

Shogawa (3)
Leave (12)
Cell 65 (12)
Lit (4)

Dear Sir (or Madam),

29th April 1988

Provisional Allotment

In accordance with the terms of the Company's circular to its shareholders dated 29th April 1988 and of this provisional allotment letter, you are hereby invited to subscribe at par for the amount of 3% Convertible Unsecured Loan Stock 1997 of the Company ("Loan Stock") stated at (3) above which has been provisionally allotted to you on the basis of £68 nominal of Loan Stock for every 500 Ordinary Shares registered in your name at the close of business on 28th April 1988 (and so in proportion for any greater or lesser amount of Ordinary Shares held). No fractions of Loan Stock have been allotted to you. New Ordinary Shares arising on conversion will rank pari passu in all respects with the then existing Ordinary Shares except that they will not rank for dividends paid or declared in or in respect of any financial period earlier than that in which the conversion date falls.

Until final redemption or earlier conversion, the Loan Stock will carry interest at 3 per cent (exclusive of any tax credit) per annum and will be accrued on a daily basis and accumulated and paid on final redemption or earlier conversion.

Acceptance and Payment

If you wish to accept this provisional allotment, this entire provisional allotment letter must be lodged with the Company at Llanberis, Caernarfon, Gwynedd, LL55 4TY accompanied by a remittance for the amount shown at (4) above (being payment in full) not later than 3.30pm on 24th May 1988. No interest will be paid on payments received before the due date. Such remittance when received will constitute acceptance of this provisional allotment in accordance with the aforesaid terms and subject to the terms of the Deed Poll constituting the Loan Stock. This provisional allotment letter will then be receipted and returned to the person lodging it. If this provisional allotment letter is not lodged for payment by 3.30pm on 24th May 1988, the provisional allotment letter will be deemed to have been declined and will lapse.

Cheques or bankers' drafts should be in sterling and be drawn on a bank in the United Kingdom and made payable to "Snowdon Mountain Railway plc" and crossed "Not negotiable".

If you wish to take up less than the full amount of Loan Stock provisionally allotted to you, you should nonetheless lodge this entire provisional allotment letter for payment as indicated above but your remittance should be only for that amount of Loan Stock for which you do wish to subscribe.

Splitting, Renunciation etc

Instructions for dealing with this provisional allotment letter, including splitting, renunciation and registration are set out on pages 4 and 5 and form part of the conditions of this allotment.

Loan Stock Certificates

Definitive Loan Stock certificates will be despatched at Stockholders' risk on 1st July 1988 to (first-named) registered holders at their registered addresses.

After 1st July 1988 this allotment letter will cease to be valid for any purpose.

Letter number

Examined

By Order of the Board
D. Rogerson

Director

SNOWDON MOUNTAIN RAILWAY

PUBLIC LIMITED COMPANY

Rights Issue of £219,640 3% Convertible Unsecured Loan Stock 1997

FORM X

FORM OF RENUNCIATION

See instructions 3 and 4 on page 4

To the Directors of SNOWDON MOUNTAIN RAILWAY PLC

I/We hereby renounce my/our rights to the Loan Stock comprised in this allotment letter in favour of the person(s) named in the registration application form (form Y) relating to or including such Loan Stock.

Dated 1988

All joint allottees)
must sign

Signature(s)
of original
allottees(s)

{
{
{
{

A corporation must
affix its common seal

FORM Y

REGISTRATION APPLICATION FORM

See instruction 6 on page 5

If the Loan Stock is to be registered in the name(s) of the person(s) named on page 1, this form SHOULD NOT BE COMPLETED

Please complete in typewriting or in block capitals

Full name(s) and full postal address(es) of the person(s) in whose name(s) the Loan Stock is to be registered:

Please state title, if any,
(or whether Mr., Mrs. or Miss)

.....
.....
.....
.....

Registration is requested in the above name(s) of the Loan Stock specified in this allotment letter totalling £ 3% Convertible Unsecured Loan Stock 1997.

Stamp or name and address of person
lodging this form for registration

INSTRUCTIONS

IF YOU ARE THE PERSON(S) NAMED ON PAGE 1:

1. ACCEPTANCE AND PAYMENT. (Last date for acceptance and payment in full: 24th May 1988).

If you wish to accept the Loan Stock provisionally allotted to you, you or your agent must lodge this entire provisional allotment letter with the Company at Llanberis, Caernarfon, Gwynedd, LL55 4TY, accompanied by a remittance for payment in full not later than 3.30pm on 24th May 1988. Cheques or bankers' drafts should be made out in accordance with the instructions on page 2. This allotment letter will then be receipted and returned to the person lodging it.

2. REGISTRATION IN YOUR NAME(S).

If you wish to have all the Loan Stock comprised in the provisional allotment letter registered in your name(s), you must accept the allotment by complying with instruction 1 above on or before 3.30pm on 24th May 1988. No further action need be taken and the definitive Loan Stock certificate will be despatched to you on 1st July 1988.

3. RENUNCIATION IN WHOLE. (Last date for registration of renunciation: 3.30pm on 17th June 1988).

If you wish to dispose of all the Loan Stock comprised in this provisional allotment letter to one person or to persons who will be joint holders, you must sign form X on page 3 and hand this entire allotment letter to the renounees(s) or to the broker or bank who acted for you in the transaction.

4. RENUNCIATION IN PART AND SPLITTING. (Last dates for splitting: nil paid - 3.30pm on 20th May 1988; fully paid - 3.30pm on 15th June 1988).

If you wish to have some only of the Loan Stock comprised in this provisional allotment letter registered in your name(s) and to dispose of the remainder, or if you wish to dispose of all of the Loan Stock but not all to the same person, you may have this allotment letter split, for which purpose you must sign form X on Page 3. This entire provisional allotment letter must then be forwarded to the Company at Llanberis, Caernarfon, Gwynedd, LL55 4TY, so as to be received not later than 3.30pm on 20th May 1988 (if nil paid) or 3:30pm on 15th June 1988 (if fully paid) to be cancelled and exchanged for the split letters required. The number of split allotment letters required and the amount of Loan Stock to be comprised in each should be stated in an accompanying letter to the Company. Form X on split letters will be endorsed "Original duly renounced" before issue.

IF YOU ARE THE PERSON(S) IN WHOSE FAVOUR THIS ALLOTMENT LETTER HAS BEEN RENOUNCED:

5. ACCEPTANCE. (Last date for acceptance and payment in full - 3.30pm on 24th May 1988).

If this provisional allotment letter is not already fully paid prior to renunciation, you or your agent must lodge this entire provisional allotment letter with the Company at Llanberis, Caernarfon, Gwynedd LL55 4TY, accompanied by a remittance for payment in full not later than 3.30pm on 24th May 1988. Cheques or bankers' drafts should be made out in accordance with the instructions on page 2. This allotment letter will then be receipted and returned to the person lodging it.

6. REGISTRATION IN NAME(S) OF RENOUNCEE(S). (Last date for registration: 3.30pm 17th June 1988).

You or your agent must complete form Y on page 3 and lodge this entire provisional allotment letter with the Company at Llanberis, Caernarfon, Gwynedd LL55 4TY not later than 3:30pm on 17th June 1988. Unless this instruction is duly complied with by that date the Loan Stock comprised in this allotment letter will, if paid for, be registered in the name(s) of the original allottee(s) and will then be transferable only by instrument of transfer. Registration cannot be effected until this provisional allotment letter is fully paid.

7. CERTIFICATES.

Loan Stock certificates will be despatched by post on 1st July 1988 in the manner set out on page 2.

NOTE:- Surrender of this allotment letter with the form of renunciation purporting to have been signed by the person(s) in whose name(s) it was issued or marked "Original duly renounced" shall be conclusive evidence in favour of the Company of (i) the right of the person(s) named in the registration application form on such allotment letter, or split allotment letter derived therefrom, to be registered as the holder of the Loan Stock comprised therein, (ii) the title of the party depositing this letter to deal with the same and to receive split allotment letters and/or a Loan Stock certificate and (iii) the authority of the agent completing form Y. When documents are received through the post they, or the documents to be issued in exchange, will be returned through the post at the risk of the person(s) entitled thereto.

If you have sold all your ordinary shares in Snowdon Mountain Railway Public Limited Company you should at once send this document (and the accompanying Provisional Allotment Letter) to the purchaser or to the stockbroker or other agent through whom the sale was effected for transmission to the purchaser.

