

NewLead fixes five-year business for panamax

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Profit-sharing element adds to escalating rate for Newlead Victoria

GREECE-based NewLead Holdings has locked up one of its remaining dry bulk carriers on a five-year charter including profit sharing elements.

The Nasdaq-listed shipowner, which has emerged from a marathon restructuring and has recently diversified into commodity holdings in the US, gave a schedule of escalating charter rates for the deal, which is expected to see the charter commence next month.

The 2002-built, 75,966 dwt panamax Newlead Victoria will earn \$11,700 per day until December 29, 2014.

Thereafter, agreed daily rates are \$12,723.75 until end-2015; \$12,918.75 until December 29, 2017; and \$13,016.25 until the end of the charter on June 29, 2018. NewLead will have a profit-sharing interest equal to 60% for each charter year, the company said.

"This agreement demonstrates our ability to secure competitive rates and allows for earnings expansion when the market improves," said chairman and chief executive Michael Zolotas.

NewLead sources told Lloyd's List that while company policy is not to identify charterers, the counterparty was a third party unaffiliated with Newlead.

The company's recently-formed commodity arm has acquired title and coal excavation rights in 5,000 acres of land in Kentucky as well as 18,335 acres of land in Tennessee, estimated to contain about 143m tonnes of coal, natural gas and other resources.

On the shipping side, in addition to two bulkers the company manages two tankers.

Article from Lloyd's List

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