COMPANIES ACT 1995
COMPANY LIMITED BY SHARES
SHANKS & McEWAN GROUP PLC
(Registered No. 77438)

At an Annual General Meeting of the Company held on 25th July 1996 at 11.00 a.m. the following was passed as a special resolution:-
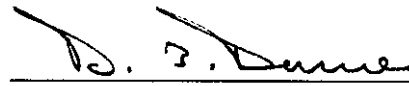
SPECIAL RESOLUTION

"THAT, in substitution for any existing power under section 95 of the Companies Act 1985 (as amended and from time to time in force) (the "Act"), but without prejudice to the exercise of any such power prior to the date hereof, the directors be and are hereby empowered until 24 October 1997, pursuant to section 95 of the Act to allot equity securities (as defined in section 94(2) of the Act) ("Equity Securities") for cash pursuant to the authority under section 80 of the Act granted at the annual general meeting of the Company held on 26 July 1993 and expiring on 25 July 1998, as if section 89(1) of the Act did not apply to any such allotment, provided that his power shall be limited to:

(a) the allotment of Equity Securities in connection with any rights issue in favour of the holders of ordinary shares on the register on a date fixed by the directors in proportion (as nearly as practicable) to the respective numbers of such ordinary shares held by them on that date provided that the directors may make such exclusions or other arrangements as they may deem necessary or expedient in relation to fractional entitlements or legal requirements under the laws of, or the regulations of any recognised regulatory body or stock exchange in, any territory, and/or

(b)   the allotment (otherwise than pursuant to paragraph (a) of this resolution) of Equity Securities up to an aggregate nominal value of £920,964,

but so that this authority shall allow the Company, before the expiry of this authority, to make offers or agreements which would or might require Equity Securities to be allotted after such expiry and the directors may allot Equity Securities pursuant to any such offer or agreement as if the power conferred hereby had not expired."

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Director