STEVE BUTTON, Individually and On Behalf of All Others Similarly Situated,

Plaintiff,

vs.

BRITANNIA BULK HOLDINGS INC., ARVID TAGE, FARIYAL KHANBABI, JOHN SINDERS, JENS FEHRN-CHRISTENSEN, SOREN HALSTED, GOLDMAN, SACHS & CO., BANC OF AMERICA SECURITIES LLC, DAHLMAN ROSE & COMPANY, LLC and OPPENHEIMER & CO. INC.,

Defendants.

Civil Action No. 1

CLASS ACTION

COMPLAINT FOR VIOLATION OF THE FEDERAL SECURITIES LAWS

DEMAND FOR JURY TRIAL
**NATURE OF THE ACTION**

1. This is a class action on behalf of all persons or entities who acquired the common stock of Britannia Bulk Holdings Inc. ("Britannia Bulk" or the "Company") pursuant or traceable to the Company's false and misleading Registration Statement and Prospectus (collectively, the "Registration Statement") issued in connection with its June 17, 2008 initial public offering ("IPO"), seeking to pursue remedies under the Securities Act of 1933 ("1933 Act").

2. Britannia Bulk is an international provider of drybulk shipping and maritime logistics services with a focus on transporting drybulk commodities in and out of the Baltic region. The current owned fleet consists of 22 vessels, including 13 drybulk vessels, five of which are ice-class, five ocean-going ice-class barges, and four ice-class tugs. The Company also charters-in additional vessels to increase its overall deadweight tonnage capacity and enhance its service to its customers. As of June 30, 2008, the number of chartered-in drybulk vessels under the Company's control was 53, nine of which were ice-class.

3. On June 17, 2008, Britannia Bulk accomplished its IPO of 8.3 million shares at $15.00 per share for net proceeds of $116.2 million, pursuant to the Registration Statement (the "Offering"). The proceeds from the Offering were to be used for repayment of existing debt.

4. In its first day of trading, Britannia Bulk closed at $13.85 per share on June 17, 2008.

5. On October 28, 2008, Britannia Bulk issued a press release entitled "Britannia Bulk Holdings Inc. Provides Operational and Financial Update," which stated in part:

   Britannia Bulk Holdings Inc. (the "Company"), an international provider of dry bulk shipping and maritime logistics services with a focus on transporting dry bulk commodities in and out of the Baltic region, is hereby providing an update on significant financial and operational matters prior to the Company’s upcoming release of unaudited financial and operational results for the three month and the nine month periods ended September 30, 2008.

   Expected Third Quarter 2008 Financial Trends
While the Company has not yet concluded the review of its financial results for the three months ended September 30, 2008, the Company expects to announce a significant net loss for the period compared to the net income achieved during the second quarter of 2008. The Company believes that the expected loss will have resulted from the substantial decreases in dry bulk charter rates that occurred during the period, exacerbated by the Company’s increase in chartered-in capacity during the same period and its entry into the forward freight agreements (“FFAs”) and a bunker fuel hedge more fully described below.

Update on Third Quarter 2008 Operational Difficulties

Chartered-In Vessels. Historically the Company has chartered-in vessels to increase its overall dead weight tonnage capacity and enhance its service offering to customers. During the three months ended September 30, 2008 the Company increased its chartered-in capacity at a time when the demand for dry bulk shipping capacity decreased significantly. This decrease continued throughout the third quarter of 2008 and dry bulk charter rates fell substantially during the same period. As a result, the charter rates the Company achieved during the three months ended September 30, 2008 for its chartered-in vessels were less than the rates the Company paid to secure many of these vessels, resulting in significant losses.

Forward Freight Agreements. A Forward Freight Agreement (“FFA”) is an agreement to pay the difference between a current price and the future price of moving a product from one location to another, or for the future price of hiring a ship over a period of time. FFAs are used by ship-owners and charterers as means of protecting themselves against the volatility of freight rates. For example, a ship-owner would typically sell FFAs to hedge against falling freight rates. Similarly, a charterer would typically buy FFAs to fix shipping costs. Positions in FFAs can be closed out by buying or selling opposing positions.

The Company has historically entered into dry bulk FFAs as economic hedges relating to identifiable ship or cargo positions and as economic hedges of transactions expected to be carried out in the normal course of its shipping business. None of the Company’s FFA derivatives qualify for hedge accounting; therefore, the net changes in derivative assets and liabilities are reflected in current period operations. In the past, the Company has entered into FFA contracts to provide a fixed number of theoretical voyages at fixed rates, with such contracts generally ranging from one month to one year and settling monthly based on a published index. For such contracts, the Company recognizes monthly realized gains or losses from FFAs concurrently with monthly cash settlements. In addition, unrealized gains or losses on the FFAs are recorded in the Company’s statement of operations under “gains on forward freight agreements.” Entering into FFAs can lead to material fluctuations in the Company’s reported net income on a period to period basis.

Since July 2008, the Company bought FFAs that appear not to have been purchased to hedge identifiable ship or cargo positions. This resulted in the Company being more exposed to the falling charter rates and reduced overall
demand for dry bulk shipping services than it would have been if its historic practice of using FFAs as economic hedges had been followed. In marking these FFAs to market, the Company expects to recognize a significant realized loss for the three months ended September 30, 2008. Cash settlement of such FFAs is scheduled to commence in the fourth quarter of 2008 and continue into 2009.

An independent committee of the Company’s Board of Directors has resolved to retain an external advisor to assist it in determining how the Company came to enter into these FFAs.

