

**FILE COPY**



**CERTIFICATE OF INCORPORATION  
OF A PRIVATE LIMITED COMPANY**

Company No. 329619

The Registrar of Companies for Scotland hereby certifies that

**CAPRICORN PETROLEUM LIMITED**

is this day incorporated under the Companies Act 1985 as a private company and that the company is limited.

Given at Companies House, Edinburgh, the 20th August 2007



\*NSC329619L\*



**C O M P A N I E S   H O U S E**



Companies House

— for the record —

Please complete in typescript,  
or in bold black capitals.

CHWP000

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### Declaration on application for registration

329619

#### Company Name in full

CAPRICORN PETROLEUM LIMITED

I, DUNCAN WESLEY CHARLES HOLLAND

of 8 BALLENCRIEFF STEADING, EAST LOTHIAN EH32 0QH

do solemnly and sincerely declare that I am a † [Solicitor engaged in the formation of the company] ~~person named as director or secretary of the company in the statement delivered to the Registrar under section 10 of the Companies Act 1985~~ and that all the requirements of the Companies Act 1985 in respect of the registration of the above company and of matters precedent and incidental to it have been complied with

And I make this solemn Declaration conscientiously believing the same to be true and by virtue of the Statutory Declarations Act 1835

#### Declarant's signature

Declared at 50 LOTHIAN ROAD, EDINBURGH EH3 9BY

Day Month Year

On 1 7 0 8 2 0 0 7

Ⓛ Please print name

before me Ⓛ MARYTH ANN GUILD

#### Signed

Date

17/8/07

† A Commissioner for Oaths or Notary Public or Justice of the Peace or Solicitor

You do not have to give any contact information in the box opposite but if you do, it will help Companies House to contact you if there is a query on the form. The contact information that you give will be visible to searchers of the public record.

DUNCAN HOLLAND, CAIRN ENERGY PLC, 50 LOTHIAN ROAD

EDINBURGH EH3 9BY

Tel 0131 475 3115

DX number

DX exchange

When you have completed and signed the form please send it to the Registrar of Companies at

Companies House, Crown Way, Cardiff, CF14 3UZ DX 33050 Cardiff  
for companies registered in England and Wales

or  
Companies House, 37 Castle Terrace, Edinburgh, EH1 2EB  
for companies registered in Scotland

DX 235 Edinburgh  
or LP 4 Edinburgh 2

FRIDAY



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SCT 17/08/2007 161

COMPANIES HOUSE

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Form revised 10/03



**Companies House**

— for the record

Please complete in typescript,  
or in bold black capitals.

CHWP000

Notes on completion appear on final page

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**First directors and secretary and intended situation of  
registered office**

**Company Name in full**

CAPRICORN PETROLEUM LIMITED

**Proposed Registered Office**

50 LOTHIAN ROAD

(PO Box numbers only, are not acceptable)

Post town

EDINBURGH

County / Region

MIDLOTHIAN

Postcode

EH3 9BY

If the memorandum is delivered by an agent  
for the subscriber(s) of the memorandum  
mark the box opposite and give the agent's  
name and address

Agent's Name

Address

Post town

County / Region

Postcode

Number of continuation sheets attached

0

You do not have to give any contact  
information in the box opposite but if  
you do, it will help Companies House  
to contact you if there is a query on  
the form. The contact information  
that you give will be visible to  
members of the public.

DUNCAN HOLLAND, CAIRN ENERGY PLC

50 LOTHIAN ROAD, EDINBURGH EH3 9BY

Tel 0131 475 3115

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Registrar of Companies at

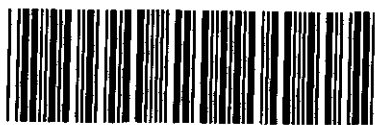
Companies House, Crown Way, Cardiff, CF14 3UZ DX 33050 Cardiff  
for companies registered in England and Wales

or

Companies House, 37 Castle Terrace, Edinburgh, EH1 2EB  
for companies registered in Scotland

DX 235 Edinburgh  
or LP 4 Edinburgh 2

FRIDAY



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17/08/2007

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COMPANIES HOUSE

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# Company Secretary (see notes 1-5)

