

Company number 3563497  
PRIVATE COMPANY LIMITED BY SHARES  
WRITTEN RESOLUTIONS  
by holders of 'B' shares of £1 each in  
**BIOMASS INDUSTRIAL CROPS LIMITED ("the Company")**

The following resolutions of the Company were passed  
as written resolutions on 14th March 2008

**Ordinary resolution**

- 1 THAT the directors be and they are generally and unconditionally authorised for the purposes of section 80 of the Companies Act 1985 (the Act) to exercise all the powers of the Company to allot relevant securities (within the meaning of that section) provided that this authority is for a period expiring five years from the date of this resolution but the Company may before such expiry make an offer or agreement which would or might require relevant securities to be allotted after such expiry and the directors may allot relevant securities in pursuance of such offer or agreement notwithstanding that the authority conferred by this resolution has expired This authority is in substitution for all subsisting authorities, to the extent unused

**Special Resolution**

- 2 1 THAT if, by 5pm on Friday 14<sup>th</sup> March 2008 ('the Cut-Off Time') (time to be of the essence in this respect), the Company shall receive an irrevocable subscription from a new shareholder of £20,000,000 00 (in cleared funds which the Company can legally and immediately accept) for 428,572 A Ordinary Shares of £0 01 each then



2 1 1 pursuant to the authority in its articles of association (the **Existing Articles**), the share capital of the Company be altered in the following manner, prior to the above subscription

- (a) each of the 10,000 A Ordinary Shares of £1 00 each in the capital of the Company be subdivided into 100 A Ordinary Shares of £0 01 each so as to provide a total of 1,000,000 A Ordinary Shares of £0 01 each,
- (b) 90,000 of the unissued B Ordinary Shares of £1 00 each in the capital of the Company each be subdivided into and redesignated as 100 A Ordinary Shares of £0 01 each so as to provide a further 9,000,000 A Ordinary Shares of £0 01 each and the remaining unissued B Ordinary Shares of £1 00 each be subdivided into and redesignated as 100 Deferred Shares of £0 01 each,
- (c) each of the issued B Ordinary Shares of £1 00 be subdivided into 100 £0 01 shares to be redesignated either as A Ordinary Shares of £0 01 each or as Deferred Shares of £0 01 each, in accordance with the Schedule 1 set out below,

and such A Ordinary Shares of £0 01 each and Deferred Shares of £0 01 each shall have the rights set out in the New Articles to be adopted pursuant to 2 1 2 below

2 1 2 that, pursuant to section 9 of the Act, the Existing Articles be deleted in their entirety and the regulations contained in the document produced to the meeting, and, for the purposes of identification, signed by the Chairperson, and marked 'New Articles 1' be approved and adopted as the articles of association of the Company in substitution for, and to the exclusion of, the Existing Articles

Schedule 1

Subdivision and Redesignation of issued B Ordinary Shares of £1 00 each

Shareholder	Number of B Ordinary Shares of £1 now held by each Shareholder	Number of B Ordinary Shares of £0 01 to be held by each Shareholder following sub- division	Re-designated as A Ordinary Shares of £0 01 each	Redesignation as Deferred Shares of £0 01 each
Mr P S Aplin	8817	881700	3742	877958
Mr M Baker	448	44800	190	44610
Mr W Bolland	1348	134800	572	134228
Mr C J Bramall	150	15000	64	14936
Mrs M P Bramall	1053	105300	447	104853
Mr C J Burrough	4821	482100	2046	480054
Dr M F Carver	35895	3589500	15235	3574265
Dr P A Carver	63812	6381200	27083	6354117
Messrs F Clarke & Sons	1929	192900	819	192081
Mr M C Cooper	43694	4369400	18545	4350855
Mr P Cooper	136	13600	58	13542
Mr R C Cooper	964	96400	409	95991
Mr R N Cooper	964	96400	409	95991
Mrs P N Cooper	965	96500	410	96090
Mr T W Cox	10852	1085200	4606	1080594
David Croxton Executive Pension	104312	10431200	44272	10386928
Mr D R Croxton	94592	9459200	40147	9419053
David Croxton Limited	6000	600000	2547	597453
Mrs L R Croxton	13860	1386000	5882	1380118

Mr S P Croxton	31029	3102900	13169	3089731
Mr D R Croxton (in trust for Mrs E L Beadell)	1000	100000	424	99576
Mr D R Croxton (in trust for Miss J A Watts)	1000	100000	424	99576
Mr D R Croxton (in trust for Mr R M Watts)	1000	100000	424	99576
Mr A Curtis	6296	629600	2672	626928
Mr P da Silva	300	30000	127	29873
Sir H W Farrington	10585	1058500	4493	1054007
Mrs S M Fry	1000	100000	424	99576
Mr J J Harvey	8213	821300	3486	817814
Mr T J Hawkins	196216	19621600	83278	19538322
Mr J Hudson	150	15000	64	14936
Mr F D Jeanes	1929	192900	819	192081
Mr R J Jeanes	2893	289300	1228	288072
Mr P F Joyce	117	11700	50	11650
Mr G D Kerslake	28100	2810000	11926	2798074
Mr A J R Lawrence-King	117	11700	50	11650
Mr H C Lang	1929	192900	819	192081
Mr R J Lang	1928	192800	818	191982
Mr A J Little	1929	192900	819	192081
Mr J E T Lock	5929	592900	2516	590384
Mr H Loxton	32375	3237500	13741	3223759
Messrs W H Loxton & Sons Limited (in trust for Miss Amie Loxton)	1939	193900	823	193077
Messrs W H Loxton & Sons Limited (in trust for Miss Josie Loxton)	1938	193800	823	192977