Bunker Fuel Hedge. If the Company’s vessels are time-chartered out to third parties, the charterer pays for the bunker (fuel and oil). In such instance, any inflationary pressure on the cost of bunker fuel does not affect the Company’s results of operations. If, however, the Company’s vessels are employed under contracts of affreightment (“COAs”) or spot charters, the freight rates it receives are generally sensitive to the price of bunker fuel. A rise in bunker costs can sometimes have a negative temporary effect on the Company’s results since freight rates generally adjust upwards only after bunker fuel prices settle at a higher level. To mitigate the risk of this temporary effect, and in light of recent substantial movements in the price for bunker fuel, the Company has in the past entered into hedging arrangements whereby it purchased a fixed quantity of bunker fuel, calculated against identifiable COAs, at a fixed price to be delivered over a specified period of time. Bunker fuel hedges are designated as cash flow hedges for accounting purposes and, accordingly, unrealized gains or losses resulting from changes in fuel prices are recorded in other comprehensive income (loss), a component of stockholders’ equity.

In the three months ended September 30, 2008, the Company entered into a bunker fuel hedge which is currently uncompetitive because it is hedged to prices which are significantly above the current market price of bunker fuel. As a result, the Company currently estimates that its aggregate bunker fuel hedging losses for the three months ended September 30, 2008 will be significant.

Board Discussions with Company Management

In response to the severe financial difficulties the Company is experiencing, the Board is currently conducting extensive discussions with the Company’s management team to identify and implement any necessary changes. While discussions and resulting changes are ongoing, the Board has recently imposed a number of cash conservation and cost reduction measures on the Company and has limited management’s ability to conduct daily sales and purchases and hedging activities, including entering into any new FFAs or bunker fuel hedge arrangements, without specific Board approval.

Engagement of Outside Corporate Advisors

The Company has engaged AlixPartners, a leading corporate advisory firm, to assist the Company’s management in discussions and negotiations with the
Company’s lenders and trade counterparties and to address the Company’s current financial and liquidity issues. Representatives of AlixPartners are working with management to immediately implement measures to conserve cash and reduce costs. AlixPartners is expected to have an integral role in helping the Company address key issues with its lenders and trade counterparties.

Ongoing Discussions with Secured Term Loan Facility Lenders

On May 23, 2008, the Company’s wholly owned subsidiary, Britannia Bulk Plc, as borrower (the “Borrower”), entered into a US $170.0 million term loan facility with Lloyds TSB Bank Plc and Nordea Bank Denmark A/S (the “Facility”), which Facility is secured by twenty two vessels in the Company’s owned fleet. Approximately US $158.0 million is currently outstanding under the Facility. The Company has guaranteed the Facility and, pursuant to the terms of the guaranty, the Company is subject to certain financial covenants, including a minimum liquidity covenant. In addition, the Facility contains a collateral cover requirement pursuant to which the Borrower may be required to provide additional collateral or make repayments under the Facility if updated valuations of five of the vessels securing the Facility reflect that the fair market value of such vessels has dropped below required levels. In addition, such updated valuations will be used in the calculation of certain of the financial covenants.

The Company is not currently in violation of its financial covenants. Although no such violations currently exist, severe adverse market conditions and the severe financial difficulties currently being experienced by the Company (as well as a revaluation of its fleet) have resulted in a very high risk of a future violation of one or more financial covenants in the near term. If such violations occur and the Company is unable to cure such violations or obtain waivers within the applicable cure periods to the extent available, such violations will constitute an event of default under the Facility. Similarly, adverse market conditions have resulted in a material risk that the lenders may require additional collateral or repayments of the Facility under the collateral cover requirement. A failure to satisfy such collateral cover requirement or make the required payments within 30 days of request by the lenders to do so will also constitute an event of default under the Facility. Additionally, the lenders may assert that certain insolvency events or material adverse changes have occurred. The occurrence of such events would also constitute events of default. If an event of default occurs, and the Company believes there is a very high risk of that occurring, the lenders would accelerate the due date for the payment of all of the outstanding indebtedness under the Facility, exercise remedies as a secured creditor with respect to the vessels and other collateral securing the Facility and offset cash balances on account with the lenders.

The Company is in discussions with the lenders under the Facility regarding its current severe financial difficulties and the possibility that events of default may occur under the Facility. There can be no assurance that a resolution of the issues surrounding the Facility will be reached. The Company is considering its alternatives
if it is unable to reach an accommodation with the lenders, including liquidation or protection under applicable bankruptcy or insolvency laws.

In either case (an accommodation with the lenders or a liquidation, administration or bankruptcy), it is unlikely that the Company's shareholders would realize much, if any, value.

No Payment of Third Quarter Dividend

As a result of its current financials, the Company has determined that it will not pay a dividend on its common shares for the quarter ended September 30, 2008. While the timing and amount of any future dividend payments will depend on future earnings, financial condition, capital requirements and such other factors as the Board may consider relevant at such future date, the Company does not expect to pay a dividend in the foreseeable future.

6. Following this disclosure, the Company's stock collapsed to $0.16 per share. The following day, the Company disclosed that it had been notified by its lenders that they were accelerating all of its subsidiary's obligations under a $170 million lending facility. This would ultimately result in the subsidiary being placed into administration under U.K. insolvency laws.

7. The Registration Statement failed to disclose the problems in the Company's activities in the forward freight agreements ("FFAs") market. Specifically, the Registration Statement concealed that the Company failed to institute and enforce controls that would prevent Company personnel from buying FFAs not purchased to hedge identifiable ship or cargo positions. FFAs were represented to only be used as a hedge for work Britannia Bulk's ships engaged in. However, in fact, FFAs were used outside of these guidelines, exposing the Company to significant risks. Moreover, the Company had not entered into appropriate fixed price contracts given the dramatic fluctuation in crude oil and bunker fuels.

**JURISDICTION AND VENUE**

8. The claims asserted herein arise under and pursuant to §§11 and 15 of the 1933 Act [15 U.S.C. §§77k and 77o].
9. This Court has jurisdiction over the subject matter of this action pursuant to 28 U.S.C. §1331 and §22 of the 1933 Act.

10. Venue is proper in this District pursuant to 28 U.S.C. §1391(b), because the defendants maintain an office in this District and many of the acts and practices complained of herein occurred in substantial part in this District.

11. In connection with the acts alleged in this complaint, defendants, directly or indirectly, used the means and instrumentalities of interstate commerce, including, but not limited to, the mails, interstate telephone communications and the facilities of the national securities markets.

