ALGOMA CENTRAL CORPORATION INTERIM REPORT TO SHAREHOLDERS

For the Three Months Ended March 31, 2020 and 2019

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General

This Management's Discussion and Analysis ("MD&A") of the Company should be read in conjunction with its interim condensed consolidated financial statements for the three months ended March 31, 2020 and 2019 and related notes thereto and has been prepared as at May 6, 2020.

This MD&A has been prepared by reference to the disclosure requirements established under National Instrument 51-102 "Continuous Disclosure Obligations" of the Canadian Securities Administrators. Additional information on the Company, including its 2019 Annual Information Form, is available on the SEDAR website at *www.sedar.com* or on the Company's website at *www.algonet.com*.

Important Information About This MD&A

The reporting currency used is the Canadian dollar and all amounts are reported in thousands of Canadian dollars, except for per share data, and unless otherwise noted.

Forward-Looking Statements

Algoma Central Corporation's public communications often include written or oral forward-looking statements. Statements of this type are included in this document and may be included in other filings with Canadian securities regulators or in other communications. All such statements are made pursuant to the safe harbour provisions of any applicable Canadian securities legislation. Forward-looking statements may involve, but are not limited to, comments with respect to our objectives and priorities for 2020 and beyond, our strategies or future actions, our targets, expectations for our financial condition or share price and the results of or outlook for our operations or for the Canadian, U.S. and global economies. The words "may", "will", "would", "should", "could", "expects", "plans", "intends", "trends", "indications", "anticipates", "believes", "estimates", "predicts", "likely" or "potential" or the negative or other variations of these words or other comparable words or phrases, are intended to identify forward-looking statements.

By their nature, forward-looking statements require us to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that predictions, forecasts, conclusions or projections will not prove to be accurate, that our assumptions may not be correct and that actual results may differ materially from such predictions, forecasts, conclusions or projections. We caution readers of this document not to place undue reliance on our forward-looking statements as a number of factors could cause actual future results, conditions, actions or events to differ materially from the targets, expectations, estimates or intentions expressed in the forward-looking statements.

The future outcomes that relate to forward-looking statements may be influenced by many factors, including but not limited to:

- the economic impact of COVID-19 in Canada, the US, and other global markets.
- general economic and market conditions in the countries in which we operate;
- our ability to attract and retain quality employees;
- interest rate and currency value fluctuations;
- our ability to execute our strategic plans and to complete and integrate acquisitions;
- critical accounting estimates;
- operational and infrastructure risks;
- on-time and on-budget delivery of new ships from shipbuilders;
- general political conditions;
- labour relations with our unionized workforce;
- the possible effects on our business of war or terrorist activities;
- disruptions to public infrastructure, such as transportation, communications, power or water supply, including water levels;
- technological changes;
- significant competition in the shipping industry and from other transportation providers;
- reliance on partnering relationships;
- appropriate maintenance and repair of our existing fleet by third-party contractors;
- health and safety regulations that affect our operations can change and be onerous and the risk of safety incidents can affect results;
- a change in applicable laws and regulations, including environmental regulations, could materially affect our results; economic conditions may prevent us from realizing sufficient investment returns to fund our defined benefit plans at the required levels;
- our ability to raise new equity and debt financing if required;
- weather conditions or natural disasters;
- the seasonal nature of our business; and
- risks associated with the lease and ownership of real estate.

This should not be considered a complete list of all risks to which the Company may be subject from time to time. When relying on forward-looking statements to make decisions with respect to the Company, investors and others should carefully consider these factors, as well as other uncertainties and potential events and the inherent uncertainty of forward-looking statements.

The Company does not undertake to update any forward-looking statements, whether written or oral, that may be made, from time to time, by the organization or on its behalf, except as required by law. The forward-looking information contained in this document is presented for the purpose of assisting our shareholders in understanding our financial position as at and for the periods ended on the dates presented and our strategic priorities and objectives and may not be appropriate for other purposes.

For more information, please see the discussion of risks in the Company's Annual Information Form for the year ended December 31, 2019, which outlines in detail certain key factors that may affect the Company's future results. The Annual Information Form can be found on the Company's website at www.algonet.com and on SEDAR at www.sedar.com.

Impact of COVID-19 (Coronavirus)

The Company's first quarter financial results were not materially impacted by the outbreak of COVID-19. The effects of the pandemic began to be felt in North American markets during March and have added significant uncertainty to the outlook for the balance of fiscal 2020. While marine transportation has been deemed an essential service, ultimately, our businesses are dependent on demand from six key sectors of the economy. At this time, we believe that each of the underlying industrial sectors will be affected differently. Based on discussions with customers, we expect construction activities and the iron and steel industry will be the most impacted. We are seeing this already, with major steel manufacturers idling steel-making capacity, resulting in reduced demand for iron ore. While construction activity has also slowed dramatically in some regions we serve, the resultant reduction in demand for marine transportation has not yet been fully felt by Algoma as construction materials like aggregates and cement must often be replenished early in the shipping season. Based on this, we will likely experience further reductions in shipments related to construction activity in upcoming quarters. Although this may be partially offset by increased infrastructure and stimulus spending, it is possible that requirements set by local governments to mitigate the risks of COVID-19 will affect the pace of construction projects during the key summer months. At this time, we are seeing less of an impact in our road salt and petroleum product trades and demand for grain cargoes has actually increased. Coal for power production (which is a major commodity for the ocean Pool) is also not expected to be significantly impacted. Despite the more positive demand outlook in certain sectors, overall our volumes will be down. Additionally, trade routes and commercial efficiencies have been negatively affected by physical restrictions on crew movements put in place by some ports and on access to the ports for the ships themselves or for products destined to be placed on ships and transported to customers. The change in the relative balance of commodities and customers will also affect commercial efficiency negatively.

Maintaining safe operating conditions during this time is our first priority. We have taken steps to mitigate the risks to crew aboard our vessels. For example, any necessary contact between our ships and stakeholders is managed in a way that minimizes risks of contracting or spreading the virus. This will increase our operating costs. Our second priority is to match our service capability with the demand we are seeing from customers. We have taken decisions to defer the fit-out of some Lakes vessels until such time as it become clear customer demand requires additional capacity. In the meantime, our traffic department will focus on optimizing trading and vessel deployment to meet current demand levels.

Our overall results for 2020 will be lower than prior years. Although we cannot forecast exactly where or how the impacts will be felt, the predicted drop in overall GDP in all of our markets will have an impact and it may lag the timing of the impact to the economy as a whole. During this time, our focus will remain on the well-being of our staff and crews, servicing our customers to the best of our abilities in the circumstances, and managing our costs to meet these challenges responsibly so we can retain our resilience and be prepared to support the economic recovery when it begins. Our balance sheet and liquidity position is currently strong and we will continue to monitor economic conditions.

Impact of Seasonality on the Company

The nature of the Company's business is such that the earnings in the first quarter of each year are not indicative of the results for the other three quarters in the year. Due to the closing of the canal system and the winter weather conditions on the Great Lakes - St. Lawrence Waterway, the majority of the Domestic Dry-Bulk fleet does not operate for most of the first quarter. In addition, significant repair and maintenance costs are incurred in the first quarter to prepare the Domestic Dry-Bulk fleet for the upcoming navigation season. As a result, first quarter revenues and earnings are significantly lower than those of the remaining quarters in the year.

Ocean Self-Unloaders

Algoma participates in the world's largest pool of ocean-going self-unloaders (the "Pool"). The Pool’s commercial results reflect a pro-rata share of Pool revenue and voyage costs (in operating expenses) for eight 100% owned ships. The costs incurred to operate these ships are also recorded in operating expenses. Earnings from partially owned ships are included in the Company's joint venture, Marbulk. Algoma does not incur selling expenses on ocean self-unloader business, but instead pays a commercial fee to the Pool manager, which is reflected as an operating expense.

Global Short Sea Shipping

Revenue from the Global Short Sea segment, in which we participate via joint ventures, is not included in the consolidated revenue figure. The Company's 50% share of net earnings, adjusted for amortization arising from vessel purchase price allocation and intangibles, is included in net earnings of joint ventures in our Interim Condensed Consolidated Statement of Earnings.

Use of Non-GAAP Measures

The following summarizes non-GAAP financial measures utilized in this MD&A. As there is no generally accepted method of calculating these financial measures, they may not be comparable to similar measures reported by other corporations.

EBITDA refers to earnings before interest, taxes, depreciation, and amortization and the Company includes its share of the EBITDA of its equity interest in joint arrangements in this measure. EBITDA is not a recognized measure for financial statement presentation under generally accepted accounting principles as defined by IFRS. EBITDA is not intended to represent cash flow from operations and it should not be considered as an alternative to net earnings, cash flow from operations, or any other measure of performance prescribed by IFRS. The Company's EBITDA may also not be comparable to EBITDA used by other corporations, which may be calculated differently. The Company considers EBITDA to be a meaningful measure to assess its operating performance in addition to other IFRS measures. It is included because the Company believes it can be useful in measuring its ability to service debt, fund capital expenditures, and expand its business, and a metric that is based on it is used by credit providers in the financial covenants of the Company's senior secured long-term debt.

