

WESTERN UNITED MINES LIMITED

(Registered in England - No 6242518)

WRITTEN RESOLUTIONS

(Passed ^{1st} Nov 2007)

Pursuant to section 288 of the Companies Act 2006 the following resolutions are passed as special resolutions:

1. **THAT** the ten ordinary shares of £0.10 issued to Cassiterite LP be re-designated as ten B Shares of £0 10 each, such B Shares having attached thereto the rights specified in the Articles of Association of the Company as altered pursuant to paragraph 3 of this Resolution.
2. **THAT** the 99,999,990 unissued ordinary shares of £0 10 each re-designated as 50,000,000 A Shares of £0 10 each and 49,999,990 B Shares of £0 10 each such A Shares and B Shares having attached thereto the rights specified in the Articles of Association of the Company as altered pursuant to paragraph 3 of this Resolution
3. **THAT** the regulations contained in the printed document submitted to the meeting (and signed by the Chairman for the purposes of identification) are approved and adopted as the memorandum and articles of association of the Company in substitution for and to the exclusion of all the existing the memorandum and articles of association of the Company.

Signed by, or by the duly authorised representatives on behalf of, the sole member of the Company who at the date of the resolutions (being the date when the resolutions are signed by the sole member) would be entitled to attend and vote at a general meeting of the Company had the resolutions been put to that meeting

Signature 

Name MARK THOMPSON

Duly authorised for and on behalf of Cassiterite LP

Date of signature ^{1st} of Nov 2007

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COMPANIES HOUSE

Bond Pearce

Company No 6242518
The Companies Act 1985 and 1989
Company limited by shares

Memorandum
and
Articles of Association
of
Western United Mines Limited

Adopted by Special Resolution on 1 November 2007

The Companies Acts 1985 and 1989

COMPANY LIMITED BY SHARES

MEMORANDUM OF ASSOCIATION

OF

WESTERN UNITED MINES LIMITED

- 1 The Company's name is "Western United Mines Limited"
- 2 The Company's registered office is to be situated in England and Wales.
- 3 The object of the Company is to carry on business as a general commercial company. In particular, but without prejudice to the generality of the foregoing, the Company has the following objects:
 - 3.1
 - 3.1.1 To carry on business as general merchants and mercantile agents, contractors, manufacturers of and merchants and dealers in any and every kind of article of any description and material, merchants and dealers in raw material of every kind, haulage and transport contractors, warehousemen, wharfingers, ship and barge owners, ship agents and any other trade or business whatsoever which can in the opinion of the Directors be advantageously carried on by the Company in connection with or as ancillary to any of the above businesses or the general business of the Company.
 - 3.1.2 To carry on all or any of the businesses of manufacturers, mercantile and other agents, factors, distributors, shippers, importers, exporters, consignors, buyers and sellers (wholesale and retail), charterers, shipowners, warehousemen, merchants, builders, developers of and dealers in commodities, merchandise, goods and articles of all kinds whether manufactured in whole or in part or whether grown, cultivated, taken, processed or produced in any part of the world, to deal in commodities of all kinds which can conveniently be dealt with in connection with any of the aforesaid businesses or which may be required by customers or for persons dealing with the Company, to carry on and execute all kinds of commercial, trading, financial and other operations; and generally to carry on any other trade or business whatsoever which may seem to the Directors capable of being carried on advantageously in connection with the above businesses, or calculated directly or indirectly to enhance the value or facilitate the realisation of any of the Company's property or rights.
 - 3.2 To purchase, take on lease or in exchange, hire or otherwise acquire and hold, for any estate or interest, and manage any lands, buildings, servitudes, easements, rights, privileges, concessions, machinery, plant, stock-in-trade and any heritable or moveable real or personal property of any kind.
 - 3.3 To purchase or otherwise acquire, dispose of, protect, extend and renew any patents, registered designs, trade marks, and service marks (whether registered or not) copyright, design right or any similar property rights including those subsisting in inventions, designs, drawings, performances, computer programs, semi-conductor topographies, confidential information, business names, goodwill and the style of presentation of goods or services and applications for protection thereof which may seem to the Company capable of being used for any of the purposes of the Company, or the acquisition of which may seem calculated directly or indirectly to benefit the Company and to use, exercise, develop, receive or grant licences in respect of or otherwise turn to account any of the same for any purpose whatsoever, whether

manufacturing or otherwise, which the Company may think calculated directly or indirectly to achieve these objects.

