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Certified extract of the minutes of the Annual General Meeting of Gladstone PLC held on Friday 21 March 2003 at 9.30am

**"Special Business"**

The following resolutions were considered and passed, of which resolutions 4, 5, 6 and 7 were passed as ordinary resolutions and 8 and 9 were passed as special resolutions:

4. IT WAS RESOLVED THAT subject to the passing of resolutions 5 and 6 the 41,116,996 issued ordinary shares of 10 pence each in the capital of the Company be with effect from the Effective Time (as hereinafter defined) sub-divided into 41,116,996 new ordinary shares of 1 pence each and 41,116,996 deferred shares of 9 pence each and so that the Effective Time shall mean 7.59am in Monday 24 March 2003 or such later time and date as the Directors may determine (whether they so determine before or after 7.59am on Monday 24 March 2003).

The ordinary shares of 1 pence each shall rank *pari passu* in all respects and the holders of the ordinary shares of 1 pence each shall be entitled to attend and vote at any General Meeting of the Company. The deferred shares of 9 pence each may not be transferred and shall not entitle their holders to receive any dividends or other distribution, nor entitle them to receive notice of or to attend or vote at any General Meeting of the Company and shall only entitle their holders to receive or participate in any property or assets of the Company whether on a return of assets or a winding-up of the Company or otherwise, after the holders or ordinary shares of 1 pence each have been repaid the amount paid up on the ordinary shares of 1 pence each together with a premium of £10,000 per share and then only to the extent of 9 pence per shares.

5. IT WAS RESOLVED THAT subject to the passing of resolutions 4 and 6 the 58,883,004 authorised but unissued ordinary shares of 10 pence each in the capital of the Company be with effect from the Effective Time sub-divided into 588,830,440 new ordinary shares of 1 pence each.
6. IT WAS RESOLVED THAT subject to the passing of resolutions 4 and 5 the authorised share capital of the Company be increased to £20,000,000 by the creation of 1,000,000,000 new ordinary shares of 1 pence each.
7. IT WAS RESOLVED THAT the directors be and the are hereby generally and unconditionally authorised, in substitution for all previous powers granted to them, to allot relevant securities, (within the meaning of section 80 of the Companies Act 1985) up to an aggregate nominal amount equal to the authorised but unissued share capital of the Company in existence immediately after the meeting at which this resolution is passed provided that this authority shall expire at the conclusion of the Annual General Meeting of the Company to be held in 2004 or 15 months from the passing of this resolution (if sooner) but so that the Company may before such expiry make an offer or agreement which would or might require securities to be allotted after such expiry and the directors may allot relevant securities in pursuance of such offer or agreement as if the authority conferred hereby had not expired.



8. IT WAS RESOLVED THAT subject to the passing of resolution 7 above, the directors be empowered pursuant to section 95 of the Companies Act 1985 ("the Act") in substitution for all previous powers granted to them to allot equity securities for cash pursuant to the authority conferred by resolution 7 above as if section 89(1) of the Companies Act 1985 did not apply to any such allotment, provided that this power shall be limited to:

- a) the allotment of new equity securities in connection with any rights issue or other offering of new equity securities in favour of the holders of equity securities of the company where the new equity securities attributable to the interests of such persons are proportionate (as nearly as may be) to be respective numbers of the relevant equity securities shares held by them (subject to such exclusions or other arrangements as the directors may deem necessary or expedient in relation to fractions of such securities or the issue and/or holding or any securities in uncertificated form or legal or practical problems arising under the laws of, or the requirements of any regulatory body or any stock exchange in, any territory); and
- b) to the allotment (otherwise than pursuant to paragraph 1) above of the equity securities up to a nominal value of £623,094)

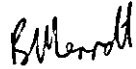
and shall expire at such time as the general authority conferred on the directors by resolution 7 above expires save that the Company may before such expiry make any offer or agreement which would or might require equity securities to be allotted after such expiry and the directors may allot equity securities in pursuant of such an offer or agreements as if such power had not expired.

9. IT WAS RESOLVED THAT subject to the passing of resolution 7 above but only in the event that resolution 8 is not passed, the directors be empowered pursuant to section 95 of the Companies Act 1985 ("the Act") in substitution for all previous powers granted to them to allot equity securities for cash pursuant to the authority conferred by resolution 7 above as if section 89(1) of the Companies Act 1985 did not apply to any such allotment, provided that this power shall be limited to:

- a) the allotment of new equity securities in connection with any rights issue or other offering of new equity securities in favour of the holders of equity securities of the company where the new equity securities attributable to the interests of such persons are proportionate (as nearly as may be) to the respective numbers of the relevant equity securities shares held by them (subject to such exclusions or other arrangements as the directors may deem necessary or expedient in relation to fractions of such securities or the issue and/or holding or any securities in uncertificated form or legal or practical problems arising under the laws of, or the requirements of any regulatory body or any stock exchange in, any territory); and
- b) to the allotment (otherwise than pursuant to paragraph a) of the equity securities up to a nominal value of £70,000)

and shall expire at such time as the general authority conferred on the directors by resolution 7 above expires save that the Company may before such expiry make any offer or agreement which would or might require equity securities to be allotted after such expiry and the directors may allot equity securities in pursuant of such an offer or agreement as if such power had not expired."

Certified as a true extract by the Chairman of the meeting, this 2<sup>nd</sup> of May 2003

A handwritten signature in black ink, appearing to read 'B Merrett', written in a cursive style.

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Ben Merrett - Chairman