

Algoma Central Corporation Announces Renewal of Normal Course Issuer Bid

ST. CATHARINES, Ontario--(BUSINESS WIRE)--March 17, 2020--Algoma Central Corporation (“Algoma” or the “Company”) (TSX:ALC), a leading provider of marine transportation services, announced today that the Toronto Stock Exchange (“TSX”) has accepted its notice of intention to proceed with the renewal of its normal course issuer bid (the “NCIB”).

Algoma’s Board of Directors believes that the market price of Algoma’s common shares (“Shares”), from time to time, may not reflect the inherent value of the Company and purchases of Shares pursuant to the NCIB may represent an appropriate and desirable use of funds. Any purchases made under the NCIB will be made by Algoma subject to favourable market conditions at the prevailing market price at the time of acquisition through the facilities of the TSX and/or alternative Canadian trading systems.

Pursuant to the notice, during the twelve month period commencing March 19, 2020 and ending March 18, 2021, Algoma may purchase up to 1,890,457 of its Shares, representing approximately 5% of the 37,809,143 Shares that were issued and outstanding as of March 4, 2020. Under the NCIB, other than purchases made pursuant to block purchase exemptions, Algoma may purchase up to 1,726 Shares on the TSX during any trading day, which represents approximately 25% of the average daily trading volume of the Shares on the TSX for the past six calendar months, being 6,906 Shares. Any Shares purchased under the NCIB will be cancelled.

In conjunction with the renewal of the NCIB, Algoma has entered into a new automatic share purchase plan (the “ASPP”) with a designated broker to allow for the purchase of its Shares under the NCIB at times when Algoma normally would not be active in the market due to applicable regulatory restrictions or internal trading black-out periods.

Before the commencement of any particular internal trading black-out period, Algoma may, but is not required to, instruct its designated broker to make purchases of Shares under the NCIB during the ensuing black-out period in accordance with the terms of the ASPP. Such purchases will be determined by the broker in its sole discretion based on parameters established by Algoma prior to commencement of the applicable black-out period in accordance with the terms of the ASPP and applicable TSX rules. Outside of these black-out periods, Shares will continue to be purchasable by Algoma at its discretion under its NCIB.

The ASPP will commence on the Company’s behalf during the quarterly blackout period of the Company for its first quarter 2020 results commencing March 31, 2020 and will terminate on the earliest of the date on which: (a) the maximum annual purchase limit under the NCIB has been reached; (b) Algoma terminates the ASPP in accordance with its terms; or (c) the NCIB expires. The ASPP constitutes an “automatic securities purchase plan” under applicable Canadian securities laws.

The Company's previous NCIB commenced on March 19, 2019 and expires on March 18, 2020 (the "Previous NCIB"). Under the Previous NCIB, the Company obtained the approval of the TSX to purchase up to 1,920,735 Shares, which represented 5% of the 38,414,715 Shares issued and outstanding as at the close of business on March 7, 2019. The Company purchased on the open market and cancelled an aggregate of 604,572 Shares under the Previous NCIB at a weighted average purchase price of \$13.39 per Share.

Although Algoma intends to purchase Shares under its NCIB there can be no assurances that any such purchases will be completed.

About Algoma Central Corporation

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.

Forward-looking Statements

Certain information contained in this press release may constitute forward-looking information under applicable securities laws, including statements related to Algoma's intentions with respect to the NCIB and purchases thereunder and the effects of repurchases under the bid. Forward-looking statements, by their very nature, involve inherent risks and uncertainties and are based on several assumptions, both general and specific. Much of this information can be identified by looking for words such as "believe", "expects", "expected", "will", "intends", "projects", "anticipates", "estimates", "continues" or similar words. Purchases made under the NCIB are not guaranteed and may be suspended at the discretion of Algoma's Board of Directors. Forward-looking statements are based on current information and expectations that involve a number of risks and uncertainties, which could cause actual results to differ materially from those anticipated. Forward-looking statements contained in this press release are made as of the date hereof and are subject to change. Algoma assumes no obligation to revise or update forward looking statements to reflect new circumstances, except as required by law.

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