Adjusted Measures

Management assesses results on a reported and adjusted basis and considers both as useful measures of performance. Adjusted results remove items of note from reported results and are used to calculate the adjusted measure noted below. Items of note include certain items of significance that arise from time to time which management believes are not reflective of underlying business performance. We believe that adjusted measures provides the reader with a better understanding of how management assesses underlying business performance and facilitate a more informed analysis of trends.

Adjusted Basic Earnings per Share

The Company adjusts reported Basic Earnings per Share to remove the impact of items of note, net of income taxes, and any other items specified to calculate the Adjusted Basic Earnings per Share.

Return on Equity

Return on equity is net earnings as a percent of average shareholders’ equity.

Financial Highlights

Consolidated revenue for the three months ended March 31, 2020 was $85,097, an increase of 18% compared to $71,853 reported for the same period in 2019. The increase was primarily a result of higher volumes, due to an extended winter season, and improved rates in the Domestic Dry-Bulk segment and having additional vessels in operation in the Ocean Self-Unloader segment. In the Product Tanker segment, although there was an additional vessel operating this year, revenue was lower which was attributable to a substantial decrease in the use of outside charters compared to last year as customer demand was lower this year.

The Global Short Sea Shipping businesses generated revenues in the 2020 first quarter of $55,372 compared to $61,682 for the same period in the prior year. The Company has a 50% interest in these businesses and therefore does not include these revenues in its consolidated revenue.

The net loss for the 2020 first quarter of $23,626 was a slight increase compared to the same period in 2019. The $826 higher loss was mainly a result of higher winter lay-up costs, depreciation on new vessels and interest expense, partially offset by a small foreign currency gain in 2020 compared to a loss last year.

For the periods ended March 31		2020		2019
Revenue	**$**	**85,097**	$	71,853
Operating loss	**$**	**(27,433)**	$	(26,590)
Net loss	**$**	**(23,626)**	$	(22,800)
Basic loss per common share	**$**	**(0.62)**	$	(0.59)
As at March 31				
Common shares outstanding		**37,800,943**		38,406,215
Total assets	**$**	**1,167,745**	$	1,147,377
Total long-term financial liabilities	**$**	**372,284**	$	271,847

The Company uses EBITDA as a measure of the cash generating capacity of its businesses. The following table reconciles EBITDA to Net Earnings, the most comparable IFRS measure. EBITDA for the three months ended March 31, 2020 was a loss of $5,606 compared to a loss of $6,915 for the same period in 2019. EBITDA is determined as follows:

For the periods ended March 31		2020		2019
Net loss	**$**	**(23,626)**	$	(22,800)
Adjustments to net earnings:				
Depreciation and amortization		**18,814**		14,964
Interest, net		**4,805**		3,303
Foreign currency (gain) loss		**(242)**		2,138
Income tax recovery		**(9,633)**		(10,433)
Joint ventures				
Interest expense		**1,265**		1,664
Foreign exchange (gain) loss		**(1,041)**		256
Depreciation		**4,029**		3,890
Income tax expense		**23**		103
EBITDA	**$**	**(5,606)**	$	(6,915)

Summary of Quarterly Results

The results for the last nine quarters were as follows:

Year	Quarter	Revenue	Net Earnings (Loss)	Basic Earnings (Loss) per Share
2020	Quarter 1	$ 85,097	$ (23,626)	$ (0.62)
2019	Quarter 4	$ 168,985	$ 3,796	$ 0.10
	Quarter 3	$ 167,901	$ 21,049	$ 0.55
	Quarter 2	$ 159,169	$ 22,114	$ 0.58
	Quarter 1	$ 71,853	$ (22,800)	(0.59)
2018	Quarter 4	$ 149,542	$ 26,003	$ 0.68
	Quarter 3	$ 158,729	$ 19,639	$ 0.51
	Quarter 2	$ 139,442	$ 14,445	$ 0.38
	Quarter 1	$ 60,488	$ (9,142)	$ (0.23)

The following summarizes the trailing twelve month results on an adjusted and unadjusted basis in each of the last nine quarters:

		Trailing Twelve Months				
Year	Quarter	Revenue	Net Earnings	Basic Earnings per Share	Adjustment to Basic Earnings per Share *	Adjusted Basic Earnings per Share
2020	Quarter 1	$ 581,152	$ 23,333	$ 0.61	$ 0.42	$ 1.03
2019	Quarter 4	$ 567,908	$ 24,159	$ 0.63	$ 0.42	$ 1.05
	Quarter 3	$ 548,465	$ 46,364	$ 1.21	$ (0.28)	$ 0.93
	Quarter 2	$ 539,566	$ 44,954	$ 1.17	$ (0.26)	$ 0.91
	Quarter 1	$ 519,566	$ 37,285	$ 0.97	$ (0.26)	$ 0.71
2018	Quarter 4	$ 508,201	$ 50,943	$ 1.32	$ (0.26)	$ 1.06
	Quarter 3	$ 498,094	$ 40,915	$ 1.06	$ 0.03	$ 1.09
	Quarter 2	$ 476,565	$ 54,044	$ 1.40	$ (0.27)	$ 1.13
	Quarter 1	$ 461,270	$ 68,763	$ 1.77	$ (0.62)	$ 1.15

* The following table summarizes the Adjustment to Basic Earnings per Share, by quarter, for certain items management believes are not reflective of underlying business performance.

	2017			2018				2019				2020
	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
(Loss) gain on shipbuilding contracts	$ —	$ —	$ —	$ —	$ —	$ (0.02)	$ 0.15	$ —	$ —	$ —	$ —	$ —
Impairment reversals (provisions)	—	—	—	—	—	—	0.13	—	—	—	(0.42)	—
Sale of real estate properties	0.35	0.28	(0.01)	—	—	—	—	—	—	—	—	—
	$ 0.35	$ 0.28	$ (0.01)	$ —	$ —	$ (0.02)	$ 0.28	$ —	$ —	$ —	$ (0.42)	$ —
Trailing impact on EPS				$ 0.62	$ 0.27	$ (0.03)	$ 0.26	$ 0.26	$ 0.26	$ 0.28	$ (0.42)	$ (0.42)

Business Segment Discussion

Domestic Dry-Bulk

Financial Results Overview

Revenues for the Domestic Dry-Bulk segment increased by $3,242 for the three months ended March 31, 2020 compared to the same period in 2019. Overall volumes were up 5% driven by higher salt and grain volumes. A warm and wet winter supported higher salt volumes and a large harvest in the fall of 2019, coupled with strong demand, drove higher grain volumes in the first quarter of 2020. The 2019 operating season for the St. Lawrence Seaway and Welland Canal closed in January of 2020, resulting in additional revenue days for that month compared to prior years when the system was closed down prior to December 31. Fair weather in February also enabled our vessels to move through parts of the system that remain open during the winter months.

Additionally, the rate environment for domestic dry-bulk remained strong with favourable contract improvements made over the last few years.

Operating expenses increased by $2,979 in the 2020 first quarter compared to the same period in 2019. The overall increase reflects a 12% increase in operating days, higher lay-up costs, and the higher cost of insurance as a result of tighter insurance markets. Although costs increased overall, direct operating expenses, on a daily basis, were slightly lower mainly due to a decrease in daily fuel and crew costs.

The increase in depreciation expense is attributable to the addition of the Algoma Conveyor and capitalized life extensions on two of our legacy vessels; the Tim S. Dool and the John D. Leitch.

For the periods ended March 31		**2020**		2019
Revenue	**$**	**21,095**	$	17,853
Operating expenses		**(38,049)**		(35,070)
Selling, general and administrative		**(3,150)**		(2,905)
Depreciation and amortization		**(6,304)**		(5,486)
Operating loss		**(26,408)**		(25,608)
Income tax recovery		**6,922**		6,881
Net loss	**$**	**(19,486)**	$	(18,727)

EBITDA for Domestic Dry-Bulk for the three months ended March 31, 2020 was a loss of $20,104 compared to a loss of $20,122 for the same period in 2019.

For the periods ended March 31		**2020**		2019
Net loss	**$**	**(19,486)**	$	(18,727)
Adjustments to net earnings:				
Depreciation and amortization		**6,304**		5,486
Income tax recovery		**(6,922)**		(6,881)
EBITDA	**$**	**(20,104)**	$	(20,122)

Product Tankers

Financial Results Overview

Revenues for product tankers for the three months ended March 31, 2020 decreased by $2,646 compared to the same period in 2019. Although there were eight vessels operating during the first quarter this year compared to seven last year, strong customer demand in 2019 resulted in substantial use of outside charters compared to very minimal use this year. Excluding outside charters, revenue increased by 7%.

Operating expenses decreased only slightly during the 2020 first quarter as costs associated with maintenance largely offset the lower spending on outside charters. On a daily basis, higher crew and voyage costs were partially offset by lower fuel costs. Operating costs for 2020 include those related to dry-dockings of the Algoterra and the Algonorth and exceeded the dry-dock spending on the Algoscotia in the first quarter of 2019.

The increase in depreciation and amortization for the 2020 first quarter reflects the larger fleet size. Furthermore, amortization on the 2019 dry-docking on the Algoscotia impacted the increase in depreciation expense.

