

SCOTCOAL LIMITED
(Company number: SC146959)
(the "Company")

29 August 2011

Solvency statement pursuant to section 643 of the Companies Act 2006 (the "2006 Act") made for the purposes of section 642 of the 2006 Act

We, Keith Miller of Cherry Hollows, 1(B) Easter Belmont Road, Edinburgh EH12 6EX and John Richards of Glendaruel, 21 Lovedale Road, Balerno EH14 7DW, are all of the directors of the Company as at the date of this solvency statement (this "**Solvency Statement**").

We confirm that the Company is proposing to reduce its share capital from £50,000 to £1 by the cancellation of 49,999 ordinary shares of £1 each in the capital of the Company currently in issue (such shares being the "**Relevant Shares**"). The consequence of such a cancellation would be to increase the Company's distributable reserves by £49,999, giving the Company total distributable reserves of £49,999.

Each of the Relevant Shares in issue is paid up in full in respect of its par value.

We have considered the audited accounts of the Company which state the financial position of the Company as at 31st December 2009 (the "**Accounts**"). We noted that the Accounts show the Company has net assets of £50,000. The Company's assets and liabilities are unchanged since the date of the Accounts.

The Company's assets, liabilities and shareholders' funds comprise:-

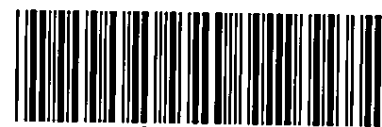
- current assets consisting of debtors of £50,000; and
- called up share capital of £50,000.

The Company's assets therefore exceed its liabilities.

We also confirm that having taken account of all of the liabilities of the Company (including, for the avoidance of doubt, any contingent or prospective liabilities) we have formed the opinion that:-

1. as regards the Company's situation as at the date of this Solvency Statement and immediately following the reduction of the Company's capital as proposed above, there is and will be no ground on which the Company could be found to be unable to pay (or otherwise discharge) its debts; and
2. as it is proposed to wind up the Company within 12 months following the date of this solvency statement, the Company will be able to pay or discharge its debts within 12 months of the commencement of the winding up.

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This Solvency Statement shall be governed by, and construed in accordance with, Scots law.

IN WITNESS WHEREOF this solvency statement consisting of this and the preceding page is executed by each of the directors of the Company as follows:

Signed by Keith Miller
at Edinburgh
on 29 August 2011 in the presence
of this witness:

Keith L. Miller
Keith Miller

Pamela Owe Smyth

PAMELA OWE SMYTH Name

53 EAST CRAIGS WYND Address

EDINBURGH EH12 8HJ.

Signed by John Richards
at Edinburgh
on 29 August 2011 in the presence
of this witness:

John Richards
John Richards

Pamela Owe Smyth

PAMELA OWE SMYTH Name

53 EAST CRAIGS WYND Address

EDINBURGH EH12 8HJ.