Company name		CAPRICORN PETROLEUM LIMITED		
NAME	*Style / Title	*Honours etc		
Forename(s)		DUNCAN ALEXANDER		
Surname		WOOD		
Previous forename(s)				
Previous surname(s)				
<b>†† Tick this box if the address shown is a service address for the beneficiary of a Confidentiality Order granted under section 723B of the Companies Act 1985 otherwise, give your usual residential address. In the case of a corporation or Scottish firm, give the registered or principal office address.</b>	Address ††	18 BELMONT DRIVE		
		GIFFNOCK		
	Post town	GLASGOW		
	County / Region	EAST RENFREWSHIRE	Postcode	G64 7PA
	Country	SCOTLAND		
I consent to act as secretary of the company named on page 1				
Consent signature		<i>Alexander Wood</i>	Date 14/8/07	

## Directors (see notes 1-5)

Please list directors in alphabetical order

<b>†† Tick this box if the address shown is a service address for the beneficiary of a Confidentiality Order granted under section 723B of the Companies Act 1985 otherwise, give your usual residential address. In the case of a corporation or Scottish firm, give the registered or principal office address.</b>	NAME	*Style / Title	*Honours etc	
	Forename(s)		SIMON JOHN	
	Surname		THOMSON	
	Previous forename(s)			
	Previous surname(s)			
<b>†† Tick this box if the address shown is a service address for the beneficiary of a Confidentiality Order granted under section 723B of the Companies Act 1985 otherwise, give your usual residential address. In the case of a corporation or Scottish firm, give the registered or principal office address.</b>	Address ††	11 ST BERNARD'S CRESCENT		
	Post town	EDINBURGH		
	County / Region	MIDLOTHIAN	Postcode	EH4 1NR
	Country	SCOTLAND		
Date of birth		Day 1 0 0 3	Month 1 9 6 5	Nationality BRITISH
Business occupation		DIRECTOR		
Other directorships		THE SCOTTISH INSTITUTE OF SPORT FOUNDATION		
I consent to act as director of the company named on page 1				
Consent signature		<i>Simon Thomson</i>		Date 14/8/07

# Directors (see notes 1 5)

Please list directors in alphabetical order

NAME \*Style / Title

\*Honours etc

\* Voluntary details

Forename(s)

JANICE MARGARET

Surname

BROWN

Previous forename(s)

Previous surname(s)

TINTO

Address ††

SLATEHALL, GULLANE ROAD

Post town

ABERLADY

County / Region

EAST LoTHIAN

Postcode

EH32 0QB

Country

SCOTLAND

Day Month Year

Date of birth

0 9 0 6 1 9 5 5

Nationality BRITISH

Business occupation

DIRECTOR

Other directorships

NONE

I consent to act as director of the company named on page 1

Consent signature

Date

14/8/07

This section must be signed by either an agent on behalf of all subscribers or the subscribers (i.e those who signed as members on the memorandum of association).

Signed

*[Signature]*  
For and on behalf of Capricorn Energy Ltd

Date

14/8/07

Signed

Date

Signed

Date

Signed

Date

Signed

Date

Signed

Date

Signed

Date

## Notes

- 1 Show for an individual the full forename(s) NOT INITIALS and surname together with any previous forename(s) or surname(s)

If the director or secretary is a corporation or Scottish firm show the corporate or firm name on the surname line

Give previous forename(s) or surname(s) except that

for a married woman, the name by which she was known before marriage need not be given,

names not used since the age of 18 or for at least 20 years need not be given

A peer, or an individual known by a title, may state the title instead of or in addition to the forename(s) and surname and need not give the name by which that person was known before he or she adopted the title or succeeded to it

Address

Give the usual residential address

In the case of a corporation or Scottish firm give the registered or principal office

Subscribers

The form must be signed personally either by the subscriber(s) or by a person or persons authorised to sign on behalf of the subscriber(s)

- 2 Directors known by another description

A director includes any person who occupies that position even if called by a different name, for example, governor, member of council

- 3 Directors details

Show for each individual director the director's date of birth, business occupation and nationality