For the periods ended March 31		2020		2019
Revenue	**$**	**24,425**	$	27,071
Operating expenses		**(20,871)**		(21,227)
Selling, general and administrative		**(1,426)**		(1,056)
Depreciation and amortization		**(3,674)**		(3,141)
Operating (loss) earnings		**(1,546)**		1,647
Income tax recovery (expense)		**408**		(437)
Net (loss) earnings	**$**	**(1,138)**	$	1,210

EBITDA for Product Tankers for the three months ended March 31, 2020 was $2,128, a decrease of $2,660 compared to the same period in the prior year. EBITDA is determined as follows:

For the periods ended March 31		2020		2019
Net (loss) earnings	**$**	**(1,138)**	$	1,210
Adjustments to net earnings:				
Depreciation and amortization		**3,674**		3,141
Income (recovery) expense		**(408)**		437
EBITDA	**$**	**2,128**	$	4,788

Ocean Self-Unloaders

Financial Results Overview

Revenues in the Ocean Self-Unloader segment for the three months ended March 31, 2020 increased by $12,938 compared to the same period in 2019. There was a 49% increase in revenue days as a result of the three new vessels that were acquired in June of last year, although increased offhire related to dry-dockings partially offset the benefit of the extra days. The Bahama Spirit was on dry-dock for most of the quarter and the Algoma Verity departed for dry-dock in March.

Operating expenses in the first quarter of 2020 increased by $8,299 compared to the same period in the previous year, reflecting a 47% rise in operating days as result of the additional capacity. With the larger fleet size, crew and fuel costs were also correspondingly higher. Depreciation and amortization increased by $2,500 in the 2020 first quarter compared to the same period in 2019 due to the additional vessels operating in the fleet.

In the Marbulk joint venture there was a $1,925 foreign exchange gain on certain indebtedness in the first quarter of 2020 compared to a foreign exchange loss of $602 in 2019.

For the periods ended March 31	2020	2019
Revenue	**$ 36,377**	$ 23,439
Operating expenses	**(24,429)**	(16,130)
General and administrative	**(376)**	(459)
Depreciation and amortization	**(7,922)**	(5,422)
Operating earnings	**3,650**	1,428
Income tax recovery	**—**	2
Net earnings (loss) from investments in joint ventures	**924**	(729)
Net earnings	**$ 4,574**	$ 701

EBITDA for Ocean Self-Unloaders was $12,223 for the three months ended March 31 2020, an increase of $5,035 compared to the prior year. EBITDA is determined as follows:

For the periods ended March 31	2020	2019
Net earnings	**$ 4,574**	$ 701
Adjustments to net earnings:		
Depreciation and amortization	**7,922**	5,422
Income tax recovery	**—**	(2)
Joint Venture:		
Depreciation and amortization	**503**	518
Interest expense	**135**	173
Foreign exchange (gain) loss	**(963)**	301
Income tax expense	**52**	75
EBITDA	**$ 12,223**	$ 7,188

Global Short Sea Shipping

Financial Results Overview

Revenue decreased in the Global Short Sea Shipping segment by $6,310 or 10% for the three months ended March 31, 2020 compared to the same period in 2019. The decrease was primarily due to reduced volumes and rates for the mini-bulker fleet with the cement and handy-size fleets reporting similar results to 2019.

Operating expenses decreased by $2,678 in the first quarter of 2020 compared to the same period in 2019, driven by the reduced business in the mini-bulker fleet. This was partially offset by increased operating costs in the cement carrier fleet as a result of vessel re-positioning and lay-up costs on two vessels that were being prepared for operation in North America.

The segment recorded a gain of $545 on the sale of one mini-bulker in the first quarter of 2020. The gain of $1,174 in 2019 relates to the sale of one vessel in the handy-size fleet.

For the periods ended March 31	2020	2019
Revenue	**$ 55,372**	$ 61,682
Operating expenses	**(49,931)**	(52,609)
Selling, general and administrative	**(2,197)**	(2,316)
Depreciation and amortization	**(6,737)**	(6,493)
Operating (loss) earnings	**(3,493)**	264
Gain on sale of vessels	**545**	1,174
Interest expense	**(2,260)**	(2,981)
Foreign exchange gain	**155**	89
Loss before undernoted	**(5,053)**	(1,454)
Income tax recovery (expense)	**57**	(55)
Net earnings of joint ventures	**266**	459
Net earnings attributable to non-controlling interest	**671**	354
Net loss	**$ (4,059)**	$ (696)
Company share of net loss above	**$ (2,030)**	$ (348)
Amortization of vessel purchase price allocation and intangibles	**(157)**	(125)
Company share included in net loss of joint ventures	**$ (2,187)**	$ (473)

EBITDA for Global Short Sea was $2,362 for the three months ended March 31 2020, a decrease of $2,011 compared to the prior year. EBITDA is determined as follows:

For the periods ended March 31	2020	2019
Company share of net loss from investments in joint ventures	**$ (2,187)**	$ (473)
Adjustments to net loss:		
Depreciation and amortization	**3,526**	3,372
Foreign currency gain	**(78)**	(45)
Interest expense	**1,130**	1,491
Income tax (recovery) expense	**(29)**	28
Company share of EBITDA	**$ 2,362**	$ 4,373

Investment Properties

The Company owns a shopping centre and an apartment building located in Sault Ste. Marie, Ontario.

For the periods ended March 31	2020	2019
Revenue	**$ 2,446**	$ 2,654
Operating expenses	**(1,750)**	(1,946)
Depreciation	**(673)**	(676)
Operating earnings	**23**	32
Income tax recovery (expense)	**51**	(8)
Net earnings	**$ 74**	$ 24

Corporate

The Corporate segment consists of revenue from management services provided to third parties, head office expenditures and other administrative expenses of the Company. Revenues are also generated from rental income provided by third party tenants in the Company's head office building. Operating expenses include the operating costs of that office building.

For the periods ended March 31	2020	2019
Revenue	**$ 754**	$ 836
Operating expenses	**(234)**	(237)
Selling, general and administrative	**(3,431)**	(4,449)
Depreciation	**(241)**	(239)
Operating loss	**(3,152)**	(4,089)
Foreign currency gain (loss)	**242**	(2,138)
Interest, net	**(4,805)**	(3,303)
Income tax recovery	**2,252**	3,995
Net loss	**$ (5,463)**	$ (5,535)

Consolidated

For the periods ended March 31		2020		2019
Revenue	**$**	**85,097**	$	71,853
Operating expenses		**(85,333)**		(74,610)
Selling, general and administrative		**(8,383)**		(8,869)
Depreciation and amortization		**(18,814)**		(14,964)
Operating loss		**(27,433)**		(26,590)
Interest expense		**(4,991)**		(3,725)
Interest income		**186**		422
Foreign currency gain (loss)		**242**		(2,138)
Income tax recovery		**9,633**		10,433
Net loss from investments in joint ventures		**(1,263)**		(1,202)
Net loss	**$**	**(23,626)**	$	(22,800)

Interest Expense

Interest expense increased by $1,266 for the three months ended March 31, 2020 compared to the same period in 2019. Interest expense on borrowings was $861 higher as a result of higher average debt during this year's first quarter compared to last year. In 2019, interest capitalized on vessels under construction relates to one vessel that was nearly completed. Capitalized interest for 2020 relates to one vessel currently under construction.

For the periods ended March 31		2020		2019
Interest expense on borrowings	**$**	**(4,589)**	$	(3,728)
Amortization of financing costs		**(272)**		(281)
Interest on employee future benefits, net		**(229)**		(195)
Interest capitalized on vessels under construction		**99**		479
	$	**(4,991)**	$	(3,725)

Foreign Currency Gain (Loss)

There was a foreign currency gain of $242 for the three months ended March 31, 2020 compared to a loss of $2,138 for the same period in 2019. The foreign exchange loss experienced in 2019 was a result of the strengthening of the Canadian dollar prior to the time the refund guarantees on shipbuilding contracts were received.

For the periods ended March 31		2020		2019
Gain (loss) on foreign denominated cash	**$**	**242**	$	(363)
Foreign exchange loss on contract cancellation receivable		**—**		(1,775)
	$	**242**	$	(2,138)

Income Taxes

Earnings from the Company's foreign subsidiaries are taxed in jurisdictions which have nil income tax rates. The Canadian statutory rate for the Company for both 2020 and 2019 was 26.5%. Any variation in the effective income tax rate from the statutory income tax rate is due mainly to the lower income tax rates applicable to foreign subsidiaries, the effect of taxable and non-taxable items that may or may not be included in earnings and changes to income tax provisions related to prior periods.

For the periods ended March 31		2020		2019
Combined federal and provincial statutory income tax rate		**26.5 %**		26.5 %
Net earnings before income tax and net earnings of joint ventures	**$**	**(31,996)**	$	(32,031)
Expected income tax expense	**$**	**8,479**	$	8,488
(Increase) decrease in expense resulting from:				
Effect of items that are not (deductible) taxable		**(68)**		231
Foreign tax rates different from Canadian statutory rate		**957**		381
Adjustments to prior period provision		**185**		1,419
Other		**80**		(86)
Actual tax expense	**$**	**9,633**	$	10,433

Normal Course Issuer Bid

On March 19, 2020, the Company renewed its normal course issuer bid with the intention to purchase, through the facilities of the TSX, up to 1,890,457 of its Common Shares ("Shares") representing approximately 5% of the 37,809,143 Shares which were issued and outstanding as at the close of business on March 4, 2020 (the “NCIB”).