Mr and Mrs O H M Loxton (in trust for Miss Josie Loxton)	2000	200000	849	199151
Ms Daiva Lukosminaite	4000	400000	1698	398302
MAACAL Limited	26342	2634200	11180	2623020
Mitchell Associates International Limited	21167	2116700	8984	2107716
Mr A J Montgomery	23857	2385700	10125	2375575
Mr A P and Mrs S M Parris	2411	241100	1023	240077
Mr R A Parris	16688	1668800	7083	1661717
Mr M and Mrs J Pope	8329	832900	3535	829365
Mrs R A Bachelor	1153	115300	489	114811
Mr P Sawatski	1371	137100	582	136518
Mrs J A Seager	117	11700	50	11650
Miss R J Shrimpton	117	11700	50	11650
Mr and Mrs N Simpson	3200	320000	1358	318642
Mr Albinas Teskervicius	1008	100800	428	100372
Mr G R Theed	1929	192900	819	192081
Mrs C Theed	1000	100000	424	99576
Mr C M Thomas	2000	200000	849	199151
Mr N J Thorne and Mrs N Thorne	5785	578500	2455	576045
Mr J Ward	165278	16527800	70148	16457652
Mrs C Wescott	1536	153600	652	152948
Mr J White	147160	14716000	62458	14653542
Messrs R Whittle and Son	8000	800000	3395	796605
Wessex Water plc	100	10000	42	9958
Yorkshire Water Projects Limited	1000	100000	424	99576

2.2 **THAT** if, by the 'the Cut-Off Time' (time to be of the essence in this respect) , the Company shall **not** receive an irrevocable subscription from a new shareholder

of £20,000,000 00 (in cleared funds which the Company can legally and immediately accept) for 428,572 A Ordinary Shares of £0 01 each then

2 2 1 pursuant to the authority in its articles of association (the **Existing Articles**), the share capital of the Company be altered in the following manner

- (a) each of the 10,000 A Ordinary Shares of £1 00 each in the capital of the Company be subdivided into 100 A Ordinary Shares of £0 01 each so as to provide a total of 1,000,000 A Ordinary Shares of £0 01 each ,
- (b) 90,000 of the unissued B Ordinary Shares of £1 00 each in the capital of the Company each be subdivided into and redesignated as 100 A Ordinary Shares of £0 01 each so as to provide a further 9,000,000 A Ordinary Shares of £0 01 each and the remaining unissued B Ordinary Shares of £1 00 each be subdivided into and redesignated as 100 Deferred Shares of £0 01 each,
- (c) each of the issued B Ordinary Shares of £1 00 be subdivided into 100 £0 01 shares to be redesignated either as A Ordinary Shares of £0 01 each or as Deferred Shares of £0 01 each, in accordance with the Schedule 2 set out below,

and such A Ordinary Shares of £0 01 each and Deferred Shares of £0 01 each shall have the rights set out in the New Articles to be adopted pursuant to 2 2 2 below

2 2 2 that, pursuant to section 9 of the Act, the Existing Articles be deleted in their entirety and the regulations contained in the document produced to the meeting, and, for the purposes of identification, signed by the Chairperson and marked 'New Articles 2' be approved and adopted as the articles of association of the Company in substitution for, and to the exclusion of, the Existing Articles

Schedule 2

Subdivision and Redesignation of issued B Ordinary Shares of £1 00 each

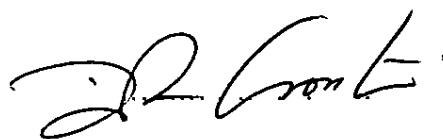
Shareholder	Number of B Ordinary Shares of £1 now held by each Shareholder	Number of B Ordinary Shares of £0 01 to be held by each Shareholder following sub-division	Re-designated as A Ordinary Shares of £0 01 each	Redesignation as Deferred Shares of £0 01 each
Mr P S Aplin	8817	881700	5613	876087
Mr M Baker	448	44800	285	44515
Mr W Bolland	1348	134800	858	133942
Mr C J Bramall	150	15000	95	14905
Mrs M P Bramall	1053	105300	670	104630
Mr C J Burrough	4821	482100	3069	479031
Dr M F Carver	35895	3589500	22852	3566648
Dr P A Carver	63812	6381200	40625	6340575
Messrs F Clarke & Sons	1929	192900	1228	191672
Mr M C Cooper	43694	4369400	27817	4341583
Mr P Cooper	136	13600	87	13513
Mr R C Cooper	964	96400	614	95786
Mr R N Cooper	964	96400	614	95786
Mrs P N Cooper	965	96500	614	95886
Mr T W Cox	10852	1085200	6909	1078291
David Croxton Executive Pension	104312	10431200	66409	10364791
Mr D R Croxton	94592	9459200	60220	9398980
David Croxton Limited	6000	600000	3820	596180
Mrs L R Croxton	13860	1386000	8824	1377176

Mr S P Croxton	31029	3102900	19754	3083146
Mr D R Croxton (in trust for Mrs E L Beadell)	1000	100000	637	99363
Mr D R Croxton (in trust for Miss J A Watts)	1000	100000	637	99363
Mr D R Croxton (in trust for Mr R M Watts)	1000	100000	637	99363
Mr A Curtis	6296	629600	4008	625592
Mr P da Silva	300	30000	191	29809
Sir H W Farrington	10585	1058500	6739	1051761
Mrs S M Fry	1000	100000	637	99363
Mr J J Harvey	8213	821300	5229	816071
Mr T J Hawkins	196216	19621600	124918	19496682
Mr J Hudson	150	15000	95	14905
Mr F D Jeanes	1929	192900	1228	191672
Mr R J Jeanes	2893	289300	1842	287458
Mr P F Joyce	117	11700	74	11626
Mr G D Kerslake	28100	2810000	17889	2792111
Mr A J R Lawrence- King	117	11700	74	11626
Mr H C Lang	1929	192900	1228	191672
Mr R J Lang	1928	192800	1227	191573
Mr A J Little	1929	192900	1228	191672
Mr J E T Lock	5929	592900	3775	589125
Mr H Loxton	32375	3237500	20611	3216889
Messrs W H Loxton & Sons Limited (in trust for Miss Amie Loxton)	1939	193900	1234	192666