**The date of birth must be given for every individual director**

- 4 Other directorships

Give the name of every company of which the person concerned is a director or has been a director at any time in the past 5 years. You may exclude a company which either **is or at all times during the past 5 years, when the person was a director, was**

dormant,

a parent company which wholly owned the company making the return,

a wholly owned subsidiary of the company making the return, or

another wholly owned subsidiary of the same parent company

If there is insufficient space on the form for other directorships you may use a separate sheet of paper, which should include the company's number and the full name of the director

- 5 Use Form 10 continuation sheets or photocopies of page 2 to provide details of joint secretaries or additional directors

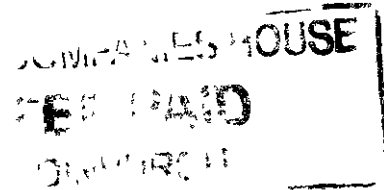
**THE COMPANIES ACT 1985 (AS AMENDED)**

**PRIVATE COMPANY LIMITED BY SHARES**

**MEMORANDUM OF ASSOCIATION**

of

**CAPRICORN PETROLEUM LIMITED**



- 1 The Company's name is "Capricorn Petroleum Limited"
- 2 The Company's Registered Office is to be situated in Scotland
- 3 The objects for which the Company is established are
  - (a) To carry on anywhere in the world the business or businesses of prospecting, drilling and exploring for, acquiring, developing, producing, maintaining, refining, storing, supplying, transporting, marketing, distributing, importing, exporting and generally dealing in minerals and other natural oils, petroleum and all other forms of solid, liquid and gaseous hydro carbons and other minerals and their products and by products and all their branches, including, without prejudice to the foregoing generality, the acquisition by purchase, lease, assignment, participating arrangements, concession, joint venture, partnership or otherwise howsoever of oil, natural gas and other hydro carbon licences, permits, leases, wells, mines, refineries, machinery, plant and concessions of all kinds
  - (b) To carry on for profit, directly or indirectly and whether by itself or through subsidiary, associated or allied companies or firms, in the United Kingdom or elsewhere any business, undertaking, project or enterprise of any description whether of a private or a public character and all or any trades, processes and activities connected with or ancillary or complementary to any of the businesses of the Company or which, in the opinion of the Company or the Directors, can be carried on to the benefit of the Company or which might, directly or indirectly, enhance the value of or render profitable any of the Company's property, rights or assets
  - (c) To carry on business as a general commercial company
  - (d) To appoint agents or brokers on commission or representatives of the Company and to act in any of the businesses of the Company through or by means of branches, agencies, brokers, sub-contractors or others
  - (e) To apply for, register, purchase, or by other means acquire and protect, prolong, and renew, whether in the United Kingdom or elsewhere, any patents, patent rights, brevets d'invention, licences, trademarks, designs, protections, and concessions which may appear likely to be advantageous or useful to the Company, and to use and turn to account and to manufacture under or grant licences or privileges in respect of the same and to expend money in experimenting upon and testing and in improving or seeking to improve any patents, inventions, or rights which the Company may acquire or propose to acquire
  - (f) To purchase, feu, rent, lease, exchange or otherwise acquire any heritable or personal property in the United Kingdom or abroad, either for the Company exclusively or jointly with any companies, associations, partnerships or persons, which may be deemed necessary or expedient for the purposes of the Company, to erect offices, mills, factories, warehouses, works, dwellinghouses, and other buildings, to maintain, alter,



enlarge and improve the same, and to acquire any rights, servitudes, easements and privileges in relation to any lands, water, or buildings