Subject to prescribed exceptions, the Company is allowed to purchase up to 1,726 Common Shares on the TSX during any trading day, representing 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 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.

Contingencies

For information on contingencies, please refer to Note 27 of the consolidated financial statements for the years ending December 31, 2019 and 2018. There have been no significant changes in the items presented since December 31, 2019.

Transactions with Related Parties

The Company's ultimate controlling party is The Honourable Henry N. R. Jackman, together with a trust created in 1969 by his father, Henry R. Jackman. There were no transactions with related parties for the three months ended March 31, 2020.

Financial Condition, Liquidity and Capital Resources

Statement of Cash Flows

Operating Activities

The net cash generated from operating activities for the three months ended March 31, 2020 was $1,889 compared to cash generated of $15,716 for the same period in 2019. The significant contributor was a decrease in net working capital.

Investing Activities

Net cash used in investing activities increased by $2,373 for the three months ended March 31, 2020. Fiscal 2019 included final delivery payments on two vessels and down payment on an agreement to purchase three additional ocean self-unloaders. This was offset by $66,242 received in cancellation refunds.

Financing Activities

Net cash from financing activities relates to higher net proceeds on long-term debt used for capital purchases, less an increase in repayments on long-term debt.

Net inflow (outflow) of cash related to the following activities:

For the periods ended March 31		**2020**		2019
Net loss	**$**	**(23,626)**	$	(22,800)
Operating activities	**$**	**1,889**	$	15,716
Investing activities	**$**	**(11,558)**	$	(9,185)
Financing activities	**$**	**10,976**	$	5,880

Capital Resources

The Company has cash on hand of $20,873 at March 31, 2020. Available credit facilities along with projected cash from operations for 2020 are expected to be more than sufficient to meet the Company's planned operating and capital requirements and other contractual obligations for the year.

The Company maintains credit facilities that are reviewed periodically to determine if sufficient capital is available to meet current and anticipated needs. The Company's bank credit facility (the "Facility") expires June 21, 2021 and comprises a $100 million Canadian dollar and a $100 million U.S. dollar senior secured revolving bank credit facility provided by a syndicate of seven banks. The Facility bears interest at rates that are based on the Company’s ratio of senior debt to earnings before interest, taxes, depreciation and amortization and ranges from 150 to 275 basis points above bankers’ acceptance or LIBOR rates. The Company has granted a general security agreement in favour of the senior secured lenders and has granted specific collateral mortgages covering its wholly owned vessels. The Company’s real estate assets and vessels that are not wholly owned are not directly encumbered under this Facility.

The Company is subject to certain covenants under the terms of the Bank Facility and the Notes, including ones with respect to maintaining defined financial ratios and other conditions. As at March 31, 2020, the Company was in compliance with all of its covenants.

Disclosure Controls and Procedures and Internal Controls over Financial Reporting

Disclosure Controls and Procedures

In accordance with the requirements of National Instrument 52-109 Certification of Disclosure in Issuer’s Annual and Interim Filings, the Company's management, including the Chief Executive Officer and the Chief Financial Officer, have evaluated the effectiveness of the Company’s disclosure controls and procedures as of March 31, 2020.

Under the supervision of and with the participation of the Chief Executive Officer and the Chief Financial Officer, management has concluded that the Company’s disclosure controls and procedures were effective as of March 31, 2020.

Internal Controls over Financial Reporting

The Company's management is responsible for designing, establishing and maintaining an adequate system of internal controls over financial reporting. The internal control system was designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes, in accordance with IFRS. Because of inherent limitations, internal controls over financial reporting may not prevent or detect all misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with policies and procedures may deteriorate.
Management has used the criteria established in the 2013 Internal Control - Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission to assess, with the participation of the Chief Executive Officer and Chief Financial Officer, the effectiveness of the Company’s internal controls over financial reporting. Based on this assessment, management has concluded that the Company's internal controls over financial reporting are operating effectively as of March 31, 2020.

Changes in Internal Controls over Financial Reporting

During the year ended March 31, 2020, there have been no changes in the Company’s policies and procedures and other processes that comprise its internal control over financial reporting, that have materially affected, or are reasonably likely to materially affect, the Company’s internal control over financial reporting.

Contractual Obligations

The table below provides aggregate information about the Company's contractual obligations as at March 31, 2020 that affect the Company's liquidity and capital resource needs.

	2020	2021	2022	2023	2024 and Beyond
Long-term debt including equity component	$ 108,130	$ 181,545	$ 150	$ 5,197	$ 80,296
Capital asset commitments	76,228	35,014	—	—	—
Interest payments on long-term debt	9,976	9,810	4,581	4,391	2,166
	$ 194,334	$ 226,369	$ 4,731	$ 9,588	$ 82,462

Long-term debt payments for 2020 included in the table above includes $108,028 of borrowings under the Company's revolving credit facility that Management expects will be refinanced using similar short-term borrowing instruments available under that facility.

ALGOMA CENTRAL CORPORATION

Interim Condensed Consolidated Financial Statements
For the Three Months Ended March 31, 2020 and 2019

Notice of disclosure of no auditor review of interim condensed consolidated financial statements pursuant to National Instrument 51-02, Part 4, subsection 4.3(3)(a) issued by the Canadian Securities Administrators.

The accompanying interim condensed consolidated financial statements of Algoma Central Corporation for the three months ended March 31, 2020 and 2019 have been prepared in accordance with International Accounting Standard 34, Interim Financial Reporting as issued by the International Accounting Standards Board and are the responsibility of the Company's management. The Company's independent auditors have not performed an audit or a review of these interim condensed consolidated financial statements.

Interim Condensed Consolidated Statement of Earnings

For the periods ended March 31 (unaudited, in thousands of dollars, except per share data)	Notes	2020	2019
Revenue	4	$ 85,097	$ 71,853
Operating expenses		(85,333)	(74,610)
Selling, general and administrative		(8,383)	(8,869)
Depreciation and amortization		(18,814)	(14,964)
Operating loss		(27,433)	(26,590)
Interest expense	6	(4,991)	(3,725)
Interest income		186	422
Foreign currency gain (loss)	7	242	(2,138)
		(31,996)	(32,031)
Income tax recovery	8	9,633	10,433
Net loss from investments in joint ventures	5	(1,263)	(1,202)
Net Loss		**$ (23,626)**	$ (22,800)
Basic loss per share	18	$ (0.62)	$ (0.59)
Diluted loss per share	18	$ (0.62)	$ (0.59)

Interim Condensed Consolidated Statement of Comprehensive Earnings

For the periods ended March 31 (unaudited, in thousands of dollars)	Notes	2020	2019
Net Loss		$ (23,626)	$ (22,800)
Other Comprehensive Earnings (Loss)			
Items that may be subsequently reclassified to net earnings:			
Unrealized gain (loss) on translation of financial statements of foreign operations		40,631	(7,290)
Unrealized (loss) gain on hedging instruments, net of income tax		(14,769)	1,815
Items that will not be subsequently reclassified to net earnings:			
Employee future benefits actuarial loss, net of income tax	16	(17,643)	(2,675)
		8,219	(8,150)
Comprehensive Loss		**$ (15,407)**	$ (30,950)

See accompanying notes to the interim condensed consolidated financial statements.

Interim Condensed Consolidated Balance Sheet

As at (unaudited, in thousands of dollars)	Notes	March 31 2020	December 31 2019
Assets			
Current			
Cash		**$ 20,873**	$ 18,865
Accounts receivable		**48,000**	67,612
Income taxes recoverable		**17,724**	7,311
Other current assets	10	**23,071**	20,641
		109,668	114,429
Property, plant, and equipment	11	**875,287**	856,387
Investments in joint ventures	5	**154,592**	142,794
Goodwill and intangible assets	12	**10,414**	11,194
Employee future benefits	16	**—**	4,610
Other assets	13	**17,784**	17,963
		$ 1,167,745	$ 1,147,377
Liabilities			
Current			
Accounts payable and accrued charges		**$ 61,691**	$ 63,441
Current portion of long-term debt	17	**108,166**	80,076
Income taxes payable		**123**	3,975
Other current liabilities	14	**5,771**	9,353
		175,751	156,845
Long-term debt	17	**264,118**	254,777
Employee future benefits	16	**44,307**	24,856
Deferred income taxes		**41,486**	48,480
Other long-term liabilities	15	**1,856**	1,998
		351,767	330,111
Commitments	21		
Shareholders' Equity			
Share capital	18	**8,110**	8,115
Contributed surplus		**940**	1,184
Convertible debentures		**2,309**	2,309
Accumulated other comprehensive loss	19	**(88)**	(25,950)
Retained earnings		**628,956**	674,763
		640,227	660,421
		$ 1,167,745	$ 1,147,377

See accompanying notes to the interim condensed consolidated financial statements.