Messrs W H Loxton & Sons Limited (in trust for Miss Josie Loxton)	1938	193800	1234	192566
Mr and Mrs O H M Loxton (in trust for Miss Josie Loxton)	2000	200000	1273	198727
Ms Daiva Lukosminaitė	4000	400000	2547	397453
MAACAL Limited	26342	2634200	16770	2617430
Mitchell Associates International Limited	21167	2116700	13476	2103224
Mr A J Montgomery	23857	2385700	15188	2370512
Mr A P and Mrs S M Parris	2411	241100	1535	239565
Mr R A Parris	16688	1668800	10624	1658176
Mr M and Mrs J Pope	8329	832900	5303	827597
Mrs R A Bachelor	1153	115300	734	114566
Mr P Sawatski	1371	137100	873	136227
Mrs J A Seager	117	11700	74	11626
Miss R J Shrimpton	117	11700	74	11626
Mr and Mrs N Simpson	3200	320000	2037	317963
Mr Albinas Teskervicius	1008	100800	642	100158
Mr G R Theed	1929	192900	1228	191672
Mrs C Theed	1000	100000	637	99363
Mr C M Thomas	2000	200000	1273	198727
Mr N J Thorne and Mrs N Thorne	5785	578500	3683	574817
Mr J Ward	165278	16527800	105221	16422579
Mrs C Wescott	1536	153600	978	152622

Mr J White	147160	14716000	93687	14622313
Messrs R Whittle and Son	8000	800000	5093	794907
Wessex Water plc	100	10000	64	9936
Yorkshire Water Projects Limited	1000	100000	637	99363



David Croxton  
 Managing Director  
 Biomass Industrial Crops Limited,  
 Curdon Mill,  
 Lower Vellow,  
 Williton,  
 Taunton,  
 Somerset TA4 4LS

Dated 14<sup>th</sup> March 2008

***'New Articles 1'***

**THE COMPANIES ACT 1985 AND 1989  
A PRIVATE COMPANY LIMITED BY SHARES**

**ARTICLES OF ASSOCIATION**

**OF**

**BIOMASS INDUSTRIAL CROPS LTD**

(as amended by Special Resolutions dated 2008)

**PRELIMINARY**

- 1 (a) The Company is a Private Company and, subject as hereinafter provided and except where the same area varied or excluded by or inconsistent with these Articles, the regulations contained or incorporated by reference in Table A in the Companies (Tables A to F) Regulations 1985 as amended by the Companies (Tables A to F) (Amendment) Regulations 1985 (hereinafter called "Table A") shall apply to the Company save insofar as they are excluded or varied hereby and such Regulations (save as so excluded or varied) and shall be deemed to form part of these Articles. References herein to regulations are to regulations in Table A unless otherwise stated.
- (b) In these Articles the expression the Act means the Companies Act 1985, but so that any reference in these Articles to any provision of the Act shall be deemed to include a reference to any statutory modification or re-enactment of that provision for the time being in force.

**DEFINITIONS**

- 2 In these Articles unless the context otherwise requires -

"Acting in Concert"	actively co-operating with one or more other persons, pursuant to an agreement or understanding (formal or informal), to acquire shares in the Company to obtain or consolidate control of the Company
"these Articles"	means the Articles of Association in their present form or as from time to time altered
"A Shares"	means the A Ordinary Shares of £0.01 each in the capital of the Company
"the Board"	means the Board of Directors of the Company or a duly authorised committee thereof or the Directors present at a

meeting of the Board of Directors of the Company or a duly authorised committee thereof, in each case at which a quorum is present

"Deferred Shares"	means the Deferred Shares of £0.01 each in the capital of the Company
"Director"	means a Director of the Company
"Independent Accountant"	a chartered accountant specialising in the valuation of companies nominated by the President for the time being of the Institute of Chartered Accountants in England and Wales
"Member"	means a member of the Company

### **SHARE CAPITAL**

- 3 The share capital of the Company is £10,000,000 divided in 10,000,000 A Shares and 990,000,000 Deferred Shares

### **SHARES**

- 4 The rights attached to the A Shares and the Deferred Shares shall be as set out below -
- (i) As regards income -
    - (a) Each A Share shall rank *pari passu* with each other in any dividend.
    - (b) No Deferred Share shall have any entitlement to dividend or other distribution
  - (ii) As regards capital -
    - (a) Each A Share shall rank *pari passu* with each other in any return of Capital
    - (b) No Deferred Share shall entitle the holder to the amounts paid up on such shares in a return of Capital on winding-up or otherwise unless the net asset value of the Company exceeds £100,000,000,000
  - (iii) As regards voting -

- (a) The holders of A Shares shall have the right to receive notice of and to attend (either in person or by proxy) all General Meetings of the Company and shall be entitled on a show of hands to one vote for each such holder and on a poll to one vote for every A Share held by them
- (b) No Deferred Share shall confer on the holder thereof any right to receive notice of or to attend or vote (either in person or by proxy) at any General Meeting of the Company. Deferred Shares shall not carry any voting rights
- (iv) As Regards Transfers -
  - (a) No A Share shall be transferred other than pursuant to Article 8.1 of these Articles of Association
  - (b) No Deferred Share shall be transferable

