

Company Number: 3270528

THE COMPANIES ACTS 1985 AND 1989
PRIVATE COMPANY LIMITED BY SHARES

COPY RESOLUTIONS

of

GALACTOGEN PRODUCTS LIMITED (the "Company")

(Passed on 16 October 2001)

Notice is hereby given that by written resolution of the Company pursuant to section 381A of the Companies Act 1985 the following resolutions were unanimously passed as special resolutions of the Company:

SPECIAL RESOLUTIONS

- 1 **THAT** the proposed contract between (1) the Company and (2) Spread Trustee Company Limited for the purchase by the Company of 21,510 Ordinary Shares of 10p each in the Company for an aggregate consideration of £43,020 ('the Share Purchase Agreement'), which contract is annexed hereto, be approved pursuant to sections 164(2) of the Companies Act 1985 and that any two directors be authorised to execute the Share Purchase Agreement on behalf of the Company and that the directors be authorised to implement and complete the contract in accordance with the terms.
- 2 **THAT** the authorised share capital of the Company be increased from £100,000 to £200,000 by the creation of 1,000,000 new ordinary shares of 10p each in the capital of the Company, such shares having the rights and restrictions set out in the existing articles of association of the Company.
- 3 **THAT** the directors be and are hereby generally and unconditionally authorised, pursuant to section 80 of the Act, to exercise all or any powers of the Company to allot, grant options over, offer or otherwise deal with or dispose of relevant securities (within the meaning of that section) up to an aggregate nominal amount of £182,837.90 but so that:
 - (i) this authority shall expire (unless previously renewed, varied or revoked by the Company in general meeting) on the fifth anniversary of the date of this Resolution unless revoked or altered by the Company in General Meeting;
 - (ii) the Company may before such expiry make an offer, agreement or other arrangement which would or might require relevant securities to be allotted after such expiry and the directors may allot relevant securities pursuant to any such offer, agreement or other arrangement as if the authority hereby conferred had not expired; and

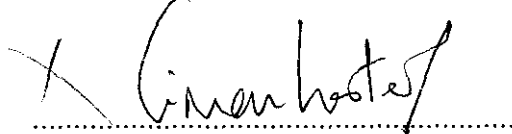


- (iii) this authority shall be in substitution for all previous authorities under section 80 of the Act which are hereby revoked but without prejudice to any allotment, offer or agreement made or entered into prior to the date of this resolution.

4 **THAT** subject to and conditional upon the resolution numbered 3 above being passed, the directors be and are hereby empowered pursuant to section 95 of the Act to allot equity securities (as defined in section 94(2) of the Act) of the Company pursuant to the authority conferred by such resolution as if section 89(1) of the Act did not apply to any such allotment but so that:

- (i) this power shall expire (unless previously renewed, varied or revoked in accordance with section 95(3) of the Act) on the fifth anniversary of the date of this Resolution; and
- (ii) the Company may before such expiry make an offer, agreement or other arrangement which would or might require equity securities to be allotted after such expiry and the directors may allot equity securities pursuant to any such offer, agreement or other arrangement as if the power hereby conferred had not expired.

5 **THAT** the capitalisation of the loan made by Simon Lester to the Company in the sum of £34,980 at a price of £1.65 per share to create 21,200 Ordinary Shares of 10p each, such shares to rank pari passu with the existing Ordinary Shares of 10p each in the capital of the Company (as the case may be) and having the rights and being subject to the restrictions set out in the Company's articles of association, which was effective on 31 January 2001, be and it is hereby ratified.

A handwritten signature in black ink, appearing to read 'Simon Lester', is written over a horizontal dotted line.

CHAIRMAN

DATED

2001

(1) SPREAD TRUST COMPANY LIMITED

and

(2) GALACTOGEN PRODUCTS LIMITED

AGREEMENT

**for purchase of own shares by
GALACTOGEN PRODUCTS LIMITED**

Hammond Suddards Edge

2 Park Lane

Leeds

LS3 1ES

Tel: 0113 284 7000

Fax: 0113 284 7001

Ref: cfagr.00301.cjy (cjy/wd)

BETWEEN:

- RECITALS:**

- IT IS HEREBY AGREED** as follows:

1. AGREEMENT FOR SALE

- ## 2. CONSIDERATION

3. COMPLETION

At Completion:

- 1

4. ENTIRE AGREEMENT

This Agreement constitutes the whole agreement between the parties hereto and no variation hereof shall be effective unless made in writing and signed by both of the parties hereto and which variation is thereafter authorised and approved by Special Resolution of the Company as required by the provisions of the Act.

5. GENERAL

- 5.1 This Agreement shall not be assignable.
- 5.2 This Agreement shall be binding upon, and shall enure for the benefit of, the personal representatives or successors in title of the Vendor.
- 5.3 This Agreement shall so far as it remains to be performed continue in full force and effect notwithstanding any completion thereof.
- 5.4 This Agreement shall be construed in accordance with the laws of England and the English Courts shall have jurisdiction over any matter arising out of it.
- 5.5 The Vendor undertakes to the Company to execute all such other documents and do all such other acts and things as the Company shall require in order to perfect the right, title and interest of the Company to the Sale Shares (and this undertaking shall survive completion).

AS WITNESS the hands of the parties or their duly authorised representatives on the date shown on the first page.

SIGNED by _____ for and on behalf of)
SPREAD TRUST COMPANY LIMITED in the)
presence of:)

SIGNED by _____ for and on behalf of)
GALACTOGEN PRODUCTS LIMITED in the)
presence of:)