PARTIES

12. Plaintiff Steve Button acquired the common stock of Britannia Bulk pursuant or traceable to the IPO, as set forth in the accompanying certification, and has been damaged thereby.

13. Defendant Britannia Bulk is an international provider of drybulk shipping and maritime logistics services with a market position in transporting drybulk commodities in and out of the Baltic region. The Company's stock traded on the NYSE until October 30, 2008.

14. Defendant Arvid Tage ("Tage") has served as Chief Executive Officer ("CEO") and Chairman of the Board of the Company since 2003. Tage signed the false and misleading Registration Statement.

15. Defendant Fariyal Khanbabi ("Khanbabi") has served as a director and Chief Financial Officer ("CFO") of Britannia Bulk since August 2006. Khanbabi signed the false and misleading Registration Statement.

16. Defendant John Sinders ("Sinders") has served as a director of Britannia Bulk since 2007. Sinders signed or authorized the signing of the false and misleading Registration Statement.
17. Defendant Jens Fehrn-Christensen ("Fehrn-Christensen") has served as a director of Britannia Bulk since January 2008. Fehrn-Christensen signed or authorized the signing of the false and misleading Registration Statement.

18. Defendant Soren Halsted ("Halsted") has served as a director of Britannia Bulk since January 2008. Halsted signed or authorized the signing of the false and misleading Registration Statement.

19. The defendants referenced above in ¶¶14-18 are referred to herein as the "Individual Defendants."

20. Defendant Goldman Sachs & Co. ("Goldman Sachs") is a leading global investment banking, securities and investment management firm that provides a wide range of services worldwide to a substantial and diversified client base that includes corporations, financial institutions, governments and high-net-worth individuals. Goldman Sachs acted as an underwriter to Britannia Bulk in connection with the IPO, helping to draft and disseminate the Offering documents.

21. Defendant Banc of America Securities LLC ("Banc of America") is the investment banking arm of Bank of America. Banc of America offers trading and brokerage services; debt and securities underwriting; debt and equity research; and advice on public offerings, leveraged buyouts, and mergers and acquisitions. Banc of America acted as an underwriter to Britannia Bulk in connection with the IPO, helping to draft and disseminate the Offering documents.

22. Defendant Dahlman Rose & Company, LLC ("Dahlman Rose") is a full-service investment bank offering value-added research, trading, and advisory services for companies along the natural resources supply chain. Dahlman Rose acted as an underwriter to Britannia Bulk in connection with the IPO, helping to draft and disseminate the Offering documents.
23. Defendant Oppenheim & Co. Inc. ("Oppenheimer") is investment bank and full-service investment firm that provides financial services and advice to high net worth investors, individuals, businesses and institutions. Oppenheimer acted as financial advisor to Britannia Bulk in connection with the IPO, helping to draft and disseminate the Offering documents.

24. The defendants in ¶¶20-23 are referred to as the "Underwriter Defendants." The Underwriter Defendants received underwriting fees of over $8.7 million for their participation in the IPO.

CLASS ACTION ALLEGATIONS

25. Plaintiff brings this action as a class action pursuant to Federal Rule of Civil Procedure 23(a) and (b)(3) on behalf of a class consisting of all persons or entities who acquired shares of Britannia Bulk common stock pursuant or traceable to the Company’s false and misleading Registration Statement for its IPO and who were damaged thereby (the "Class"). Excluded from the Class are defendants, the officers and directors of the Company, at all relevant times, members of their immediate families and their legal representatives, heirs, successors or assigns and any entity in which defendants have or had a controlling interest.

26. The members of the Class are so numerous that joinder of all members is impracticable. Britannia Bulk stock was actively traded on the NYSE. While the exact number of Class members is unknown to plaintiff at this time and can only be ascertained through appropriate discovery, plaintiff believes that there are hundreds of members in the proposed Class. Record owners and other members of the Class may be identified from records maintained by Britannia Bulk or its transfer agent and may be notified of the pendency of this action by mail, using the form of notice similar to that customarily used in securities class actions. Britannia Bulk has more than 26 million shares of stock outstanding.
27. Plaintiff's claims are typical of the claims of the members of the Class as all members of the Class are similarly affected by defendants' wrongful conduct in violation of federal law that is complained of herein.

28. Plaintiff will fairly and adequately protect the interests of the members of the Class and has retained counsel competent and experienced in class and securities litigation.

29. Common questions of law and fact exist as to all members of the Class and predominate over any questions solely affecting individual members of the Class. Among the questions of law and fact common to the Class are:

   (a) whether the 1933 Act was violated by defendants' acts as alleged herein;

   (b) whether statements made by defendants to the investing public in the Registration Statement misrepresented material facts about the business, operations and management of Britannia Bulk; and

   (c) to what extent the members of the Class have sustained damages and the proper measure of damages.

30. A class action is superior to all other available methods for the fair and efficient adjudication of this controversy since joinder of all members is impracticable. Furthermore, as the damages suffered by individual Class members may be relatively small, the expense and burden of individual litigation make it impossible for members of the Class to individually redress the wrongs done to them. There will be no difficulty in the management of this action as a class action.

**BACKGROUND**

31. Britannia Bulk is an international provider of drybulk shipping and maritime logistics services with a focus on transporting drybulk commodities in and out of the Baltic region. The current owned fleet consists of 22 vessels, including 13 drybulk vessels, five of which are ice-class, five ocean going ice-class barges, and four ice-class tugs. The Company also charters-in additional
vessels to increase its overall deadweight tonnage capacity and enhance its service to its customers. As of June 30, 2008, the number of chartered-in drybulk vessels under the Company’s control was 53, nine of which were ice-class.

THE FALSE AND DEFECTIVE REGISTRATION STATEMENT AND PROSPECTUS

32. On or about June 16, 2008, Britannia Bulk filed with the SEC a Form F-1A for the IPO (the “IPO Registration Statement”).

