

ALGOMA CENTRAL CORPORATION

BOARD COMMITTEES

Some duties of the Board are carried out by various committees. This permits individual directors with specific expertise to focus their energies on the tasks that these committees have undertaken; however, ultimate decision-making remains with the full Board on all important matters. Committees report and make recommendations to the Board. Only where the Board feels that it must defer to the special expertise of committee members, or where required by practical considerations, will the Board delegate decision-making on specific issues to a committee. Each Board committee has a charter which is reviewed annually.

Executive Committee

The Executive Committee is composed of two independent directors. The Executive Committee acts as an important link between management and the Board. The main function of the Committee is to review major issues affecting the Company and recommend to the Board actions to be taken in respect to those issues. The Committee decides directly on actions only with respect to issues, if any, which require immediate decision. Such decisions are reviewed at the next meeting of the Board.

Audit Committee

The Company is required to have an Audit Committee. The Audit Committee of the Board is composed of four independent directors and meets four times per year. The mandate of the Audit Committee is to do all things required by applicable securities laws of an audit committee, including the review of annual financial statements of the Company and acting as liaison between the Company and the external auditors. Additional disclosure respecting the Audit Committee is included in the AIF of the Company for the financial year ended December 31, 2017, which is incorporated by reference herein and is filed on SEDAR. Upon request, a copy of the AIF will be provided free of charge to any shareholder or other interested party.

Environmental Health and Safety Committee

The Environmental, Health and Safety Committee of the Board (the “EH&S Committee”) is composed of three independent directors. This EH&S Committee receives regular reports from management and meets with management twice each year to review environmental matters. This committee also addresses health and safety issues regarding Company employees.

Corporate Governance Committee

The Corporate Governance Committee is composed of five independent directors. This Committee meets at least three times per year to review corporate governance issues.

The Corporate Governance Committee reviews and makes recommendations to the Board respecting compensation of directors and senior officers, sets criteria for the selection of new directors and recommends nominees to the Board. This Committee also monitors the Company's compliance with all regulatory requirements under applicable pension legislation.

In addition, the Corporate Governance Committee reviews at least annually the size and composition of the Board and its committees to ensure that their respective mandates can be, and are, carried out effectively.

The Corporate Governance Committee has general responsibility for developing, analyzing and reporting to the Board the Company's approach to governance issues. This Committee works closely with the Chief Executive Officer of the Company to consider and develop position descriptions for directors, the Chairman, the Chair of each committee, and the Chief Executive Officer and to define the limits of management responsibilities. The Corporate Governance Committee has been instrumental in the preparation of this statement on the system of corporate governance and will continue to monitor the effectiveness of such practices.

Investment Committee

The Investment Committee is composed of four independent directors and the CEO of the Company. The main function of the Committee is to review Management's investment proposals that are either not core to the Corporation's strategy or within categories of investment parameters previously delegated by the Board. The Committee reviews, provides feedback and approves actions only with respect to investment proposals, if any, which require immediate decision. Such decisions are reviewed at the next meeting of the Board.