

THE COMPANIES ACT 1985

COMPANY LIMITED BY SHARES

SPECIAL RESOLUTION

of

Alexander Mining plc

Passed 22 March 2005



AT an Extraordinary General Meeting of the above-named Company, duly convened, and held on 22 March 2005 the following Resolution was duly passed as a Special Resolution:

SPECIAL RESOLUTION

1 THAT:

- (a) each of the Company's two issued ordinary shares of £1 each be sub-divided into 10 ordinary shares of 10p each of the Company;
- (b) each existing 49,998 authorised but unissued ordinary shares of £1 each of the Company be subdivided into 10 ordinary shares of 10p each of the Company; ✓
- (c) the authorised share capital of the company be increased by £23,950,000 to £24,000,000 by the creation of 239,500,000 ordinary shares of 10p each of the Company; ✓
- (d) the Memorandum of Association of the Company be amended accordingly; ✓
- (e) the regulations contained in the printed document marked "A" now produced to the meeting and for the purposes of identification signed by the chairman thereof be and the same are hereby approved and adopted, with effect from the end of the meeting, as the articles of association of the company in substitution for and to the exclusion of all the existing articles of association thereof; ✓
- (f) the Directors be and they are hereby generally and unconditionally authorised, in accordance with section 80 of the Companies Act 1985 (as amended) (the "Act"), to exercise all the powers of the Company to allot relevant securities (as defined in section 80(2) of the Act) up to:
 - (i) a maximum nominal amount of £6,666,667 in connection with or incidental to the issue of shares in the Company pursuant to, or contemplated by, any agreement relating to the placing of shares in the Company proposed to be made between, *inter alia*, the Company and Evolution Securities Limited (the "Placing"); ✓

- (ii) a maximum nominal amount of £6,786,798 in connection with or incidental to the allotment of ordinary shares of 10p each to the Shareholders (as set out in Schedule 1 to this Notice) pursuant to a share for share exchange agreement with Alexander Gold Group Limited (the "**Share Exchange**"); and
- (iii) otherwise a maximum nominal amount of £6,726,733 representing approximately one half of the aggregate nominal amount of all ordinary shares of 10p each in the capital of the Company which would be allotted and fully paid immediately following the allotment and issue of the shares referred to in and pursuant to sub-paragraphs (f)(i) and (ii) of this Resolution; and

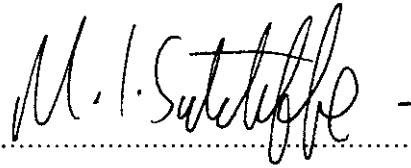
provided that this authority shall expire on the earlier of the conclusion of the 2010 annual general meeting of the Company or 21 March 2010 unless previously revoked or varied by the Company in general meeting (save that the Company may before such expiry make an offer or agreement which would or might require relevant securities to be allotted after such expiry and that the Directors may allot relevant securities in pursuance of such an offer or agreement as if the authority had not expired), such authority to be in substitution for any and all authorities previously conferred upon the Directors for the purposes of section 80 of the Act;

- (g) the Directors be and they 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 for cash pursuant to the authority referred to in paragraph 1(f) of this Resolution and to transfer equity securities (within the meaning of section 94 of the Act) which are held by the Company in treasury as if section 89(1) of the Act did not apply to such allotment provided that this power be limited to:

- (i) the proposed allotment of 66,666,667 new ordinary shares of 10p each in the capital of the Company for cash in connection with the Placing;
- (ii) the allotment of equity securities for cash in connection with or pursuant to a rights issue or any other offer in favour of the holders of equity securities and other persons entitled to participate therein in proportion (as nearly as may be practicable) to the respective amounts of equity securities then held by them (or, as appropriate, the number of such securities with such other persons are for those purposes deemed to hold), but subject to such exclusions or other arrangements as the Directors may consider necessary or expedient to deal with any fractional entitlements, record dates or legal or practical difficulties which may arise under the laws of, or the requirements of any recognised regulatory body or any stock exchange in, any territory or otherwise howsoever;
- (iii) otherwise than pursuant to sub-paragraphs (g)(i) and (ii) above, the allotment of equity securities for cash up to a maximum nominal amount of £6,726,733 representing approximately one half of the aggregate nominal amount of all ordinary shares of 10p each in the capital of the Company which would be allotted and fully paid immediately following the allotment and issue of the shares referred to in and pursuant to sub-paragraphs (f)(i) and (ii) of this Resolution

provided further that such power shall expire on the conclusion of the annual general meeting of the Company in 2010 or, if earlier, 21 March 2010 unless previously revoked or varied by the Company in general meeting (save that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of such an offer or agreement as if such power had not expired) such authority to be in substitution for any and all authorities previously conferred upon the Directors for the purposes of section 95 of the Act;

- (h) the agreement proposed to be made between (1) Matthew Sutcliffe and others and (2) the Company, initialled by the Chairman of the meeting for the purposes of identification, is hereby approved for the purposes of section 320 of the Act.

A handwritten signature in black ink, appearing to read "M. I. Sutcliffe", followed by a horizontal dotted line.

Matthew Sutcliffe

Chairman