

C/W 14/12

A PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION¹

of

BRITISH-BORNEO AUSTRALIA LIMITED

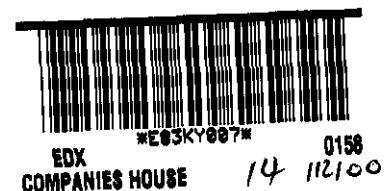
PRELIMINARY

1.(5) Subject as otherwise provided herein, the regulations in Table A in the Companies (Tables A-F) Regulations 1985 as amended prior to the adoption of the articles (**Table A**) shall apply to the Company to the exclusion of any other regulations which would fall to constitute the Company's articles of association pursuant to section 8(2) of the Act.

Table A

1.(6) The following provisions of Table A shall not apply to the Company:-

- (a) in regulation 1, the definitions of *the articles*, *executed* and *the seal*;
- (b) regulation 2;
- (c) in regulation 24, the words "which is not fully paid";
- (d) in regulation 38, the final sentence;
- (e) regulation 54;
- (f) regulations 60 and 61;
- (g) in regulation 62:
 - (i) the words "not less than 48 hours" in sub-paragraph (a);
 - (ii) the words "not less than 24 hours" in sub-paragraph (b);
- (h) in regulation 64, the words "(other than alternate directors)";
- (i) regulations 65 to 69 inclusive;



2. Share capital

- 2.1 Subject to the provisions of Articles 2.2 and 2.3 and to any directions which may be given by the Company in general meeting, the Directors may unconditionally exercise the power of the Company to allot relevant securities (within the meaning of section 80(2) of the Act) and without prejudice to the generality of the foregoing any shares unissued at the date of adoption of these Articles and any shares hereafter created shall be under the control of the Directors, who may allot, grant options over or otherwise dispose of the same to such persons (including the Directors themselves) on such terms and at such times as they may think proper, provided that no shares shall be issued at a discount.
- 2.2 The maximum nominal amount of share capital which or in respect of which the Directors may allot, grant options or subscription or conversion rights, create, deal or otherwise dispose of in accordance with this Article shall be the amount of unissued capital from time to time.
- 2.3 The authority conferred on the Directors by Articles 2.1 and 2.2 shall be for an indefinite period.
- 2.4 The provisions of section 89(1) of the Act shall not apply to the Company.

3. General meetings

- 3.1 An annual general meeting and an extraordinary general meeting called for the passing of a special resolution or an elective resolution shall be called by at least 21 clear days' notice. All other extraordinary general meetings shall be called by at least 14 days' notice but a general meeting may be called by shorter notice if it is so agreed:

3.1.1 in the case of an annual general meeting or a meeting called for the passing of an elective resolution, by all the members entitled to attend and vote thereat; and

3.1.2 in the case of any other meeting, by a majority in number of the members having a right to attend and vote, being a majority together holding not less than 95 per cent. in nominal value of the shares giving that right, or such less percentage, not being less than 90 per cent., as may be specified in or pursuant to any elective resolution passed by the Company.

The notice shall specify the time and place of the meeting, the general nature of the business to be transacted and the terms of any resolution to be proposed at it and, in the case of an annual general meeting, shall specify the meeting as such.

Subject to the provisions of these Articles and to any restrictions imposed on any shares, the notice shall be given to all members, and to the Directors and the auditors.

- 3.2 The following provisions of this Article apply if the Company has only a single member:

- 3.2.1 regulation 40 shall be modified by the insertion at the end of that regulation of the following proviso: ", provided that if the company has only a single member, the quorum shall be one such person."; and
- 3.2.2 if the single member takes any decision which may be taken by the Company in general meeting and which has effect as if agreed by the Company in general meeting, the single member shall (unless the decision is taken by way of a written resolution) provide the Company with a written record of that decision. However, failure to do so shall not affect the validity of such decision.
- 3.3 Regulation 37 shall be modified by:
 - 3.3.1 the substitution of the words "seven weeks" for the words "eight weeks"; and
 - 3.3.2 the deletion of the second sentence thereof and by the addition at the end of the regulation of the following sentence: "If the company has only a single member, such member shall be entitled at any time to call a general meeting."
- 3.4 Regulation 41 shall be modified by the addition at the end of that regulation of the following sentence: "If at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the meeting shall be dissolved. Provided that if the company has only a single member, the preceding provisions of this regulation as to adjournment shall not apply and, if within half an hour from the time appointed for the meeting a quorum is not present, or if during a meeting such a quorum ceases to be present, the meeting shall be dissolved and shall not be adjourned."
- 3.5 A resolution in writing in accordance with regulation 53 shall be deemed to have been duly executed on behalf of a corporation if signed by one of its directors or its secretary. In the case of a share held by joint holders the signature of any one of them on behalf of all such joint holders shall be sufficient for the purposes of that regulation. The Directors shall cause a record of each resolution in writing, and of the signatures to it, to be entered in a book in the same way as minutes of proceedings of a general meeting of the Company and to be signed by a Director or the secretary of the Company.
- 3.6 A proxy shall be entitled to vote on a show of hands and regulation 54 shall be modified accordingly.
- 3.7 An instrument of proxy shall be deemed to confer authority to vote on any amendment of a resolution put to the meeting for which it is given as the proxy thinks fit. The instrument of proxy shall, unless the contrary is stated therein, be valid as well for any adjournment of the meeting as for the meeting to which it relates.
- 3.8 For so long as the Company is a subsidiary, any director or secretary of a body corporate which is a member of the Company (each such person being hereafter referred to as a "Qualifying Representative") shall be recognised as the proxy of