## ALLOTMENTS

### 5.1 With regard to the allotment of further shares on the Company

- (a) All unissued shares in the Company shall be at the disposal of the Board who may allot, grant options over or otherwise dispose of them to such persons, at such times, and on such terms as it thinks proper provided always that the Board may not allot, grant options over or otherwise dispose of further A Shares to any person if by doing so that person and those (if any) Acting in Concert with him would then hold more than 30% but less than 75% of the then issued A Shares and further provided always (for the avoidance of doubt) that that the previous proviso shall not prevent the Board from issuing 428,572 A Shares to a new shareholder on the date these Articles are adopted
- (b) Pursuant to section 91 of the Companies Act 1985, sub-section (1) of section 89 and sub-sections (1) to (6) inclusive of section 90 of that Act shall be excluded from applying to any allotment of shares in the Company during the period of five years from the date of adoption of these Articles or any allotment of any shares in the Company made pursuant to an offer or agreement made within that five year period

- 5.2 (i) The Directors are generally and unconditionally authorised for the purposes of section 80 of the Act, at any time or times during the period of five years from the date of adoption of these Articles, to allot, or to grant any right to subscribe for or to convert any security into, all or any of the unissued shares in the authorised share capital of the Company at such date

- (ii) At the expiry of such period of five years, the authority contained in Article 5 3(i) shall expire but such authority shall allow the Company to make an offer or agreement before the expiry of such authority which would or might require shares to be allotted, or rights to subscribe for or to convert any security into shares to be granted, after the expiry of such authority and shall allow the Directors to allot shares and grant rights pursuant to any such offer or agreement as if such authority had not expired

#### **LIEN**

- 6 The lien conferred by Regulation 8 shall also attach to fully paid shares and the Company shall also have a first and paramount lien on all shares, whether fully paid or not, standing registered in the name of any person, whether he shall be the sole registered holder thereof or shall be one of two or more joint holders for all moneys presently payable by him or his estate to the Company Regulation 8 shall be modified accordingly

#### **FORFEITURE**

- 7 The liability of any Member in default of payment of a call shall, if the Board so directs, also include any costs and expenses suffered or incurred by the Company in respect of such non-payment and the powers conferred on the Board by Regulation 18 and the provisions of Regulation 21 shall be extended accordingly

#### **TRANSFER OF SHARES**

- 8 1 (a) With regard to the transfer of A Shares the Directors may, in their absolute discretion and without assigning any reason therefore, decline to register any transfer which would otherwise be permitted under the succeeding provisions of this Article if it is a transfer
- (i) of a share on which the Company has a lien,
  - (ii) of a share (whether or not being a full paid share) to a person of whom they shall not approve,
  - (iii) of a share (whether or not it is fully paid) made pursuant to paragraph (g) below
  - (iv) of a share (whether or not it is fully paid) to any person if the registration of that transfer would result in that person and those (if any) Acting in Concert with him holding more than 30% but less than 75% of the then issued A Shares

Clause 24 in Table A shall not apply to the Company

- 8 2 No Deferred Shares shall be transferable

- 8 3 (a) If a third party (the "Offeror") makes a bona fide unconditional

offer (the "Offer") to purchase all the A Shares (on equal terms per A Share for all Members) that is acceptable to Members holding not less than 75% of the A Shares, the other Members will be bound (if such offer is on the same terms for all shares) to accept the Offer and shall on completion of the sale and purchase of the A Shares, transfer all of his Deferred Shares to the Offeror (or as the Offeror may direct) for no additional consideration

- (b) If any such Member shall refuse to transfer his A Shares and Deferred Shares to the Offeror, the Board shall authorise any director to execute a transfer of such Member's Shares in favour of the Offeror (or as the Offeror directs) and the Company may give a good and valid receipt for the purchase price for such Shares and may register the Offeror as the holder of them and issue new share certificates for them. In such case, the Member concerned shall be bound to deliver up his share certificate or certificates to the Company, whereupon he shall be entitled to receive from the Company the purchase price, which shall in the meantime be held by the Company on trust but without interest
- (c) If the Offer is made to some but not all of the Members, and the Offer (if accepted by all those Members to whom it is made) would (if the transactions are all completed) result in the Offeror and those (if any) Acting in Concert with him holding than 50% of the issued A Shares, then the other Members, to whom the Offer shall not have been made, shall be entitled to require the Members to whom the Offer has been made to procure that the Offer is extended to the other Members on the same terms or, at the Member's discretion (under the provisions of Article 8 3(d) below, at a fair value to be determined in accordance with the provisions set out in Article 8 3(d) below
- (d) Any Member may, not later than eight days after he receives written notice of the Offer, serve on the Company a notice in writing requesting that an Independent Accountant be appointed to certify in writing the sum which in his opinion represents the fair value of each of the A Shares ("the Fair Value"), and for the purpose of this Article reference to the Independent Accountant shall include any person so nominated. Upon receipt of such notice the Company shall instruct the Independent Accountant to certify as aforesaid and the costs of such valuation shall be apportioned among those Members seeking a certification of the Fair Value in connection with the Offer in proportion to their holdings of A Shares. In certifying the Fair Value as aforesaid the Independent Accountant shall be considered to be acting as an expert and not as an arbitrator or arbiter and accordingly any provisions of law or statute relating to arbitration shall not apply. Upon receipt of the certificate of the Independent Accountant, the Company shall by notice in writing inform all Members of the Fair Value of each share. For the purpose of this Article the Fair Value of each A Share shall be its value as a rateable proportion of the total value of all the issued A Shares of the Company and shall not

be discounted or enhanced by reference to the number of shares held by any particular Member

### **PROCEEDINGS AT GENERAL MEETINGS**

- 9 If within half an hour from the time appointed for a general meeting, a quorum is not present, the meeting, if convened upon the requisition of members, shall be dissolved, in any other case, it shall stand adjourned to the same day in the next week at the same time and place or to such time and place as the Board may determine. If a quorum is not present at any such adjourned meeting within half an hour from the time appointed for that meeting, the meeting shall be dissolved. Regulation 41 shall not apply to the Company.
- 10 A poll may be demanded at any general meeting by any member present in person or by proxy and entitled to vote. Regulation 46 shall be modified accordingly.