This document contains information relating to Snowdon Mountain Railway Public Limited Company ("SMR" or "the Company") and its subsidiary. The Directors have taken all reasonable care to ensure that the facts stated herein are true and accurate in all material respects and that there are no other material facts the omission of which would make misleading any statement herein whether of fact or of opinion. All the Directors accept responsibility accordingly.

COMPANIES REGISTRATION
LG
29 APR 1988
OFFICE

17 Leavelle. Julian Davies
 by her attorney
 Simon P. Davies
 Andrew Owen Elton Davies
 by his attorney
 Simon P. Davies.

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TIMETABLE OF EVENTS

Record Date for Entitlement to Rights		28th April 1988
Provisional Allotment Letters despatched		29th April 1988
Latest time for splitting (nil paid)	3.30pm	20th May 1988
Latest time for acceptance and payment in full	3:30 pm	24th May 1988
Latest time for splitting (fully paid)	3:30 pm	5th June 1988
Latest time for registration of renunciation	3:30 pm	17th June 1988
Date for posting Loan Stock certificates		1st July 1988

DEFINITIONS

In this document, except where the context otherwise requires or as otherwise expressly stated, the following expressions have the following meanings:-

"SMR" or "the Company"	Snowdon Mountain Railway Public Limited Company
"Aviation"	Snowdon Mountain Aviation Limited
"the Group"	The Company and its subsidiary, Aviation
"Cadogan"	Cadogan Properties Limited
"Loan Stock" or "Convertible Loan Stock"	3% Convertible Unsecured Loan Stock 1997 of the Company proposed to be offered pursuant to the issue
"issue" or "rights issue"	the proposed issue by way of rights of up to £219,640 Loan Stock contained in this document
"Board"	the Board of Directors of the Company
"Ordinary Share"	an ordinary share of 10p in the capital of SMR
"U.K."	the United Kingdom of Great Britain and Northern Ireland
"U.S."	the United States of America
"WTB"	the Wales Tourist Board
"BES"	Business Expansion Scheme
"Offer for Subscription"	the Offer for Subscription under the BES of up to 850,000 Ordinary Shares in the Company dated 18th January 1985

SNOWDON MOUNTAIN RAILWAYPUBLIC LIMITED COMPANY

(Registered in Wales No. 42476)

Registered Office:
 Llanberis, Caernarfon,
 Gwynedd, LL55 4TY

Directors:

- ✓ N.R. Davies (Chairman)
- ✓ N.K. Ross (Deputy Chairman)
- ✓ D. Rogerson (Managing Director)
- ✓ A.I. Jaye
- ✓ B.I. Leaver
- ✓ A.O.E. Davies
- ✓ Miss G. Davies

Dated 29th April 1988

To: The Shareholders,

Dear Sir/Madam,

Proposed Rights Issue of up to £219640 Convertible Loan StockIntroduction

The purpose of this letter is to give you details of your Board's proposals to raise approximately £200,000 net of expenses by means of a rights issue of Convertible Loan Stock at par on the basis of £68 of Loan Stock for every 500 Ordinary Shares held at the close of business on 28th April 1988 (and so in proportion for any greater or lesser number of Ordinary Shares held on that date).

You will find set out below the reasons why your Board considers it necessary to raise the additional capital.

Cadogan and your Directors (including members of their families and related companies holding shares taken into account as disclosable interests of the Directors for the purposes of the Companies Act 1985) have all undertaken to take up their rights in full. Accordingly, £100,114 of Loan Stock (representing 45.58% of the total issue) will be taken up: the balance of the issue, amounting to £119,526 of Loan Stock, has not been underwritten.

Background to and Reasons for the Issue

At the moment, the profits of the Group are primarily dependent on the number of passengers carried by the railway and on the pleasure flying, flying training and other flying activities undertaken at Caernarfon Airport. All these operations are, by their nature, affected by the weather.

One of the policies adopted by your Board at the time of the issue of the Offer for Subscription under the BES in January 1985 was to extend the Group's activities in the tourist field to take advantage of the potential of the locality and to make the Group less susceptible to the vagaries of the weather.

The bad weather of the last three summers has had an adverse effect on the Group's business. Although turnover has increased considerably since the BES, this could have been significantly greater with better weather, and, of course, inflationary pressures have resulted in increased operational costs.

During the last financial period which ended on 31st December 1987, the Group made a pre-tax profit of £76,563 on its railway and ancillary activities at Llanberis and the Snowdon Summit, but incurred losses of £41,772 in connection with Caernarfon Airport leaving a net Group profit of £34,791.

Aviation has only just completed its first full year of trading under SMR's ownership and your Board believes that Aviation's losses are partly due to the process of building up a new business but your Board feels that Aviation is unlikely to achieve its full potential until an all-weather attraction is operational at the Airport.

Your Board therefore proposes to devote the funds raised by this rights issue to the construction of an air museum at Caernarfon Airport. Not only will this provide the necessary all-weather attraction but it will also complement the existing aviation facilities, especially pleasure flying in the De Havilland Rapide - itself a vintage aircraft).

The museum has been conceived not merely as a collection of items of historical and academic interest, but also to provide a "hands-on" experience for visitors of all ages by encouraging them to climb into the aircraft and other exhibits and to use the flight deck procedure training simulator. Most of the major exhibits have already been purchased and arrangements made for other exhibits to be made available free of charge.

The cost of construction of the air museum and associated works is estimated at approximately £230,000. Messrs. Derek Hicks & Thew of Liverpool have been retained by the Company as Architects to the museum and have reviewed the likely costs for its construction. They have indicated to the Company that in their opinion there is no reason why the work should not be completed by early Summer 1989 if work commences in the latter part of this year as planned. A copy of their letter is set out in Section 5 and also available for inspection.

The WTB has agreed to contribute grant aid towards the cost of the museum in the sum of £44,000 or 22% of the approved capital expenditure (whichever is the lesser sum) less professional fees incurred by the WTB of approximately 1% of the approved capital expenditure (subject to a maximum of £3,000). A copy of the WTB offer of grant aid is on display and available for inspection.

Full planning permission from the local authority (Arfon Borough Council) and approval under the building regulations have been obtained for the construction of the museum and copies of such approvals are also available for inspection.

A description of the proposed museum, copy drawings and details of the anticipated costs of construction are given in Section 5 of this document.

Audited Results

A summary of the audited consolidated balance sheet of the Company and its subsidiary, Aviation, as at 31st December 1987 and a summary of the audited consolidated profit and loss account of the Company and Aviation for the year ended on that date is set out in Section 4. Individual accounts for the Company and Aviation are available for inspection as set out in paragraph 10 of Section 3.

Business Expansion Scheme

Your Board have been advised that under present U.K. law and Inland Revenue practice, the issue of Loan Stock will not infringe the conditions attaching to the BES relief given to investors taking up Ordinary Shares pursuant to the Offer for Subscription, nor will shareholders who take up their rights pursuant to this issue have their relief withdrawn. Applications for the Loan Stock will not, however, qualify for relief under the BES, and Ordinary Shares arising on conversion will not be assimilated with the original holding for BES purposes. Consequently, your disposal of Ordinary Shares after 15th February 1990 (being the end of the five year restricted period for BES purposes) will not be affected by the exercise of conversion rights. If however, any Loan Stock is sold or redeemed before, or converted into Ordinary Shares and any of such shares are disposed of before, 15th February 1990, this may give rise to a restriction (in whole or in part) of BES relief to the extent of the consideration received. Further, if BES investors sell their rights under the rights issue, this may also give rise to a restriction of BES relief approximating to the value which is obtained for selling the rights. Shareholders who merely allow their rights under this issue to lapse or renounce their rights, nil paid, for no consideration, would suffer no restriction in BES relief. The Company cannot, of its own volition, under the terms of the Deed Poll constituting the Loan Stock (see Section 2) redeem any Loan Stock before 31st July 1990.

If you are in any doubt as to the BES implications of your own situation, you should consult your professional adviser.

Each of the undertakings given by Cadogan, your Board and members of their families to take up the rights to which they are entitled under the issue effectively provide that conversion rights attaching to any Loan Stock taken up by them cannot not be exercised before the end of the five-year restricted period for BES purposes.