- 3.4 To form, promote, subsidise and assist companies, syndicates or other bodies of all kinds and to issue on commission or otherwise underwrite, subscribe for and take or guarantee the payment of any dividend or interest on any shares, stocks, debentures or other capital or securities or obligations of any such companies, syndicates or other bodies, and to pay or provide for brokerage commission and underwriting in respect of any such issue.
- 3.5 To enter into partnerships or into any arrangement for sharing profits, union of interests, co-operation or otherwise with any person or company for the purpose of carrying on business within any of the objects of the Company.
- 3.6 To carry on any other business which may seem to the Company capable of being conveniently carried on in connection with the above or calculated directly or indirectly to enhance the value of or render profitable any of the Company's property or rights
- 3.7 To purchase or otherwise acquire and undertake all or any part of the business, property, liabilities and transactions of any person, body or company carrying on any business which this Company is authorised to carry on, or possessed of property, assets or rights suitable for any of the objects of the Company.
- 3.8 To develop, work, improve, manage, lease, mortgage, charge, pledge, turn to account or otherwise deal with all or any part of the property, assets or rights of the Company, to surrender or accept surrender of any lease or tenancy or rights, and to sell or deal with the property, assets, business, rights or undertaking of the Company, or any part thereof, and on such terms and for such consideration as the Company may think fit, and including for cash or shares, debentures or securities of any other company.
- 3.9 To build, construct, erect, maintain, alter, replace or remove any buildings, works, offices, erections, plant, machinery, tools, equipment or otherwise as may seem desirable for any of the businesses or in the interests of the Company, and to manufacture, buy, sell, lease or otherwise acquire and generally deal in any plant, tools, machinery, goods or things of any description which may be conveniently dealt with in connection with any of the Company's objects.
- 3.10 To manage and conduct the affairs of any companies, firms, bodies and persons carrying on business of any kind whatsoever, and in any part of the world
- 3.11 To enter into, carry on and participate in financial transactions and dealings and operations of all kinds and to take any steps which may be considered expedient for carrying into effect such transactions, dealings and operations including, without prejudice to the generality of the foregoing, borrowing and lending money and entering into contracts and arrangements of all kinds
- 3.12 To borrow or raise money in such manner as the Company shall think fit and in particular by the issue (whether at par or at a premium or discount and for such consideration as the Company may think fit) of bonds, debentures or debenture stock (payable to bearer or otherwise), mortgages or charges, shares or other securities, perpetual or otherwise, and, if the Company thinks fit, charged upon all or any of the Company's property (both present and future) and undertaking including its uncalled capital and further, if so thought fit, convertible into any stock or shares or securities of the Company or any other company, and collaterally or further to secure any obligations of the Company by a trust deed or other assurance or pledge.
- 3.13 To guarantee or otherwise support or secure, either with or without the Company receiving any consideration or advantage and whether by personal covenant or by mortgaging or charging all or part of the undertaking, property, assets and rights present and future and uncalled capital of the Company or by both such methods or by any other means whatsoever, the liabilities and obligations of and the payment of any moneys whatsoever (including but not limited to capital, principal, premiums, interest, dividends, costs and expenses on any stocks, shares or securities) by any person, firm or company whatsoever including but not limited to any company which is for the time being the holding company or a subsidiary (both as defined by section 736 Companies Act 1985) of the Company or of the Company's holding company or is

controlled by the same person or persons as control the Company or is otherwise associated with the Company in its business.

- 3.14 To grant indemnities of every description and to undertake obligations of every description
- 3.15 To make, draw, accept, exchange, endorse, negotiate, execute and issue promissory notes, bills of exchange or other negotiable instruments or payment orders and to receive money on deposit or loan.
- 3.16 To pay all or any expenses incurred in connection with the formation and promotion and incorporation of the Company and to pay commission to and remunerate any person or company for services rendered in underwriting or placing, or assisting to underwrite or place, any of the shares in the Company's capital or any debentures or other securities of the Company, or in or about the formation or promotion of the Company or the conduct of its business
- 3.17 To pay for any property or rights acquired by the Company in such manner as the Company may think fit, including payment either in cash or fully or partly paid-up shares with or without preferred or deferred rights in respect of dividend or repayment of capital or otherwise, or by any securities which the Company has power to issue, or partly in one mode and partly in another and generally on such terms as the Company may determine
- 3.18 To accept payment for any property or rights sold or otherwise disposed of or dealt with by the Company in such manner as the Company may think fit, including payment either in cash, by instalments or otherwise, or, in fully or partly paid-up shares of any company or corporation, with or without deferred or preferred rights in respect of dividend or repayment of capital or otherwise, or in debentures or mortgage debentures or debenture stock, mortgages or other securities of any company or corporation, or partly in one mode and partly in another, and generally on such terms as the Company may determine.
- 3.19 While the Company remains a private company, and subject to the provisions of the Companies Act 1985, to:
 - 3.19.1 remunerate or undertake to remunerate any person, firm or company rendering services to the Company, whether by cash payment or by the allotment to him it or them of shares or securities of the Company credited as paid in full or in part or otherwise; and
 - 3.19.2 give financial assistance (within the meaning of section 152(1)(a) Companies Act 1985).
- 3.20 To make loans or donations, either in cash or of other assets, to, or enter into any arrangements whatsoever for the benefit of, such persons and in such cases whatsoever as the Company may think directly or indirectly conducive to any of its objects or otherwise expedient
- 3.21 To distribute among the members in specie any property of the Company or any proceeds of sale, disposal or realisation of any property of the Company but so that no distribution amounting to a reduction of capital be made except with the sanction (if any) for the time being required by law
- 3.22 To subscribe for, purchase or otherwise acquire, take, hold, or sell any shares or stock, bonds, debentures or debenture stock, or other securities or obligations of any person, firm, government or other authority or issuer (including any subsidiary of the Company) and to invest, deal with or lend any of the moneys of the Company in such manner, with or without security and on such terms as the Company may think fit
- 3.23 To amalgamate with any other company either whose objects are or include objects similar to those of the Company or which is possessed of property, assets or rights suitable for any of the purposes of the Company and on any terms whatsoever.
- 3.24 To procure the Company or any branch or representative of it to be registered or recognised in any country or place abroad or with any applicable regulatory authority

