real Estate segment which consists of investment properties located in the cities of Sault Ste. Marie, St. Catharines and Waterloo generated Operating Earnings net of income tax of $3.4 million compared to earnings of $5.3 million in 2008. This 35% decrease was due mainly to the two month closure of our hotel property in 2009 for renovations and to a gain on the sale of a property in 2008.

The improved results from our Product Tanker segment, which consists of seven product tankers employed in Canadian flag service and one product tanker trading in international markets, partially offset the previously mentioned decreases. Operating Earnings net of income tax for this segment increased from $6.7 million in 2008 to $8.1 million in 2009. This 21% increase was due mainly to reduced costs and out of service days associated with fewer regulatory dry-dockings required in 2009 compared to 2008. Unfortunately, the increased contribution from the new capacity added in 2009 was almost entirely offset by reduced operating days experienced by the balance of the fleet.

Cash flow from operations was significantly impacted by the reduced earnings from our four previously mentioned business segments. In 2009 cash flow from operations was $60 million or $15.51 per share. Although not nearly as strong as the 2008 cash flow of $90 million this level of cash flow is sufficient to fund the annual dividend payments, service existing long-term debt and fund a portion of the committed capital projects.

The Corporation uses Return on Capital Employed or ROCE to measure how effectively management utilizes the capital it has been provided and the value that has been created for shareholders.

In 2009 our ROCE result decreased to 6.0%. This result is clearly unacceptable as it is well below our target ROCE range of between 10 to 12 percent.

A portion of this deterioration can be attributed to an increase in capital related to progress payments on capital assets under construction.

If this $123 million amount is excluded from the calculation, the ROCE result would increase to 7.2%. The balance of this under performance is attributable to the reduced Operating Earnings experienced by our four business segments.

Our capital expenditure program in 2009 was $91 million and all but $27 million was funded through internally generated cash flow.

I will now review the most significant of these capital projects.

- Deposits of $42.3 million on the five new product tankers under construction at two shipyards in China. These vessels, all which are currently projected to be delivered throughout 2011, will join the Hanseatic Tanker commercial arrangement once delivered. Hanseatic Tankers expects to operate a fleet of product tankers focused on trading in Europe, the Mediterranean, the Middle East and Asia.

- Payments of $26.3 million representing the final payment on the *Algobay,* the Seaway sized self-unloader that was delivered by the Shipyard in November 2009 and progress payments on the sister-ship which is currently under construction at Chengxi Shipyard in China and is expected to be delivered in early 2011. Both these vessels are jointly owned with our partner in Seaway Marine Transport.

- Final payment of $8.7 million for the *AlgoCanada* which arrived in Canada in January 2009. The *AlgoCanada* was the second of two Canadian flag product tankers constructed in Turkey for the Corporation.

- Payments of $4.2 million relating to the modernization project for our hotel property in Sault Ste. Marie. This project was completed in January 2010 and upon completion the hotel re-opened as the "*Delta Sault Ste. Marie Waterfront Hotel and Conference Centre*". This hotel is the City's only full service, four star hotel.

At December 31, 2009 the Corporation had total remaining capital commitments of $147 million primarily for the five product tankers under construction in China and for the second Seaway sized self-unloader also under construction in China.

In order to fund these capital commitments, the Corporation completed, in the fourth quarter of 2009, a two year $260 million credit facility with a syndicate of six financial institutions led by our long-time relationship bank, the Bank of Nova Scotia. We were very pleased to have concluded this facility during this unprecedented period of restrictive credit availability. This speaks very well to our strong balance sheet and banking relationships.

This also answers the question regarding the increased attendance for this meeting. Many of our new bankers are here today.

The Board of Directors, at a meeting held earlier today, approved the Corporation's 2010 first quarter results and the appropriate press release has been issued.

Today we are reporting a net loss of $16.9 million for the first quarter of 2010. This loss is $1.5 million lower than the 2009 first quarter loss of $18.4 million.

The most significant factors contributing to this improvement were the reduction in the Operating Loss after income taxes of $2.3 million from our Domestic Dry-Bulk segment and an increase in foreign exchange gains of $870 thousand. The improvement in our Domestic Dry-Bulk results were due mainly to reduced repairs and maintenance expenditures and improved revenue due to a more favourable mix of business.

We are pleased to note the Board of Directors also declared a quarterly dividend of $.45 per share. This dividend represents the Corporation's 61st consecutive quarterly dividend.

I am now going to move on to discuss some significant events that have occurred or which we expect to occur in 2010.

Although not new vessels, the addition of the three Algoma salties, the *Algoma Discovery,* the *Algoma Guardian* and the *Algoma Spirit* to our domestic dry-bulk fleet in 2010 is an important step towards the upgrading and renewal of our domestic gearless bulker fleet.