Terms of the Rights Issue

Your Board has resolved that Ordinary shareholders on the register at the close of business on 28th April 1988 should be offered, by way of rights, a total of £219640 nominal of Loan Stock at par, payable in full on acceptance, on the following basis:

£68 Loan Stock for every existing 500 Ordinary Shares then held

and so in proportion for a greater or lesser number of existing Ordinary Shares.

Cadogan, which holds 697,389 Ordinary Shares (representing 43.18% of the current issued ordinary share capital of SMR), and your Directors (including members of their families and related companies) who are together interested in 38,750 Ordinary Shares (representing 2.40% of the current issued ordinary share capital of SMR), have irrevocably undertaken to take up their respective entitlements (representing in aggregate, £100,114 of Loan Stock) under the rights issue and issue of such Loan Stock may and will be made in any event notwithstanding that the rights issue is not taken up in full. The Loan Stock will carry interest at 3% per annum (less any income tax) but will be accumulated and not paid until redemption or conversion of Loan Stock if earlier. The Loan Stock will be convertible at the rate of one Ordinary Share for every 80p nominal of Loan Stock converted (the equivalent of 80p per Ordinary Share) in July in each of the years 1988 to 1996 inclusive. Ordinary Shares arising on conversion will rank pari passu in all respects with the then existing issued Ordinary Shares. Any Loan Stock not converted by 31st July 1996 will be redeemed at par by the Company on 31st July 1997. The more detailed terms and conditions upon which the Loan Stock is being issued are set out in Section 2 of this document.

Information on Transfers of Ordinary Shares

From information obtained from registration of share transfers by the Company, all share transfers taking place for consideration in the year ending 31st December 1987 (amounting to 6100 Ordinary Shares in total) were transferred at a price of 80p. per Ordinary Share. None of the Ordinary Shares acquired pursuant to such transfers received the benefit of BES relief.

Current Trading and Prospects

In my letter to you dated 25th March 1988, which accompanied the Accounts and Notice of the 1988 Annual General Meeting, and also in the paragraph in this document headed "Background to and Reasons for the Issue", I have referred to the influence that the weather has on the Group's current business and the policy of your Board to extend the Group's activities in the tourist field in a way which will make it less susceptible to the vagaries of the weather.

The construction of the air museum at Caernarfon Airport is a step towards the implementation of this policy.

Your Board believes that if construction work can commence on the 1st July 1988 (as planned), then the museum should be open to the public by early Summer 1989, providing a much-needed all weather attraction in the area.

The museum can be open to visitors for the greatest part of the year and, your Board anticipates that, with adequate marketing and promotion, Aviation should then have a good prospect of becoming viable within a reasonable period of time.

Additionally, the operational benefits of the two diesel locomotives acquired by SMR in 1986 (which have reduced operating costs and increased carrying capacity), together with the extra capacity of the new carriage recently acquired and soon to be operational, should enhance the profitability of the Company's railway and ancillary operations.

Dividend Policy

Your Board will keep dividend policy under review for the future, but at present their intention is to reinvest profits of the Group in the belief that the Group's future prospects will be improved by progressive strengthening of its capital base.

Capital Gains Tax

For the purposes of U.K. taxation on capital gains, if you sell all or some of the Loan Stock provisionally allotted to you or your rights thereto, you may, depending on your individual circumstances, incur a liability to capital gains tax. On conversion of Loan Stock into Ordinary Shares of the Company, Stockholders will not incur any liability to capital gains tax as a result (except possibly to a minimal extent on any sale of fractional entitlements) but (for those Shareholders who have not invested under the BES) any Ordinary Shares arising on conversion will be assimilated into their existing holding of Ordinary Shares and their original base cost (together with any amount subscribed for Loan Stock) will be apportioned amongst that assimilated holding. Shareholders who have subscribed under the BES are subject to different provisions in that Loan Stock acquired by them under the rights issue will be regarded as a separate asset from their original holding of Ordinary Shares, as will any Ordinary Shares arising on conversion of such Loan Stock.

Income Tax

The Company will be required to deduct income tax at the basic rate (currently 25%) from payments of interest to be made in respect of the Loan Stock (on its redemption or earlier conversion) and account for the same to the Inland Revenue. For example, if an individual receives interest of £75, he will be treated as receiving a gross amount of £100 and as having paid income tax of £25 on that grossed up amount. Individuals who (after taking account of their receipt of interest) pay basic rate income tax only, will have no further liability to income tax on the receipt of interest. Individuals who are (or who will be after taking account of their receipt of interest) liable to higher rate income tax will be required to pay additional tax on the gross interest receipt calculated at a rate equal to the difference between the basic rate and the higher rate. Thus, for example, where a taxpayer pays higher rate tax of 40%, he would be liable to pay additional tax of £15. Further information on taxation is set out in paragraph 6 of Section 3 of this document.

Stamp Duty and Stamp Duty Reserve Tax

The attention of Shareholders wishing to renounce their rights under this issue, nil-paid or fully-paid, before the latest time for registration of the renunciation is drawn to Section 3 paragraph 6(v) below.

If you are in any doubt as to your tax position, you should consult your professional adviser without delay.

Effect of Proposed Rights Issue on Shareholders

As indicated in the paragraph entitled "Terms of the Rights Issue" above, Ordinary Shares arising on conversion will rank *pari passu* with the then existing issued Ordinary Shares.

Since the proposed issue will be made by way of rights, shareholders taking up their rights in full will, on conversion, retain (or increase, depending on the level of shareholders taking up Loan Stock and exercising their conversion rights) their existing proportion of capital and voting rights in the Company. The Ordinary Shares arising on conversion will carry, in aggregate, 14.53% of the voting rights attributable to the enlarged issued Ordinary share capital of the Company following conversion (and assuming that all rights are taken up in full and all conversion rights exercised). Accordingly, shareholders not taking up any of their rights will suffer a dilution of their existing interest in the capital and voting rights of the Company following conversion.

The attention of Shareholders is drawn to the sections headed "Conclusion" below, "Background to and Reasons for the Issue" and "Current Trading and Prospects" above which you are advised to read carefully in order to decide whether to take up your rights.

Overseas Shareholders

The attention of holders of existing Ordinary Shares in the Company who have registered addresses outside the U.K., or who are citizens or residents of countries other than the U.K. is drawn to paragraph 7 of Section 3 of this document.

Working Capital

Your Board considers that, following the implementation of the rights issue and having regard to the Group's present cash resources and overdraft, and grant facilities, the Group has sufficient working capital to meet its present requirements.

Further Information

Further information is contained in Section 2, 3, 4 and 5 of this document.

Authority to Allot

At the Annual General Meeting of SMR held earlier today, approval was requested (and obtained) for your Board to be empowered to allot all of the authorised and unissued Ordinary share capital of the Company (being £38,499.50 - 384995 Ordinary Shares) for a period expiring five years after the date of the meeting, and for cash otherwise than to existing shareholders for a period expiring at the commencement of the Annual General Meeting to be held in 1989. This permission (as intimated in my letter accompanying the Notice of Annual General Meeting) will enable your Board to allot Ordinary Shares arising on conversion of the Convertible Loan Stock and allow for a certain amount of capital to be available for issue by the Board without the necessity of calling an Extraordinary General Meeting of shareholders upon each occasion that an issue of shares is intended.

Save in connection with this proposed rights issue (and the exercise of conversion rights thereunder), your Board has no present intention of issuing any Ordinary Shares or Convertible Loan Stock or of making any issue which would effectively alter the control of the Company without the prior approval of shareholders in General Meeting.

Procedure for Acceptance

You will find accompanying this letter a renounceable Provisional Allotment Letter (containing full instructions regarding acceptance, payment, splitting, renunciation and registration) in respect of the Loan Stock provisionally allotted to you.

If you wish to take up your entitlement in whole or in part, the Provisional Allotment Letter, together with a remittance for the full amount payable on acceptance, will have to be lodged with the Company Secretary at the registered office of SMR, Llanberis, Caernarfon, Gwynedd LL55 4TY, in accordance with the instructions contained therein not later than 3:30 pm on 24th May 1988. If payment for the Loan Stock comprised in any Provisional Allotment Letter is not so made (whether by the allottee or by any person in whose favour he has renounced his rights) the Provisional Allotment Letter will be deemed to have been declined and will lapse.