- 3 25 To obtain any provisional or other order or Act of Parliament of the United Kingdom or of the legislature of any other State or jurisdiction for enabling the Company to carry any of its objects into effect, or for effecting any modifications to the Company's constitution, or for any other purpose which may seem expedient, and to oppose or make representations in connection with any proceeding, proposal or application which may seem calculated, directly or indirectly, to prejudice the Company's interests
- 3.26 To appoint any person or persons, firm or firms, company or companies to be the attorney or agent of the Company and to act as agents, managers, secretaries, contractors or in similar capacity.
- 3 27 To insure the life of any person who may, in the opinion of the Company, be of value to the Company as having or holding for the Company interests, goodwill or influence or other assets and to pay the premiums on such insurance
- 3.28 To establish and maintain or procure the establishment and maintenance of contributory or non-contributory pension or superannuation funds for the benefit of the persons referred to below, to grant emoluments, pensions, allowances, donations, gratuities, loans and bonuses to such persons and to make payments for or towards insurance on the life or lives of such persons; to establish, subsidise, subscribe to or otherwise support any institution, association, society, club, other establishment, or fund, the support of which may, in the opinion of the Company, be calculated directly or indirectly to benefit the Company or any such persons, or may be connected with any place where the Company carries on business; to institute and maintain any institution, association, society, club or other establishment or profit-sharing scheme, share incentive scheme or employees' share scheme calculated to advance the interests of the Company or to benefit such persons; to institute and maintain or assist in the institution or maintenance of any scheme calculated to promote the purchase or holding of shares of or securities in the Company by the public, any section thereof or such persons, and, subject to the provisions of the Act, to lend money or make payments to, or guarantee or give an indemnity in respect of, or to give any financial or other assistance to, any such persons or trustees on their behalf or any other person, for the purposes of, or to facilitate the institution or maintenance of, any such schemes, to join, participate in and subsidise or assist any association of employers or employees or any trade association, and to subscribe or guarantee money for charitable or benevolent objects or for any public, general or useful object or for any exhibition; the said persons are any persons who are or were at any time in the employment or service of the Company or of any of its businesses or of any company which was or is for the time being the holding company or a subsidiary (both as defined by section 736 Companies Act 1985) of the Company or of the Company's holding company or is otherwise associated with the Company or any of its businesses or who are or were at any time directors or officers of the Company or of such other company or business as aforesaid, or holding or who hold or who held any salaried employment or office in the Company or such other company or business, and the families (including former spouses) of them or any person who is or was dependent on them.
- 3.29 To purchase and maintain insurance for the benefit of any persons who are or were at any time directors, officers or employees of the Company or any other company which is a subsidiary or subsidiary undertaking of the Company or in which the Company has any interest, whether direct or indirect, or who are or were at any time trustees of any pension fund in which any employee of the Company or of any other such company or subsidiary undertaking are or have been interested indemnifying such persons against liability for negligence, default, breach of duty or breach of trust or any other liabilities which may be lawfully insured against.
- 3.30 To take, make, execute, enter into, commence, carry on, prosecute or defend all steps, claims, demands, contracts, agreements, negotiations, legal and other proceedings, compromises, arrangements and schemes, and to do all other acts, matters and things which shall at any time appear conducive or expedient for the advantage or protection of the Company.
- 3 31 To do all or any of the above things in any part of the world and either as principals, agents, attorneys, contractors, trustees, or otherwise, and either alone or in conjunction with others.
- 3.32 To do all such acts or things as are incidental or conducive to the attainment of the above objects or any of them.