Interim Condensed Consolidated Statement of Changes in Equity

(unaudited in thousands of dollars)	Share Capital	Contributed Surplus and Convertible Debentures	Accumulated Other Comprehensive Loss	Retained Earnings	Total Equity
	(Note 18)		(Note 19)		
Balance at December 31, 2018	$ 8,240	$ 11,148	$ (10,845)	$ 694,012	$ 702,555
Net loss	—	—	—	(22,800)	(22,800)
Dividends	—	—	—	(3,842)	(3,842)
Repurchase and cancellation of common shares	(3)	(201)	—	—	(204)
Other comprehensive loss	—	—	(5,475)	(2,675)	(8,150)
Balance at March 31, 2019	$ 8,237	$ 10,947	$ (16,320)	$ 664,695	$ 667,559
Balance at December 31, 2019	$ 8,115	$ 3,493	$ (25,950)	$ 674,763	$ 660,421
Net loss	—	—	—	(23,626)	(23,626)
Dividends	—	—	—	(4,538)	(4,538)
Repurchase and cancellation of common shares	(5)	(272)	—	—	(277)
Share-based compensation	—	28	—	—	28
Other comprehensive (loss) earnings	—	—	25,862	(17,643)	8,219
Balance at March 31, 2020	**$ 8,110**	**$ 3,249**	**$ (88)**	**$ 628,956**	**$ 640,227**

See accompanying notes to the interim condensed consolidated financial statements.

Interim Condensed Consolidated Statement of Cash Flows

For the three months ended March 31 (unaudited, in thousands of dollars)	Notes	2020	2019
Net Inflow (Outflow) of Cash Related to the Following Activities			
Operating			
Net loss		**$ (23,626)**	$ (22,800)
Net loss from investments in joint ventures	5	**1,263**	1,202
Items not affecting cash			
Depreciation and amortization		**18,814**	14,964
Other		**(4,481)**	(4,356)
Net change in non-cash working capital		**14,998**	27,703
Income taxes paid, net of amounts received		**(4,348)**	(718)
Employee future benefits paid		**(731)**	(279)
Net cash generated from operating activities		**1,889**	15,716
Investing			
Additions to property, plant, and equipment	20	**(8,557)**	(74,741)
Cancellation refunds received		**—**	66,242
Distributions received from joint ventures	5	**—**	2,078
Investment in joint ventures	5	**—**	(794)
Compensation payments to other pool members for retired vessels		**(2,655)**	(3,543)
Progress payments for shipbuilding contracts		**(1,031)**	—
Interest received		**685**	1,573
Net cash used in investing activities		**(11,558)**	(9,185)
Financing			
Interest paid		**(5,717)**	(5,137)
Proceeds of long-term debt		**38,067**	15,000
Repayments on long-term debt		**(16,673)**	(32)
Repurchase of common shares	18	**(277)**	(204)
Dividends paid		**(4,424)**	(3,747)
Net cash generated from financing activities		**10,976**	5,880
Net change in cash		**1,307**	12,411
Effects of exchange rate changes on cash held in foreign currencies		**701**	(2,503)
Cash, beginning of period		**18,865**	25,539
Cash, end of period		**$ 20,873**	$ 35,447

See accompanying notes to the interim condensed consolidated financial statements.

Notes to the Interim Condensed Consolidated Financial Statements

1. ORGANIZATION AND DESCRIPTION OF BUSINESS

Algoma Central Corporation (the "Company") is incorporated in Canada and is listed on the Toronto Stock Exchange. The address of the Company's registered office is 63 Church St, Suite 600, St. Catharines, Ontario, Canada. The interim condensed consolidated financial statements of the Company for the three months ended March 31, 2020 and 2019 comprise the Company, its subsidiaries and the Company's interest in associated and jointly controlled entities.

The principal subsidiaries are Algoma Shipping Ltd., Algoma International Shipholdings Ltd., Algoma Tankers Limited and Algoma Central Properties Inc. The principal jointly controlled entities are Marbulk Canada Inc. (50%), NovaAlgoma Cement Carriers Limited (50%), NovaAlgoma Short-Sea Holdings Ltd. (50%) and NovaAlgoma Bulk Holdings Ltd. (50%). In addition, Algoma Shipping Ltd. and Marbulk Canada Inc. are members of an international pool arrangement (the "Pool"), whereby revenues and related voyage expenses are distributed to each Pool member based on an agreed formula representing the earnings capacity of the vessels.

Algoma Central Corporation owns and operates the largest fleet of dry and liquid bulk carriers operating on the Great Lakes – St. Lawrence Waterway. The Company's Canadian flag fleet consists of self-unloading dry-bulk carriers, gearless dry-bulk carriers and product tankers.

The Domestic Dry-Bulk marine transportation segment includes ownership and management of the operational and commercial activities of the Company's vessel fleet. The dry-bulk vessels carry cargoes of raw materials such as iron ore, grain, salt and aggregates and operate throughout the Great Lakes – St. Lawrence Waterway, from the Gulf of St. Lawrence through all five Great Lakes. This segment also includes the operational management of vessels owned by other ship owners.

The Product Tankers marine transportation segment includes ownership and management of the operational and commercial activities of Canadian flag tanker vessels operating on the Great Lakes, the St. Lawrence Seaway and the east coast of North America.

The Ocean Self-Unloaders marine transportation segment includes ownership interests in ocean-going self-unloading vessels. The ocean vessels are engaged in the carriage of dry-bulk commodities in worldwide trades.

The Global Short Sea Shipping segment includes the Company's 50% interests in NovaAlgoma Cement Carriers Limited, NovaAlgoma Short-Sea Holdings Ltd. and NovaAlgoma Bulk Holdings Ltd.

The nature of the Company's business is such that the earnings in the first quarter of each year are not indicative of the results for the other three quarters in a year. Due to the closing of the canal system and the winter weather conditions in the Great Lakes – St. Lawrence Waterway, the majority of the domestic dry-bulk fleet does not operate for most of the first quarter. In addition, significant repair and maintenance costs are incurred in the first quarter to prepare the domestic dry-bulk fleet for the upcoming navigation season. As a result, first quarter revenues and earnings are significantly lower than those for the remaining three quarters of the year.

2. STATEMENT OF COMPLIANCE

The financial statements have been prepared in accordance with IAS 34, Interim Financial Reporting as issued by the International Accounting Standards Board ("IASB") and using the same accounting policies and methods as were used for the Company's Consolidated Financial Statements and the notes thereto for the years ended December 31, 2019 and 2018 . The financial statements should be read in conjunction with the Company's Consolidated Financial Statements for the years ended December 31, 2019 and 2018.

The reporting currency used is the Canadian dollar and all amounts are reported in thousands of Canadian dollars, except for share data and unless otherwise noted.

The interim condensed consolidated financial statements were approved by the Board of Directors and authorized for issue on May 6, 2020.

3. USE OF CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

In light of the COVID-19 pandemic and the related global economic downturn, the Company continues to monitor the critical accounting estimates and judgments utilized in the preparation of the interim condensed consolidated financial statements. As of the authorization date, accounting estimates for employee future benefits have been impacted as a result of the uncertainty in financial markets caused by the pandemic. See Note 16 for further information.

4. REVENUE

Disaggregated revenue by segment is as follows:

For the three months ended March 31 (unaudited, in thousand of dollars)	Domestic Dry-Bulk	Product Tankers	Ocean Self-Unloaders	Investment Properties	Corporate	Total
2020						
Contract of Affreightment	$ 10,539	$ 818	$ —	$ —	$ —	$ 11,357
Time Charter	10,441	23,607	—	—	—	34,048
Pool Revenue Share	—	—	36,377	—	—	36,377
Other	115	—	—	2,446	754	3,315
	$ 21,095	**$ 24,425**	**$ 36,377**	**$ 2,446**	**$ 754**	**$ 85,097**
2019						
Contract of Affreightment	$ 8,803	$ —	$ —	$ —	$ —	$ 8,803
Time Charter	8,948	27,069	—	—	—	36,017
Pool Revenue Share	—	—	23,439	—	—	23,439
Other	102	2	—	2,654	836	3,594
	$ 17,853	$ 27,071	$ 23,439	$ 2,654	$ 836	$ 71,853

The Company's contract assets and liabilities are as follows:

As at (unaudited, in thousands of dollars)	**March 31 2020**	December 31 2019
Contract assets		
Unbilled revenue	**$ 2,903**	$ 8,525

As at (unaudited, in thousands of dollars)	**March 31 2020**	December 31 2019
Contract liabilities		
Deferred revenue	**$ 728**	$ 1,712

5. JOINT VENTURES

The Company has a 50% interest in Marbulk Canada Inc. ("Marbulk"), which owns and operates ocean-going vessels, a 50% interest in NovaAlgoma Cement Carriers Limited ("NACC"), which owns and operates pneumatic cement carriers to support infrastructure projects worldwide, a 50% interest in NovaAlgoma Short-Sea Holdings Ltd. ("NASH"), which owns and manages a fleet of short sea mini-bulkers operating in global markets, and a 50% interest in NovaAlgoma Bulk Holdings Ltd. ("NABH"), which owns and operates a small fleet of handy-size mini-bulkers. In the tables below, Marbulk results are presented in "Ocean Self-Unloaders" and all NovaAlgoma joint ventures are presented in "Global Short Sea Shipping".

