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COMPANIES FORM No. 155(6)a

**Declaration in relation to assistance
for the acquisition of shares****155(6)a**

Pursuant to section 155(6) of the Companies Act 1985

Please complete
legibly, preferably in
black type, or bold
block letteringTo the Registrar of Companies
(address overleaf - Note 5)

For official use

Company Number

Note
Please read the
notes on page 3
before completing
this form.

Name of company

* SCOTTISH MEDICINE LIMITED

SC190038

* Insert full name of
companyI/We ø KEVIN DAWSON MILNE residing at Heathcot, 1 Culter House Road,
Milltimber, Aberdeen and RODERICK JAMES MACDONALD residing at 17 Raeburn
Place, EdinburghØ Insert name(s)
and address(es)
of all the directors† delete as
appropriate

[the sole director][all the directors]† of the above company do solemnly and sincerely declare that:

The business of the company is:

‡ delete whichever
is inappropriate

- (a) ~~that of a [recognised bank][licensed institution]† within the meaning of the Banking Act 1979†~~
 (b) ~~that of a person authorised under section 3 or 4 of the Insurance Companies Act 1982 to carry on insurance business in the United Kingdom†~~
 (c) something other than the above‡

The company is proposing to give financial assistance in connection with the acquisition of shares in
the [company] [company's holding company]

Limited††

The assistance is for the purpose of [that acquisition][reducing or discharging a liability incurred for
the purpose of that acquisition]†The number and class of the shares acquired or to be acquired is: 3,750,000 A Ordinary
shares of £0.10 each and 1,822,500 Ordinary Shares of £0.10 eachPresentor's name, address
and reference (if any):Ref: DAR
Stronachs
34 Albyn Place
Aberdeen, AB10 1FW

For official use

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The assistance is to be given to: (note 2) MOUNTWEST 480 LIMITED, Company Number

SC252011, having its Registered Office at 34 Albyn Place, Aberdeen

AB10 1FW

Please complete legibly, preferably in black type, or bold block lettering

The assistance will take the form of:

- 1) A Guarantee in favour of the Bank of Scotland ("the Bank") to be entered into by the Company and Mountwest 480 Limited ("Mountwest");
- 2) A Floating Charge to be granted by the Company in favour of the Bank; and
- 3) A loan by the Company to Mountwest ("the Loan").

† delete as appropriate

The person who ~~[has acquired]~~[will acquire]† the share is:

MOUNTWEST 480 LIMITED

The principle terms on which the assistance will be given are:

- 1) The Bank is lending at a rate of interest to be agreed a principal amount of up to £1,350,000 to Mountwest in order to, inter alia, fund the acquisition of the shares of the Company. It is a condition of the lending that in security of this loan, the Company grant in favour of the Bank the securities listed as 1 & 2 above.
- 2) The Company will be making the Loan to Mountwest to allow Mountwest to discharge to the Bank the obligations incurred by Mountwest in the acquisition of the Company's shares.
- 3) The Guarantee and Floating Charge are to be granted by the Company in favour of the Bank in consideration of the provision by the Bank to Mountwest of facilities to enable Mountwest to fund the acquisition of the share capital of the Company. Under the terms of the Guarantee the Company will unconditionally guarantee all monies due owing or incurred to the Bank by Mountwest.

The amount of cash to be transferred to the person assisted is £ 1,319,000.00

The value of any asset to be transferred to the person assisted is £ 0.00

The date on which the assistance is to be given is 26-11-2003

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Please complete legibly, preferably in black type, or bold block lettering

* delete either (a) or (b) as appropriate


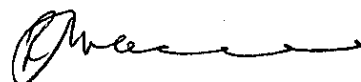
I / We have formed the opinion, as regards the company's initial situation immediately following the date on which the assistance is proposed to be given, that there will be no ground on which it could then be found to be unable to pay its debts. (note 3)

- (a) [I / We have formed the opinion that the company will be able to pay its debts as they fall due during the year immediately following that date]* (note 3)
- (b) [~~It is intended to commence the winding-up of the company within 12 months of that date, and I / we have formed the opinion that the company will be able to pay its debts in full within 12 months of the commencement of the winding-up.~~]* (note 3)

And I / we make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act 1835.

Declared at Aberdeen

Declarants to sign below

on

Day	Month	Year
03	12	2003

before me

A Commissioner for Oaths or Notary Public or Justice of the Peace or a Solicitor having the powers conferred on a Commissioner for Oaths.

NOTES

1. For the meaning of "a person incurring a liability" and "reducing or discharging a liability" see section 152(3) of the Companies Act 1985.
2. Insert full name(s) and address(es) of the person(s) to whom assistance is to be given; if a recipient is a company the registered office address should be shown.
3. Contingent and prospective liabilities of the company are to be taken into account - see section 156(3) of the Companies Act 1985.
4. The auditors report required by section 156(4) of the Companies Act 1985 must be annexed to this form.

5. The address for companies registered in England and Wales or Wales is:-

The Registrar of Companies
Companies House
Crown Way
Cardiff
CF14 3UZ

or, for companies registered in Scotland:-

The Registrar of Companies
37 Castle Terrace
Edinburgh
EH1 2EB

Auditors' report to the directors of Scottish Medicine Limited pursuant to section 156(4) of the Companies Act 1985

We have examined the attached statutory declaration of the directors of Scottish Medicine Limited ("the Company") dated 3 December 2003, prepared in accordance with applicable United Kingdom Law, in connection with the proposal that the Company should give financial assistance for the purchase of the whole of the issued share capital of the Company.

This report is made solely to the directors in accordance with Section 156(4) of the Companies Act 1985. Our audit work has been undertaken so that we might state to the directors those matters we are required to state to them in an auditors' report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the directors, for our audit work, for this report, or for the opinions we have formed.

Basis of opinion

We have enquired into the state of the Company's affairs in order to review the bases for the statutory declaration.

Opinion

We are not aware of anything to indicate that the opinion expressed by the directors in their declaration as to any of the matters mentioned in section 156(2) of the Companies Act 1985 is unreasonable in all the circumstances.

Ernst & Young LLP

Ernst & Young LLP
Registered Auditor
Edinburgh
3 December 2003.