- (g) To acquire and undertake the whole or any part of the business, goodwill and assets of any person, firm or company carrying on or proposing to carry on any of the businesses which the Company is authorised to carry on, and as part of the consideration for such acquisition to undertake all or any of the liabilities of such person, firm or company, or to acquire and invest in, amalgamate with, or enter into partnership or into any arrangement for sharing profits, or for co operation, or for limiting competition, or for mutual assistance with any such person, firm or company, and to give or accept, by way of consideration for any of the acts or things aforesaid or property acquired, any Shares, Debentures, Debenture Stock or Securities that may be agreed upon, and to hold and retain, or sell, mortgage and deal with any Shares, Debentures, Debenture Stock, or Securities so received
- (h) To improve, manage, cultivate, develop, exchange, let on lease or otherwise mortgage, charge, sell, dispose of, turn to account, grant rights and privileges in respect of, or otherwise deal with all or any part of the property and rights of the Company
- (i) To invest and deal with the moneys of the Company not immediately required in such Shares or upon such securities and in such manner as may from time to time be determined
- (j) To lend and advance money or give credit to such persons, firms, or companies and on such terms as may seem expedient, and in particular to customers and others having dealings with the Company, and to give guarantees or security for any such persons, firms or companies
- (k) To secure or guarantee the payment of any sums of money or the performance of any obligation by any company, firm or person in any way
- (l) To borrow or raise money in such manner as the Company shall think fit, and in particular by the issue of Debentures or Debenture Stock (perpetual or otherwise), and to secure the repayment of any money borrowed, raised, or owing, by mortgage, charge, standard security or lien upon the whole or any part of the Company's property or assets (whether present or future), including its uncalled Capital, and also by a similar mortgage, charge, standard security or lien to secure and guarantee the performance by the Company of any obligation or liability it may undertake
- (m) To draw, make, accept, endorse, discount, execute and issue promissory notes, bills of exchange, bills of lading, warrants, debentures, and other negotiable or transferable instruments
- (n) To apply for, promote, and obtain any Act of Parliament, Provisional Order, or Licence of the Department for Business Enterprise and Regulatory Reform or other authority for enabling the Company to carry any of its objects into effect, or for effecting any modification of the Company's constitution, or for any other purpose which may seem expedient, and to oppose any proceedings or applications which may seem calculated directly or indirectly to prejudice the Company's interests
- (o) To enter into any arrangements with any Governments or authorities (supreme, municipal, local, or otherwise), or any corporations, companies, or persons that may seem conducive to the attainment of the Company's objects or any of them, and to obtain from any such Government, authority, corporation, company, or person, any charters, contracts, decrees, rights, privileges, and concessions which the Company may think desirable, and to carry out, exercise, and comply with any such charters, contracts, decrees, rights, privileges and concessions
- (p) To subscribe for, take, purchase, or otherwise acquire and hold Shares or other interests in or securities of any other company having objects altogether or in part similar to those of the Company or carrying on any business capable of being carried on so as directly or indirectly to benefit the Company, and to purchase or otherwise



acquire Shares in the Share Capital of the Company subject to the provisions of the Companies Act 1985

- (q) To act as agents or brokers and as trustees for any person, firm or company, and to undertake and perform sub-contracts
- (r) To remunerate any person, firm or company rendering services to the Company, either by cash payment or by the allotment to him or them of Shares or securities of the Company credited as paid up in full or in part or otherwise as may be thought expedient
- (s) To pay all or any expenses incurred in connection with the promotion, formation and incorporation of the Company, or to contract with any person, firm or company to pay the same, and to pay commissions to brokers and others for underwriting, placing, selling, or guaranteeing the subscription of any Shares, Debentures, Debenture Stock, or securities of the Company
- (t) To purchase and maintain insurance for, or for the benefit of, any persons who are or were at any time Directors, officers, employees or Auditors of the Company or of any other company which is the holding company of the Company or in which the Company or such holding company or any of the predecessors of the Company or of such holding company has any interest, whether direct or indirect, or which is in any way allied to or associated with the Company, or of any subsidiary undertaking of the Company or of any such other company, or who are or were at any time trustees of any pension fund in which any employees of the Company or of any such other company or subsidiary undertaking are or have been interested, including (without prejudice to the generality of the foregoing) insurance against any liability incurred by such persons in respect of any act or omission in the actual or purported execution or discharge of their duties or in the exercise of their powers or otherwise in relation to their duties, powers or offices in relation to the Company or any such other company, subsidiary undertaking or pension fund and to such extent as may be permitted by law or otherwise to indemnify or to exempt any such person against or from any such liability, for the purposes of this Sub Clause "holding company" and "subsidiary undertaking" shall have the same meanings as in Sections 736 and 258 respectively of the Companies Act 1985
- (u) To support and subscribe to any charitable or public object and any institution, society or club which may be for the benefit of the Company or its employees, or may be connected with any town or place where the Company carries on business, to give pensions, gratuities or charitable aid to any persons who may have been Directors of or may have served the Company, or to the spouses, children, or other relatives or dependants of such persons, to make payments towards insurance, and to form and contribute to provident and benefit funds for the benefit of any such persons or of their spouses, children, or other relatives or dependants
- (v) To promote any other company for the purpose of acquiring the whole or any part of the business or property and undertaking and any of the liabilities of the Company, or of undertaking any business or operations which may appear likely to assist or benefit the Company or to enhance the value of any property or business of the Company and to place or guarantee the placing of, underwrite, subscribe for, or otherwise acquire all or any part of the Shares or securities of any such company as aforesaid
- (w) To sell or otherwise dispose of the whole or any part of the business or property of the Company, either together or in portions, for such consideration as the Company may think fit, and in particular for Shares, Debentures, or securities of any company purchasing the same
- (x) To distribute among the Members of the Company in kind any property of the Company, and in particular any Shares, Debentures or securities of other companies belonging to the Company or of which the Company may have the power of disposal
- (y) To procure the Company to be registered or recognised in any part of the world