### **DELEGATION OF DIRECTORS' POWERS**

- 11 Any committee of the Board may consist of one or more co-opted persons other than Directors on whom voting rights may be conferred as members of the Committee but so that -
- (i) the number of co-opted members shall be less than one half of the total number of members of the committee, and
  - (ii) no resolution of the committee shall be effective unless a majority of the members of the committee present at the meeting are Directors.

Regulation 72 shall be modified accordingly.

### **APPOINTMENT AND RETIREMENT OF DIRECTORS**

- 12 (a) The minimum number of Directors shall be one and in the event of there being a sole Director, he shall have all the powers and the subject to all the provisions herein conferred on the Directors and he or any alternate Director appointed by him shall alone constitute a quorum at any meeting of the Directors. Regulations 64, 89 and 90 shall be modified (and all other Regulations in these Articles relating to Directors shall be construed) accordingly.
- (b) The Directors shall not be subject to retirement by rotation and accordingly -
- (i) Regulations 73 to 75 inclusive, Regulation 80 and the last sentence of Regulation 84 shall not apply to the Company,



- (ii) Regulation 76 shall apply but with the deletion of the words "other than a Director retiring by rotation",
- (iii) Regulation 77 shall apply but with the deletion of the words in brackets "(other than a Director retiring by rotation at the meeting)",
- (iv) Regulation 78 shall apply but with the deletion of the words "and may also determine the rotation in which any additional Directors are to retire", and
- (v) Regulation 79 shall apply but with the deletion of the words "and shall not be taken into account in determining the Directors who are to retire by rotation at the meeting"

### **BORROWING POWERS**

- 13 The Directors may exercise all the powers of the Company to borrow money without limit as to amount and upon such terms and in such manner as they think fit, and subject (in the case of any security convertible into shares) to section 80 of the Act to grant any mortgage, charge or standard security over its undertaking, property and uncalled capital, or any part thereof, 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

## **DIRECTORS**

- 14 The Directors shall be entitled to such remuneration (if any) by way of fee as shall from time to time be determined by the Company in General Meeting Unless and until so determined, remuneration shall be at such rate as the Board shall from time to time determine Such remuneration shall be deemed to accrue from day to day The Directors (including alternate Directors) shall also be entitled to be paid their reasonable travelling, hotel and other expenses of attending and returning from meetings of the Company or otherwise incurred while engaged on the business of the Company or in the discharge of their duties Regulations 82 and 83 shall not apply to the Company
- 15 Any Director, who, by request, performs special services or goes or resides abroad for any purposes of the Company or who otherwise performs services which, in the opinion of the Board, are outside the scope of the ordinary duties of a Director shall receive such extra remuneration by way of salary, percentage of profits or otherwise as the Board may determine which shall be charged as part of the Company's ordinary working expenses
- 16 Subject to the provisions of the Companies Act 1985 and provided that he has disclosed to the Directors the nature and extent of any material interest of his, a Director notwithstanding his office -
- (a) may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is in any way interested,
  - (b) may be a Director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate promoted by the Company or in which the Company is in any way interested,
  - (c) may, or any firm or company of which he is a member or Director may, act in a professional capacity for the Company or any body corporate in which the Company is in any way interested,
  - (d) shall not, by reason of his office, be accountable to the Company for any benefit which he derives from such office, service or employment or from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit, and
  - (e) shall be entitled to vote and be counted in the quorum on any matter concerning paragraphs (a) and (d) above

For the purposes of this Article -

- (i) a general notice to the Directors that a Director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified

person or class of persons is interested shall be deemed to be a disclosure that the Director has an interest in any such transaction of the nature and extent so specified,

- (ii) an interest of which a Director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his, and
- (iii) an interest of a person who is, for any purpose of the Companies Act 1985 (excluding any statutory modification not in force when this Article becomes binding on the Company), connected with a Director shall be treated as an interest of the Director and, in relation to an alternate Director, an interest of his appointor shall be treated as an interest of the alternate Director without prejudice to any interest which the alternate Director has otherwise

Regulations 86, and 94 to 96 inclusive shall not apply to the Company

### **PROCEEDINGS OF DIRECTORS**

- 17 An alternate Director who is himself a Director and/or who acts as an alternate Director for more than one Director shall be entitled, in the absence of his appointor(s), to a separate vote or votes on behalf of his appointor(s) in addition (if he is himself a Director) to his own vote Regulation 88 shall be modified accordingly

### **DIVIDENDS**

- 18 Dividends shall be declared and paid according to the amounts paid up or credited as paid up on the shares on which the dividend is paid Regulation 104 shall be construed accordingly

### **NOTICES**

- 19 A notice served by post shall be deemed to be given at the expiration of twenty-four hours (or, where second class mail is employed, forty-eight hours) after the time when the cover containing the same is posted Regulation 115 shall be modified accordingly

### **SEAL**

- 20 The Directors shall decide whether the Company shall have a seal and if so shall provide for the safe custody of the Seal and of any official Seal for use abroad pursuant to the Statutes, and such Seals shall only be used by the authority of the Directors or of a committee of the Directors authorised by the Directors in that behalf, and every instrument to which the Seal shall be affixed shall be signed by a Director and shall be countersigned by the Secretary or by a second Director or

by some other person appointed by the Directors for the purpose Regulation 101 of Table A shall not apply