Operating results of the Company's joint ventures are as follows:

For the three months ended March 31 (unaudited, in thousands of dollars)	**2020**		2019	
	Ocean Self-Unloaders	**Global Short Sea Shipping**	Ocean Self-Unloaders	Global Short Sea Shipping
Revenue	**$ 2,462**	**$ 55,372**	$ 2,530	$ 61,682
Operating expenses	**(1,005)**	**(49,931)**	(1,740)	(52,609)
Gain on sale of vessels	**—**	**545**	—	1,174
General and administrative	**(155)**	**(2,197)**	(114)	(2,316)
Depreciation and amortization	**(1,006)**	**(6,737)**	(1,036)	(6,493)
Interest expense	**(269)**	**(2,260)**	(346)	(2,981)
Foreign exchange (loss) gain	**1,925**	**155**	(602)	89
Earnings (loss) before undernoted	**1,952**	**(5,053)**	(1,308)	(1,454)
Net earnings of joint ventures	**—**	**266**	—	459
Net earnings attributable to non-controlling interest	**—**	**671**	—	354
Income tax (expense) recovery	**(104)**	**57**	(150)	(55)
Net earnings (loss)	**$ 1,848**	**$ (4,059)**	$ (1,458)	$ (696)
Company share of net earnings (loss)	**$ 924**	**$ (2,030)**	$ (729)	$ (348)
Amortization of vessel purchase price allocation and intangibles	**—**	**(157)**	—	(125)
Company share included in net loss from investments in joint ventures	**$ 924**	**$ (2,187)**	$ (729)	$ (473)

The Company's total share of net loss from the investments in jointly controlled operations by reportable operating segment are as follows:

For the three months ended March 31 (unaudited, in thousands of dollars)	**2020**	2019
Ocean Self-Unloaders	**$ 924**	$ (729)
Global Short Sea Shipping	**(2,187)**	(473)
	$ (1,263)	$ (1,202)

The assets and liabilities of the joint ventures by segment are as follows:

As at (unaudited, in thousands of dollars)	March 31 2020		December 31 2019	
	Ocean Self-Unloaders	**Global Short Sea Shipping**	Ocean Self-Unloaders	Global Short Sea Shipping
Cash	**$ 3,361**	**$ 11,065**	$ 4,670	$ 9,130
Other current assets	**1,794**	**47,264**	628	50,350
Income taxes recoverable	**54**	**45**	49	41
Property, plant, and equipment	**28,628**	**469,586**	27,177	430,180
Investment in joint ventures	**—**	**21,728**	—	19,600
Intangible assets	**—**	**54**	—	72
Other assets	**—**	**13,143**	—	12,367
Current liabilities	**(1,206)**	**(62,289)**	(1,543)	(59,283)
Due to owners	**(22,513)**	**—**	(23,235)	—
Long-term debt	**—**	**(202,815)**	—	(185,615)
Other long-term liabilities	**—**	**(13,643)**	(244)	(11,903)
Deferred income taxes	**—**	**(539)**	—	(493)
Non-controlling interest	**—**	**(25)**	—	(672)
Net assets of jointly controlled operations	**$ 10,118**	**$ 283,574**	$ 7,502	$ 263,774
Company share of net assets	**$ 5,059**	**$ 141,787**	$ 3,751	$ 131,887
Goodwill and other purchase price adjustments	**—**	**7,746**	—	7,156
Company share of joint venture	**$ 5,059**	**$ 149,533**	$ 3,751	$ 139,043

The Company's net investment in the jointly controlled operations by segment are as follows:

As at (unaudited, in thousands of dollars)	March 31 2020	December 31 2019
Ocean Self-Unloaders	**$ 5,059**	$ 3,751
Global Short Sea Shipping	**149,533**	139,043
	$ 154,592	$ 142,794

The Company's cash flows from joint ventures by segment are as follows:

For the three months ended March 31 (unaudited, in thousands of dollars)	2020		2019	
	Distributions received	**Investment in joint ventures**	Distributions received	Investment in joint ventures
Ocean Self-Unloaders	**$ —**	**$ —**	$ —	$ —
Global Short Sea Shipping	**—**	**—**	2,078	(794)
	$ —	**$ —**	$ 2,078	$ (794)

6. INTEREST EXPENSE

The components of interest expense are as follows:

For the periods ended March 31 (unaudited, in thousands of dollars)	2020	2019
Interest expense on borrowings	**$ (4,589)**	$ (3,728)
Amortization of financing costs	**(272)**	(281)
Interest on employee future benefits, net	**(229)**	(195)
Interest capitalized on vessels under construction	**99**	479
	$ (4,991)	$ (3,725)

7. FOREIGN CURRENCY GAIN (LOSS)

The components of net gain (loss) on foreign currency are as follows:

For the periods ended March 31 (unaudited, in thousands of dollars)	2020	2019
Gain (loss) on foreign denominated cash and debt	**$ 242**	$ (363)
Foreign exchange loss on contract cancellation receivable	**—**	(1,775)
	$ 242	$ (2,138)

8. INCOME TAXES

A reconciliation comparing income taxes calculated at the Canadian statutory rate to the amount provided in the interim condensed consolidated financial statements is as follows:

For the periods ended March 31 (unaudited, in thousands of dollars)	2020	2019
Combined federal and provincial statutory income tax rate	**26.5%**	26.5%
Net loss before income tax and loss from investments in joint ventures	**$ (31,996)**	$ (32,031)
Expected income tax recovery	**$ 8,479**	$ 8,488
(Increase) decrease in expense resulting from:		
Effect of items that are not (deductible) taxable	**(68)**	231
Foreign tax rates different from Canadian statutory rate	**957**	381
Adjustments to prior period provision	**185**	1,419
Other	**80**	(86)
	$ 9,633	$ 10,433

9. LEASES

The Company reports its right-of-use asset and lease liability as part of other assets and liabilities on the consolidated balance sheet. The table below shows continuity schedules of the right-of-use asset and lease liability:

(unaudited, in thousands of dollars)	Right-of-use assets	Lease liabilities
Balance at December 31, 2019	$ 360	$ 376
Additions	265	265
Depreciation	(20)	—
Interest accretion	—	5
Payments	—	(33)
Effect of foreign currency exchange differences	30	29
Balance at March 31, 2020	**$ 635**	**$ 642**

Depreciation expense for the right-of-use assets is recognized within depreciation and amortization expenses while interest expense for the lease liabilities is recognized within interest expense in the consolidated statement of earnings. For the three months ended March 31, 2020, these amounts correspond to the depreciation of $20 (2019 - $15) and the interest accretion of $5 (2019 - $5) reported in the table above.

Shown below is a table detailing the components of all cash payments relating to leases:

For the periods ended March 31 (unaudited, in thousands of dollars)	2020	2019
Payments - short term leases	**$ 622**	$ 4,812
Payments per IFRS 16	**33**	14
Non-lease components per IFRS 16	**20**	14
Total cash payments	**$ 675**	$ 4,840

10. OTHER CURRENT ASSETS

The components of other current assets are as follows:

As at (unaudited, in thousands of dollars)	**March 31 2020**	December 31 2019
Materials and supplies	**$ 9,754**	$ 10,583
Prepaid expenses	**13,167**	9,415
Loan interest receivable	**135**	634
Right-of-use assets (Note 9)	**15**	9
	$ 23,071	$ 20,641

11. PROPERTY, PLANT, AND EQUIPMENT

Details of property, plant, and equipment are as follows:

Cost (unaudited in thousands of dollars)	Corporate	Domestic Dry-Bulk	Product Tankers	Ocean Self-Unloaders	Investment Properties	Total
Balance at December 31, 2019	$ 18,426	$ 597,562	$ 241,289	$ 382,691	$ 55,851	$ 1,295,819
Additions	284	4,256	2,652	3,591	22	10,805
Fully depreciated assets no longer in use	—	—	—	(4,186)	—	(4,186)
Effect of foreign currency exchange differences and other adjustments	5	—	—	35,800	—	35,805
Balance at March 31, 2020	**$ 18,715**	**$ 601,818**	**$ 243,941**	**$ 417,896**	**$ 55,873**	**$ 1,338,243**

Accumulated depreciation (unaudited in thousands of dollars)	Corporate	Domestic Dry-Bulk	Product Tankers	Ocean Self-Unloaders	Investment Properties	Total
Balance at December 31, 2019	$ 11,758	$ 167,017	$ 120,534	$ 100,980	$ 39,143	$ 439,432
Depreciation expense	226	6,298	3,674	6,876	674	17,748
Fully depreciated assets no longer in use	—	—	—	(4,186)	—	(4,186)
Effect of foreign currency exchange differences and other adjustments	2	—	—	9,960	—	9,962
Balance at March 31, 2020	**$ 11,986**	**$ 173,315**	**$ 124,208**	**$ 113,630**	**$ 39,817**	**$ 462,956**

Net Book Value (unaudited in thousands of dollars)	Corporate	Domestic Dry-Bulk	Product Tankers	Ocean Self-Unloaders	Investment Properties	Total
March 31, 2020						
Cost	$ 18,715	$ 601,818	$ 243,941	$ 417,896	$ 55,873	$ 1,338,243
Accumulated depreciation	11,986	173,315	124,208	113,630	39,817	462,956
	$ 6,729	**$ 428,503**	**$ 119,733**	**$ 304,266**	**$ 16,056**	**$ 875,287**
December 31, 2019						
Cost	$ 18,426	$ 597,562	$ 241,289	$ 382,691	$ 55,851	$ 1,295,819
Accumulated depreciation	11,758	167,017	120,534	100,980	39,143	439,432
	$ 6,668	$ 430,545	$ 120,755	$ 281,711	$ 16,708	$ 856,387

12. GOODWILL AND INTANGIBLE ASSETS

Goodwill and intangible assets consist of the following:

(unaudited in thousands of dollars)	Goodwill	Intangible Assets	Total
Balance at January 1, 2019	$ 7,910	$ 7,743	$ 15,653
Additions	—	746	746
Amortization	—	(4,903)	(4,903)
Effect of foreign currency exchange differences	—	(302)	(302)
Balance at December 31, 2019	$ 7,910	$ 3,284	$ 11,194
Amortization	—	(1,026)	(1,026)
Effect of foreign currency exchange differences	—	246	246
Balance at March 31, 2020	**$ 7,910**	**$ 2,504**	**$ 10,414**

Goodwill

As part of a business acquisition in 2011, the Company recognized goodwill of $7,910 within the Domestic Dry-Bulk segment on the allocation of the purchase price, determined as the excess over the fair values of the net tangible and identifiable intangible assets acquired.

