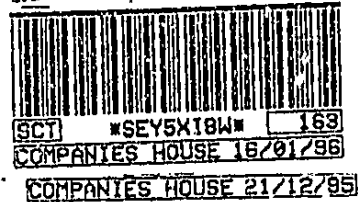


THE COMPANIES ACT 1985
COMPANY LIMITED BY SHARES

SCOTCOAL PLC

(Registered No. 146959)



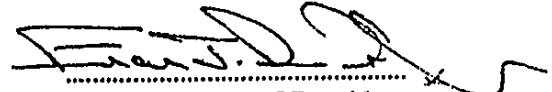
At an Extraordinary General Meeting of the above Company duly convened and held at Miller House, 18 South Groathill Avenue, Edinburgh on the 15th day of December 1995, the following Resolution was passed as a Special Resolution of the Company:-

SPECIAL RESOLUTION

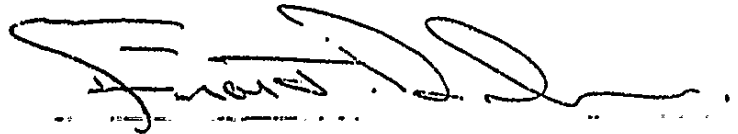
1. That the objects of the Company be altered by deleting the whole of Clause 4(a) of its Memorandum of Association and by substituting in lieu thereof the following Clause as Clause 4(a):-

"To carry on business as a general commercial company."
2. That the Company be re-registered as a private company and that the Company's Memorandum of Association be altered so that it no longer states that the Company is to be a public company and that such other alterations be made to the Company's Memorandum and Articles of Association as are consequent upon such re-registration.
3. That the 25,000 "A" Shares of £1 each and 24,999 "B" Shares of £1 each registered in the name of The Miller Group Limited and one "B" Share of £1 registered in the name of Euan James Donaldson be and are hereby converted into and reclassified as 25,000 Ordinary Shares of £1 each, 24,999 Ordinary Shares of £1 each and one Ordinary Share of £1, respectively, with the rights set out in the new Articles of Association adopted pursuant to paragraph 6 of this resolution.
4. That 4,975,000 unissued "A" Shares of £1 each be and are hereby reclassified as Ordinary Shares of £1 each and 4,975,000 unissued "B" Shares of £1 each be and are hereby reclassified as Ordinary Shares of £1 each with the rights set out in the new Articles of Association adopted pursuant to paragraph 6 of this resolution.

5. That the name of the Company be changed to Scotcoal Limited.
6. That the regulations contained in the document produced to the meeting and signed for the purpose of identification by Keith Manson Miller as Chairman of the meeting be and they are hereby adopted as the Articles of Association of the Company in substitution for, and to the entire exclusion of, the existing Articles of Association of the Company.


Euan J Donaldson
Secretary

Certified a true copy.



Secretary

Edinburgh 19.12.95