Conclusion

Your Board believes that it is in the best interests of the Group for the museum to be constructed and that, accordingly, there should be a rights issue at this time.

Your Board (and members of their families and related companies who are together interested in 38,750 Ordinary Shares) have demonstrated their support for the rights issue by giving undertakings to take up their full entitlement of Loan Stock.

Cadogan, which holds 697,389 Ordinary Shares has also undertaken to take up its rights in full.

Effectively, therefore, your Board (including their related companies and family members) and Cadogan have undertaken to take up, in aggregate, £100,114 of the total issue of £219,640 of Loan Stock and hope that shareholders will, similarly, be able to support the issue.

Yours faithfully

Ninian R. Davies
Chairman

SECTION 2

RIGHTS AND RESTRICTIONS ATTACHING TO THE CONVERTIBLE LOAN STOCK

The £219,640 nominal of 3% Convertible Unsecured Loan Stock 1997 of Snowdon Mountain Railway Public Limited Company (the "Convertible Loan Stock" and the "Company" respectively) has been constituted as an unsecured obligation of the Company by deed poll of the Company dated 29th April 1988 ("the Deed Poll") for the benefit of holders of the Convertible Loan Stock (the "Stockholders"). The Deed Poll contains provisions, inter alia, to the following effect:-

1. Definitions

For the purpose of these Particulars:-

- 1.1 "equity share capital" means equity share capital as defined in Section 744 of the Companies Act 1985
- 1.2 "Further Stock" means further unsecured loan stock of the Company issued pursuant to the provisions of paragraph 5 below and constituted by deed poll supplemental to the Deed Poll
- 1.3 "ordinary share capital" and "ordinary shares" respectively mean share capital of the Company of the class and shares of the Company of the class in issue on 29th April 1988 and "ordinary shareholders" shall be construed accordingly
- 1.4 "Subsidiary" means any company which is for the time being a subsidiary (within the meaning of Section 736 of the Companies Act 1985) of the Company
- 1.5 Registered Office means the Registered Office of the Company, Llanberis, Caernarfon, Gwynedd, LL55 4TY, Wales
- 1.6 "Relevant Number" means Stockholders holding at least 75% in nominal value of the Convertible Loan Stock in issue from time to time
- 1.7 "Extraordinary Resolution" means a resolution passed at a meeting of the Stockholders duly convened and held in accordance with the provisions contained in the Deed Poll by a majority consisting of not less than three-fourths of the persons voting thereat upon a show of hands and if a poll is demanded then by a majority consisting of not less than three-fourths of the vote given on such a poll
- 1.8 "Auditors" means the Auditors of the Company from time to time.

2. Interest

The Convertible Loan Stock will carry interest at the rate of 3% per annum (calculated on a daily basis) (less income tax where

appropriate) and will be accumulated and paid at the time of redemption or conversion (if earlier). If, therefore, a Stockholder were to retain his Convertible Loan Stock until final redemption on 31st July 1997, he would receive £137.83 (less income tax where appropriate) per £500 nominal of Convertible Loan Stock (and so in proportion for any greater or lesser holding of Convertible Loan Stock).

3. Conversion rights

- 3.1 Each Stockholder shall (upon and subject to the provisions hereinafter mentioned) have the right (together the "conversion rights") to convert the whole or any part (being an integral multiple of 10p nominal) of his holding of the Convertible Loan Stock as he may specify into ordinary share capital credited as fully paid at the rate of one ordinary share for every 80p nominal of Convertible Loan Stock converted (such rate being hereinafter called the "conversion rate").
- 3.2 Each certificate for Convertible Loan Stock which remains capable of being converted shall have endorsed thereon a conversion notice. The conversion rights shall be exercisable by sending to the Registered Office of the Company so as to arrive at any time during the month of July in any of the years 1988 to 1996 (both inclusive) (each such month (subject as hereafter in this sub-paragraph 3.2 provided) together with any other period during which conversion rights may be exercised being hereinafter called a "conversion period") so as to be received on or prior to the last day of the relevant conversion period ("the conversion date") the relevant Convertible Loan Stock certificate(s) with the conversion notice(s) thereon duly completed and signed. The Company shall, as at and not later than 14 days after, the relevant conversion date allot ordinary shares in respect of Convertible Loan Stock converted and within 28 days after the relevant conversion date despatch to the persons entitled thereto certificates for the said shares and (if applicable) separate certificates for any balances of Convertible Loan Stock not converted. If for any reason the audited consolidated accounts of the Company and the Subsidiary for their financial period then most recently completed shall not have been despatched to the Stockholders by 30th June in any of the years 1988 to 1996 (both inclusive), the relevant conversion period shall be postponed and shall (instead of the month of July) be the period of 31 days immediately following the date of despatch of such accounts, the relevant conversion date shall be the last day of such period and the Company shall inform Stockholders by 30th June in such year of such postponement by notice in writing.
- 3.3 Interest on Convertible Loan Stock converted (other than Convertible Loan Stock converted prior to 1st August 1988 in respect of which no interest will be payable) shall be accrued and payable up to the relevant conversion date but shall cease to accrue immediately thereafter. Ordinary share

capital allotted on conversion shall be credited as fully paid and shall carry the right to receive all dividends and (unless adjustments shall have been made in respect thereof pursuant to paragraph 3.4 below) all other distributions (including, but not limited to, any allotment referred to in sub-paragraph 3.4 below) declared, paid or made on the ordinary share capital in or in respect of the financial period of the Company in which the relevant conversion date falls, other than dividends in respect of an earlier financial period of the Company, and shall rank pari passu in all other respects and form one class with the ordinary share capital in issue on the relevant conversion date.

- 3.4 Upon any allotment of fully paid ordinary share capital pursuant to a capitalisation of profits or reserves (including share premium account and capital redemption reserve) to any ordinary shareholders on the register on a record date being a date on which any Convertible Loan Stock remains capable of being converted, the nominal amount of ordinary share capital to be allotted in respect of Convertible Loan Stock converted on any conversion date following such record date shall be increased in due proportion. No adjustment shall be made in the conversion rate by reason only of a holder of ordinary shares wholly or partially foregoing his entitlement to a cash dividend and in lieu thereof the Company making an issue to him of fully paid ordinary shares by way of capitalisation of an amount standing to the credit of the profit and loss account or revenue reserves equal to the amount of the cash dividend foregone.
- 3.5 If any offer (not being an offer falling within paragraph 3.4 above or 3.7.10 below) or invitation is made to ordinary shareholders on the register on a record date being a date on which any Convertible Loan Stock remains capable of being converted, the Company shall make, or use its best endeavours to procure that there is made, a like offer or invitation at the same time to each Stockholder as if his conversion rights had been exercisable and exercised in full with effect immediately before such record date at the conversion rate then applicable. The Company shall not make, or permit any Subsidiary to make, any offer or invitation to holders of ordinary share capital unless it makes to each Stockholder at the same time a like offer or invitation as is referred to in the preceding sentence of this sub-paragraph.
- 3.6 If any fractions of an ordinary share shall fall to be allotted on conversion the ordinary shares representing such fractions will not be allotted to the relative converting Stockholders but will be aggregated and sold and the net proceeds of sale will be distributed pro rata among the persons entitled thereto, except that where the entitlement of any such person amounts to less than £2, the amount thereof shall not be distributed but shall be retained for the benefit of the Company.