Intangible Assets

The Company owns vessels that participate in a self-unloader ocean-going Pool with unrelated parties. From April 2016 to May 2019, other Pool members withdrew certain vessels due to market overcapacity. These vessel owners were compensated for their loss of future earnings resulting from the withdrawal of the vessels. The Company's interest in the Pool increased as a result and its value, which initially was equal to the Company's share of the compensation payable to the other owners, has been recorded as an intangible asset and is being amortized over two to four years.

13. OTHER ASSETS

Other assets consist of the following:

As at (unaudited, in thousands of dollars)	**March 31 2020**	December 31 2019
Loan receivable from joint venture, interest at 4.98%	**$ 10,984**	$ 10,984
Progress payments for shipbuilding contracts	**6,170**	6,618
Right-of-use assets (Note 9)	**620**	351
Other	**10**	10
	$ 17,784	$ 17,963

14. OTHER CURRENT LIABILITIES

The components of other current liabilities are as follows:

As at (unaudited, in thousands of dollars)	**March 31 2020**	December 31 2019
Accrued interest on long-term debt	**$ 3,245**	$ 4,488
Dividends payable	**1,572**	1,459
Lease obligations (Note 9)	**122**	59
Compensation payable to Pool members	**832**	3,347
	$ 5,771	$ 9,353

The compensation payable to other Pool members relates to the retirement of one vessel (2019 - three vessels).

15. OTHER LONG-TERM LIABILITIES

Other long-term liabilities consist of the following:

As at (unaudited, in thousands of dollars)	**March 31 2020**	December 31 2019
Deferred compensation	**$ 1,336**	$ 1,681
Lease obligations (Note 9)	**520**	317
	$ 1,856	$ 1,998

16. EMPLOYEE FUTURE BENEFITS

The COVID-19 pandemic has caused a weakening of global market conditions. This led to a decline in the fair value of the pension assets which resulted in the elimination of the surplus position of the defined benefit plans and an increase in employee future benefit liabilities. Pension assets have been measured as of March 31, 2020 as reported by the plan custodian and reflect the fair market value of the assets to that date. The actuarial loss is recognized in other comprehensive income.

Defined benefit obligations have been determined in accordance with IAS19 standards including the determination of discount rates. The Canadian Institute of Actuaries provides guidance to actuaries, which includes a yield curve based on duration of liabilities. The March 31, 2020 guidance provided by the Canadian Institute of Actuaries incorporated adjustments to their yield curve to account for the impact of COVID-19.

17. LONG-TERM DEBT

As at (unaudited, in thousands of dollars)	March 31 2020	December 31 2019
Convertible unsecured subordinated debentures, due June 30, 2024, interest at 5.25%	$ 80,296	$ 80,184
Senior Secured Notes, due July 19, 2021		
U.S. $75,000, interest fixed at 5.11%	106,402	97,410
Canadian $75,000, interest fixed at 5.52%	75,000	75,000
Bank Facility, due June 21, 2021		
Prime rate loan, interest at 3.45%, payable on demand	30,000	15,000
LIBOR, U.S. $40,000, interest at 3.91%, due June 1, 2020	56,748	51,952
LIBOR, U.S. $10,000, interest at 3.50%, due May 4, 2020	14,187	—
LIBOR, U.S. $5,000, interest at 2.93%, due April 24, 2020	7,093	—
LIBOR, U.S. $10,000, interest at 3.90%, due March 3, 2020	—	12,988
Mortgage payable, due March 8, 2023, interest at 4.73%	5,592	5,625
	375,318	338,159
Less: unamortized financing expenses	3,034	3,306
	372,284	334,853
Less: current portion of long-term debt	108,166	80,076
	$ 264,118	$ 254,777

The Company is subject to certain covenants including ones with respect to maintaining defined financial ratios and other conditions under the terms of the Bank Facility and the Senior Secured Notes.

As at March 31, 2020 and December 31, 2019 the Company was in compliance with all of its covenants.

18. SHARE CAPITAL

Share capital

Authorized share capital consists of an unlimited number of common and preferred shares with no par value.

The Company had 37,800,943 common shares outstanding as at March 31, 2020 (December 31, 2019 - 37,824,543).

At March 31, 2020 and December 31, 2019 there were no preferred shares issued and outstanding.

The Company's Board of Directors on May 6, 2020 authorized payment of a quarterly dividend to shareholders of $0.12 per common share. The dividend is payable on June 1, 2020 to shareholders of record on May 18, 2020.

The basic and diluted net earnings per share are computed as follows:

For the periods ended March 31 (unaudited, in thousands of dollars)	2020	2019
Net loss	$ (23,626)	$ (22,800)
Interest expense on debentures, net of tax	988	975
Net loss for diluted earnings per share	$ (22,638)	$ (21,825)
Basic weighted average common shares	37,807,910	38,411,882
Shares due to dilutive effect of debentures	4,125,000	3,900,709
Diluted weighted average common shares	41,932,910	42,312,591
Basic loss per common share	$ (0.62)	$ (0.59)
Diluted loss per common share	$ (0.62)	$ (0.59)

Normal Course Issuer Bid

On March 19, 2020, the Company renewed its normal course issuer bid ("NCIB") to purchase up to 1,890,457 of its common shares, representing approximately 5% of the common shares issued and outstanding as of the close of business on March 4, 2020.

Under the NCIB, the Company may purchase up to 1,726 common shares per day, representing 25% of the average daily trading volume for the previous six months. The Company may buy back common shares anytime during the twelve-month period beginning on March 19, 2020 and ending on March 18, 2021. The stated capital of the common shares of $0.21 per share on the balance sheet equals the approximate paid-up capital amount of the common shares for purposes of the Income Tax Act. The purchase results in a reduction to share capital and a reduction to contributed surplus for the balance of the purchase price and expenses. Both items have been identified separately on the Interim Condensed Consolidated Statement of Changes in Equity.

The Company's previous NCIB, which began on March 19, 2019 and concluded on March 18, 2020, resulted in the repurchase and cancellation of 612,572 common shares.

19. ACCUMULATED OTHER COMPREHENSIVE LOSS

(unaudited in thousands of dollars)	Net investment hedge	Foreign exchange translation	Total
Balance at December 31, 2018	$ (26,717)	$ 15,872	$ (10,845)
Gain (loss)	5,232	(20,142)	(14,910)
Income tax expense	(195)	—	(195)
Net gain (loss)	5,037	(20,142)	(15,105)
Balance at December 31, 2019	$ (21,680)	$ (4,270)	$ (25,950)
(Loss) gain	(15,652)	40,631	24,979
Income tax recovery	883	—	883
Net (loss) gain	(14,769)	40,631	25,862
Balance at March 31, 2020	**$ (36,449)**	**$ 36,361**	**$ (88)**

20. SUPPLEMENTARY DISCLOSURE OF CASH FLOW INFORMATION

The change in additions to property, plant and equipment is as follows:

For the three months ended March 31 (unaudited, in thousands of dollars)	Notes	2020	2019
Additions to property, plant, and equipment	11	**$ 10,805**	$ 77,454
Capitalized interest		**—**	(479)
Amounts included in working capital		**(2,248)**	(2,234)
		$ 8,557	$ 74,741

21. COMMITMENTS

The Company has commitments to construct one gearless bulk carrier, one self-unloading bulk carrier, and, through its interest in a joint venture, an additional five bulk carriers. Payments for the gearless bulk carrier are $15,769 ($11,115 USD) in 2020 and $19,486 ($13,735 USD) in 2021. The Company will acquire the self-unloading bulk carrier for an estimated cost of $51,073 ($36,000 USD) upon completion of the vessel by the shipyard in 2020. The Company's share of payments for the other bulk carriers are $9,385 ($6,615 USD) in 2020 and $15,528 ($10,945 USD) in 2021.

22. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial Instruments

The Company’s financial instruments that are included in the consolidated balance sheets comprise cash, accounts receivable, derivative assets, accounts payable and accrued charges, derivative liabilities, dividends payable and long-term debt.

Financial instruments that are measured at fair value are classified into Levels 1 to 3 based on the degree to which the fair value is observable.

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 and that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

There were no transfers into or out of Level 1, 2 or 3 during the periods.