### **SHARE CERTIFICATES**

- 21 In the event that the Directors decide that the company shall not have a seal then share certificates or other documents issued by the company may be signed by a director and secretary of the company, or two directors of the company, and expressed (in whatever form of words) to be executed by the company and shall have the same effect as if executed under the common seal of the company and Regulation 6 of Table A shall be modified accordingly

### **INDEMNITY**

- 22 (a) Every Director or other officer or auditor of the Company shall be indemnified out of the assets of the Company against all costs, charges, losses, expenses and liabilities incurred by him in the execution of his duties or in relation thereto including any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part or in connection with any application in which relief is granted to him by the Court and no Director or other officer shall be liable for any loss, damage or misfortune which may happen to or be incurred by the Company in the execution of the duties of his office or in relation thereto But this Article shall only have effect insofar as its provisions are not avoided by section 310 of the Act
- (b) The Directors shall have power to purchase and maintain for any Director, officer or Auditor of the Company insurance against any such liability as is referred to in section 310(1) of the Act from and after the bringing into force of section 137 of the Companies Act 1989

Regulation 118 shall not apply to the Company

***'New Articles 2'***

**THE COMPANIES ACT 1985 AND 1989  
A PRIVATE COMPANY LIMITED BY SHARES**

**ARTICLES OF ASSOCIATION**

**OF**

**BIOMASS INDUSTRIAL CROPS LTD**

(as amended by Special Resolutions dated 2008)

**PRELIMINARY**

- 1 (a) The Company is a Private Company and, subject as hereinafter provided and except where the same area varied or excluded by or inconsistent with these Articles, the regulations contained or incorporated by reference in Table A in the Companies (Tables A to F) Regulations 1985 as amended by the Companies (Tables A to F) (Amendment) Regulations 1985 (hereinafter called "Table A") shall apply to the Company save insofar as they are excluded or varied hereby and such Regulations (save as so excluded or varied) and shall be deemed to form part of these Articles. References herein to regulations are to regulations in Table A unless otherwise stated.
- (b) In these Articles the expression the Act means the Companies Act 1985, but so that any reference in these Articles to any provision of the Act shall be deemed to include a reference to any statutory modification or re-enactment of that provision for the time being in force.

**DEFINITIONS**

- 2 In these Articles unless the context otherwise requires -

"Acting in Concert"	actively co-operating with one or more other persons, pursuant to an agreement or understanding (formal or informal), to acquire shares in the Company to obtain or consolidate control of the Company
"these Articles"	means the Articles of Association in their present form or as from time to time altered
"A Shares"	means the A Ordinary Shares of £0.01 each in the capital of the Company

"the Board"	means the Board of Directors of the Company or a duly authorised committee thereof or the Directors present at a meeting of the Board of Directors of the Company or a duly authorised committee thereof, in each case at which a quorum is present
"Deferred Shares"	means the Deferred Shares of £0.01 each in the capital of the Company
"Director"	means a Director of the Company
"Independent Accountant"	a chartered accountant specialising in the valuation of companies nominated by the President for the time being of the Institute of Chartered Accountants in England and Wales
"Member"	means a member of the Company

### **SHARE CAPITAL**

- 3 The share capital of the Company is £10,000,000 divided in 10,000,000 A Shares and 990,000,000 Deferred Shares

### **SHARES**

- 4 The rights attached to the A Shares and the Deferred Shares shall be as set out below -
- (i) As regards income -
    - (a) Each A Share shall rank *pari passu* with each other in any dividend
    - (b) No Deferred Share shall have any entitlement to dividend or other distribution
  - (ii) As regards capital -
    - (a) Each A Share shall rank *pari passu* with each other in any return of Capital
    - (b) No Deferred Share shall entitle the holder to the amounts paid up on such shares in a return of Capital on winding-up or otherwise unless the net asset value of the Company exceeds £100,000,000,000
  - (iii) As regards voting -

- (a) The holders of A Shares shall have the right to receive notice of and to attend (either in person or by proxy) all General Meetings of the Company and shall be entitled on a show of hands to one vote for each such holder and on a poll to one vote for every A Share held by them
- (b) No Deferred Share shall confer on the holder thereof any right to receive notice of or to attend or vote (either in person or by proxy) at any General Meeting of the Company. Deferred Shares shall not carry any voting rights
- (iv) As Regards Transfers -
  - (a) No A Share shall be transferred other than pursuant to Article 8.1 of these Articles of Association
  - (b) No Deferred Share shall be transferable

### **ALLOTMENTS**

#### **5.1 With regard to the allotment of further shares on the Company**

- (a) All unissued shares in the Company shall be at the disposal of the Board who may allot, grant options over or otherwise dispose of them to such persons, at such times, and on such terms as it thinks proper provided always that the Board may not allot, grant options over or otherwise dispose of further A Shares to any person if by doing so that person and those (if any) Acting in Concert with him would then hold more than 30% but less than 75% of the then issued A Shares and further
- (b) Pursuant to section 91 of the Companies Act 1985, sub-section (1) of section 89 and sub-sections (1) to (6) inclusive of section 90 of that Act shall be excluded from applying to any allotment of shares in the Company during the period of five years from the date of adoption of these Articles or any allotment of any shares in the Company made pursuant to an offer or agreement made within that five year period.