3.7 So long as any Convertible Loan Stock remains capable of being converted the following provisions, inter alia, shall apply:-

3.7.1 the Company shall not:-

- (1) distribute capital profits (whether realised or not) or capital reserves (including any share premium account or capital redemption reserve) or profits or reserves arising after 31st December, 1987 from a distribution of capital profits (whether realised or not) or capital reserves (including as aforesaid) by a Subsidiary except by means of a capitalisation issue permitted under (2) below or pursuant to any distribution described in sub-paragraph 3.7.12 below provided that insofar as the relevant audited accounts do not distinguish between capital and revenue profits or reserves the Company shall be entitled to rely upon a written estimate by the Auditors as to the extent to which any part of any profits or reserves should be regarded as capital profits or capital reserves;
- (2) capitalise any profits or reserves other than by way of a capitalisation issue made only to the ordinary shareholders in the form of fully paid ordinary shares and (if so extended) in like proportions to the holders of any other class of equity share capital of the Company in the form of fully paid ordinary shares or shares of such other class of equity share capital or for the purposes of a scrip dividend permitted under sub-paragraph 3.4 above; or
- (3) except with the prior written consent of the Relevant Number of Stockholders or the sanction of an Extraordinary Resolution make any offer or invitation to ordinary shareholders or allot any shares in pursuance of a capitalisation issue or make any distribution permitted by sub-paragraph 3.7.12 below during, or by reference to a record date falling within, a conversion period or following a conversion period by reference to a record date falling prior to such conversion period;

3.7.2 save as permitted by 3.7.1 above or 3.7.3 below the Company shall not create or permit to be in issue any equity share capital which as regards voting, dividends, other distributions or capital has more favourable rights than those attached to the ordinary share capital and (without prejudice to the right of the Company to consolidate or sub-divide shares or convert shares into stock) it shall not without the prior written consent of the Relevant Number of Stockholders or the sanction of an Extraordinary Resolution in any way alter the rights attached to all or any part of its share capital in issue from time to time or attach any special rights, privileges or restrictions thereto or convert any issued share or loan capital into equity share capital except in accordance with terms of issue thereof;

3.7.3 nothing in 3.7.2 above shall prevent the issue of any equity share capital:-

- (1) pursuant to any employees' share scheme (as defined by Section 743 of the Companies Act 1985); or
- (2) carrying rights for a period not exceeding three years' from the date of issue to dividends greater than those paid in respect of the ordinary shares provided that such equity share capital shall have been issued by way of consideration or part consideration for the acquisition of another business or of share or loan capital of another company and that the dividend payable on such equity share capital in respect of any financial period of the Company during such first-mentioned period shall not be at a rate in excess of twice the rate of dividend declared on an equivalent nominal amount of ordinary share capital in respect of the same financial period;

3.7.4 the Company shall not do any act or thing if, in consequence, the nominal amount of ordinary share capital into which 10p nominal of the Convertible Loan Stock would be convertible would exceed 10p;

3.7.5 the Company shall not (except as authorised by Sections 146(2), 159, 160(4) and 162(2) of the Companies Act 1985 in respect of redeemable shares or of shares purchased by it with the sanction of Stockholders as hereinafter mentioned) reduce its share capital or any uncalled or unpaid liability in respect thereof or (except as authorised by Sections 130(2), 160(2) and 170(4) of the Companies Act 1985) any amount for the time being standing to the credit of any share premium account or capital redemption reserve or (except with the sanction of an Extraordinary Resolution of the Stockholders) purchase any of its own shares;

3.7.6 (1) if the Company commences liquidation (whether voluntary or compulsory) it shall forthwith give notice in writing thereof to all Stockholders and thereupon each Stockholder shall in respect of the whole or any part of his Convertible Loan Stock be entitled within six weeks after the service of such notice to elect by notice in writing to the Company to be treated as if a conversion date had occurred on the day immediately preceding the date of such commencement and his conversion rights had been exercisable and exercised in full with effect on that date on the basis (including rate) of conversion then applicable (after making any appropriate adjustments pursuant to sub-paragraph 3.4 above) and in that event, subject as hereafter in this sub-paragraph 3.7.6(1) provided, such Stockholder shall, in lieu of the payments which would otherwise be due in respect of his Convertible Loan Stock deemed to have been converted as a result of such election, be entitled to participate in the assets available in the liquidation

pari passu with the ordinary shareholders as if he were the holder of the ordinary shares (including any fraction of an ordinary share) to which he would have become entitled had that Convertible Loan Stock in respect of which he shall have made such election been converted as aforesaid by virtue of such exercise as at such deemed conversion date. Notwithstanding the foregoing, a Stockholder making such election shall be entitled to receive and retain any payment in respect of the Convertible Loan Stock in relation to which he shall have made such election which shall have become due prior to such immediately preceding day as though he had not made such election. For the purpose of determining the assets in which any Stockholder making an election as aforesaid shall be entitled to participate, the provisions of sub-paragraph 3.3 above shall be deemed to apply as if such immediately preceding day were a conversion date. Subject to this sub-paragraph 3.7.6(1) the conversion rights shall lapse in the event of the liquidation of the Company;

- (2) If the Convertible Loan Stock shall become immediately due and repayable in accordance with the provisions of the Deed Poll (for any reason other than the liquidation of the Company) the Company shall forthwith give notice in writing thereof to all Stockholders and thereupon each Stockholder shall in respect of the whole or any part of his Convertible Loan Stock be entitled within six weeks after the service of such notice to exercise his conversion rights (such exercise to be with effect as on the day immediately preceding the date on which the Convertible Loan Stock shall have become so due and repayable which day shall be deemed to be a conversion date) on the basis (including rate) of conversion then applicable (after making any appropriate adjustments pursuant to sub-paragraph 3.4 above) by completing and signing the conversion notice(s) on his relevant Convertible Loan Stock certificate(s) and depositing the same at the Registered Office of the Company prior to the expiry of such six weeks;

- 3.7.7 the Company shall not change the end of its financial period from 31st December or a day falling within 7 days before or after 31st December in each year unless the relevant conversion periods and conversion dates shall be altered to such periods and dates, and such other modifications (if any) shall be made to the Deed Poll, as the Relevant Number of Stockholders shall require;
- 3.7.8 the Company shall keep available for issue sufficient authorised but unissued ordinary shares to satisfy in full all rights for the time being outstanding of conversion into and subscription for ordinary shares;
- 3.7.9 the Company shall send to all Stockholders a copy of every document sent to ordinary shareholders at the time the same

is sent to ordinary shareholders and in addition shall send to all Stockholders together with the notice of each annual general meeting of the Company (in respect of the years from 1989 to 1996 inclusive) a reminder of the conversion rights exercisable on the immediately following conversion date;

3.7.10 if any offer is made to all (or as nearly as may be practicable all) the ordinary shareholders or to all (or as nearly as may be practicable all) such holders other than the offeror and/or any company controlled by the offeror and/or persons associated, connected or acting in concert with the offeror to acquire the whole or any part of the ordinary share capital (the "ordinary offer") and the Company becomes aware that the right to cast more than 50 per cent. of the votes which may ordinarily be cast on a poll at a general meeting of the Company has or will become vested in the offeror and/or any company controlled by the offeror and/or persons associated, connected or acting in concert with the offeror, the Company shall give notice of that fact in writing to all Stockholders within 14 days of its becoming so aware and each Stockholder may, within the period of 30 days after the date of such notice:-

- (1) exercise his conversion rights in respect of the whole or any part (being an integral multiple of 10p nominal) of his Convertible Loan Stock as he may specify (and so that for this purpose such 30 day period shall be deemed to be a conversion period, the last day thereof shall be deemed to be a conversion date and the provisions of sub-paragraph 3.3 above shall apply accordingly) at the conversion rate applicable on such deemed conversion date (after making any appropriate adjustments pursuant to sub-paragraph 3.4 above); and/or
- (2) give notice in writing to the Company requiring the Company to redeem the whole or any part (being an integral multiple of 10p nominal) of his Convertible Loan Stock as he may specify (excluding Convertible Loan Stock to be converted under sub-paragraph (1) above) in cash at par.

The amount of such redemption (together with interest on the nominal amount of the Convertible Loan Stock so redeemed accrued up to and including the date of redemption) shall be paid on the day next following the expiry of 15 days after the deemed conversion date referred to in sub-paragraph (1) above.