that body corporate unless the body corporate has delivered to the Company in relation to the meeting a valid instrument of proxy which has not been revoked. If more than one Qualifying Representative of a body corporate is present at any meeting of the Company, such persons shall agree between them who shall act as proxy for the body corporate. In default of their promptly so agreeing, the Chairman of the meeting shall direct which person shall act as proxy of the body corporate and his decision shall be final. All acts done by a Qualifying Representative who acts as proxy pursuant to the provisions of this article shall, notwithstanding that it afterwards be discovered that there was a defect in his appointment or that he was disqualified from holding office, or had vacated office, or that he was not authorised by the body corporate to do the act in question, be as valid as if such Qualifying Representative had been duly appointed and was qualified and had continued to hold the relevant office and had been duly authorised to do the act in question.

4. Powers and duties of Directors

- 4.1 Subject to the provisions of the Statutes, a Director may be interested directly or indirectly in any contract or arrangement or in any proposed contract or arrangement with the Company or with any other company in which the Company may be interested and he may hold and be remunerated in respect of any office or place of profit (other than the office of auditor of the Company or any subsidiary thereof) under the Company or any such other company and he or any firm of which he is a member may act in a professional capacity for the Company or any such other company and be remunerated therefor. Notwithstanding his interest a Director may vote on any matter in which he is interested and be included for the purpose of a quorum at any meeting at which the same is considered and he may retain for his own benefit all profits and advantages accruing to him. Regulation 94 shall be modified accordingly.

5. Appointment, removal and disqualification of Directors

- 5.1 Without prejudice to the powers of the Company under section 303 of the Act to remove a Director by Ordinary Resolution, the holder or holders for the time being of more than one half of the issued Ordinary Shares of the Company shall have the power from time to time and at any time to appoint any person or persons as a Director or Directors and to remove from office any Director howsoever appointed. Any such appointment or removal shall be effected by an instrument in writing signed by the member or members making the same or (in the case of a member being a corporation) signed on its behalf by one of its directors or its secretary and shall take effect upon lodgement at the registered office of the Company.
- 5.2 The office of a Director shall be vacated if he is removed from office under Article 5.1. Regulation 81 shall be modified accordingly.
- 5.3 Unless and until otherwise determined by the Company by Ordinary Resolution, either generally or in any particular case, no Director shall vacate or be required to vacate his office as a Director on or by reason of his attaining or having attained the age of 70, and any person proposed to be appointed a Director shall be capable of being appointed as a Director notwithstanding that he has attained

the age of 70, and no special notice need be given of any resolution for the appointment as a Director of a person who shall have attained the age of 70, and it shall not be necessary to give to the members notice of the age of any Director or person proposed to be appointed as such.

- 5.4 Regulation 88 shall be modified by the deletion of the third sentence thereof.

6. Rotation of Directors

- 6.1 The Directors shall not be liable to retire by rotation, and accordingly the second and third sentences of regulation 79 and the final sentence of regulation 84 shall be deleted.

7. Alternate Directors

- 7.1 No alternate Director may be appointed, and accordingly regulation 64 shall be amended by the deletion of the words "(other than alternate directors)", regulation 93 shall be amended by the deletion of the words "but a resolution signed by an alternate director need not also be signed by his appointor and, if it is signed by a director who has appointed an alternate director, it need not be signed by the alternate director in that capacity", and in each of regulations 88 and 89 the last sentence shall be deleted.