- (z) To do all such other things as may be deemed incidental or conducive to the attainment of the above objects or any of them

It is hereby expressly declared that each Sub-Clause of this Clause shall be construed independently of the other Sub Clauses hereof and that none of the objects mentioned in any Sub Clause shall be deemed to be merely subsidiary to the objects mentioned in any other Sub Clause

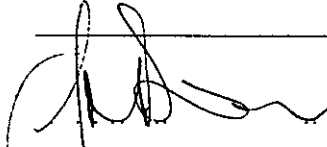
4 The liability of the Members is limited

5 The Company's Share Capital is £100 divided into 100 Ordinary Shares of £1 each

We, the subscriber to this Memorandum of Association, wish to be formed into a company pursuant to this Memorandum, and we agree to take the number of Shares shown opposite our name

Name and Address of Subscriber

Number of Shares taken by Subscriber



Director

One

JANE MARGARET BROWN (Full Name)

both for and on behalf of

**Capricorn Energy Limited**

50 Lothian Road

Edinburgh

EH3 9BY

Total Shares Taken

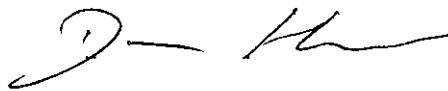
One

DATED

14/8/ 2007

WITNESS to the above Signatures

WITNESS SIGNATURE



NAME AND ADDRESS

DUNCAN HOLLAND  
8 BALLENCRIEFF STADING  
CAST LOTHIAN  
EH32 0QH

**THE COMPANIES ACT 1985 (AS AMENDED)**

---

**PRIVATE COMPANY LIMITED BY SHARES**

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**ARTICLES OF ASSOCIATION**

**of**

**CAPRICORN PETROLEUM LIMITED**

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**PRELIMINARY**

- 1 The regulations contained in Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 as amended by the Companies (Tables A to F) (Amendment) Regulations 1985 (such Regulations being referred to as "Table A") shall apply to the Company save insofar as they are excluded or varied hereby or are inconsistent with these Articles
- 2 In these Articles, references to the "Act" are references to the Companies Act 1985, and any amendments to or any re-enactment of that Act for the time being in force

**ALLOTMENT OF SHARES**

- 3 **Regulation 2** of Table A does not apply to the Company All unissued shares in the share capital of the Company are under the control of the directors who may (subject to section 80 of the Act, **Article 4** below and/or any direction to the contrary that may be given by ordinary resolution of the Company) allot, grant options or rights over or otherwise dispose of the same to such persons, at such times, and on such terms as they think fit
- 4 During the period of five years from the date of incorporation of the Company, the directors are generally and unconditionally authorised for the purposes of section 80 of the Act to exercise all powers of the Company to allot and grant rights to subscribe for or convert securities into the shares which form part of the Company's authorised share capital upon incorporation After that five year period, the directors may allot shares or grant any rights under this authority under any offer or agreement made by the Company within that period This authority may at any time (subject to the said section 80) be renewed, revoked or varied by ordinary resolution of the Company
- 5 In accordance with section 91 of the Act, sections 89(1) and 90(1) to (6) of the Act do not apply to the Company

**SHARE CERTIFICATES**

- 6 In the second sentence of **Regulation 6** of Table A the words "shall be sealed with the seal and" are deleted Share certificates must be signed by one director and the company secretary or two directors or two authorised signatories of the Company