When we purchased these vessels in 2008 it was with the stated intention of making these vessels available to our domestic dry-bulk fleet. We are pleased that we have been able to conclude a long-term time charter arrangement with Seaway Marine Transport. These vessels, which should arrive in Canada in June, September and October of this year, will be great additions to our domestic fleet.

In February 2010 the Corporation acquired ownership of a 2007 built product tanker for a total purchase price of $9 million. This vessel, the *Algoma Dartmouth,* has been operated by Algoma Tankers under a long-term bareboat charter arrangement since July 2009. The vessel provides fuel delivery and vessel bunkering service within the Halifax Harbour. With this acquisition, our Canadian flag product tanker fleet grew to seven owned and operated double-hulled vessels. Arguably the most modern product tanker fleet in our service area.

The third event we hope to see come to fruition in 2010 is a new build order for replacement of some of our older and less efficient domestic self-unloaders and bulkers.

In order for a significant new build order to become reality a number of things have to come together – in 2009 three of these moved us closer to this reality.

The first was the announcement by the Federal Government of their proposal to waive the payment of the 25% import duty on the importation of certain vessels. Although we are now past the proposed January 1, 2010 effective date, we continue to be confident that this positive government initiative, to eliminate what is effectively a discriminatory tax on the use of marine transportation, will result in the appropriate action in the near future.

Second, as previously mentioned, we concluded a new $260 million banking facility with a syndicate of six prominent financial institutions in 2009. With this new and important banking relationship, we are now positioned to be able to finance a significant new vessel order.

And third, a joint design team with our partner in Seaway Marine Transport was established in 2009 to develop a new vessel design to meet the future needs of the domestic dry-bulk fleet. The design team, working with a prominent international design firm, has completed innovative new vessel specifications for both a self-unloader and a gearless bulk carrier. These specifications are currently being shown to shipyards around the world. All going well, we are hoping to see new vessels in Canada by 2012.

We are very pleased that our fleet renewal initiatives appear to be coming together. Fleet renewal is key to the future success of our Seaway Marine Transport arrangement and forms the cornerstone of our strategic planning priorities.

I am now going to switch gears and briefly review the Corporation's "Strategic Priorities"

Although Diversification and Growth will continue, Sustainability is our key Strategic Priority today.

In order to be a long-term sustainable Corporation we need to engage more deeply with our main stakeholders such as customers, regulators, employees, shareholders and the public-at-large and proactively communicate our sustainability efforts. This will increase awareness and differentiate ourselves from our competitors.

Our main Sustainability efforts include Operational Excellence, Environmental, Social and Governance.

Operational Excellence addresses quality performance measured by cost control, reduced incidents and minimized non-productive time. Quality performance is non-negotiable and is merely the price of entry into the game. A Company that lacks quality will not survive as a long-term industry player.

In addition, operating a modern fleet is a key success factor towards achieving and maintaining Operational Excellence.

Environmental Sustainability is quickly becoming an all consuming and critical effort. In order to be ahead of the curve in this area we have implemented proactive initiatives such as Green Marine, ISO 14001 and the design of new vessels with improved environmental capabilities.

We take our Social responsibilities seriously and feel we are second to none in regards to our worker safety programs, our employee health and welfare policies, our employment practices and our charitable giving and community involvement.

As a Public Corporation we have implemented transparent governance policies such as corporate disclosure, code of conduct, insider trading and whistle blower

As mentioned previously, Diversification and Growth are complementary to our Sustainability efforts and we will continue to pursue accretive investment opportunities.

This slide is showing a comparison of the Corporation's share price to Shareholder's Equity or Book Value.

Although we have seen a 50% improvement since the end of 2008, our share price remains at about 70% of book value.

Obviously, there is a significant valuation gap between share price and book value. Although not directly linked, the ultimate goal of our strategic initiatives is to increase shareholder value.

The successful execution and accomplishment of these goals should lead to a more favourable valuation of the Corporation's shares.

As we tried to anticipate what our customers' volume requirements would be for 2010, it was a little easier to be more optimistic then we were a year ago. We anticipate improved volumes from many of our customers especially in the iron and steel, petroleum products and aggregates sectors although for this expected improvement to be sustained, new housing starts, new automobile purchases and industrial production need to continue to strengthen.

While 2009 was a year of tremendous challenge for many companies, including Algoma Central Corporation, our diversified business units and strong customer base has allowed us to emerge from the impacts of the North American recession with a balance sheet that remains strong. This, together with our motivated employee group, strong management team and experienced Board of Directors, puts the Corporation in a very good position to build upon our leadership position in each of our business segments.

Thank you.