33. On or about June 17, 2008, the Company filed its Prospectus for the IPO (the “IPO Prospectus”), which forms part of the IPO Registration Statement and which became effective on June 18, 2008, and at least 8.3 million shares of Britannia Bulk common stock were sold to the public at $15.00 per share, raising $116.2 million for the Company. The underwriters were given the option to purchase up to an additional 1.25 million shares from Britannia Bulk at the IPO price less the underwriting discount.

34. The IPO Registration Statement and IPO Prospectus were negligently prepared and, as a result, contained untrue statements of material facts or omitted to state other facts necessary to make the statements made not misleading and were not prepared in accordance with the rules and regulations governing their preparation.

35. The IPO Registration Statement and IPO Prospectus made the following representations:

To complement our owned fleet, we actively charter-in a significant number of vessels to increase our overall dwt capacity and enhance our service to our customers. As at March 31, 2008, the number of chartered-in drybulk vessels under our control was 45, 11 of which were ice-class. These chartered-in vessels added dwt capacity of 2,197,891, significantly increasing our total fleet of controlled vessels. Revenues from our chartered-in tonnage have grown significantly in the last year as we have expanded our fleet, broker network and customer base. Furthermore, this growth has been aided by a stronger overall demand in the drybulk shipping market, coupled with strong freight rates and increased trade for the commodities
that we transport. The combination of owning and chartering-in our fleet provides us with the flexibility to capitalize on profitable opportunities.

*   *   *

We charter some of our vessels to other parties who pay us a daily rate of hire. We also enter into contracts of COAs and voyage charters. In circumstances where we charter-out our vessels, we rely on the ability of time charterers to pay charter hire, especially when rates available in the spot market are less than previously agreed upon time charter rates. Additionally, we enter into drybulk forward freight agreements, or FFAs, as economic hedges relating to identifiable ship or cargo positions and as economic hedges of transactions we expect to carry out in the normal course of our shipping business.

*   *   *

We enter into FFAs with an objective of economically hedging the risk of the fleet, specific vessels or freight commitments.

*   *   *

To mitigate the risk of such temporary effect, and in light of recent substantial increases in prices for crude oil and, as a result, bunker fuels, we have entered into an agreement in principle for the purchase of a fixed quantity of bunker fuels at a total fixed price of $47.4 million, to be delivered and paid for over a period ending on May 31, 2009. The contract is designated as a cash flow hedge for accounting purposes and, accordingly, unrealized gains or losses resulting from changes in fuel prices will be recorded in other comprehensive income (loss), a component of stockholders’ equity. In the three months ended March 31, 2008 we recorded bunker fuel expenses of $33.0 million.

36. The IPO Registration Statement and IPO Prospectus concealed Britannia Bulk’s problems in the FFA market, which acted as a hedge against future shipping costs and hedges for the costs of bunker fuel.

37. On August 4, 2008, Britannia Bulk issued its second quarter 2008 financial results in a release which stated in part:

Britannia Bulk Holdings Inc (the “Company”), an international provider of drybulk shipping and maritime logistics services with a focus on transporting drybulk commodities in and out of the Baltic region, announced today its unaudited financial and operating results for the second quarter and six month period ended June 30, 2008.
The Company has also today furnished to the Securities and Exchange Commission under cover of Form 6-K a detailed discussion of the unaudited financial and operational results for the second quarter and six month period ended June 30, 2008.

**Corporate Highlights:**

On June 23, 2008, Britannia Bulk Holdings successfully completed its Initial Public Offering of 8,333,333 shares of common stock raising approximately $116.3 million in proceeds after underwriting discount. Britannia Bulk Holdings common shares commenced trading on the New York Stock Exchange (NYSE) on June 18, 2008 under the symbol “DWT.” The Company used the proceeds to retire existing indebtedness and for general corporate purposes.

**Second Quarter 2008 Financial and Operational Highlights:**

- Revenues increased by 220.9% from the same period last year. Specifically, in the second quarter 2008, the Company had revenue from operations of $353.9 million and Net Income of $31.3 million, before a one-time charge for the early extinguishment of its senior secured notes compared to revenues of $110.3 million and Net Income of $2.9 million for the same period in 2007. After the one-time charge of $36.9 million related to the early retirement of its senior secured notes, the Company incurred a Net Loss of $5.6 million or $0.28 per share for the second quarter 2008.

- EBITDA for the second quarter 2008 was $47.9 million compared to $13.7 million for the same period last year, an increase of 250%. Please refer to a subsequent section of this Press Release for a reconciliation of EBITDA to Net Income.

- The average number of vessels in our controlled fleet, which includes our own vessels as well as those we charter in, increased from 45 in Q2 2007 to 78 in Q2 2008.

- An average of 13 owned vessels were operated earning an average daily TCE rate of $30,522 compared to 9 vessels earning an average daily TCE rate of $21,019 during the same period in 2007. Our owned vessel available days increased by 53% to 1,251 in Q2 2008 compared to 817 in Q2 2007.

- An average of 56 vessels were chartered in earning an average daily TCE rate of $47,385 compared to 28 vessels earning an average daily TCE rate of $26,762 during the same period in 2007. Our chartered in vessel available days increased by 108% to 5,139 in Q2 2008 from 2,465 in Q2 2007.
• Tonnes of cargo shipped during the second quarter 2008 increased by 76.3% to 5,097 tonnes compared to 2,891 tonnes during the same period last year.

First Six Months 2008 Financial and Operational Highlights:

• The Company had revenue from operations of $654.1 million and Net Income before a one-time charge for the early extinguishment of its senior secured notes of $62.9 million compared to revenues of $171.6 million and Net Income of $2.8 million for the same period in 2007. After the one-time charge of $36.9 million related to the early retirement of its senior secured notes in the second quarter of 2008, Net Income for the first six months of 2008 was $26.0 million or $1.35 per share.

• EBITDA for the six months 2008 was $ 94.4 million compared to $20.2 million in the same period last year, an increase of 367%. Please refer to a subsequent section of this Press Release for a reconciliation of EBITDA to Net Income.

