ALGOMA CENTRAL CORPORATION REPORTS OPERATING RESULTS FOR THE YEAR ENDED DECEMBER 31, 2019

St. Catharines, Ontario February 28, 2020 - Algoma Central Corporation (“Algoma” or “the Company”) (TSX: ALC), a leading provider of marine transportation services, today announced its results for the year ended December 31, 2019.

All amounts reported below are in thousands of Canadian dollars, except for per share data and unless otherwise noted.

Operating earnings for 2019 grew 26% compared to fiscal 2018 operating earnings.

Fiscal 2019 highlights include:

- Completed the mid-year acquisition of three vessels in our ocean self-unloader business, bringing the number of Algoma vessels in the fleet to eight. The larger fleet size contributed to a 46% increase in operating earnings, driven by growing customer demand, higher volumes and improved freight rates.
- Increased Product Tanker fleet capacity by 32% with the addition of a seventh full-size tanker early in the year, more than tripling segment operating earnings. Continued high customer demand led to a 34% increase in segment revenue, which was met, in part, with continued use of outside chartered capacity.
- Capitalized on improvement in market rates on nearly 40% of Domestic Dry-Bulk segment volumes, offsetting the decrease in fleet capacity of one ship. Earnings were lower in the segment as a result of increased winter lay-up and dry-dock spending compared to 2018. The Company is committed to ensuring fleet reliability and longevity.

Adjusted earnings per share ("A-EPS") were $1.05 compared to $1.06 in 2018. Basic earnings per share were $0.63 compared to $1.32 in 2018.

EBITDA grew 22% to $157,427 in 2019 versus $128,748 for 2018. EBITDA increased in Product Tankers and in Ocean Self-Unloaders, partially offset by decreases in Domestic Dry-Bulk and Global Short Sea Shipping.

For the periods ended December 31	2019	2018
Net earnings	**$ 24,159**	$ 50,943
Depreciation and amortization	**85,623**	68,372
Impairment reversal	**—**	(5,647)
Interest and taxes	**29,905**	25,749
Impairment of investment in joint ventures	**15,970**	—
Other	**1,770**	(10,669)
Consolidated EBITDA	**$ 157,427**	$ 128,748

"We experienced solid results overall in fiscal 2019 and despite a few challenges, I am really pleased with the outcome," said Gregg Ruhl, President and CEO of Algoma. "This was a busy first year as President and CEO; we took delivery of our eighth Equinox Class vessel, purchased three ocean self-unloaders and one product tanker and began construction of another two vessels. Additionally, we renewed several key customer contracts with favourable outcomes and we are already seeing positive results as a consequence. I want to thank everyone at Algoma for all of their hard work setting us up for a successful future" continued Mr. Ruhl.

Consolidated revenue in 2019 was $567,908, an increase of 12% compared to $508,201 reported in 2018. The increase in revenue was primarily a result of having additional vessels in operation, improved rates and strong customer demand in both the Product Tanker and Ocean Self-Unloader segments. In the Domestic Dry-Bulk segment, revenue decreased primarily due to lower fuel costs, which are passed through to customers as part of the freight rate. While dry-bulk volumes were lower overall due to the reduction in capacity compared to 2018, this was largely offset by strong freight rates as a result of favourable contract renewals.

Net earnings for 2019 were $24,159, a decrease of $26,784 compared to 2018. Earnings in 2018 include an after tax gain of $10,214 on certain shipbuilding contract cancellations whereas earnings in 2019 include a $15,542 impairment provision related to the Company's investment in the NovaAlgoma Short Sea Carrier joint venture. Adjusting for these two items, net earnings were down $1,028 compared to 2018.

For the years ended December 31		2019		2018
Revenue	$	567,908	$	508,201
Operating expenses		(408,240)		(376,131)
Selling, general and administrative		(31,283)		(30,093)
Depreciation and amortization		(70,015)		(55,714)
Operating earnings		58,370		46,263
Impairment reversal		—		6,864
Interest expense		(19,860)		(25,499)
Interest income		1,167		13,752
Foreign currency (loss) gain		(886)		9,590
		38,791		50,970
Income tax expense		(5,109)		(8,550)
Net (loss) earnings from investments in joint ventures		(9,523)		8,523
Net Earnings	$	24,159	$	50,943
Basic earnings per share	$	0.63	$	1.32
Diluted earnings per share	$	0.63	$	1.29

For the years ended December 31		2019		2018
Domestic Dry-Bulk				
Revenue	$	281,680	$	297,662
Operating Earnings		33,435		39,577
Product Tankers				
Revenue		141,912		106,271
Operating Earnings		19,899		6,077
Ocean Self-Unloaders				
Revenue		131,425		90,277
Operating Earnings		18,673		11,519
Corporate and Other				
Revenue		12,891		13,991
Operating Earnings		(13,637)		(10,910)

The MD&A for the year ended December 31, 2019 includes further details.

Full year end December 31, 2019 results can be found on the Company’s website at www.algonet.com/investor-relations and on SEDAR at www.sedar.com.

Outlook

At this time the Company is not experiencing any impact from the Coronavirus outbreak or the pipeline protests. We are continuously monitoring both situations and will provide any updates as necessary.

Normal Course Issuer Bid

The Company purchased a total of 597,072 Common Shares under its normal course issuer bids ("NCIB") during 2019 for an aggregate purchase price of $8,012. The current NCIB expires on March 18, 2020.

The Company intends to renew its normal course issuer bid upon receipt of the required approvals from regulatory authorities.

Cash Dividends

As previously announced, the Company's Board of Directors have authorized payment of a quarterly dividend to shareholders of $0.12 per common share. The dividend will be paid on March 2, 2020 to shareholders of record on February 17, 2020.

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 and A-ESP are non-GAAP measures 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 year ended ended December 31, 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, cement 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.

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