

Company number: 3901656

THE COMPANIES ACT 1985-1989
ORDINARY/SPECIAL RESOLUTIONS
of
VIRTUE BROADCASTING PLC

Passed on 18 August 2004

At an extraordinary general meeting of the company, duly convened and held at Carmelite, 50 Victoria Embankment, Blackfriars, London, EC4Y 0DX on 18 August 2004 the following resolutions were duly passed by the company as ordinary and or special resolutions as indicated:

ORDINARY RESOLUTIONS

1. That the sale and purchase agreement dated 23 July 2004 and made between the Company and the majority shareholders in World Television Group Limited (the "Sale and Purchase Agreement") and, pursuant to the Sale and Purchase Agreement, the acquisition by the Company of all the shares in World Television Group Limited (the "Merger") be approved and that the board of directors of the Company, or any duly appointed committee of such board, be and is hereby authorised to take all such steps as may be necessary or desirable in relation to the Sale and Purchase Agreement and to carry the same into effect with such modifications, variations, revisions or amendments to any documents relating to the Sale and Purchase Agreement as they shall deem necessary or appropriate to effect or facilitate completion of the Merger.
2. That the waiver granted by the Panel on Takeovers and Mergers of the obligation that would otherwise arise on the members of the Concert Party (as such term is defined in the Admission Document containing notice of this resolution) to make a general offer to shareholders of the Company pursuant to Rule 9 of the City Code on Takeovers and Mergers as a result of the issue of ordinary shares in the Company to the shareholders in World Television Group Limited in accordance with the terms of the Sale and Purchase Agreement be and is hereby approved.
3. That, conditionally upon and simultaneously with completion of the Merger, Andrew Booth having consented to act, be appointed as a director of the Company.
4. That, conditionally upon and simultaneously with completion of the Merger, Peter Sibley, having consented to act, be appointed as a director of the Company.
5. That, conditionally upon and simultaneously with completion of the Merger, Anthony David Bartlett, having consented to act, be appointed as a director of the Company.
6. That, conditionally upon and simultaneously with completion of the Merger, Jon King, having consented to act, be appointed as a director of the Company.
7. That, conditionally upon Resolutions 1 and 2 being passed, immediately following the passing of this resolution:



- (a) £7,499,987.904 standing to the credit of the share premium account of the Company be capitalised by the allotment and issue of 7,499,987,904 ordinary shares of 0.1 pence each ("Bonus Shares") to each holder of ordinary shares in the capital of the Company at the close of business on 18 August 2004 on the basis of 24 Bonus Shares every existing ordinary share of then held and the sole deferred share of 4.9p in issue be sub-divided into 49 ordinary shares of 0.1 pence each, and 0.1 pence standing to the credit of the share premium account be capitalised by the allotment and issue to the holder therefore of one ordinary share of 0.1 pence each;
 - (b) that immediately thereafter, every 25 issued ordinary shares of 0.1 pence each in the capital of the Company be consolidated into one ordinary share of 2.5 pence (a "New Ordinary Share") to carry the rights and to be subject to the restrictions set out in the articles of association of the Company;
 - (c) each authorised but unissued deferred share of 20 pence each be converted into and re-designated as eight New Ordinary Shares; and
 - (d) each authorised but unissued deferred share of 4.9 pence be converted into and re-designated as 49 ordinary shares of 0.1 penny and, immediately thereafter, every 25 unissued ordinary shares of 0.1 pence each in the capital of the Company be consolidated into one New Ordinary Share.
8. That the directors of the Company be authorised, with effect from the reorganisation of the Company's share capital pursuant to resolution 7 above (the "Share Reorganisation") becoming effective:
- (a) to vary the terms of all options to subscribe for ordinary shares of 0.1p in the capital of the Company which are outstanding at the date of the Share Reorganisation so that each option shall be to subscribe for new ordinary shares of 2.5p, but shall be the same number of shares and at the same exercise price per share as immediately prior to the Share Reorganisation; and
 - (b) to allot New Ordinary Shares pursuant to exercise of any option with an exercise price lower than 2.5p pence per share (including pursuant to any option granted in exchange for the surrender of options over shares in Virtue Broadcasting Plc) on the basis that each such New Ordinary Share shall be paid up in part by payment of the relevant exercise price, and as to the balance by the capitalisation of amounts standing to the credit of the share premium account.
9. That, for the purposes of calculating the limits for the Virtue Broadcasting Plc's Enterprise Management Incentive Scheme, the Virtue Broadcasting Plc's Approved Share Option Scheme and the Virtue Broadcasting Plc's Unapproved Option Scheme, any options granted in exchange for the surrender of options over shares in World Television Group Limited shall be disregarded and any 2 directors of the Company be authorised to make changes to the said schemes.
10. That the authorised share capital of the Company be increased by £20,000,000 to £40,000,000 by the creation of 800,000,000 New Ordinary Shares.
11. That, conditionally on Resolutions 1, 2 and 7 being passed, in replacement of all previous authorities granted in respect of unissued shares in the Company and in addition to the authority to allot the Bonus Shares pursuant to resolution 7 above, the directors be and they are generally and unconditionally authorised pursuant to section

80 of the Companies Act 1985 (the "Act") to exercise all powers of the Company to allot relevant securities (as defined in section 80(2) of the Act) provided that this authority shall be limited to:

- (a) the allotment of up to a maximum of 440,800,265 New Ordinary Shares pursuant to the term of the Sale and Purchase Agreement;
- (b) the allotment generally otherwise than pursuant to paragraph (a) above of equity securities up to an aggregate nominal value of £300,000;
- (c) the allotment of a total of 9,750,000 New Ordinary Shares to Mike Neville, James Ormondroyd and Klaus Ackerstaff upon exercise of options granted to them on 23 July 2004,

for a period expiring (unless previously renewed, varied or revoked by the Company in general meeting) 15 months after the date of passing of such resolutions or at the conclusion of the next annual general meeting of the Company whichever first occurs, but so that the Company is able before such expiry to make an offer or agreement which would or might require ordinary shares to be allotted after expiry of such an authority and the directors will be authorised to allot ordinary shares in pursuance of that offer or agreement notwithstanding that the authority conferred by this resolution has expired.

SPECIAL RESOLUTION

12. That in replacement of all previous authorities granted in respect of unissued shares in the Company, subject to the passing of resolution 10 above, the directors be and are hereby empowered pursuant to section 95 of the Act to allot equity securities (within the meaning of section 94 of the Act) for cash as if sub-paragraph (1) of section 89 of the Act did not apply to such allotment provided that this is limited to:

- (a) the allotment of 9,750,000 New Ordinary Shares upon exercise of options granted to Mike Neville, James Ormondroyd and Klaus Ackerstaff;
- (b) the allotment generally otherwise than pursuant to paragraph (a) above of equity securities for cash up to an aggregate nominal value of £300,000,

and (unless revoked, varied or renewed) expires 15 months after the date of the passing of this resolution or, if earlier, at the conclusion of the next annual general meeting of the Company, but so that the Company is able before such expiry to make an offer or agreement which would or might require ordinary shares to be allotted after such expiry and the directors may allot ordinary shares in pursuance of that offer or agreement notwithstanding that the power conferred by this resolution has expired.


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Company secretary

PRESENTED BY :
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