

**ALGOMA CENTRAL CORPORATION REPORTS OPERATING RESULTS FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2019  
AND A 10% INCREASE IN QUARTERLY DIVIDEND**

**St. Catharines, Ontario November 6, 2019** - Algoma Central Corporation ("Algoma" or "the Company") (TSX: ALC), a leading provider of marine transportation services, today announced its results for the three and nine months ended September 30, 2019.

All amounts reported below are in thousands of Canadian dollars, except for per share data and unless otherwise noted. Third quarter 2019 highlights include:

- The Product Tanker segment earnings grew 262% driven by higher rates and having two additional vessels operating in the quarter compared to last year. The two new tankers enabled us to meet customer demand with our own vessels, replacing chartered capacity used in prior periods.
- The Ocean Self-Unloader segment is continuing to experience strong performance as a result of steady customer demand. This, combined with three additional ships acquired late in the second quarter, resulted in 20% earnings growth.
- The Domestic Dry-Bulk segment earnings increased by 3% as a result of higher freight rates on improved contract terms, partially offset by fewer ships operating in the fleet compared to last year and vessel out of service time.
- The Global Short Sea Shipping segment contributed \$3,031 to earnings compared to \$1,988 last year. Improved earnings from cement and gains from vessel sales are the primary drivers.
- Basic earnings per share in the 2019 third quarter were \$0.55 compared to \$0.51 for the same period in 2018.

EBITDA was \$58,448 in the 2019 third quarter versus \$49,057 for the same period in 2018. EBITDA increased in Product Tankers and in Ocean Self-Unloaders, partially offset by decreases in Domestic Dry-Bulk and in Global Short Sea Shipping.

For the periods ended September 30	Three Months Ended		Nine Months Ended	
	2019	2018	2019	2018
Net earnings	\$ 21,049	\$ 19,639	\$ 20,362	\$ 24,941
Depreciation and amortization	22,365	18,335	62,485	50,159
Interest and taxes	14,792	9,204	19,909	14,754
Other	242	1,879	1,463	(1,932)
Consolidated EBITDA	\$ 58,448	\$ 49,057	\$ 104,219	\$ 87,922

"Last year at this time we talked about reviewing options to add capacity. Fast forward a year and we have added six vessels to operations that are now fully integrated and contributing to earnings," said Gregg Ruhl, President & CEO of the Company. "We are also experiencing steady improvements in freight rates across our core businesses and look forward to continued improvement in the fourth quarter," added Mr. Ruhl.

Consolidated revenue for the 2019 third quarter was \$167,901, an increase of 6% compared to \$158,729 reported for the same period in 2018. The increase was primarily a result of having additional tankers and ocean self-unloaders in the fleet supported by improved rates and strong customer demand in those segments. Revenue decreased in the Domestic Dry-Bulk segment as a result of the smaller fleet size and out of service time on two vessels, offset by higher freight rates and improved contract terms.

There was an increase in net earnings in the quarter to \$21,049, as our core businesses and joint ventures both saw improvements in operating earnings. This was offset by an increase in interest expense.

For the periods ended September 30	Three Months Ended		Nine Months Ended	
	2019	2018	2019	2018
<b>Revenue</b>	\$ 167,901	\$ 158,729	\$ 398,923	\$ 358,658
<b>Expenses</b>				
Operations	(109,589)	(110,168)	(291,938)	(268,039)
Selling, general and administrative	(7,491)	(6,751)	(23,072)	(21,027)
	(117,080)	(116,919)	(315,010)	(289,066)
	50,821	41,810	83,913	69,592
Depreciation and amortization	(19,227)	(14,243)	(50,827)	(40,927)
Interest expense	(5,777)	(4,624)	(14,361)	(9,658)
Interest income	220	1,891	979	2,441
Foreign currency (loss) gain	(372)	(1,819)	(976)	1,521
	25,665	23,015	18,728	22,969
<b>Income Tax Expense</b>	(7,758)	(5,050)	(1,528)	(4,148)
<b>Net Earnings of Joint Ventures</b>	3,142	1,674	3,162	6,120
<b>Net Earnings</b>	\$ 21,049	\$ 19,639	\$ 20,362	\$ 24,941
Basic earnings per share	\$ 0.55	\$ 0.51	\$ 0.53	\$ 0.65
Diluted earnings per share	\$ 0.52	\$ 0.49	\$ 0.53	\$ 0.65

The third quarter MD&A includes further details.

Full three and nine months ended September 30, 2019 results can be found on the Company's website at [www.algonet.com/investor-relations](http://www.algonet.com/investor-relations) and on SEDAR at [www.sedar.com](http://www.sedar.com).

#### **Normal Course Issuer Bid**

During the third quarter of 2019 and nine months ended September 30, 2019, 31,200 and 259,100 shares, respectively, were purchased for cancellation.

#### **Cash Dividends**

The Company's Board of Directors on November 5, 2019 authorized payment of a quarterly dividend to shareholders of \$0.11 per common share. The dividend is payable on December 2, 2019 to shareholders of record on November 18, 2019.

#### **Use of Non-GAAP Measures**

There are measures included in this press release that do not have a standardized meaning under generally accepted accounting principles (GAAP). The Company includes these measures because it believes certain investors use these measures as a means of assessing financial performance. EBITDA is a non-GAAP measure that does not have any standardized meaning prescribed by IFRS and may not be comparable to similar measures presented by other companies. Please refer to the Management's Discussions and Analysis for the three and nine months ended September 30, 2019 for further information regarding non-GAAP measures.

#### **About Algoma Central**

Algoma owns and operates the largest fleet of dry and liquid bulk carriers operating on the Great Lakes - St. Lawrence Waterway, including self-unloading dry-bulk carriers, gearless dry-bulk carriers and product tankers. Algoma also owns ocean self-unloading dry-bulk vessels operating in international markets and a 50% interest in NovaAlgoma, which owns and operates a diversified portfolio of dry-bulk fleets serving customers internationally.

#### **For further information please contact:**

Gregg A. Ruhl President & CEO 905-687-7890	Peter D. Winkley Chief Financial Officer 905-687-7897
--	---

#### **Or visit**

[www.algonet.com](http://www.algonet.com) or [www.sedar.com](http://www.sedar.com)