**LIEN**

- 7 The Company has a first and paramount lien on all shares standing registered in the name of a single person or in the name of any person jointly with another or others for all monies presently payable by him or any of them or his estate or the estate of any of them to the Company **Regulation 8** of Table A is modified accordingly

### **CALLS ON SHARES**

- 8 The liability of any member in default in respect of a call includes liability for all expenses incurred by the Company by reason of such default and any notice given in accordance with **Regulation 18** of Table A may also require payment of such expenses

### **TRANSFER OF SHARES**

- 9 **Regulation 24** of Table A does not apply to the Company The directors may, in their absolute discretion and without assigning any reason therefor, decline to register any transfer of any share, whether or not it is a fully paid share

### **NOTICE OF GENERAL MEETINGS**

- 10 In **Regulation 38** of Table A the words "or a resolution appointing a person as a director" are deleted

### **PROCEEDINGS AT GENERAL MEETINGS**

- 11 **Regulations 40 and 41** of Table A do not apply to the Company
- 12 No business will be transacted at any general meeting unless a quorum is present Except as otherwise stated in the Articles, two persons entitled to vote upon the business to be transacted, each being a member or a proxy for a member or a duly authorised representative of a corporation, will constitute a quorum
- 13 If, and for so long as, the Company has only one member, that member present in person or by proxy, or, if that member is a corporation, by a duly authorised representative, will constitute a quorum
- 14 If a meeting is convened and a quorum is not present within half an hour of the time the meeting is due to commence, the meeting, on the requisition of members, will be dissolved In any other case the meeting will be adjourned to the same day in the next week at the same time and place or to such other day and at such other time and place as the directors may determine If a quorum is not present within half an hour of the time the adjourned meeting is due to commence, the member or members present, whether in person or by proxy or, in the case of a corporation, by its duly authorised representative, will constitute a quorum
- 15 If, and for so long as, the Company has only one member and that member takes any decision which is required to be taken in general meeting or by means of a written resolution, then, subject to compliance with sections 293, 303, 388 and 391A of the Act (if applicable), that decision will be as valid and effective as if it had been agreed by the Company in general meeting Any decision taken by a sole member pursuant to this **Article 15** will be recorded in writing and delivered by that member to the Company for entry in the Company's minute book
- 16 In the case of a corporation a resolution in writing may be signed on its behalf by a director or company secretary or by its duly appointed attorney or duly authorised representative **Regulation 53** of Table A is extended accordingly and applies equally to resolutions in writing of any class of members
- 17 A resolution will not be moved by any member other than a director at a meeting unless a copy of that resolution (with the name and address of the member intending to move the same) has been deposited at the registered office of the Company at least three clear days prior to that meeting
- 18 In **Regulation 59** of Table A the word "not" is inserted before the word "appoint"

- 19 **Regulation 62** of Table A does not apply to the Company
- 20 An instrument appointing a proxy and any authority under which it is executed or a duly certified copy of such authority must be delivered
- 20 1 in the case of a meeting or an adjourned meeting, (a) to such person(s) before such time and at such place (if any) as specified for that purpose in or by way of note to the notice convening the meeting or (b) if such person(s), place or time are not specified, to the secretary (or the chairman of the meeting) on the day and at the place of the meeting or the adjourned meeting, but in any event prior to the time at which the meeting is due to commence, or
- 20 2 in the case of a poll taken otherwise than at or on the same day as the meeting or the adjourned meeting, to the secretary (or the chairman of the meeting) on the day and at the place where the poll is to be taken, but in any event prior to the time at which the poll is to be taken
- 21 The instrument appointing a proxy may be in the form of a facsimile or other machine made copy and, unless the contrary is stated, will be valid for any adjournment of the meeting to which it relates. An instrument of proxy relating to more than one meeting (including any adjournment) which has been delivered to the Company for the purposes of any meeting will not require to be delivered again for the purposes of any subsequent meeting to which it relates

#### **NUMBER OF DIRECTORS**

- 22 **Regulation 64** of Table A does not apply to the Company. The maximum and minimum number of directors may be determined from time to time by ordinary resolution of the Company. If no such determination is made, the number of directors will not be subject to any maximum but will be not less than one