8. Proceedings of Directors

- 8.1 Any Director or member of a committee of the Directors may participate in a meeting of the Directors or such committee by means of conference telephone or similar communications equipment whereby all persons participating in the meeting can hear each other and participation in a meeting in this manner shall be deemed to constitute presence in person at such meeting. A director taking part in such a conference shall be entitled to vote and be counted in a quorum accordingly. Such a meeting shall be deemed to take place where the Secretary to the meeting is located. The word "meeting" in the articles shall be construed accordingly.
- 8.2 The following sentence shall be inserted after the first sentence of regulation 72: "Any committee shall have power unless the Directors direct otherwise to co-opt as a member or members of the committee any person or persons although not being a Director of the Company."
- 8.3 A resolution in writing signed by a majority of the directors entitled to receive notice of a meeting of the directors or of a committee of the directors (not being less than the number of directors required to form a quorum of the directors) shall be as valid and effectual as if it had been passed at a meeting of the directors or (as the case may be) a committee of the directors duly convened and held and for this purpose a resolution may consist of several documents to the same effect each signed by one or more directors. For a written resolution made under this Article to be effective it shall not be necessary for it to be signed by a Director who is prohibited by the Articles or by law from voting thereon and the calculation of a majority shall be made accordingly.

9. Borrowing Powers

- 9.1 The directors may exercise all the powers of the Company to borrow and raise money, and to mortgage and charge its undertaking, property and uncalled capital, and to issue debentures, debenture stock and other securities, whether outright or as security for any debt, liability or obligation of the Company or of any third party.

10. The seal

- 10.1 If the Company has a seal, it shall only be used with the authority of the Directors or a committee of the Directors. The Directors may determine who shall sign any instrument to which the seal is affixed and unless otherwise so determined it shall be signed by a Director and by the secretary or second Director. The obligation under regulation 6 relating to the sealing of share certificates shall apply only if the Company has a seal.
- 10.2 If the Company has a common seal, the Company may also have an official seal for use abroad under the provisions of the Act, where and as the Directors shall determine, and the Company may by writing under the common seal appoint any agents or agent, committees or committee abroad to be the duly authorised agents of the Company, for the purpose of affixing and using such official seal, and may impose such restrictions on the use thereof as may be thought fit. Wherever in these Articles reference is made to the common seal of the Company, the reference shall, when and so far as may be applicable, be deemed to include any such official seal as aforesaid.

11. Notices & other documents

- 11.1 Every Director of the Company shall be entitled to receive notices of general meetings (at his usual address or such other address as he may notify to the Company) in addition to the persons so entitled under the Statutes.
- 11.2 Any document or notice required or permitted by these Articles or by the Statutes to be given by the Company may be given by any visible form, including telex, facsimile and electronic mail, and a notice communicated by such forms of immediate transmission shall be deemed to be given at the time it is transmitted to the person to whom it is addressed. Regulations 111 and 112 shall be modified accordingly.
- 11.3 Any document or notice required or permitted by these Articles or by the Statutes to be given to the Company may with the approval of the Company, such approval to be evidenced in writing and signed by a director or the Company Secretary, be delivered by any visible form, including telex, facsimile and electronic mail, and a notice communicated by such forms of immediate transmission shall be deemed to be given at the time it is in fact received.
- 11.4 In the first sentence of regulation 112 the words "(or at such other address, whether within or outside the United Kingdom, as he may supply to the company for that purpose)" shall be inserted after "registered address". The third sentence of regulation 112 shall be deleted.

- 11.5 Any document or notice posted to an address outside the United Kingdom shall be deemed, unless the contrary is proved, to be given at the expiration of 7 days after the envelope containing it was posted and regulation 115 shall be amended accordingly.

12. Dividends

- 12.1 At the end of regulation 106 of Table A there shall be added the following sentence:

“Dividends or other moneys payable may alternatively be paid to the holder or person entitled to payment, or, if practicable, to a person designated in writing by the holder or person entitled to payment, using any direct payment, bank, building society or other funds transfer system.”

13. Record Dates

- 13.1 Notwithstanding any other provision of the articles, the Company or the directors may fix any date as the record date for any dividend, distribution, allotment or issue, and such record date may be on, or at any time before or after, any date on which the dividend, distribution, allotment or issue is declared, paid or made.

14. Indemnity

- 14.1 Subject to the provisions of, and so far as may be consistent with, the Statutes, but without prejudice to any indemnity to which a Director may be otherwise entitled, every Director, auditor, secretary or other officer of the Company shall be entitled to be indemnified by the Company against all costs, charges, losses, expenses and liabilities incurred by him in the execution and/or discharge of his duties and/or the exercise of his powers and/or otherwise in relation to or in connection with his duties, powers or office including (without prejudice to the generality of the foregoing) any liability incurred by him in defending any proceedings, civil or criminal, which relate to anything done or omitted or alleged to have been done or omitted by him as an officer or employee of the Company and in which judgment is given in his favour (or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part) or in which he is acquitted or in connection with any application under any statute for relief from liability in respect of any such act or omission in which relief is granted to him by the Court.