

Business Plan

Executive Summary



HOPA
PORTS



**SAULT
STE. MARIE**

PORT OF SAULT STE. MARIE
TRADE CORRIDOR

BUSINESS PLAN — JANUARY 2026

Sault Ste. Marie and HOPA Ports have united to create a multimodal port and trade corridor.

This initiative will link Northern Ontario's resource-rich industries with Southern Ontario, Quebec and global markets, strengthening Canada's supply chain resilience and driving economic transition.

Project Highlights

- \$200M capital plan
- 216 acres of industrial land for immediate capacity & long-term growth to 950 acres
- 2,488 new jobs by year 5
- \$134M annual personal income
- \$343M annual economic activity
- ↑ 61% cargo by year 5+ *(not including Algoma Steel)*
- < 24 months to operation
- 5 key industrial sectors

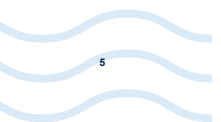


Why Sault Ste. Marie?

- **Multimodal Connectivity:** Integration of marine, rail, and highway infrastructure to support intra-provincial (north-south Ontario) trade.
- **Full-season capability.** North-south connection from dock area 5 to S.Ont outside of Seaway shipping season.
- **Industrial Clustering:** Co-location for manufacturing, logistics, and energy producers.
- **Brownfield Lands:** Industrial land with multimodal connections, high-capacity energy & deepwater access.
- **Doorstep to Key Sectors:** Minerals & mining, steel, forestry and agriculture – currently underserved by freight transportation.
- **Labour Pool:** Base of skilled tradespeople; Sault College and Algoma University.
- **Speed to Market:** Infrastructure is in-place; commercial market connections exist today; targeted investment required to unlock full potential

Speed to Market

Port of Sault Ste. Marie builds on existing infrastructure and brownfield industrial land, delivering needed capacity quickly.



Policy alignment at federal and provincial levels



- Canada Strong
'Canada as our 'own best customer'
- Prosperity & Growth Strategy for Northern Ontario (FedNor)
- Canadian Critical Minerals Strategy
- Nation-building project key criteria



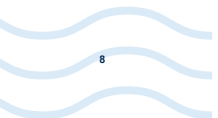
- Ontario's Critical Mineral Strategy
- Ontario Forest Sector Strategy
- Ontario Marine Strategy

Key Sectors

- **Minerals & Mining:** Strategically located to serve key mineral and mining areas, including gold, copper, zinc. Multimodal land development suitable for future mineral processing & staging.
- **Forestry & value-added wood products:** Major players e.g. Arauco (MDF), Interfor, Boniferro, to benefit from efficient transportation connection to S. Ontario market.
- **Steelmaking:** Algoma Steel is seeking new markets for steel coil and plate used in automotive, construction, energy, manufacturing, pipe and tube. This commodity is in demand among S. Ontario manufacturers who have traditionally sourced this product from the US or overseas. New beam manufacturing to address new Canada & Intl. market. Northbound: **Scrap steel** from S. Ontario (Hamilton) for electric arc furnace. **Slag:** Processing Algoma's slag for reuse in concrete or asphalt will help address this byproduct of the steelmaking process, while vacating usable dockside space on the Algoma Steel property.
- **Manufacturing:** Existing manufacturers (Tenaris) and multimodal industrial land for new manufacturers in steel processing, energy (wind) and other sectors.
- **Salt & Aggregates:** Closer to municipal and construction users
- **Agriculture:** Growing quantities of grain (corn, soy), fertilizer.
- New **bonded warehouse** to support all sectors

Minerals & Mining

- 12 + active and emerging projects within 150 km
- Copper, zinc, gold, aggregates + heavy equipment transport
- Current heavy reliance on long-haul trucking
- Multimodal industrial lands ideal for value-added processing
- High value energy capacity



Forest Products

- 300,000MT currently exported cross border at SSM
- 96% of Ontario wood exports go to U.S.; need to diversify
- Lumber, OSB, MDF, engineered wood, biochar, pellets, pulp & paper
- Global forest product demand to grow 30% by 2030
- Provincial focus on value-added processing and export diversification
- Domestic demand drivers include mass timber and modular housing
- 10+ major producers in immediate SSM area