#### **ALTERNATE DIRECTORS**

- 23 **Regulations 66 and 69** of Table A do not apply to the Company
- 24 An alternate director is entitled to contract and be interested in and benefit from contracts or arrangements and to be repaid and to be indemnified to the same extent as if he were a director. He is not entitled to receive any remuneration from the Company, unless his appointor instructs the Company by notice in writing to pay him such part (if any) of the remuneration otherwise payable to his appointor
- 25 An alternate director is entitled to receive notices of meetings of the directors and of any committee of the directors of which his appointor is a member. He is entitled to attend and vote as a director and be counted in the quorum at any such meeting at which his appointor is not personally present and generally at such meeting to perform all functions of his appointor as a director and, for the purposes of the proceedings at such meeting, the provisions of these Articles apply as if he were a director. If the alternate director is also a director or attends any meeting as an alternate for more than one director, his voting rights are cumulative but he cannot be counted more than once for the purposes of the quorum. If his appointor is for the time being absent from the United Kingdom or temporarily unable to act through ill health or disability, the alternate director's signature to any resolution in writing of the directors is as effective as the signature of his appointor. An alternate director does not (except as aforesaid) have power to act as a director, nor is he deemed to be a director for the purposes of these Articles, nor is he deemed to be the agent of his appointor
- 26 An alternate director will cease to be an alternate director
- 26 1 if his appointor ceases to be a director, or
- 26 2 if his appointor revokes his appointment pursuant to **Regulation 65** of Table A by notice to the Company, or

26 3 on the happening of any event which, if he were a director, would cause him to vacate his office as a director (other than non attendance at meetings of the directors at which is appointor is present), or

26 4 if he resigns his office by notice to the Company

### **APPOINTMENT AND RETIREMENT OF DIRECTORS**

27 Where as a result of the death of a sole member of the Company, the Company has no members and no directors the personal representatives of such deceased members have the right by notice in writing to appoint a person to be a director of the Company and such appointment is as effective as if made by the Company in general meeting

28 **Regulations 73 to 75** inclusive, the second and last sentences of **Regulation 79** of Table A and other references in Table A to retirement of directors by rotation do not apply to the Company The directors are not required to retire by rotation

29 In addition to the circumstances in which the office of a director is vacated under **Regulation 81** of Table A, the office will be vacated if notice is given to the director by all the other directors to vacate his office

30 A director is not required to hold shares of the Company in order to qualify for office as a director, but he is entitled to receive notice of and attend and speak at all general meetings of the Company or of any class of members of the Company

### **BORROWING POWERS**

31 The directors may exercise all the powers of the Company to borrow money without limit as to amount and upon such terms and in such manner as they think fit and to grant any mortgage, charge or standard security over the undertaking, property and uncalled capital of the Company or any part thereof and, where relevant, subject to section 80 of the Act, to issue debentures, debenture stock and other securities, whether outright or as security for any debt, liability or obligation of the Company or of any third party, and similarly to give any guarantee or indemnity in respect of any obligation of a third party which the Company is empowered to give

### **PROCEEDINGS OF DIRECTORS**

32 **Regulations 89 and 94 to 97** (inclusive) of Table A do not apply to the Company

33 If, and for so long as, the Company has only one director, the quorum for the transaction of the business of the directors is one but the quorum will, at all other times, be fixed at two unless otherwise determined by the directors

34 Any business transacted by a sole director pursuant to **Article 33** will be recorded in writing for entry in the Company's minute book and such business will be valid and effective and binding on the Company

35 A director may vote, at any meeting of the directors or of any committee of the directors, on any resolution, notwithstanding that it in any way concerns or relates to a matter in which he has, directly or indirectly, any kind of interest whatsoever, provided that the director has declared such interest to the directors and (where applicable) has complied with section 317 of the Act

36 If a director votes on any resolution in which he has an interest (in terms of **Article 35**) his vote will count and he will (whether or not he votes on the resolution) be taken into account in calculating the quorum present at the meeting