The publication of a scheme of arrangement under the Companies Act 1985 providing for the acquisition by any person of the whole or any part of the ordinary share capital shall be deemed to be the making of an offer;

3.7.11 the Company shall procure that no compromise or arrangement (within the meaning of Section 425 of the Companies Act 1985) affecting the ordinary share capital shall be proposed unless

the Stockholders shall be parties to the compromise or arrangement and unless the compromise or arrangement shall be subject to approval by the Stockholders in the manner prescribed by the said Section provided that these provisions shall not apply (i) if an offer, proposal, scheme or other arrangement which is, in the opinion of a financial adviser approved for such purpose by the Relevant Number of Stockholders, fair and reasonable (having regard to the terms of such compromise or arrangement) has already been, or not later than the date on which the document containing particulars of the compromise or arrangement shall first be issued to the parties thereto is, made or put to all Stockholders, (ii) if the Relevant Number of Stockholders (or Stockholders pursuant to an Extraordinary Resolution) shall be of the opinion that implementation of such compromise or arrangement will not be prejudicial to the interests of the Stockholders, or (iii) to a scheme of arrangement to which sub-paragraph 3.7.10 above applies; and

3.7.12 if the Company shall propose any arrangement pursuant to which the Company is to make a distribution of the kind described in paragraph 2(1)(a) or (b) of Schedule 18 to the Finance Act 1980 otherwise than by means of (i) an arrangement within the meaning of Section 425 of the Companies Act 1985 permitted by sub-paragraph 3.7.11 above or (ii) an arrangement to which the provisions of such sub-paragraph do not apply by reason of any of the provisos thereto or (iii) an arrangement made or put to all Stockholders which is, in the opinion of a financial adviser approved for such purpose by the Relevant Number of Stockholders, fair and reasonable (having regard to the terms of such first-mentioned proposed arrangement), it shall give notice thereof to all Stockholders not less than 45 days prior to the proposed record date in respect of the entitlement of ordinary shareholders to receive the relevant distribution (and/or shares in the company or companies to which any such distribution is to be made) and each Stockholder may, within the period of 30 days after the date of such notice:-

- (1) exercise his conversion rights in respect of the whole or any part (being an integral multiple of 10p nominal) of his Convertible Loan Stock as he may specify (and so that for this purpose such 30 day period shall be deemed to be a conversion period, the last day thereof shall be deemed to be a conversion date and the provisions of sub-paragraph 3.3 above shall apply accordingly) at the conversion rate applicable on such deemed conversion date (after making any appropriate adjustments pursuant to sub-paragraph 3.4 above); and/or
- (2) give notice in writing to the Company requiring the Company to redeem the whole or any part (being an integral multiple of 10p nominal) of his Convertible Loan Stock as he may specify (excluding Convertible

Loan Stock to be converted under sub-paragraph (1) above) in cash at par.

The amount of such redemption (together with interest on the nominal amount of the Convertible Loan Stock so redeemed accrued up to and including the date of redemption) shall be paid on the day next following the expiry of 15 days after the deemed conversion date referred to in sub-paragraph (1) above.

- 3.7.13 If immediately after any conversion date (not being the conversion date in or in respect of the years 1988 or 1989), taking into account all conversion rights exercised on that date, 75 per cent. or more in nominal amount of the Convertible Loan Stock (which expression for the purpose of this sub-paragraph 3.7.13 shall include the whole of the original nominal amount of the Convertible Loan Stock issued and any Further Stock forming a single series therewith but shall exclude any of the Convertible Loan Stock or such Further Stock purchased by the Company or any Subsidiary and cancelled) shall have been converted, the Company shall be entitled by not less than 28 nor more than 42 days' notice in writing to all Stockholders (a "compulsory conversion notice") given within 30 days after that conversion date, to convert, on the expiry date of such compulsory conversion notice, the whole (but not part only) of the Convertible Loan Stock into ordinary share capital at the conversion rate applicable on such expiry date and in the event of such notice being given as aforesaid the holding of Convertible Loan Stock of each Stockholder shall, subject as hereafter in this sub-paragraph 3.7.13 provided, be automatically converted at such rate on such expiry date (and so that for this purpose such expiry date shall be deemed to be a conversion date and the provisions of this paragraph 3 shall apply accordingly and the interest accrued on the Convertible Loan Stock to be converted shall become due on the expiry date of such compulsory conversion notice) provided that each Stockholder shall have the right by giving written notice to the Company within 20 days after the service of a compulsory conversion notice to require the Company, in lieu of converting, to repay the whole or such part as he may in such notice specify of his Convertible Loan Stock at par on the expiry date of the compulsory conversion notice together with interest accrued up to and including such date and in that event the Company shall be bound to repay such Convertible Loan Stock together with accrued interest accordingly.
- 3.7.14 The Convertible Loan Stock shall be known as 3% Convertible Unsecured Loan Stock 1997 so long as any Convertible Loan Stock shall remain capable of being converted. Thereafter the word "Convertible" shall be omitted from the title.
- 3.7.15 For the purpose of these Particulars, Convertible Loan Stock for the time being unconverted shall, pending its conversion, be deemed to remain capable of being converted from the date of issue thereof up to and including the last date on which

it could be converted or be treated as converted pursuant to any provision of this paragraph 3.

4. Redemption

- 4.1 All Convertible Loan Stock not previously redeemed, purchased or converted in accordance with any of the foregoing provisions will be redeemed on 31st July 1997 or, if later, the date falling 30 days after the conversion date in or in respect of the year 1996, at par together with interest accrued up to and including the date of redemption, provided that, if the date of redemption shall fall after 31st July 1997, any Stockholder may by giving notice to the Company not later than 24th July 1997 require redemption of all or such part as he may in such notice specify of his Convertible Loan Stock (not being Convertible Loan Stock in respect of which a conversion notice has been duly delivered) on 31st July 1997 at par together with interest accrued up to and including that date.
- 4.2 All Convertible Loan Stock redeemed, purchased or converted in accordance with any of the foregoing provisions shall be cancelled and shall not be reissued.
- 4.3 The Company may exercise its rights and powers of redemption, purchase and compulsory conversion as regards the Convertible Loan Stock and any further unsecured loan stock which may be issued pursuant to paragraph 5 below (not being a series which is identical and forms a single series with the Convertible Loan Stock) at its sole discretion and without obligation to maintain the ratio between the nominal amounts for the time being outstanding of stock of any series.

5. Issues of further unsecured loan stock

Subject to the terms hereof, provision will be made to enable further unsecured loan stock of the Company to be issued either so as to be identical in all respects with and to form a single series with the Convertible Loan Stock or on such terms, including rights as to interest, ranking, conversion, premium, repayment and otherwise as the directors of the Company may determine. Such further unsecured loan stock shall, if identical and forming a single series with the Convertible Loan Stock, and may, in any other case where it is to rank pari passu with the Convertible Loan Stock as regards repayment on a winding-up, with the consent of the Relevant Number of Stockholders, be constituted by a deed poll supplemental to the Deed Poll and shall accordingly be Further Stock. No additional loan capital of the Company or any Subsidiary shall be paid up in whole or in part by way of capitalisation of profits or reserves or be issued by way of collateral security.

6. Modification of rights

Stockholders will have power by Extraordinary Resolution, inter alia, to sanction any modification, abrogation or compromise of or arrangement in respect of their rights against the Company and to assent to any modification of the provisions of the Deed Poll. Provision will be made for convening separate meetings of the holders of the Convertible Loan

Stock and each series of any Further Stock when the Company considers this appropriate.

7. Transfer

The Convertible Loan Stock will be registered and transferable in integral multiples of 10p nominal.

8. Other Information

The Deed Poll will not contain any provisions subordinating the claims of Stockholders on a winding-up to the claims of other creditors of the Company, restricting the borrowings of the Company and the Subsidiaries or precluding the Company and the Subsidiaries from disposing of any of their respective assets or from changing the nature of their respective businesses or for prescription periods.

Temporary documents of title (the provisional allotment letters) accompany this letter to shareholders in respect of the Convertible Loan Stock.

Definitive certificates for the Convertible Loan Stock are expected to be despatched by post at the risk of the persons entitled thereto on 1st July 1988. After 17th June 1988 and pending the despatch of definitive certificates in respect of the Convertible Loan Stock, transfers of Convertible Loan Stock will be certified against the register, and will be transferable by instrument of transfer in the usual common form or in any other form which the directors may approve.

SECTION 3

STATUTORY AND GENERAL INFORMATION

1. Share Capital

- (i) The following table shows the authorised and issued share and loan capital of the Company as it is at present and as it will be following the implementation of the proposed rights issue (assuming shareholders take up their rights in full):-

Present	Authorised Proposed	Present	Issued and fully paid Proposed
£200,000	£200,000 Ordinary Shares of 10p	£161,500.50	£161,500.50
Nil	£219,640 Convertible Loan Stock	Nil	£219,640

- (ii) Following the passing of the Resolution set out in the Notice convening the Annual General Meeting of the Company held earlier today, the Directors have been unconditionally authorised in accordance with Section 80 of the Companies Act 1985 to allot relevant securities (as defined in that Section) up to a maximum nominal amount of £38,499.50 for a period expiring five years from the date of the Resolution.