- 5.2 (i) The Directors are generally and unconditionally authorised for the purposes of section 80 of the Act, at any time or times during the period of five years from the date of adoption of these Articles, to allot, or to grant any right to subscribe for or to convert any security into, all or any of the unissued shares in the authorised share capital of the Company at such date
- (ii) At the expiry of such period of five years, the authority contained in Article 5.3(i) shall expire but such authority shall allow the Company to make an offer or agreement before the expiry of such authority which would or

might require shares to be allotted, or rights to subscribe for or to convert any security into shares to be granted, after the expiry of such authority and shall allow the Directors to allot shares and grant rights pursuant to any such offer or agreement as if such authority had not expired

#### **LIEN**

- 6 The lien conferred by Regulation 8 shall also attach to fully paid shares and the Company shall also have a first and paramount lien on all shares, whether fully paid or not, standing registered in the name of any person, whether he shall be the sole registered holder thereof or shall be one of two or more joint holders for all moneys presently payable by him or his estate to the Company Regulation 8 shall be modified accordingly

#### **FORFEITURE**

- 7 The liability of any Member in default of payment of a call shall, if the Board so directs, also include any costs and expenses suffered or incurred by the Company in respect of such non-payment and the powers conferred on the Board by Regulation 18 and the provisions of Regulation 21 shall be extended accordingly

#### **TRANSFER OF SHARES**

- 8 1 (a) With regard to the transfer of A Shares the Directors may, in their absolute discretion and without assigning any reason therefore, decline to register any transfer which would otherwise be permitted under the succeeding provisions of this Article if it is a transfer
- (i) of a share on which the Company has a lien,
  - (ii) of a share (whether or not being a full paid share) to a person of whom they shall not approve,
  - (iii) of a share (whether or not it is fully paid) made pursuant to paragraph (g) below
  - (iv) of a share (whether or not it is fully paid) to any person if the registration of that transfer would result in that person and those (if any) Acting in Concert with him holding more than 30% but less than 75% of the then issued A Shares

Clause 24 in Table A shall not apply to the Company

- 8 2 No Deferred Shares shall be transferable

- 8 3 (a) If a third party (the "Offeror") makes a bona fide unconditional offer (the "Offer") to purchase all the A Shares (on equal terms per A Share for all Members) that is acceptable to Members holding not less than 75% of the A Shares, the other Members will be bound (if such offer



is on the same terms for all shares) to accept the Offer and shall on completion of the sale and purchase of the A Shares, transfer all of his Deferred Shares to the Offeror (or as the Offeror may direct) for no additional consideration

- (b) If any such Member shall refuse to transfer his A Shares and Deferred Shares to the Offeror, the Board shall authorise any director to execute a transfer of such Member's Shares in favour of the Offeror (or as the Offeror directs) and the Company may give a good and valid receipt for the purchase price for such Shares and may register the Offeror as the holder of them and issue new share certificates for them. In such case, the Member concerned shall be bound to deliver up his share certificate or certificates to the Company, whereupon he shall be entitled to receive from the Company the purchase price, which shall in the meantime be held by the Company on trust but without interest
- (c) If the Offer is made to some but not all of the Members, and the Offer (if accepted by all those Members to whom it is made) would (if the transactions are all completed) result in the Offeror and those (if any) Acting in Concert with him holding than 50% of the issued A Shares, then the other Members, to whom the Offer shall not have been made, shall be entitled to require the Members to whom the Offer has been made to procure that the Offer is extended to the other Members on the same terms or, at the Member's discretion (under the provisions of Article 8 3(d) below, at a fair value to be determined in accordance with the provisions set out in Article 8 3(d) below
- (d) Any Member may, not later than eight days after he receives written notice of the Offer, serve on the Company a notice in writing requesting that an Independent Accountant be appointed to certify in writing the sum which in his opinion represents the fair value of each of the A Shares ("the Fair Value"), and for the purpose of this Article reference to the Independent Accountant shall include any person so nominated. Upon receipt of such notice the Company shall instruct the Independent Accountant to certify as aforesaid and the costs of such valuation shall be apportioned among those Members seeking a certification of the Fair Value in connection with the Offer in proportion to their holdings of A Shares. In certifying the Fair Value as aforesaid the Independent Accountant shall be considered to be acting as an expert and not as an arbitrator or arbiter and accordingly any provisions of law or statute relating to arbitration shall not apply. Upon receipt of the certificate of the Independent Accountant, the Company shall by notice in writing inform all Members of the Fair Value of each share. For the purpose of this Article the Fair Value of each A Share shall be its value as a rateable proportion of the total value of all the issued A Shares of the Company and shall not be discounted or enhanced by reference to the number of shares held by any particular Member

## **PROCEEDINGS AT GENERAL MEETINGS**

- 9 If within half an hour from the time appointed for a general meeting, a quorum is not present, the meeting, if convened upon the requisition of members, shall be dissolved, in any other case, it shall stand adjourned to the same day in the next week at the same time and place or to such time and place as the Board may determine. If a quorum is not present at any such adjourned meeting within half an hour from the time appointed for that meeting, the meeting shall be dissolved. Regulation 41 shall not apply to the Company.
- 10 A poll may be demanded at any general meeting by any member present in person or by proxy and entitled to vote. Regulation 46 shall be modified accordingly.

## **DELEGATION OF DIRECTORS' POWERS**

- 11 Any committee of the Board may consist of one or more co-opted persons other than Directors on whom voting rights may be conferred as members of the Committee but so that -
- (i) the number of co-opted members shall be less than one half of the total number of members of the committee, and
  - (ii) no resolution of the committee shall be effective unless a majority of the members of the committee present at the meeting are Directors.

Regulation 72 shall be modified accordingly.

