

Why NewLead Holdings (NEWL) Stock Is Soaring Monday

By Keris Alison Lahiff | 05/19/14 - 10:51 AM EDT

NEW YORK (TheStreet) -- **NewLead Holdings (NEWL)** stock is soaring Monday after the shipper announced its eco-type handysize vessel, Newlead Albion, had been delivered to the NewLead fleet. The vessel has capacity of 32,318 dwt.

The company said the Newlead Albion is expected to generate \$2 million EBITDA per year, assuming \$1.73 million yearly OPEX.

Albion, one of two eco-type vessels which NewLead agreed to acquire in March, was purchased for \$18.5 million. At current prices, the market value of the vessel is around \$20.25 million each. The second vessel is scheduled for delivery in July.

"We are pleased to announce the delivery of the Newlead Albion, the first vessel to be added to our fleet after our successful restructuring. To receive delivery, we secured financing through a leading shipping and financial institution, demonstrating third party belief in the transformation of NewLead," chairman and CEO Michael Zolotas said in a statement.

Zolotas, added, "We are modernizing our fleet with fuel efficient vessels. The fleet age is being optimized, and employment lifetime is substantially longer. NewLead expects to have three new modern Handysize vessels added to its fleet by the end of August 2014."

By midmorning, shares had added 66.8% to \$1.05.