Steelmaking & Slag

- Serves Algoma Steel's long-term needs for input and output supply chains
- Positioned to ship steel plate for automotive, shipbuilding and other users in S. Ontario
- New shipping capacity for stockpiles of slag on Algoma Steel site; frees up land for development use
- Support for potential new rail & beam manufacturing



Manufacturing

- Existing manufacturers (Tenaris) gain laydown space and better transportation service to accommodate growth plans.
- New multimodal industrial land is activated to attract new manufacturers in steel processing, energy (wind) and other sectors.
- High-capacity power on-site offers unique advantage



Salt & Aggregates

- Limited marine capacity requires long-haul trucking to serve local needs
- ~ 50,000MT local use salt per year; needs expected to increase up to 110,000MT
- Northern Ontario produces significant amounts of diabase, basalt, sandstone, other aggregates
- Opportunity for more value-added products



Agriculture

- Longer-term development opportunity, requiring investment in storage and drying capacity
- Oats, soybeans, canola, winter wheat, legumes, maple sugar
- Fertilizer & lime provides important backhaul opportunity
- Regional connections to terminals at Goderich, Windsor



Sustained Economic Impact

- **2,488** new jobs
- **\$134 million** in annual personal income
- **\$343 million** in economic activity

	Total jobs impact year 5+
Jobs	
Direct jobs	796
Induced	1,000
Indirect	692
Total Jobs Facilitated	2,488
Personal Income (\$000)	
Direct	\$47,184
Re-Spending/Local Consumption	\$45,255
Indirect	\$42,142
Total Personal Income	\$134,581
Business Revenue (\$000)	\$297,904
Local Purchases (000)	\$109,100
Economic Activity (\$000)	\$343,079
Taxes (\$000)	
Province/Local	\$26,317
Federal	\$33,226
Total Taxes	\$59,543

Construction-related Employment

- 1,400-1,800 FTEs



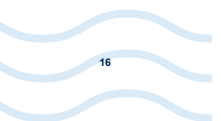
\$200m phase 1 capital plan

(including rail access upgrades to Franz & Algoma site rail acquisition cost)

Investments to activate near-term capacity on 216 acres and long-term business growth, creating a **950-acre multi-user port**.

Phase 1 : activation of 216 acres and multimodal infrastructure assets : **\$200 million**

Phase 2 : activation of 741 acres for business and cargo growth



Capital investments include:

- Refurbished dock walls enabling two vessels to berth
- Cargo laydown space
- Security and safety systems
- Rail transload area
- Base infrastructure for tenant-ready leasable industrial space



OUTCOMES

Impact on National & Provincial Supply Chains

- Enhances national supply chains in key sectors
- Reduce reliance on U.S. routings & markets
- Support year-round trade through marine-rail-road integration
- Shift thousands of long-haul truck movements to cleaner modes
- Leverages the existing underutilized capacity in the Great Lakes-St. Lawrence Seaway.