Also following the passing of that Resolution and pursuant to the authority referred to above, the provisions of Section 89(1) of the Companies Act 1985 have been disapplied in connection with the issue of shares up to a nominal value of £38,499.50 for a period expiring on the date of the Annual General Meeting of the Company to be held in 1989.

The statutory rights of pre-emption have been disapplied in order:-

- (a) to allot Ordinary Shares arising on conversion of the Convertible Loan Stock on the terms described in this document; and
 - (b) to give the Directors flexibility in relation to issues of shares for cash involving the remaining authorised unissued and unreserved share capital of the Company (being (if the rights issue is taken up in full) £11,044.50, 6.84 per cent. of the current issued Ordinary share capital).
- (iii) The provisions of Section 89(1) of the Companies Act 1985 (which to the extent not disapplied pursuant to Section 95 of that Act) confer on shareholders rights of pre-emption in respect of the allotment of equity securities (within the meaning of Section 94(2) of that Act) which are or are to be paid in cash have, pursuant to the Resolution described above, accordingly been disapplied in relation to all the authorised but unissued Ordinary share capital of the Company.
- (iv) The £219,640 nominal of Convertible Loan Stock provisionally allotted under the rights issue was created by resolution of the

Board of the Company and is constituted by the Deed Poll described in Section 2 of this document. The Convertible Loan Stock has been provisionally allotted by resolution of the Board passed on 28th April 1988.

- (v) None of the Company's existing issued Ordinary Shares have been admitted to the Official List of The Stock Exchange and no application to any other Exchange has been made or is contemplated. None of the securities proposed to be offered pursuant to this issue has been sold, although Cadogan and the Directors (and members of their families) have undertaken to take up their rights in full.

2. Directors' and Other Interests

- (1) Cadogan is the registered holder and beneficial owner of 697,389 Ordinary Shares of the Company (43.18 per cent of the current issued share capital of the Company).

The issued share capital of Cadogan is £50,000 divided into 100,000 ordinary shares of 50p each held as follows:-

Shareholders	Ordinary Shares	Percentage
Mr. B.I. Leaver	50,000	(50%)
Mr. N.K. Ross	12,000	(12%)
Mr. A.I. Jaye	12,000	(12%)
Haigside Limited	26,000	(26%)

All the above shareholdings are beneficial, save that Mr. B.I. Leaver's shareholding includes 3,000 ordinary shares of 50p each of Cadogan as settlor of a settlement under which his children are entitled to benefit.

Haigside Limited has an issued share capital of £3,072 divided into 30,720 ordinary shares of 10p each, of which Mr. N.K. Ross holds 7,440 shares, Mr. A.I. Jaye holds 5,520 shares and the Trustees of the Ross Jaye Executive Pension Fund (under which Mr. N.K. Ross and Mr. A.I. Jaye are entitled to retirement and other benefits) hold 2,400 shares.

- (2) Ambercroft Properties Limited ("Ambercroft") is the registered holder and beneficial owner of 2,000 Ordinary Shares of the Company (0.12 per cent of the current issued share capital of the Company). The issued share capital of Ambercroft is held as to 33 per cent by Mr. N.K. Ross and as to 67 per cent jointly by Mr. B.I. Leaver (1) Mrs. J. Leaver (2) and Mr. B.I. and Mrs. J. Leaver (3) as Trustees of a settlement for the benefit of their children.

- (3) The interests of the Directors and their immediate families in the share capital of the Company as shown in the register of such interests under the provisions of the Companies Act 1985 are now, and assuming full implementation of the rights issue and exercise of the conversion rights attaching to the Loan Stock thereunder will be as follows:-

Names	Existing	Nos of Ordinary Shares of 10p each of SMR		
		Percentage	After Conversion	Percentage
N.R. Davies	12,750	0.79	14,917	0.79
N.K. Ross	1,000**	0.06	1,170**	0.06
D. Rogerson	5,000	0.31	5,850	0.31
A.I. Jaye	**		**	
B.I. Leaver	500**	0.03	585**	0.03
A.O.E. Davies	10,000	0.62	11,700	0.62
G. Davies	7,500	0.46	8,775	0.46

** The above shareholdings take no account of the 697,389 Ordinary Shares of 10p each of the Company held by Cadogan or (in the case of Mr. N.K. Ross and Mr. B.I. Leaver only), the 2,000 Ordinary Shares held by Ambercroft.

(4) Should Cadogan, Ambercroft, the Directors and their families be the only persons taking up their rights pursuant to this issue, and subsequently exercise their conversion rights in full, the interests of Cadogan, Ambercroft and the Directors in the share capital of SMR would be as follows:-

Names	Existing	Nos of Ordinary Shares of 10p each of SMR		
		Percentage	After Conversion	Percentage
Cadogan	697,389	43.18	815,945	46.90
Ambercroft	2,000	0.12	2,340	0.13
Directors	36,750	2.27	42,997	2.47
(together)				
Totals	736,139	45.57	861,282	49.50

(5) All the above interests are beneficial save that the entire interests of N.K. Ross and B.I. Leaver represent Ordinary Shares registered in the names of and beneficially held by their respective wives and the interests of A.O.E. Davies include 7,500 Ordinary Shares registered and beneficially held by his daughter L. Davies.

(6) Save for Cadogan, no person, firm or company, so far as the Directors are aware, is or will after the rights issue be interested in five per cent. or more of the issued share capital of the Company.

(7) Save as disclosed herein, no Director is interested either directly or indirectly in any of the assets acquired or disposed of by or leased to the Company or Aviation proposed to be acquired or disposed of by or leased to the Company or Aviation or any contract or arrangement to which the Company or Aviation is party.

(8) The remuneration of the Directors of both SMR and Aviation for the year ending 31st December 1988 will amount to £51,090. None of the Directors has a service contract with the Company terminable on more than

three months' notice save for Mr. N.R. Davies who has a service contract dated 29th October 1984 whereunder he was appointed executive chairman of the Company for life at an annual salary of £7,000.

(9) Save as disclosed herein, there are no significant contracts subsisting with the Company or Aviation in which a Director has a material interest.

(10) Save as disclosed herein, there is no agreement, arrangement or understanding between Cadogan and the Company having any connection with or dependence upon the rights issue.

(11) As at the date of this document there were no loans or guarantees outstanding from the Company to or for the benefit of any Directors of the Company.

(12) Save as disclosed herein, no Director of the Company has, or has had, any interest in transactions with the Company or Aviation which are or were unusual in their nature or conditions or significant to the business of the Group and which were effected by the Company or Aviation during the current or immediately preceding financial year or during an earlier financial year and remain in any respect outstanding or unperformed.

3. Material Contracts

Save for the undertakings given to the Company by the Directors (and their families) Cadogan and Ambercroft in relation to them taking up their rights pursuant to this issue, there are no contracts (not being contracts entered into during the ordinary course of business) which have been entered into by the Company or Aviation within the two years immediately preceding the date of this document, and which are or may be material.

4. Material Changes

Save as disclosed herein there have been no material changes in the trading or financial position or prospects of the Company or Aviation since 31st December 1987 (the date to which the latest audited accounts of the Group were made up).

5. Litigation

So far as the Directors are aware neither the Company nor Aviation has any litigation or claims of material importance pending or threatened against them and the Directors know of no facts which are likely to lead to any such litigation or claim.

6. Taxation

Capital Gains Tax

(i) It is understood that under present U.K. law and Inland Revenue practice the treatment of the entitlements for the purposes of U.K. capital gains tax in respect of the rights issue will be as follows:-

(a) any shareholder who takes up his rights to Loan Stock in whole or in part will not incur any liability to taxation as a result;

(b) a shareholder who disposes of all or some of his rights for consideration (without making any payment

in respect of them) may, depending upon his individual circumstances, incur a liability to taxation. However, an amount received on any disposal of rights may, where appropriate, instead be treated as a small capital distribution and be deducted from the base cost of his original holding; and

- (c) on conversion of Loan Stock into Ordinary Shares of the Company, Stockholders will not incur any liability to capital gains tax as a result (except possibly to a minimal extent on the sale of fractional entitlements) but (for those Stockholders who have not invested under the BES) any new Ordinary Shares which such Stockholder acquires by reason of exercise of his conversion rights will be assimilated into his existing holding of Ordinary Shares. His original base cost (together with any amounts subscribed for Loan Stock) will be apportioned amongst that assimilated holding. Stockholders who have subscribed for Ordinary Shares under the BES are subject to different provisions in that Loan Stock acquired by them under the rights issue will be regarded as a separate asset from their original holding of Ordinary Shares, as will any Ordinary Shares arising on conversion of the Loan Stock.