It is hereby declared that:

3 32 1 the word "**company**" in this clause, except where used in reference to the Company, shall be deemed to include any partnership or other body of persons, whether incorporated or not incorporated, and whether domiciled in the United Kingdom or elsewhere, and whether now existing or hereafter to be formed; and

3 32 2 the objects set forth in each sub-clause of this clause shall not be restrictively construed, but the widest interpretation shall be given thereto and they shall not, except where the context expressly so requires, be in any way limited or restricted by application of the ejusdem generis rule or by reference to or inference from any other object or objects set forth in such sub-clause or from the terms of any other sub-clause or by the name of the Company, none of such sub-clauses or the object or objects therein specified or the powers thereby conferred shall be deemed subsidiary or ancillary to the objects or powers mentioned in any other sub-clause, but the Company shall have full power to exercise all or any of the objects conferred by and provided in each of the said sub-clauses as if each sub-clause contained the objects of a separate company.

4 The liability of the members is limited.

5 The share capital of the Company is £10,000,000 divided into 50,000,000 A Shares of £0.10 each and 50,000,000 B Shares of £0.10

The people whose names and addresses are subscribed, are desirous of being formed into a Company in pursuance of this Memorandum of Association and agree to take the number of shares in the capital of the Company set opposite their names

NAME AND ADDRESS OF SUBSCRIBERS

Number of shares taken
by each subscriber

Suzanne Marie Terry
39-49 Commercial Road
Southampton
SO15 1GA

One

SUZANNE MARIE TERRY

Dated 2007

Witness to the above signature

Emma Rinaldi
39-49 Commercial Road
Southampton
SO15 1GA

EMMA RINALDI

Total number of shares taken One

Bond Pearce

1st November 2007

Articles of association
relating to
Western United Mines Limited

private company limited by shares
The Companies Acts 1985 and 1989

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1 Preliminary

1.1 The headings do not affect the construction of these Articles

1.2 In these Articles the words below have the meanings next to them unless the context requires otherwise

Act	the Companies Act 1985 (as amended).
A Shares	means the A Shares of £0.10 each in the capital of the Company.
business day	a day which is not a Saturday or Sunday or a bank or national holiday in England.
B Shares	means the B Shares of £0.10 each in the capital of the Company
Director	a director of the Company
Expert	an umpire (acting as an expert and not an arbitrator) nominated by the parties concerned or, in the event of disagreement as to nomination, appointed by the President for the time being of the Institute of Chartered Accountants in England and Wales.
Group	in relation to a company means: (a) that company and any subsidiary of that company; (b) the ultimate holding company of that company; and (c) every other company which is a subsidiary of the same ultimate holding company
Holding company	has the definition given to the term in section 736A of the Act.
Shareholder	a holder of any or all the Shares.
Shares	the A Shares of £0.10 each and B Shares of £0.10 each in the capital of the Company
Subsidiary	has the definition given to the term in sections 736 and 736A of the Act and includes a subsidiary undertaking within the definition given to that term in section 258 of the Act.
Table A	Table A in the Companies (Tables A to F) Regulations 1985 as amended by the Companies (Tables A to F) (Amendment) Regulations 1985.
Taxes Act	Income and Corporation Taxes Act 1988.

1.3 References to regulations are to regulations in Table A and references to an Article by number are to the particular Article of these Articles

1.4 The singular includes the plural and vice versa, references to any gender include every gender and references to persons include corporations, unincorporated associations and partnerships

- 1.5 Unless these Articles say otherwise the regulations contained or incorporated in Table A apply to the Company. However regulations 64, 73-80 (inclusive) and all references elsewhere in Table A to retirement by rotation, 86, 88-91 (inclusive) 112, 115 and 118 do not apply to the Company.
- 1.6 The words **shareholder** and **holder** include the bearer of any share warrant unless these Articles say otherwise, or the context where the word appears does not allow this meaning.
- 1.7 Where these Articles refer to a person who is automatically entitled to a share by law, this includes a person who is entitled to the share as a result of the death or bankruptcy of a shareholder.
- 1.8 When an act or a section of an act is referred to, this includes any amendment to that act or section as well as any re-enactment (which is where that act or section is included in another act).
- 1.9 Where these Articles give any power or authority to anybody, this power or authority can be used on any number of occasions, unless the context does not allow this meaning.
- 1.10 Any word which is defined in the Act means the same in these Articles unless these Articles define it differently, or the context where the word appears is inconsistent with the definition given in the Act.
- 1.11 Where these Articles say that anything can be done by passing an *ordinary resolution*, this can also be done by passing a *special resolution* or an *extraordinary resolution*.
- 1.12 Where these Articles refer to changing the amount of shares, this means doing any or all of the following:
- 1.12.1 subdividing the shares into other shares with a smaller nominal amount,
- 1.12.2 consolidating the shares into other shares with a larger nominal amount, or
- 1.12.3 dividing shares which have been consolidated into shares with a larger nominal amount than that of the original shares.
- 1.13 Where these Articles refer to months or years, these are calendar months or years.