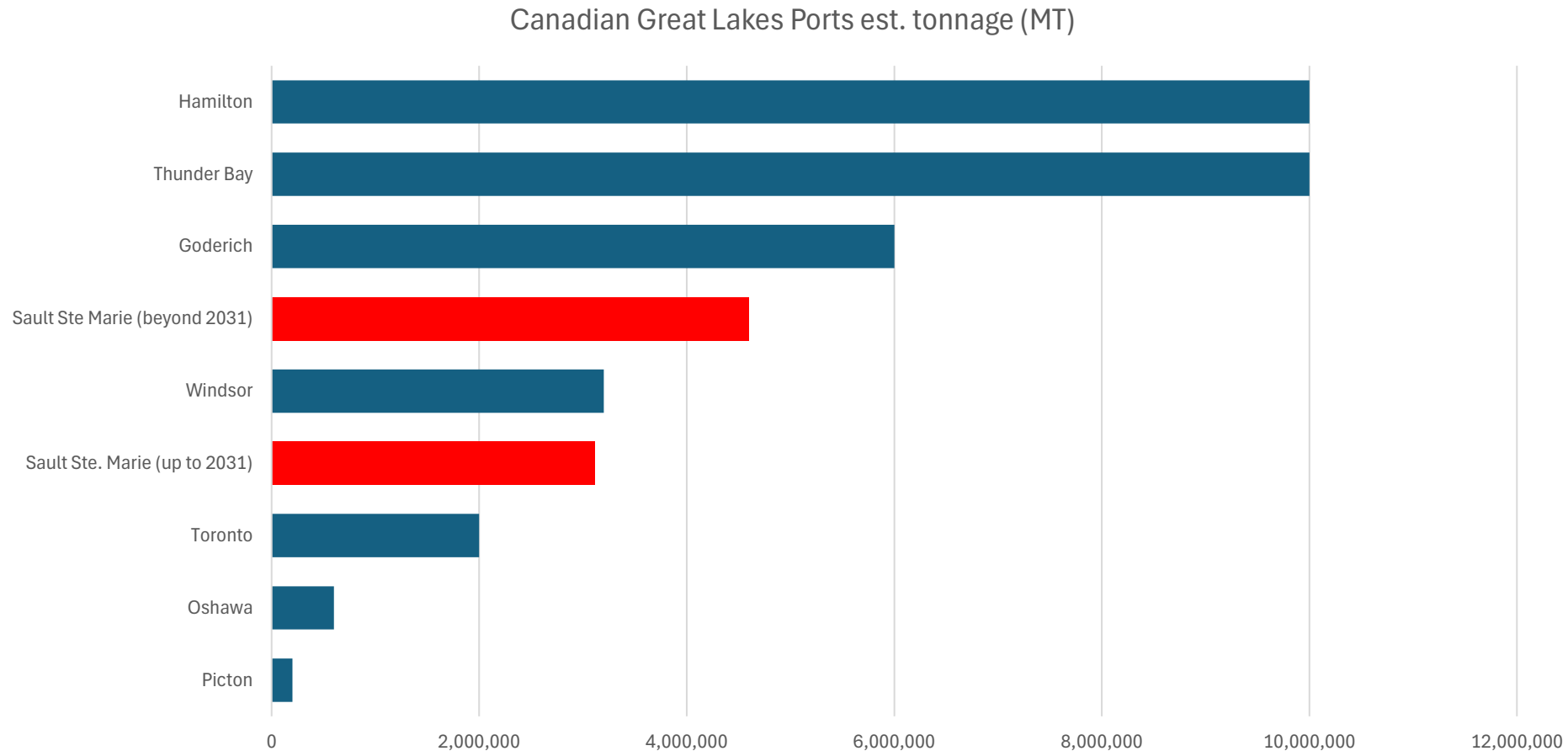


4,450 truck trips per week between Northern & Southern Ontario are candidates for modal optimization