## **APPOINTMENT AND RETIREMENT OF DIRECTORS**

- 12 (a) The minimum number of Directors shall be one and in the event of there being a sole Director, he shall have all the powers and the subject to all the provisions herein conferred on the Directors and he or any alternate Director appointed by him shall alone constitute a quorum at any meeting of the Directors. Regulations 64, 89 and 90 shall be modified (and all other Regulations in these Articles relating to Directors shall be construed) accordingly.
- (b) The Directors shall not be subject to retirement by rotation and accordingly -
- (i) Regulations 73 to 75 inclusive, Regulation 80 and the last sentence of Regulation 84 shall not apply to the Company,
  - (ii) Regulation 76 shall apply but with the deletion of the words "other than a Director retiring by rotation",

- (iii) Regulation 77 shall apply but with the deletion of the words in brackets "(other than a Director retiring by rotation at the meeting)",
- (iv) Regulation 78 shall apply but with the deletion of the words "and may also determine the rotation in which any additional Directors are to retire", and
- (v) Regulation 79 shall apply but with the deletion of the words "and shall not be taken into account in determining the Directors who are to retire by rotation at the meeting"

### **BORROWING POWERS**

- 13 The Directors may exercise all the powers of the Company to borrow money without limit as to amount and upon such terms and in such manner as they think fit, and subject (in the case of any security convertible into shares) to section 80 of the Act to grant any mortgage, charge or standard security over its undertaking, property and uncalled capital, or any part thereof, 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

## DIRECTORS

- 14 The Directors shall be entitled to such remuneration (if any) by way of fee as shall from time to time be determined by the Company in General Meeting. Unless and until so determined, remuneration shall be at such rate as the Board shall from time to time determine. Such remuneration shall be deemed to accrue from day to day. The Directors (including alternate Directors) shall also be entitled to be paid their reasonable travelling, hotel and other expenses of attending and returning from meetings of the Company or otherwise incurred while engaged on the business of the Company or in the discharge of their duties. Regulations 82 and 83 shall not apply to the Company.
- 15 Any Director, who, by request, performs special services or goes or resides abroad for any purposes of the Company or who otherwise performs services which, in the opinion of the Board, are outside the scope of the ordinary duties of a Director shall receive such extra remuneration by way of salary, percentage of profits or otherwise as the Board may determine which shall be charged as part of the Company's ordinary working expenses.
- 16 Subject to the provisions of the Companies Act 1985 and provided that he has disclosed to the Directors the nature and extent of any material interest of his, a Director notwithstanding his office -
- (a) may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is in any way interested,
  - (b) may be a Director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate promoted by the Company or in which the Company is in any way interested,
  - (c) may, or any firm or company of which he is a member or Director may, act in a professional capacity for the Company or any body corporate in which the Company is in any way interested,
  - (d) shall not, by reason of his office, be accountable to the Company for any benefit which he derives from such office, service or employment or from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit, and
  - (e) shall be entitled to vote and be counted in the quorum on any matter concerning paragraphs (a) and (d) above.

For the purposes of this Article -

- (i) a general notice to the Directors that a Director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified

person or class of persons is interested shall be deemed to be a disclosure that the Director has an interest in any such transaction of the nature and extent so specified,

- (ii) an interest of which a Director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his, and
- (iii) an interest of a person who is, for any purpose of the Companies Act 1985 (excluding any statutory modification not in force when this Article becomes binding on the Company), connected with a Director shall be treated as an interest of the Director and, in relation to an alternate Director, an interest of his appointor shall be treated as an interest of the alternate Director without prejudice to any interest which the alternate Director has otherwise

Regulations 86, and 94 to 96 inclusive shall not apply to the Company

### **PROCEEDINGS OF DIRECTORS**

- 17 An alternate Director who is himself a Director and/or who acts as an alternate Director for more than one Director shall be entitled, in the absence of his appointor(s), to a separate vote or votes on behalf of his appointor(s) in addition (if he is himself a Director) to his own vote Regulation 88 shall be modified accordingly

### **DIVIDENDS**

- 18 Dividends shall be declared and paid according to the amounts paid up or credited as paid up on the shares on which the dividend is paid Regulation 104 shall be construed accordingly

### **NOTICES**

- 19 A notice served by post shall be deemed to be given at the expiration of twenty-four hours (or, where second class mail is employed, forty-eight hours) after the time when the cover containing the same is posted Regulation 115 shall be modified accordingly

### **SEAL**

- 20 The Directors shall decide whether the Company shall have a seal and if so shall provide for the safe custody of the Seal and of any official Seal for use abroad pursuant to the Statutes, and such Seals shall only be used by the authority of the Directors or of a committee of the Directors authorised by the Directors in that behalf, and every instrument to which the Seal shall be affixed shall be signed by a Director and shall be countersigned by the Secretary or by a second Director or

by some other person appointed by the Directors for the purpose Regulation 101 of Table A shall not apply

### **SHARE CERTIFICATES**

- 21 In the event that the Directors decide that the company shall not have a seal then share certificates or other documents issued by the company may be signed by a director and secretary of the company, or two directors of the company, and expressed (in whatever form of words) to be executed by the company and shall have the same effect as if executed under the common seal of the company and Regulation 6 of Table A shall be modified accordingly

### **INDEMNITY**

- 22 (a) Every Director or other officer or auditor of the Company shall be indemnified out of the assets of the Company against all costs, charges, losses, expenses and liabilities incurred by him in the execution of his duties or in relation thereto including any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part or in connection with any application in which relief is granted to him by the Court and no Director or other officer shall be liable for any loss, damage or misfortune which may happen to or be incurred by the Company in the execution of the duties of his office or in relation thereto But this Article shall only have effect insofar as its provisions are not avoided by section 310 of the Act
- (b) The Directors shall have power to purchase and maintain for any Director, officer or Auditor of the Company insurance against any such liability as is referred to in section 310(1) of the Act from and after the bringing into force of section 137 of the Companies Act 1989

Regulation 118 shall not apply to the Company