2 Authorised share capital

- 2.1 The Company's authorised share capital is £10,000,000 made up of 50,000,000 A Shares of £0.10 each and 50,000,000 B Shares of £0.10 each.
- 2.2 The A Shares and B Shares are separate classes of share. However, apart from any special rights and restrictions that apply to them, they all rank equally with each other.
- 2.3 Unless all the Shareholders agree otherwise in writing, any new Shares issued to a holder of A Shares will be A Shares and any new Shares issued to a holder of B Shares will be B Shares.

3 Lien and forfeiture

The lien conferred by Regulation 8 attaches to all the Shares, whether fully paid or not and to all Shares registered in the name of any person indebted or under any liability to the Company, whether he is the sole registered holder of the Shares or one of two or more joint holders. Regulation 8 is modified accordingly.

4 Transfers

No transfer of Shares may be registered by the Directors unless the terms of these Articles have been complied with. In order to ensure that a particular transfer of Shares is permitted under these Articles, the Directors may ask the transferor, or the person named as transferee in any transfer lodged for registration, to supply them with any information and evidence they think reasonably necessary or relevant. If satisfactory information or evidence is not supplied within 28 business days of asking for it, the Directors are entitled to refuse to register the transfer in question.

5 Permitted transfers

Intra-Group

- 5.1 A corporate Shareholder (other than Baseresult Holdings Limited) is free to transfer any or all its Shares to a company within its Group. If the transferee in these circumstances ceases to be a member of the transferor's Group it must immediately transfer the relevant Shares to a member of the original transferor's Group.

Approved transfers

- 5.2 Despite anything else said in these Articles and if the consent of all the other Shareholders is obtained, then a transfer of any Share may be made without restriction as to price or otherwise and any such transfer must be registered by the Directors.

6 Pre-emption rights

- 6.1 Unless these Articles say otherwise and subject to Article 6.3, every Shareholder who wants to transfer any Shares must give written notice of this to the Company (**Transfer Notice**). Where a Transfer Notice is treated as being given it is referred to as a **Deemed Transfer Notice**. The transferor under a Transfer Notice and a Deemed Transfer Notice is referred to as the **Seller**.
- 6.2 Transfer Notices and Deemed Transfer Notices have the effect of appointing the Company as the agent of the Seller for the sale of the Shares to be sold (**Sale Shares**).
- 6.3 If the Seller is a member of a Group and other members of that Group also hold Shares, then no transfer of the Sale Shares may take place unless all the Shares held by those Group members are transferred at the same time as the transfer of the Sale Shares. In these circumstances the Shares to be transferred by those members of the Seller's Group are included in the definition of **Sale Shares**. The Seller will in these circumstances act as the agent for all selling members of his Group.
- 6.4 A Transfer Notice must specify the number and distinguishing number (if any) and whether or not the Seller has received an offer from a third party for the Sale Shares and, if so the identity of that third party and the terms offered for the Sale Shares. A Transfer Notice, but not a Deemed Transfer Notice, may state that, unless all the Sale Shares are sold, none of them can be sold (**Total Transfer Condition**). A Total Transfer Condition is binding on the Company.

Transfer Price

- 6.5 The price at which the Sale Shares are to be transferred (**Transfer Price**) of the Sale Shares will be decided by agreement between the Seller and the Directors but if they fail to agree within 28 business days of receipt by the Company of the Transfer Notice or Deemed Transfer Notice, the provisions of Article 6.6 will apply.
- 6.6 If the Seller and the Directors fail to agree the Transfer Price, the Transfer Price will be the lower of the net asset value of the Company (as shown by the most recent

set of audited accounts of the Company) and the value calculated and certified by the Expert (whose decision is final and binding)

- 6.6.1 on the basis on an arm's length sale between a willing seller and a willing buyer of the Sale Shares as at the date of the Transfer Notice or Deemed Transfer Notice;
- 6.6.2 taking into account, if this is the case, any bona fide offer from any person not being a Shareholder to buy any Shares comprised in the Transfer Notice or Deemed Transfer Notice,
- 6.6.3 valuing the Sale Shares as a rateable proportion of the total value of all the issued Shares without any premium or discount being attributable to the percentage of the issued Shares which they represent, and
- 6.6.4 on the assumption that the Sale Shares are capable of transfer without restriction.
- 6.7 If any difficulty arises in applying any of the assumptions in Article 6.6, then that difficulty will be resolved by the Expert as he, in his absolute discretion, thinks appropriate.
- 6.8 If the Expert is asked to certify the Transfer Price, he must deliver his certificate to the Company which must immediately on receipt give a copy of it to the Seller. The Seller may (within 10 business days of receiving his copy of the certificate) by written notice to the Company cancel the Company's authority to sell the Sale Shares unless they are being sold under a Deemed Transfer Notice. The cost of obtaining the certificate is to be met by the Company unless the Seller cancels his authority in which case the Seller will meet the cost.