• The average number of vessels in our controlled fleet increased from 39 in the first six months of 2007 to 75 in the first six months of 2008.

• An average of 21 owned vessels operated during the first six months of 2008 earning an average daily TCE rate of $28,383 compared to 16 vessels earning an average daily TCE rate of $19,162 during the same period last year. Our owned vessel available days increased by 74% to 2,418 in the first six months of 2008 compared to 1,389 in the first six months of 2007.

• An average of 54 vessels were chartered in during the first six months of 2008 earning an average daily TCE rate of $45,234 compared to 23 vessels earning an average daily TCE rate of $23,647 during the same period last year. Our chartered in vessel available days increased by 136% to 9,777 in the first six months of 2008 from 4,144 in the first six months of 2007.

• Tonnes of cargo shipped during the first six months of 2008 increased by 95.6% to 10,494 tonnes compared to 5,365 tonnes during the same period last year.

• The Company generated cash flow from operations of $52.0 million at June 30, 2008, an increase from $11.0 million during the same period of 2007.

Fleet Development:
During the first half of 2008, the Company acquired three additional three vessels expanding its owned fleet to a total of thirteen drybulk carriers. Specifically, in January 2008, the Company acquired and took delivery of a specialist self-unloading ice-class Handysize vessel, the Defiant II, built in 1978, for $5.7 million. In February 2008, the Company acquired and took delivery of two 1995 built, ice-class Handymax vessels, Ice Trader II and Ice Power II, for approximately $71 million in the aggregate.

Currently, the Company owns a fleet of 22 vessels comprised of 13 drybulk vessels, five of which are ice-class, five ocean going ice-class barges and four ice-class tugs. In addition, as of June 30, 2008, the Company had chartered in an additional 53 drybulk vessels adding another 2.9 million dwt in capacity.

On November 8, 2007, the Company entered into agreements for the acquisition of six new-build, ice-class Panamax bulk carrier vessels for $59.4 million each ($356.4 million in the aggregate). The Company expects to take delivery of these vessels by June 30, 2009, September 30, 2009, December 31, 2009, March 31, 2010, June 30, 2010 and September 30, 2010, respectively. Upon delivery of these vessels the Company's owned fleet will expand to a total of 28 vessels, including 19 drybulk vessels, eleven of which will be ice-class. Based on the Company's market knowledge there are currently fewer than 10 ice-class Panamax drybulk carriers which are less than 10 years old, and therefore following delivery of these Panamax newbuild vessels, the Company expects to own the largest and most modern fleet of ice class Panamax drybulk vessels in the world. Owning ice class vessels provides the company with a distinct competitive advantage given its main focus on trade routes in the Baltic region.

Management Commentary:

Arvid Tage, Chairman and CEO of Britannia Bulk Holdings commented: “We are pleased to report strong operating results for the second quarter 2008 continuing our track record of profitable growth. We attribute the strong quarter earnings to the increase in demand from our customers for commodities shipped, and an increase in our controlled fleet. Our ability to maximize our profit through a combination of owned and chartered in vessels has allowed us to realize an increase of 221% in revenues and 979% in Net Income before the one-time charge related to the early retirement of our senior secured notes.

In 2008, we have grown significantly and our business profile has diversified. We transport a broad range of cargoes using a variety of owned and chartered in vessels across a number of trade routes. In the second quarter of 2008, our Panamax
business grew by 534% to represent 53% of our revenues, while Handymax and Handysize vessels account for 29% and 18% of our revenues respectively.

This underlying growth is also reflected in the broader geographic spread of our trade routes. We have grown our North and South American business routes to 21% of our second quarter 2008 revenues compared to 12% for the same time last year. While coal still represented 45% and 32%, respectively, of the cargo we transported in the second quarter of 2008 and 2007, we significantly increased our shipments of fertilizers, agricultural products such as grain and scrap, among other commodities. Time charters accounted for about 42% and 14% respectively of our revenues in the second quarter of 2008 and 2007, representing the second largest use of our total owned and chartered in capacity after shipments of coal.

Our owned fleet has expanded in 2008 to 13 ships in total following the acquisition of 3 vessels since the beginning of the year. At the same time, our chartered in fleet as of June 30, 2008 increased to 53 vessels in the second quarter of 2008 compared to 28 in the same period last year.

This increase in our year over year number of chartered in vessels is a direct result of our commitment to capitalize on the growing demands of our existing and increasing customer base who require additional services during times of strength in the dry bulk market. This strategy allows us to adjust our fleet based on market conditions without the need to depend on capital for fleet growth. Going forward, we plan to continue to add to our position of chartered in vessels while at the same time, take advantage of our strong balance sheet, by seeking to enhance our owned fleet through disciplined acquisitions.

The acquisition of the six new-build, ice-class Panamax bulk carrier vessels in due course will further enhance our growth strategy. Upon delivery of these vessels we will increase our leading market position in the ice class segment, which will better serve the needs of our customers who trade in the Baltic region. We believe that our expertise of managing vessels in ice class conditions, and our diversified fleet of owned and chartered in vessels, which allows us to transport cargoes through various trade routes, including smaller ports, creates a competitive advantage.

In closing, the listing of our common shares on the prestigious New York Stock Exchange is a strategic milestone in the long-term development of our company. We believe it will provide us with a significant platform to pursue our growth strategy while at the same time creating attractive returns for our shareholders. Moving forward, we believe that we are strategically positioned to benefit from the strength of drybulk market and the expanding regional trade flows especially in the Baltic region capitalizing on our industry know-how, our strong customer relationships and our commitment to providing our customers with a comprehensive range of transportation and maritime logistics services.”

38. On October 27, 2008, Britannia Bulk’s stock closed at $1.90 per share.

Britannia Bulk Holdings Inc. (the “Company”), an international provider of dry bulk shipping and maritime logistics services with a focus on transporting dry bulk commodities in and out of the Baltic region, is hereby providing an update on significant financial and operational matters prior to the Company’s upcoming release of unaudited financial and operational results for the three month and the nine month periods ended September 30, 2008.