- 37 Subject to compliance with the Act and **Articles 35 and 36** above, a director may, unless otherwise resolved in advance by the directors, retain for his own absolute use and benefit all profits and advantages directly or indirectly accruing to him from any matters
- 38 Subject to section 317 of the Act
- 38 1 a general notice given 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, and
- 38 2 an interest of which a director has no knowledge and of which it is unreasonable to expect him to have knowledge will not be treated as an interest of his
- 39 A resolution in writing signed by all the directors for the time being in the United Kingdom is as effective as a resolution passed at a meeting of the directors duly convened and held and it may consist of several documents, each signed by one or more of the directors
- 40 A meeting of the directors, or of a committee of the directors, may consist of a conference, telephone call or other means of telecommunication between directors as long as each director is able to speak to each of the others and can be heard by each of the others simultaneously. Alternatively, such a meeting may take place by a telephone call or series of telephone calls from the chairman of the directors of the relevant committee to all other directors or to all other members of the relevant committee (as the case may be). A director taking part in such a conference or telephone call will be considered present in person at that meeting (whether or not two or more persons are present in one place) and will be entitled to vote and be counted in the quorum. Such a meeting will be recorded as taking place where the largest group of those participating in the conference is assembled, or, if there is no such group or if the meeting takes place by a telephone call or series of telephone calls from the chairman of the directors or of the relevant committee, where the chairman of the directors or of the relevant committee is present. In these Articles, the word "meeting" when referring to a meeting of the directors, or of a committee of the Directors will be construed accordingly
- 41 Directors who are absent from the United Kingdom are entitled to the same notice of all meetings of the directors as directors not so absent and the third sentence of **Regulation 88** does not apply to the Company. If a director who is absent from the United Kingdom does not advise the Company in writing of his overseas address, notice to his usual address in the United Kingdom will be considered sufficient notice for the purposes of this Article

#### **COMMON SEAL**

- 42 **Regulation 101** of Table A does not apply to the Company. The Company does not need to have a company seal. If the directors decide that the Company should have a seal, it must only be used with the approval of the directors or of a committee of the directors. Unless the directors determine otherwise, a document to which the seal is attached may be signed by a director and the company secretary or two directors or two authorised signatories of the Company

#### **NOTICES**

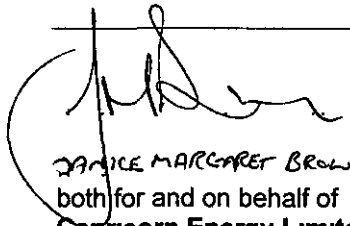
- 43 A member whose registered address is not within the United Kingdom is entitled to have notices sent to him at that address and the last sentence of **Regulation 112** of Table A does not apply to the Company

**INDEMNITY**

- 44 **Regulation 118** of Table A does not apply to the Company
- 45 Every director or other officer or auditor of the Company will be indemnified, to the extent permitted by law, out of the assets of the Company against and/or exempted by the Company from all costs, charges, expenses, losses and liabilities which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto
- 46 Without prejudice to **Article 45**, the directors have power to purchase and maintain insurance for or for the benefit of any persons who are or were at any time directors, officers or employees of any Relevant Company (as defined in **Article 47**) or who are or were at any time trustees of any pension fund or employees' share scheme in which employees of any Relevant Company are interested, including but not limited to insurance against any liability incurred by such persons in respect of any act or omission in the actual or purported execution and/or discharge of their duties and/or in the exercise or purported exercise of their powers and/or otherwise in relation to their duties, powers or offices in relation to any Relevant Company, or any such pension fund or employees' share scheme
- 47 For the purposes of **Article 46** "Relevant Company" means the Company, any holding company of the Company or any other body, whether or not incorporated, in which the Company or such holding company or any of the predecessors of the Company or of such holding company has or had any interest, whether direct or indirect, or which is in any way allied to or associated with the Company, or any subsidiary undertaking of the Company or of such other body

Name and Address of Subscriber

Number of Shares taken by Subscriber

  
 JANICE MARGARET BROWN  
 both for and on behalf of  
**Capricorn Energy Limited**  
 50 Lothian Road  
 Edinburgh  
 EH3 9BY

Director

One

(Full Name)

Total Shares Taken

One

DATED

14/8/ 2007

WITNESS to the above Signatures

WITNESS SIGNATURE



NAME AND ADDRESS

DUNCAN HOLLAND  
 8 BALLENCRUIFF STEADING  
 EAST LOTHIAN  
 EH32 0QH