Offers – general

- 6.9 Once the Transfer Price has been determined then, unless the Seller gives a valid notice of cancellation, the Sale Shares will be offered for sale as set out below
- 6.10 The Company will
 - 6.10.1 first offer the Sale Shares at the Transfer Price to all the Shareholders (except the Seller and any members of its Group which hold Shares) pro rata as nearly as may be to the respective numbers of Shares held by those Shareholders. This offer will remain open for acceptance for 21 business days) (**First Offer Period**). This offer will invite the relevant Shareholders to state in writing the maximum number of Sale Shares offered to them that they wish to buy,
 - 6.10.2 if any Shares remain unsold at the end of the First Offer Period those unsold Sale Shares will immediately be offered at the Transfer Price to the Shareholders who have already accepted Sale Shares and if there is more than one in proportion as nearly as may be to their existing holding of Shares. This offer will remain open for a further period of 21 business days and after the end of that further period, the Company will continue to make offers on the same terms while any Shareholder continues to state in writing his willingness to buy all the Shares offered to him.
- 6.11 If the Company finds a buyer for all or any of the Sale Shares the Seller must on receipt of the Transfer Price transfer the Sale Shares (or as many of the Sale Shares that the Company has found a buyer(s) for) to those/that buyer(s). If the Seller fails to carry out the sale, the Company may authorise some other person to execute a transfer of the Sale Shares to the buyer(s) and the Company may give a good receipt for the Transfer Price and may register the buyer(s) as the holder(s) of the Sale Shares and issue to it/them certificate(s) for these Sale Shares at which point the buyer(s) become(s) entitled to the Sale Shares

Transfers free of pre-emption

- 6 12 If the Company fails within 30 business days of the service of the final offer by the Company under Article 6 10 to find Shareholders willing to buy all of the Sale Shares or if through no default (withdrawal of the Transfer Notice by the Seller under Article 6.8 not being a default) of the Seller, the purchase of any of the Sale Shares is not completed within 30 business days of the due date for completion, the Seller is free at any time within six months of the end of these periods to transfer any of the Sale Shares which were not accepted or in respect of which the sale was not completed, to any person he may wish provided that
- 6 12 1 the sale is completed at the Transfer Price or any higher or (subject to what is said below) lower price and the terms of payment of the purchase price are no more favourable to the buyer than those rejected by the existing Shareholders, and
- 6 12 2 no Sale Shares may be sold at a lower price than the Transfer Price without first serving a further Transfer Notice on the Company setting out that lower price and the provisions of Article 6 10 will apply to this further Transfer Notice except that the period of acceptance will be 5 business days instead of 21 business days and the Transfer Price will be that lower price. However if the Sale Shares were the subject of a Total Transfer Condition the sale may only be made of all the Sale Shares and not part only.

7 Votes of shareholders

- 7 1 Each Shareholder who, being an individual, is present in person or by proxy or, being a corporation is present by duly authorised representative, has one vote for every Share of which he or it is the holder.
- 7.2 The Chairman shall not have a casting vote in the event of equality.

8 Written resolutions

- 8.1 A written resolution in accordance with Regulation 53 is deemed to have been properly executed on behalf of a corporation if it is signed by one of its directors or its company secretary. In the case of a Share held by joint holders the signature of any one of them on behalf of all the joint holders is sufficient for the purposes of Regulation 53. The Directors will keep a record of each written resolution and of the signatures to it in a book in exactly the same way in which the minutes of a general meeting of the Company are held. A Director or the Company Secretary must sign each written resolution.
- 8.2 At or before the time that the written resolution is supplied to Shareholders, the Directors and company secretary must send a copy of that resolution to the auditors of the Company notifying them of its contents

9 Corporate company representatives at meetings

- 9.1 A company which is a Shareholder can authorise any person to act as its representative at any meeting. This person is called a company representative. The directors of this company must pass a resolution to appoint the company representative. If the governing body of the company is not a board of directors, the resolution can be passed by its governing body. A company representative can exercise all the powers on behalf of the company in question which that company could exercise if it were an individual Shareholder. This includes the power to vote on a show of hands when the company representative is personally present at a meeting. The Directors may require evidence of the authority of a company representative.
- 9.2 Any vote cast by a company representative and any demand by him for a poll will be valid even though he is, for any reason, no longer authorised to represent that company. However, this does not apply if written notice of the fact that he is no

longer authorised has been received at the office of the Company before the day of the relevant meeting or adjourned meeting or before the day a poll is taken

10 Directors

Number of Director

10.1 The minimum number of Directors is 3.

Alternate Directors

10.2 At the end of Regulation 66 the following sentence is added: "A director or any other person may act as alternate director to represent more than one director, and an alternate director is entitled at meetings of the directors or any committee of directors to one vote for every director whom he represents in addition to his own vote, if any, as a director, but he will count as only one for the purpose of determining the quorum "

10.3 At the end of Regulation 67 the following sentence is added "The appointment of an alternate director will also terminate automatically on the happening of any event which if he were a director would cause him to vacate his office as director".

