

COAL PRODUCTS LIMITED

Company No. 1102042

SPECIAL RESOLUTIONS

1. THAT subject to compliance with Sections 155-158 of the Companies Act 1985, the terms of, the arrangements contemplated by, and the execution, delivery and performance by CPL Carbons Limited ("CPLCL") of:

1.1 a deed of accession to a term loan and revolving credit facility agreement (the "Facility Agreement") entered into between (1) Broomco (853) Limited ("Newco") and Coal Products Limited ("CPL") as Borrowers and Guarantors, (2) CPL's subsidiaries as Guarantors, (3) National Westminster Bank Plc as Arranger, (4) National Westminster Bank Plc, The Governor and Company of the Bank of Scotland and The Royal Bank of Scotland Plc as Original Banks (together with any bank from time to time participating in the Facility Agreement (the "Banks") (5) National Westminster Bank Plc as Facility Agent and (6) National Westminster Bank Plc as Security Agent (the "Security Agent") whereby the Banks would make available:

1.1.1 senior term loan facility in the maximum aggregate principal amount of £37,250,000 to be made available to Newco and CPL and used partly by Newco in financing directly or indirectly, part of the purchase price payable for the purposes of the acquisition by Newco of the whole of the issued share capital of CPL (the "Acquisition") and partly by CPL to settle, in whole or in part and either directly or indirectly, certain debts owed by it to the British Coal Corporation (the Vendor of the shares in CPL) (the "Vendor") and the European Coal and Steel Community ("ECSC"); and



1.1.2 a revolving credit facility (by way of advances, letters of credit and/or guarantees and various ancillary (including overdraft, banking, FX, documentary credit and other) facilities (the "Ancillary Facilities")) in the maximum aggregate principal amount of £7,000,000 to be used by Newco and/or CPL first in refinancing existing borrowings of Newco or CPL and thereafter towards financing the general working capital requirements of Newco and its subsidiaries following the Acquisition (the "New Group") (the Ancillary Facilities being made available to Newco and CPL by National Westminster Bank Plc (as "Ancillary Bank") pursuant to a side letter from the Ancillary Bank to CPL and Newco relating to the Ancillary Facilities (the "Ancillary Finance Letter"));

pursuant to which CPLCL would guarantee the performance by each relevant obligor of all obligations under the Senior Finance documents (as defined therein) and the payment of all sums payable at any time by each relevant obligor under or in connection therewith;

1.2 a deed of accession to a mezzanine facility agreement (the "Mezzanine Facility Agreement") entered into between (1) Newco as Borrower and Guarantor, (2) CPL and its subsidiaries as Guarantors, (3) Legal & General Ventures Limited as Mezzanine Agent, (4) Legal & General Assurance Society Limited and Mithras Investment Trust Plc as Original Mezzanine Banks and (5) National Westminster Bank Plc as Security Agent whereby the Mezzanine Banks would make available to Newco and CPL a mezzanine term loan facility in the maximum aggregate principal amount of £10,700,000 to be made available to Newco and/or CPL and used by Newco in financing partly, directly or

indirectly, the balance of the purchase price payable for the purposes of the Acquisition and/or partly in lending on to CPL to discharge, in whole or in part, certain debts owned by it to the Vendor and ECSC, pursuant to which CPLCL would guarantee the performance by each relevant obligor of all obligations under the Mezzanine Finance Documents (as defined therein) and the payment of all sums payable at any time by each relevant obligor under or in connection therewith;

(the facilities made available under the Facility Agreement and the Mezzanine Facility Agreement together with the "Facilities" and the Banks and the Mezzanine Banks together being the "Lenders");

- 1.3 a deed of accession to a debenture (the "Debenture") in favour of the national Westminster Bank Plc as Security Agent for the Lenders and the Vendor (the "Security Agent") pursuant to which CPLCL, inter alia, would covenant to pay or discharge all present and future obligations and liabilities of each relevant obligor under the Senior Finance Documents and the Mezzanine documents (as appropriate) on the due date and, for the purposes of the floating charge referred to below only, all present and future liabilities of Newco and CPL under two loan notes (the "Loan Notes") entered into by Newco and CPL in favour of the Vendor in relation to part of the purchase price payable by Newco for the purposes of the Acquisition to be met by way of deferred consideration of £3,500,000 payable in two instalments, and a guarantee by CPL of the obligations of Newco under the Loan Notes, and create fixed and floating charges over substantially all its assets and assign certain rights by way of security for the same;

- 1.4 a deed of accession to a priority agreement (the "Priority Agreement") entered into between, inter alia,

Newco, L&G as agent for the investors, the Security Agent, the Senior Agent, the Mezzanine Agent and the other obligors relating to priority arrangements between the Senior Creditors and the Mezzanine Creditors (as defined therein) and regulating priority as between those creditors, and that pursuant to the Priority Agreement CPLCL, inter alia, would covenant to pay all present and future liabilities payable or owing by any of the relevant obligors to those creditors under or in connection with the Senior Finance Documents or the Mezzanine Finance Documents or the Loan Notes;

be and are hereby approved (the Facility Agreement, the Mezzanine Facility Agreement, the Priority Agreement and the Debenture being together the "Finance Documents").

2. THAT the giving of financial assistance by CPLCL by the execution of, and the subsequent exercise of rights under, the Finance Documents be and is hereby approved;
3. THAT the execution of the Finance Documents is in the best interests of and for the benefit of CPLCL, there is full and fair consideration to CPLCL for its obligations under the Finance Documents and the approval for CPLCL to enter into the Finance Documents be and is given, notwithstanding that CPLCL might be held to be giving financial assistance for the purposes of Sections 151 and 152 of the Companies Act 1985.

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SECRETARY

Dated X 20 day of X April 1995

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