Fair Value

The carrying value and fair value of financial assets and financial liabilities are as follows:

As at (unaudited, in thousands of dollars)	**March 31 2020**	December 31 2019
Financial assets carrying and fair value:		
Cash	**$ 20,873**	$ 18,865
Accounts receivable	**$ 48,000**	$ 67,612
Loan interest receivable	**$ 135**	$ 634
Other assets	**$ 10,994**	$ 10,994
Financial liabilities carrying and fair value:		
Accounts payable and accrued charges	**$ 61,691**	$ 63,441
Dividends payable	**$ 1,572**	$ 1,459
Accrued interest on long-term debt	**$ 3,245**	$ 4,488
Compensation payable to Pool members	**$ 832**	$ 3,347
Carrying value of long-term debt	**$ 375,318**	$ 338,159
Fair value of long-term debt	**$ 365,427**	$ 346,985

Liquidity risk

The contractual maturities of non-derivative financial liabilities are as follows:

(in thousands of dollars)	2020	2021	2022	2023	2024 and Beyond	Total
Long-term debt including equity component	$ 108,130	$ 181,545	$ 150	$ 5,197	$ 80,296	$ 375,318
Capital asset commitments	76,228	35,014	—	—	—	111,242
Interest payments on long-term debt	9,976	9,810	4,581	4,391	2,166	30,924
	$ 194,334	$ 226,369	$ 4,731	$ 9,588	$ 82,462	$ 517,484

Foreign Exchange Risk

At March 31, 2020 and December 31, 2019, approximately 42% and 41% respectively of the Company's total assets were denominated in U.S. dollars, including U.S. cash of $11,153 and $9,564 at March 31, 2020 and December 31, 2019, respectively.

The Company has significant commitments due for payment in U.S. dollars. For payments due in U.S. dollars, the Company mitigates the risk principally through U.S. dollar cash inflows and foreign-denominated debt.

23. SEGMENT DISCLOSURES

The Company operates through six segments; Domestic Dry-Bulk, Product Tankers, Ocean Self-Unloaders, Global Short Sea Shipping, Investment Properties and Corporate. The segment operating results include fully consolidated subsidiaries and interests in jointly controlled entities. Segment disclosures are based on how the Chief Executive Officer views operating results and how decisions are made about resources to be allocated to operating segments.

The following presents the Company's results by reportable segment.

	Domestic Dry-Bulk	Product Tankers	Ocean Self-Unloaders	Corporate	Investment Properties	Global Short Sea Shipping	Total
For the three months ended March 31, 2020 (unaudited, in thousands of dollars)							
Revenue	$ 21,095	$ 24,425	$ 36,377	$ 754	$ 2,446	$ —	$ 85,097
Operating expenses	(38,049)	(20,871)	(24,429)	(234)	(1,750)	—	(85,333)
Selling, general and administrative	(3,150)	(1,426)	(376)	(3,431)	—	—	(8,383)
Depreciation and amortization	(6,304)	(3,674)	(7,922)	(241)	(673)	—	(18,814)
Operating (loss) earnings	(26,408)	(1,546)	3,650	(3,152)	23	—	(27,433)
Interest, net	—	—	—	(4,805)	—	—	(4,805)
Foreign currency gain	—	—	—	242	—	—	242
	(26,408)	(1,546)	3,650	(7,715)	23	—	(31,996)
Income tax recovery	6,922	408	—	2,252	51	—	9,633
Net earnings (loss) from investments in joint ventures	—	—	924	—	—	(2,187)	(1,263)
Net (loss) earnings	$ (19,486)	$ (1,138)	$ 4,574	$ (5,463)	$ 74	$ (2,187)	$ (23,626)

	Domestic Dry-Bulk	Product Tankers	Ocean Self-Unloaders	Corporate	Investment Properties	Global Short Sea Shipping	Total
As at March 31, 2020 (unaudited, in thousands of dollars)							
Assets							
Current assets	$ 41,318	$ 6,791	$ 24,784	$ 34,680	$ 2,095	$ —	$ 109,668
Property, plant, and equipment	428,503	119,733	304,266	6,729	16,056	—	875,287
Investments in joint ventures	—	—	5,059	—	—	149,533	154,592
Goodwill and intangible assets	7,910	—	2,504	—	—	—	10,414
Other assets	6,170	—	9	11,605	—	—	17,784
	$ 483,901	$ 126,524	$ 336,622	$ 53,014	$ 18,151	$ 149,533	$ 1,167,745
Liabilities							
Current liabilities	$ 37,066	$ 10,859	$ 11,434	$ 7,969	$ 257	$ —	$ 67,585
Current portion of long-term debt	—	—	—	108,166	—	—	108,166
Long-term liabilities	4,233	16,070	67	67,279	—	—	87,649
Long-term debt	—	—	—	264,118	—	—	264,118
	41,299	26,929	11,501	447,532	257	—	527,518
Shareholders' Equity	442,602	99,595	325,121	(394,518)	17,894	149,533	640,227
	$ 483,901	$ 126,524	$ 336,622	$ 53,014	$ 18,151	$ 149,533	$ 1,167,745

	Domestic Dry-Bulk	Product Tankers	Ocean Self-Unloaders	Corporate	Investment Properties	Global Short Sea Shipping	Total
For the three months ended March 31, 2019 (unaudited, in thousands of dollars)							
Revenue	$ 17,853	$ 27,071	$ 23,439	$ 836	$ 2,654	$ —	$ 71,853
Operating expenses	(35,070)	(21,227)	(16,130)	(237)	(1,946)	—	(74,610)
Selling, general and administrative	(2,905)	(1,056)	(459)	(4,449)	—	—	(8,869)
Depreciation and amortization	(5,486)	(3,141)	(5,422)	(239)	(676)	—	(14,964)
Operating earnings (loss)	(25,608)	1,647	1,428	(4,089)	32	—	(26,590)
Interest, net	—	—	—	(3,303)	—	—	(3,303)
Foreign currency loss	—	—	—	(2,138)	—	—	(2,138)
	(25,608)	1,647	1,428	(9,530)	32	—	(32,031)
Income tax recovery (expense)	6,881	(437)	2	3,995	(8)	—	10,433
Net loss of joint ventures	—	—	(729)	—	—	(473)	(1,202)
Net (loss) earnings	$ (18,727)	$ 1,210	$ 701	$ (5,535)	$ 24	$ (473)	$ (22,800)
As at December 31, 2019 (unaudited, in thousands of dollars)							
Assets							
Current assets	$ 58,989	$ 4,916	$ 23,965	$ 25,046	$ 1,513	$ —	$ 114,429
Property, plant, and equipment	430,545	120,755	281,711	6,668	16,708	—	856,387
Investments in joint ventures	—	—	3,751	—	—	139,043	142,794
Goodwill and intangible assets	7,910	—	3,284	—	—	—	11,194
Other assets	6,815	—	9	15,749	—	—	22,573
	$ 504,259	$ 125,671	$ 312,720	$ 47,463	$ 18,221	$ 139,043	$ 1,147,377
Liabilities							
Current liabilities	$ 36,343	$ 13,612	$ 15,520	$ 10,870	$ 424	$ —	$ 76,769
Current portion of long-term debt	—	—	—	80,076	—	—	80,076
Long-term liabilities	3,036	15,987	70	56,241	—	—	75,334
Long-term debt	—	—	—	254,777	—	—	254,777
	39,379	29,599	15,590	401,964	424	—	486,956
Shareholders' Equity	464,880	96,072	297,130	(354,501)	17,797	139,043	660,421
	$ 504,259	$ 125,671	$ 312,720	$ 47,463	$ 18,221	$ 139,043	$ 1,147,377

24. SHARE-BASED COMPENSATION

The Company maintains a stock option program for certain key employees. Options on common shares are periodically granted to eligible employees under the plan for terms of 5 years and cliff vest on the third anniversary of the grant date. These options provide holders with the right to purchase common shares of the Company at a fixed price equal to the closing market price of the shares on the day prior to the date the options were issued. Under this plan, 1,891,227 common shares have been reserved for future issuance. The outstanding options expire on various dates to March 1, 2025. The following table summarizes the Company's stock option activity and related information for the period ended March 31, 2020 and year ended December 31, 2019.

	March 31 2020		December 31 2019	
Stock Option Activity As at (unaudited, amounts not stated in thousands)	**Number of shares**	**Weighted average exercise price**	Number of shares	Weighted average exercise price
Number outstanding, beginning of period	**230,000**	**$ 13.43**	250,000	$ 15.06
Granted	**113,542**	**12.52**	130,000	13.15
Forfeited/cancelled	**—**	**—**	(150,000)	(15.06)
Exercise price adjustment	**—**	**—**	—	(0.55)
Number outstanding, end of period	**343,542**	**$ 12.13**	230,000	$ 13.43

The following table summarizes information relating to stock options outstanding as at March 31, 2020.

Exercise price per share (unaudited, amounts not stated in thousands)	Options outstanding: Number of shares	Options outstanding: Remaining contractual life (years)
$12.52	113,542	4.91
$12.60	130,000	3.92
$14.51	100,000	3.10

For the period ended March 31, 2020, the Company recognized compensation expense for stock option awards of $28 (December 31, 2019 - $41). For the period ended March 31, 2020, 113,542 (December 31, 2019 - 130,000) options were granted by the Company at a weighted average fair value of $1.08 per option (December 31, 2019 - $1.45).

2020

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