11 Proceedings of Directors

Notice of meetings

11.1 Board meetings will be held at least once in every quarter and at least thirty clear business days' prior written notice of any meeting of the Board to each Shareholder and to all Directors entitled to receive notice of any such meeting

11.2 At least 48 hours' written notice of any extraordinary meeting of the Board must be given to each Shareholder and to all Directors entitled to receive notice of any such meeting.

11.3 Notice of every meeting of the Directors must be given to each Director at any address supplied by him to the Company for that purpose whether or not he is present in the United Kingdom. However any Director may waive notice of a meeting either prospectively or retrospectively and if he does so, no objection can be raised as to the validity of that meeting on the basis that notice was not given to him

11.4 In relation to board meeting convened under Article 11.1, a written agenda specifying the matters to be raised at any such meeting shall together with copies of any papers to be discussed at the meeting be sent to each Shareholder and to all Directors entitled to receive notice of any such meeting either together with the notice convening the meeting or not less than 15 business days prior to the date of the meeting.

11.5 No business will be transacted at any meeting of the Board except that specified in the agenda for the meeting unless a quorum is present at the beginning of the meeting and at the time when there is to be voting on any business

11.6 Matters not on the agenda, or business conducted in relation to those matters, may not be raised at a meeting of Directors unless all the Directors present at the meeting agree in writing.

Chairman

11.7 The Chairman will have a casting vote in the event of equality.

Voting

- 11.8 Matters for decision by the Board will be decided by simple majority vote. Each Director has one vote.

Telephone meetings

- 11.9 Any or all of the Directors or members of a committee, can take part in a meeting of Directors or a committee of Directors:
- 11.9.1 by means of a conference call, or similar equipment, designed to allow everyone to take part in the meeting, or
- 11.9.2 by a series of telephone calls from the chairman of the meeting
- 11.10 Taking part in a meeting in this way will be counted as being present at the meeting. A meeting which takes place by a series of calls from the chairman will be treated as taking place where the chairman is calling from. Otherwise meetings will be treated as taking place where most of the participants are.

Resolutions

- 11.11 A resolution which has been agreed upon by all the Directors entitled to receive notice of a meeting of the Directors or of a committee of the Directors will be valid and effectual as if it had been passed at a meeting of the Directors or, as the case may be, at a committee of the directors duly convened and held and for this purpose
- 11.11.1 a resolution to which an alternate director has agreed need not also be agreed to by his appointer; and
- 11.11.2 a resolution to which a Director who has appointed an alternate has agreed need not also be agreed to by the alternate director in that capacity.

12 Powers and duties of Directors

Directors can be involved with contracts etc in which the Company is interested

- 12.1 Subject to what the Act says, a Director may be interested directly or indirectly in any contract or arrangement or in any proposed contract or arrangement with the Company or with any other company in which the Company may be interested. A Director may keep all profits and benefits he may receive as a result of that interest. Regulation 94 is modified accordingly.
- 12.2 For the purposes of Article 12.1:
- 12.2.1 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 is deemed to be a disclosure that the director has an interest in any such transaction of the nature and extent so specified;
- 12.2.2 an interest of which a Director has no knowledge and of which it is unreasonable to expect him to have knowledge is not to be treated as an interest of his; and
- 12.2.3 an interest of a person who is for any purpose of the Act (excluding any statutory modification not in force when these Articles were adopted) connected with a Director is to be treated as an interest of the Director and in relation to an alternate Director an interest of his appointor is to be treated as an interest of the alternate director without prejudice to any interest which the alternate director has otherwise.

Directors can hold other positions with the Company

- 12.3 A Director may hold and be paid for any office or position in the Company or any of its subsidiaries. He cannot however be the auditor of the Company or any of its subsidiaries.
- 12.4 A Director can act in a professional capacity for the Company or any of its subsidiaries either alone or through his firm. He and his firm can be paid for professional services as though he were not a Director.

When a Director can vote

- 12.5 Even if a Director is interested in the terms of Article 12.1 he may vote on that matter and be included in the quorum at the meeting at which that matter is considered.

13 Indemnity

- 13.1 Subject to and to the extent permitted by the Act, but without prejudice to any indemnity to which he may otherwise be entitled:

13.1.1 every director shall be entitled to be indemnified out of the assets of the Company against all costs and liabilities incurred by him in relation to any proceedings (whether criminal or civil) which relate to anything done or omitted or alleged to have been done or omitted by him as a director save that no director shall be entitled to be indemnified

- (a) for any liability incurred by him to the Company or any associated company of the Company (as defined by the Act for these purposes),
- (b) for any fine imposed in criminal proceedings;
- (c) for any sum payable to a regulatory authority by way of a penalty in respect of non-compliance with any requirement of a regulatory nature howsoever arising,
- (d) for any costs for which he has become liable in defending any criminal proceedings in which he is convicted and such conviction has become final,
- (e) for any costs for which he has become liable in defending any civil proceedings brought by the Company or an associated company in which a final judgment has been given against him; and
- (f) for any costs for which he has become liable in connection with any application under sections 144(3) or (4) or 727 of the Act in which the court refuses to grant him relief and such refusal has become final.