Expected Third Quarter 2008 Financial Trends

While the Company has not yet concluded the review of its financial results for the three months ended September 30, 2008, the Company expects to announce a significant net loss for the period compared to the net income achieved during the second quarter of 2008. The Company believes that the expected loss will have resulted from the substantial decreases in dry bulk charter rates that occurred during the period, exacerbated by the Company’s increase in chartered-in capacity during the same period and its entry into the forward freight agreements (“FFAs”) and a bunker fuel hedge more fully described below.

Update on Third Quarter 2008 Operational Difficulties

Chartered-In Vessels. Historically the Company has chartered-in vessels to increase its overall dead weight tonnage capacity and enhance its service offering to customers. During the three months ended September 30, 2008 the Company increased its chartered-in capacity at a time when the demand for dry bulk shipping capacity decreased significantly. This decrease continued throughout the third quarter of 2008 and dry bulk charter rates fell substantially during the same period. As a result, the charter rates the Company achieved during the three months ended September 30, 2008 for its chartered-in vessels were less than the rates the Company paid to secure many of these vessels, resulting in significant losses.

Forward Freight Agreements. A Forward Freight Agreement (“FFA”) is an agreement to pay the difference between a current price and the future price of moving a product from one location to another, or for the future price of hiring a ship over a period of time. FFAs are used by ship-owners and charterers as means of protecting themselves against the volatility of freight rates. For example, a ship-owner would typically sell FFAs to hedge against falling freight rates. Similarly, a charterer would typically buy FFAs to fix shipping costs. Positions in FFAs can be closed out by buying or selling opposing positions.

The Company has historically entered into dry bulk FFAs as economic hedges relating to identifiable ship or cargo positions and as economic hedges of transactions expected to be carried out in the normal course of its shipping business. None of the Company’s FFA derivatives qualify for hedge accounting; therefore, the
net changes in derivative assets and liabilities are reflected in current period operations. In the past, the Company has entered into FFA contracts to provide a fixed number of theoretical voyages at fixed rates, with such contracts generally ranging from one month to one year and settling monthly based on a published index. For such contracts, the Company recognizes monthly realized gains or losses from FFAs concurrently with monthly cash settlements. In addition, unrealized gains or losses on the FFAs are recorded in the Company’s statement of operations under “gains on forward freight agreements.” Entering into FFAs can lead to material fluctuations in the Company’s reported net income on a period to period basis.

Since July 2008, the Company bought FFAs that appear not to have been purchased to hedge identifiable ship or cargo positions. This resulted in the Company being more exposed to the falling charter rates and reduced overall demand for dry bulk shipping services than it would have been if its historic practice of using FFAs as economic hedges had been followed. In marking these FFAs to market, the Company expects to recognize a significant realized loss for the three months ended September 30, 2008. Cash settlement of such FFAs is scheduled to commence in the fourth quarter of 2008 and continue into 2009.

An independent committee of the Company’s Board of Directors has resolved to retain an external advisor to assist it in determining how the Company came to enter into these FFAs.

Bunker Fuel Hedge. If the Company’s vessels are time-chartered out to third parties, the charterer pays for the bunker (fuel and oil). In such instance, any inflationary pressure on the cost of bunker fuel does not affect the Company’s results of operations. If, however, the Company’s vessels are employed under contracts of affreightment (“COAs”) or spot charters, the freight rates it receives are generally sensitive to the price of bunker fuel. A rise in bunker costs can sometimes have a negative temporary effect on the Company’s results since freight rates generally adjust upwards only after bunker fuel prices settle at a higher level. To mitigate the risk of this temporary effect, and in light of recent substantial movements in the price for bunker fuel, the Company has in the past entered into hedging arrangements whereby it purchased a fixed quantity of bunker fuel, calculated against identifiable COAs, at a fixed price to be delivered over a specified period of time. Bunker fuel hedges are designated as cash flow hedges for accounting purposes and, accordingly, unrealized gains or losses resulting from changes in fuel prices are recorded in other comprehensive income (loss), a component of stockholders’ equity.

In the three months ended September 30, 2008, the Company entered into a bunker fuel hedge which is currently uncompetitive because it is hedged to prices which are significantly above the current market price of bunker fuel. As a result, the Company currently estimates that its aggregate bunker fuel hedging losses for the three months ended September 30, 2008 will be significant.

Board Discussions with Company Management
In response to the severe financial difficulties the Company is experiencing, the Board is currently conducting extensive discussions with the Company’s management team to identify and implement any necessary changes. While discussions and resulting changes are ongoing, the Board has recently imposed a number of cash conservation and cost reduction measures on the Company and has limited management’s ability to conduct daily sales and purchases and hedging activities, including entering into any new FFAs or bunker fuel hedge arrangements, without specific Board approval.

Engagement of Outside Corporate Advisors

The Company has engaged AlixPartners, a leading corporate advisory firm, to assist the Company’s management in discussions and negotiations with the Company’s lenders and trade counterparties and to address the Company’s current financial and liquidity issues. Representatives of AlixPartners are working with management to immediately implement measures to conserve cash and reduce costs. AlixPartners is expected to have an integral role in helping the Company address key issues with its lenders and trade counterparties.

Ongoing Discussions with Secured Term Loan Facility Lenders

On May 23, 2008, the Company’s wholly owned subsidiary, Britannia Bulk Plc, as borrower (the “Borrower”), entered into a US $170.0 million term loan facility with Lloyds TSB Bank Plc and Nordea Bank Denmark A/S (the “Facility”), which Facility is secured by twenty two vessels in the Company’s owned fleet. Approximately US $158.0 million is currently outstanding under the Facility. The Company has guaranteed the Facility and, pursuant to the terms of the guaranty, the Company is subject to certain financial covenants, including a minimum liquidity covenant. In addition, the Facility contains a collateral cover requirement pursuant to which the Borrower may be required to provide additional collateral or make repayments under the Facility if updated valuations of five of the vessels securing the Facility reflect that the fair market value of such vessels has dropped below required levels. In addition, such updated valuations will be used in the calculation of certain of the financial covenants.