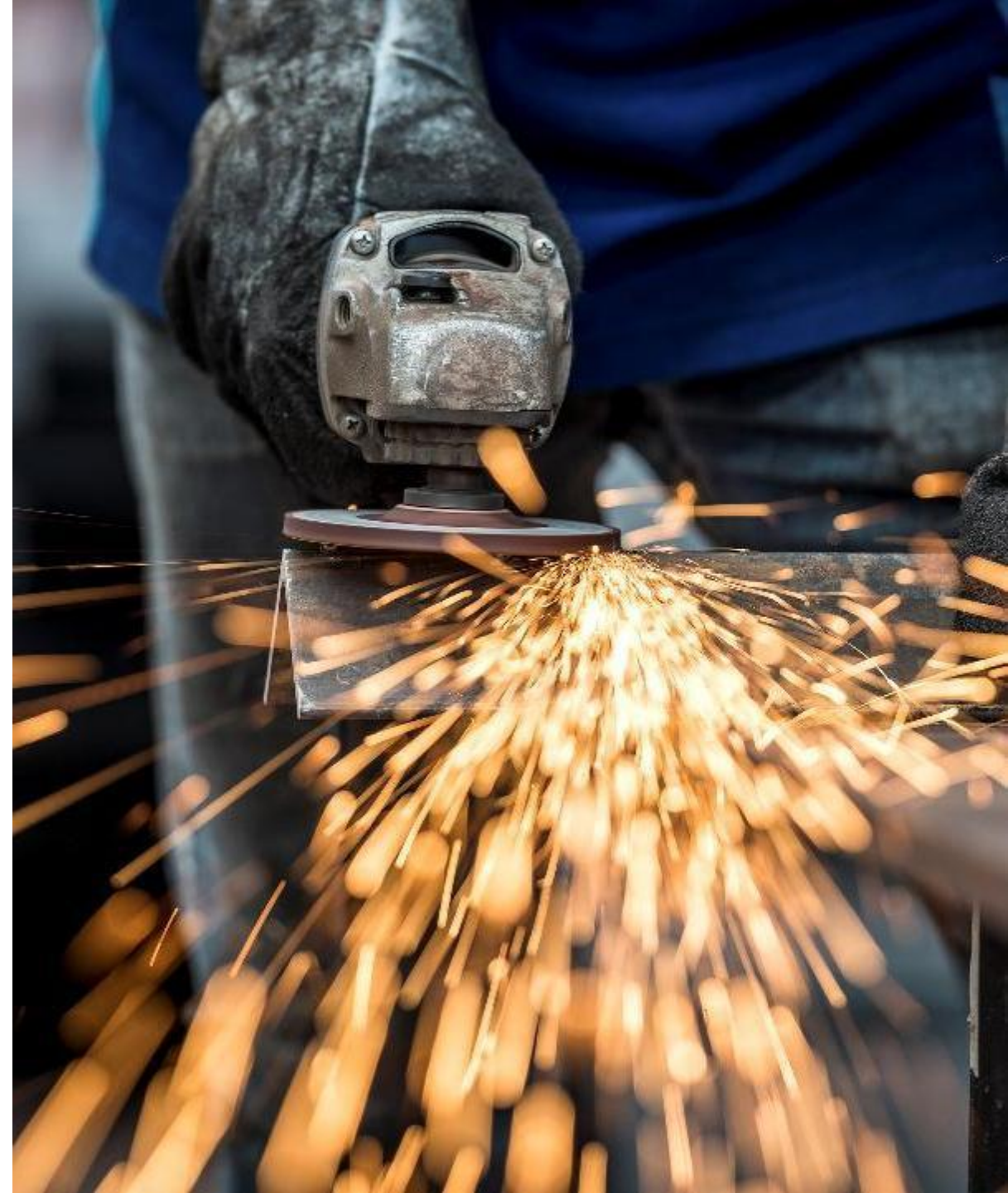
OUTCOMES

Sustainable business: Tonnages comparable to other Great Lakes ports



Wins for Algoma Steel

- **Success depends on the collaboration of Algoma Steel – transitioning surplus lands to the port.**
- Improves shipping capacity and efficiency for inbound raw material and outbound finished product shipments.
- Price stability across company's transportation functions, while relieving the need to operate functions that are not core to its business.
- Create winter seasonal storage and shipping for coils east of the Soo locks, allowing the company to operate outside of the Seaway shipping window.



Nation-building project: key criteria

Strengthens Canada's autonomy, resilience & security

- Trade diversification
- North-south connection = Canada as our own best customer

Economic benefits

- Employment, regional economic activity
- Supports key sectors

High likelihood of execution

- Leverages existing infrastructure
- HOPA network & track record
- Speed to market

Advances interests of Indigenous peoples

- Regional employment & economic development
- Project partnerships

Clean growth & climate objectives

- Modal shift to marine



Stakeholder Support

- Algoma Central Corporation
- Algoma University
- Amrize/Lafarge
- Arauco
- Avery Construction
- Batchewana First Nation
- Canada Salt
- Canfornav
- City of Port Colborne
- Clergue Forest Management
- Council of the Great Lakes Region
- Garden River First Nation
- GFL Environmental
- Inter-Ontario
- Ontario Chamber of Commerce
- Purvis Marine
- Sault Multimodal Terminal
- Sault Ste. Marie Chamber of Commerce
- Sault Ste. Marie Economic Development
- Sault Ste. Marie Public Utilities
- Sterling Metals
- Tenaris



Impacts on productivity



Unlocks material value for Canadians



Leverages a distinct advantage



Makes Canada a better place to do business



Incentivizes innovation and productivity improvement



Sets up Canada for growth



Next Steps

- Engage federal and provincial partners on funding structure.
- Negotiations ongoing with Algoma Steel on land utilization.
- Continued outreach to key business stakeholders to develop market opportunities.