13.1.2 every director may, at the discretion of the Company, be entitled to have funds provided to him by the Company to meet expenditure incurred or to be incurred in any proceedings (whether civil or criminal) brought by any party which relate to anything done or omitted or alleged to have been done or omitted by him as a director, provided that he will be obliged to repay such amounts no later than.

- (a) in the event he is convicted in proceedings, the date when the conviction becomes final;
- (b) in the event of judgment being given against him in proceedings, the date when the judgment becomes final; or
- (c) in the event of the court refusing to grant him relief on any application under sections 144(3) or (4) or 727 of the Act, the date when refusal becomes final.

14 Acquisition of control

- 14.1 If holders of more than 50% of the issued Shares (**Selling Shareholders**) wish to transfer all their interest in their Shares (**Transferring Shares**) to a bona fide arm's length buyer (**Buyer**) the Selling Shareholders have the option (**Drag Along Option**) to require all the other Shareholders (**Called Shareholders**) to sell and transfer all their Shares (**Called Shares**) to the Buyer or as the Buyer may direct, in accordance with these Articles
- 14.2 The Selling Shareholders may exercise the Drag Along Option by giving written notice at any time before the transfer of their Shares to the Buyer (**Drag Along Notice**) A Drag Along Notice must state that the Called Shareholders are required to transfer all the Called Shares to the Buyer under this Article, the identity of the Buyer, the consideration payable and the proposed date of transfer
- 14.3 A Drag Along Notice once issued is irrevocable but will lapse if for any reason there is no sale of the Selling Shareholders' Shares to the Buyer within 100 business days after the date of service of the Drag Along Notice The Selling Shareholders are entitled to serve further Drag Along Notices following the lapse of any particular Drag Along Notice
- 14.4 The consideration (in cash or otherwise) for which the Called Shareholders are obliged to sell each Called Share will be the same as that attributed by the offer from the Buyer for the Shares held by the Selling Shareholders (**Equivalent Consideration**)
- 14.5 Completion of the sale of the Called Shares will take place on the same date as the date proposed for the completion and sale of the Selling Shareholders' unless.
- 14.5.1 all of the Called Shareholders and the Selling Shareholders agree otherwise, or
- 14.5.2 that date is less than three business days after the Drag Along Notice, in which case it must be deferred until the third business day after the Drag Along Notice.
- 14.6 The rights of pre-emption set out in these Articles do not arise on any transfer of Shares to a Buyer (or as he may direct) as a result of a duly served Drag Along Notice
- 14.7 If any Called Shareholder fails to carry out the sale of any of his Called Shares on the date specified in the Drag Along Notice, the Directors may authorise some person to execute a transfer of the Called Shares in question to the Buyer and the Company may give a good receipt for the purchase price of these Called Shares and may register the Buyer as the holder of these Called Shares and issue to it certificates for the Called Shares at which point the Buyer becomes entitled to the Called Shares.
- 14.8 As soon as a person, following the issue of a Drag Along Notice, becomes a Shareholder pursuant to the exercise of a pre-existing option to acquire Shares in the Company (**New Shareholder**) a Drag Along Notice is deemed to have been served on the New Shareholder on the same terms as the previous Drag Along Notice The New Shareholder is immediately bound to sell and transfer all the Shares acquired by him to the Buyer or as the Buyer may direct and the provisions of Article 14 will apply in exactly the same way to the New Member except that completion of the sale of those Shares will take place immediately on the Drag Along Notice being deemed served on the New Shareholder

15 Tag along

- 15.1 If at any time one or more Shareholders (**Proposed Sellers**) propose to sell more than 50% of the issued shares to any person, the Proposed Sellers shall give written notice (**Proposed Sale Notice**) to the other holders of the Shares of such intended sale at least ten business days prior to the date thereof The Proposed Sale Notice shall set out, to the extent not described in any accompanying documents, the identity of the proposed buyer (**Proposed Buyer**), the purchase price and other terms and conditions of payment, the proposed date of sale (**Proposed Sale Date**) and the number of Shares proposed to be purchased by the Proposed Buyer (**Proposed Sale Shares**).
- 15.2 Any other holder of equity share capital in the Company shall be entitled, by written notice given to the Proposed Sellers within five business days of receipt of the

Proposed Sale Notice, to be permitted to sell all of his Shares to the Proposed Buyer on the same terms and conditions as those set out in the Proposed Sale Notice