The Company is not currently in violation of its financial covenants. Although no such violations currently exist, severe adverse market conditions and the severe financial difficulties currently being experienced by the Company (as well as a revaluation of its fleet) have resulted in a very high risk of a future violation of one or more financial covenants in the near term. If such violations occur and the Company is unable to cure such violations or obtain waivers within the applicable cure periods to the extent available, such violations will constitute an event of default under the Facility. Similarly, adverse market conditions have resulted in a material risk that the lenders may require additional collateral or repayments of the Facility under the collateral cover requirement. A failure to satisfy such collateral cover requirement or make the required payments within 30 days of request by the lenders to do so will also constitute an event of default under the Facility. Additionally, the
lenders may assert that certain insolvency events or material adverse changes have occurred. The occurrence of such events would also constitute events of default. If an event of default occurs, and the Company believes there is a very high risk of that occurring, the lenders would accelerate the due date for the payment of all of the outstanding indebtedness under the Facility, exercise remedies as a secured creditor with respect to the vessels and other collateral securing the Facility and offset cash balances on account with the lenders.

The Company is in discussions with the lenders under the Facility regarding its current severe financial difficulties and the possibility that events of default may occur under the Facility. There can be no assurance that a resolution of the issues surrounding the Facility will be reached. The Company is considering its alternatives if it is unable to reach an accommodation with the lenders, including liquidation or protection under applicable bankruptcy or insolvency laws.

In either case (an accommodation with the lenders or a liquidation, administration or bankruptcy), it is unlikely that the Company’s shareholders would realize much, if any, value.

No Payment of Third Quarter Dividend

As a result of its current financials, the Company has determined that it will not pay a dividend on its common shares for the quarter ended September 30, 2008. While the timing and amount of any future dividend payments will depend on future earnings, financial condition, capital requirements and such other factors as the Board may consider relevant at such future date, the Company does not expect to pay a dividend in the foreseeable future.

40. On this news, Britannia Bulk’s stock price declined to as low as $0.16 per share.

41. Subsequently, on October 29, 2008, the Company issued a separate statement, which stated in part:

Britannia Bulk Holdings Inc (the “Company”), an international provider of dry bulk shipping and maritime logistics services with a focus on transporting dry bulk commodities in and out of the Baltic region, today announced that following the Company’s press release of October 28, 2008, the lenders under the US $170.00 million term loan facility (the “Facility”) of Britannia Bulk Plc, a wholly owned subsidiary of the Company (the “Borrower”), have provided notice to the Borrower of the acceleration of all of its obligations under the Facility and the set off of the Borrower’s cash accounts on deposit with one of the lenders. The Company has guaranteed the Borrower’s obligations under the Facility. The acceleration notice alleges that certain events of default under the Facility have occurred, including material adverse changes in the Borrower’s financial condition, and demands immediate repayment of the loan, accrued interest thereon and other amounts due
thereon, aggregating approximately US $158.7 million without taking into account the set off of the Borrower’s cash accounts.

Following further discussion with the Company, the lenders have advised the Company that they are prepared, subject to certain conditions, to make funds available to ensure that the vessels securing the Facility continue to operate normally and meet their commitments. Such understanding is in the context of ongoing negotiations with the lenders regarding a sale of certain of the Company’s assets, which, if consummated, is not expected to result in any return to the Company’s common shareholders.

42. Also on October 29, 2008, the Company issued a press release entitled “Britannia Bulk Holdings Inc – Suspension of Trading on the New York Stock Exchange,” which stated in part:

Britannia Bulk Holdings Inc (the “Company”), an international provider of dry bulk shipping and maritime logistics services with a focus on transporting dry bulk commodities in and out of the Baltic region, hereby announces that NYSE Regulation, Inc. (“NYSE Regulation”) informed the Company today that it has determined that the common stock of the Company should be suspended from trading immediately.

NYSE Regulation informed the Company that it had determined that the Company’s common stock is no longer suitable for trading in light of the Company’s news announcements on October 28 and 29, 2008. In addition, NYSE Regulation informed the Company that, in reaching its determination, it also considered the “abnormally low” trading level of the Company’s common stock, which closed at $0.27 on October 28, 2008, with a resultant market capitalization of approximately of $5 million.

Application to the U.S. Securities and Exchange Commission to delist the Company’s common stock is pending the completion of applicable procedures and the Company will not contest the determination of NYSE Regulation. In its communication with the Company, NYSE Regulation noted that it may, at any time, suspend a security if it believes that continued dealings in the security on the NYSE are not advisable.

43. On this news, Britannia Bulk’s stock price plummeted to as low as $0.01 per share.

44. On October 31, 2008, Britannia Bulk issued a press release entitled “Britannia Bulk Holdings Inc. Announces That Its Subsidiary Britannia Bulk Plc Has Been Placed Into Administration,” which stated in part:
Britannia Bulk Holdings Inc (the “Company”) hereby announces that its indirect wholly owned subsidiary, Britannia Bulk Plc, has been placed into administration under United Kingdom insolvency laws.

Britannia Bulk Plc is the borrower (the “Borrower”) under a US$170 million term loan facility with Lloyds TSB Bank Plc and Nordea Bank Denmark A/S (the “Facility”), which Facility is secured by twenty two vessels in the Borrower’s owned fleet. The Company guaranteed the Facility. As set forth in the Company’s press release of October 29, 2008, the lenders under the Facility provided notice to the Borrower of the acceleration of all of its obligations under the Facility and set off the Borrower’s cash accounts on deposit with one of the lenders.

The discussions that ensued with the lenders under the Facility regarding a sale of certain of the Borrower’s assets were ultimately unsuccessful. Accordingly, the board of directors of the Borrower resolved to place the Borrower into administration under the UK insolvency regime and, by filing a notice of appointment of administrators at the High Court in London earlier this afternoon, appointed partners of BDO Stoy Hayward in London to be the administrators of the Borrower.

