
NewLead claims \$125m

Greek bulker owner NewLead Holdings has escalated its share row with the Ironridge Global fund by filing a compensation claim for more than \$125m.



NewLead alleges "breach of contract, fraudulent inducement of contract and fraud, securities market manipulation and misrepresentation...[and] unjust enrichment."

The claim arises from an agreement earlier this year where NewLead was to be paid \$25m in cash and promissory notes for preference shares.

It now wants damages of more than \$25m, punitive damages in excess of \$100m, and reimbursement of legal costs and the costs of pending arbitration.

And it is calling for the share deal to be torn up, after claiming Ironridge shorted the stock.

Ironridge denies any wrongdoing and points to a US district court judgement last month that backed up its assertion.

The fund has continued to pay NewLead, but the owner does not want its money and has returned it.

It alleges Ironridge has already "requested and/or received" 62m shares and continues to sell them on for a total of \$22.8m so far.

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