
NewLead hands over more shares

NewLead Holdings has handed another 2.9 million shares today as part of its December settlement deal with affiliates of private equity firm Magna Group.



The New York-listed shipowner's shares dipped by 11.1% to \$1.42 in late afternoon trading after reporting to the US Securities and Exchange Commission (SEC) that the new shares would be issued to Magna-linked Hanover Holdings. That values the new shares at \$4.12m.

As TradeWinds has reported, NewLead struck a deal last month to settle a \$44.8m New York lawsuit filed by Hanover, which had acquired NewLead debt from a variety of creditors.

The Athens-based shipowner, which is led by chief executive Michael Zolotas, has already issued 1.75m shares to Magna's 50% owned MG Partners as part

of the settlement agreement.

Meanwhile, NewLead said today that the Nasdaq Stock Market's listing qualifications panel has determined that the company has regained compliance with the exchange's rules.

The company had fallen out of compliance of rules that require its share's closing bid price to remain above \$1.

The panel will continue to monitor the shares over the next six months.

ERIC MARTIN IN STAMFORD 06 January 2014, 21:15 GMT