With the Borrower in administration, the Company will not have access to cash to pay any obligations and expects that its common shares will have no value. As previously announced, on October 29, 2008, NYSE Regulation, Inc. informed the Company that it had determined that the Company’s common stock was no longer suitable for trading, a determination that the Company will not contest.

45. The Registration Statement failed to disclose the problems in the Company’s activities in the FFAs market. Specifically, the Registration Statement concealed that the Company failed to institute and enforce controls that would prevent Company personnel from buying FFAs not purchased to hedge identifiable ship or cargo positions. FFAs were represented to only be used as a hedge for work Britannia Bulk’s ships engaged in. However, in fact, FFAs were used outside of these guidelines, exposing the Company to significant risks. Moreover, the Company had not entered into appropriate fixed price contracts given the dramatic fluctuation in crude oil and bunker fuels.
COUNT I

Violations of Section 11 of the 1933 Act
Against All Defendants

46. Plaintiff repeats and realleges each and every allegation contained above, except any allegation of fraud, recklessness or intentional misconduct.

47. This Count is brought pursuant to §11 of the 1933 Act, 15 U.S.C. §77k, on behalf of the Class, against all defendants.

48. The Registration Statement for the IPO was inaccurate and misleading, contained untrue statements of material facts, omitted to state other facts necessary to make the statements made not misleading, and omitted to state material facts required to be stated therein.

49. Britannia Bulk is the registrant for the IPO. The defendants named herein were responsible for the contents and dissemination of the Registration Statement.

50. As issuer of the shares, Britannia Bulk is strictly liable to plaintiff and the Class for the misstatements and omissions.

51. None of the defendants named herein made a reasonable investigation or possessed reasonable grounds for the belief that the statements contained in the Registration Statement were true and without omissions of any material facts and were not misleading.

52. By reasons of the conduct herein alleged, each defendant violated, and/or controlled a person who violated, §11 of the 1933 Act.

53. Plaintiff acquired Britannia Bulk shares pursuant to the Registration Statement for the IPO.

54. Plaintiff and the Class have sustained damages. The value of Britannia Bulk common stock has declined substantially subsequent to and due to defendants’ violations.
55. At the time of their purchases of Britannia Bulk shares, plaintiff and other members of the Class were without knowledge of the facts concerning the wrongful conduct alleged herein and could not have reasonably discovered those facts prior to October 28, 2008. Less than one year has elapsed from the time that plaintiff discovered or reasonably could have discovered the facts upon which this complaint is based to the time that plaintiff filed this complaint. Less than three years elapsed between the time that the securities upon which this Count is brought were offered to the public and the time plaintiff filed this complaint.

COUNT II

Violations of Section 15 of the 1933 Act
Against the Individual Defendants

56. Plaintiff repeats and realleges each and every allegation contained above, except any allegation of fraud, recklessness or intentional misconduct.

57. This Count is brought pursuant to §15 of the 1933 Act against the Individual Defendants.

58. Each of the Individual Defendants was a control person of Britannia Bulk by virtue of his or her position as a director and/or senior officer of Britannia Bulk. The Individual Defendants each had a series of direct and/or indirect business and/or personal relationships with other directors and/or officers and/or major shareholders of Britannia Bulk.

59. Each of the Individual Defendants was a culpable participant in the violations of §11 of the 1933 Act alleged in the Count above, based on their having signed or authorized the signing of the Registration Statement and having otherwise participated in the process which allowed the IPO to be successfully completed.

PRAYER FOR RELIEF

WHEREFORE, plaintiff prays for relief and judgment, as follows:
A. Determining that this action is a proper class action and certifying plaintiff as a Class
representative under Rule 23 of the Federal Rules of Civil Procedure;

B. Awarding compensatory damages in favor of plaintiff and the other Class members
against all defendants, jointly and severally, for all damages sustained as a result of defendants' 
wrongdoing, in an amount to be proven at trial, including interest thereon;

C. Awarding plaintiff and the Class their reasonable costs and expenses incurred in this 
action, including counsel fees and expert fees;

D. Awarding rescission or a rescissory measure of damages; and

E. Such equitable/injunctive or other relief as deemed appropriate by the Court.

JURY DEMAND

Plaintiff hereby demands a trial by jury

DATED: November 6, 2008

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Attorneys for Plaintiff
CERTIFICATION OF NAMED PLAINTIFF
PURSUANT TO FEDERAL SECURITIES LAWS

STEVE BUTTON ("Plaintiff") declares:

1. Plaintiff has reviewed a complaint and authorized its filing.

2. Plaintiff did not acquire the security that is the subject of this action at the direction of plaintiff's counsel or in order to participate in this private action or any other litigation under the federal securities laws.

3. Plaintiff is willing to serve as a representative party on behalf of the class, including providing testimony at deposition and trial, if necessary.

4. Plaintiff has made the following transaction(s) during the Class Period in the securities that are the subject of this action:

<table>
<thead>
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<th>Acquisitions:</th>
<th>Date Acquired</th>
<th>Number of Shares Acquired</th>
<th>Acquisition Price Per Share</th>
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<tr>
<td>08/20/08</td>
<td>1,000 shares</td>
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<table>
<thead>
<tr>
<th>Sales:</th>
<th>Date Sold</th>
<th>Number of Shares Sold</th>
<th>Selling Price Per Share</th>
</tr>
</thead>
</table>

5. Plaintiff has not sought to serve or served as a representative party for a class in an action filed under the federal securities laws except as detailed below during the three years prior to the date of this Certification:

6. The Plaintiff will not accept any payment for serving as a representative party on behalf of the class beyond the Plaintiff's pro rata share of any recovery.
except such reasonable costs and expenses (including lost wages) directly relating to
the representation of the class as ordered or approved by the court.

I declare under penalty of perjury that the foregoing is true and correct.
Executed this 5th day of December, 2008.

STEVE BUTTON