Tax on Dividends

- (ii) Under current U.K. taxation legislation, no tax will be withheld at source from dividend payments made by the Company. However, when paying a dividend, the Company has to account to the Inland Revenue for an amount of advance corporation tax ("ACT") at a rate which is related to the basic rate of income tax and is currently equal to 25/75ths of the dividend paid. For shareholders resident in the U.K. the ACT paid is available as a tax credit, which individual shareholders who are so resident may set off against their tax liability on total income or, in appropriate cases, reclaim in cash. A U.K. resident corporate shareholder will not be liable to U.K. corporation tax on any dividend received. Whether holders of Ordinary Shares in the Company who are resident in countries other than the U.K. are entitled to a payment from the Inland Revenue of a proportion of the tax credit in respect of dividends on such shares depends in general upon the provisions of any double tax convention or agreement which exists between such countries and the U.K. Special rules would apply under current U.K. tax legislation to any capital distribution.

Tax on Interest Payments

- (iii) The Company will be required to deduct income tax at the basic rate (currently 25 per cent.) from payments of interest made in respect of the Loan Stock and account for the same to the Inland Revenue. Stockholders will be chargeable to income or corporation tax on the total of the interest received and the income tax deducted.

A Stockholder which is a company resident in the U.K. will be chargeable to corporation tax in respect of the gross amount but the income tax deducted will be set off against the company's liability. A Stockholder not chargeable to corporation tax in respect of the interest will be chargeable to income tax in respect of the gross amount, whether resident in the U.K. or not, but the tax deducted will discharge his liability to income tax at the basic rate. Since the interest on the Loan Stock will not be paid over regular periods but will be accumulated and paid on redemption or earlier conversion, individuals who (after taking account of their receipt of interest) pay higher rate income tax will be required to pay additional tax on the gross income calculated at a rate equal to the difference between the basic rate and the higher rate tax. If the amount of income tax deducted exceeds the individual's liability, he will be able to claim payment of the excess from the Inland Revenue.

The chargeability of a Stockholder who is not resident for tax purposes in the U.K. to income tax and, accordingly, his right to claim any part of the tax deducted will depend upon the existence and terms of any double tax convention between the U.K. and the country in which he is resident. Such holders should consult their own tax advisers about their liability to tax on interest received, whether they are entitled to claim any part of the tax deducted and, if so, the procedure for so doing.

- (iv) It is understood that the Inland Revenue takes the view that (subject as mentioned below) interest on Loan Stock which is accumulated and not paid until redemption or earlier conversion is not within the scope of the accrued income scheme provisions of the Finance Act 1985 so that such interest would not be regarded as income of the Stockholder for tax purposes until it was actually received. The provisions of the accrued income scheme would, however, apply (subject to the statutory exemptions) if the Loan Stock is transferred with the right to receive interest at a later date. For example, if the Loan Stock were sold "cum interest" the transferor would be treated as entitled to a sum equal to the accrued gross interest while the transferee would be entitled to relief from tax on the same amount when the interest is actually received.

Stamp Duty and Stamp Duty Reserve Tax

- (v) Following the enactment of the Finance Act 1986, stamp duty reserve tax is imposed upon agreements to transfer "chargeable securities". Generally speaking the renunciation of nil and fully paid Provisional Allotment Letters on or before the latest time for registration of renunciation will not be liable to stamp duty but will (subject to exceptions for certain market makers, brokers and dealers and others) give rise to a charge to stamp duty reserve tax at the rate of 50p per £100 or part of £100 of the actual consideration paid for the renunciation and in normal circumstances it is the purchaser (i.e. the renouncee) who is liable for the tax.

If the tax has been included in the contract note issued to you, you need take no action; in any other case you should immediately contact the Inland Revenue, Stamp Duty Office at Bush House, South West Wing, Strand, London WC2B 4QN in order to pay the tax. After the latest time for registration of renunciation, any transfer or sale will be subject to ad valorem stamp duty or (if an unconditional agreement to transfer is not completed by a duly stamped transfer within two months) stamp duty reserve tax in each case at the rate of 50p for every £100 or part of £100 of the consideration paid.

- (vi) Any person who is in doubt as to his tax position should consult an appropriate professional adviser without delay.

7. Overseas shareholders

Persons resident in overseas territories (including the Channel Islands and the Isle of Man) should consult their professional advisers as to their individual tax position and as to whether they require any governmental or other consents or need to observe any other formalities to enable them to take up the Loan Stock provisionally allotted to them. Despatch or receipt of a provisional allotment letter will not constitute an offer in those jurisdictions in which it would be illegal to make such an offer and, in such circumstances, a provisional allotment letter is sent for information only. All payments must be made in pounds sterling and cheques should be drawn on a bank in the UK and made payable to Snowdon Mountain Railway plc.

The Loan Stock will not be registered under the securities laws of Canada or of the U.S. or any territory or possession thereof and accordingly is not being offered to holders with registered addresses in those countries.

8. Indebtedness

As at the close of business on 31st March 1988 (the latest practicable date prior to the printing of this document) SMR and Aviation had outstanding secured bank overdrafts of £179,298, secured loans of £172,286 and hire purchase commitments of £625.

Save as aforesaid and apart from inter-group liabilities, neither SMR nor Aviation had at the close of business on that date any loan capital (including term loans) outstanding or created but unissued, or any borrowings or indebtedness in the nature of borrowing, including bank overdrafts, liabilities under acceptances (other than nominal trade bills) or acceptance credits, mortgages, charges, hire purchase commitments or guarantees or other material contingent liabilities.

9. General

(1) The costs charges and expenses and fees (excluding value added tax) in relation to the rights issue are payable by the Company and are estimated to amount in total to £20,000.

(2) The Company has one subsidiary, Snowdon Mountain Aviation Limited registered in Wales No. 1941911.

(3) Derek Hicks & Thew, architects, have given and have not withdrawn their written consent to the issue of this document with the

inclusion of their letter and the references to them in the form and context in which they respectively appear.

(4) Save as disclosed herein:-

- (a) within the two years immediately prior to this rights issue, no share or loan capital of the Company has been or is proposed to be issued for cash or for a consideration other than cash;
- (b) no commissions, discounts, brokerages or other special terms have been granted or will be payable in connection with the issue or sale of any share or loan capital of the Company within the two years prior to the date of this document or in respect of Loan Stock to be issued pursuant to this rights issue;
- (c) No share or loan capital of the Company is under option or has been agreed conditionally or unconditionally to be put under option.

10. Documents available for Inspection

Copies of the following documents will be available for inspection at the offices of Messrs. Gouldens 118 Chancery, London, WC2A 1JJ and at the registered office of the Company, Llanberis, Caernarfon, Gwynedd LL55 4TY Wales during usual business hours on any weekday (Saturdays and public holidays excepted) up to and including 24th May, 1988:-

- (i) the Memorandum and Articles of Association of SMR and of Aviation;
- (ii) the audited consolidated published accounts of the Group and the audited published accounts of each of SMR and Aviation for the two financial periods ended 31st December 1986 and 31st December 1987.
- (iii) the undertakings of Cadogan, Ambercroft, the Directors (and their families) referred to in paragraph 3 of this Section and in the paragraph headed "Introduction" in Section 1;
- (iv) the service contract referred to in paragraph 2(7) of this Section;
- (v) the Deed Poll constituting the Loan Stock;
- ✓(vi) the letter from Messrs Derek Hicks & Thew referred to in Section 5 and the plans and elevations of the proposed museum;
- (vii) the planning permission and building regulation consents referred to in the paragraph headed "Reasons for the Issue" in Section 1; and
- (viii) the WTB offer of grant referred to in the paragraph headed "Reasons for the Issue" in Section 1.

SECTION 4

SUMMARY OF AUDITED CONSOLIDATED BALANCE SHEET OF GROUP AS AT 31ST DECEMBER 1987 AND OF AUDITED CONSOLIDATED PROFIT AND LOSS ACCOUNT OF GROUP FOR THE YEAR ENDED 31ST DECEMBER 1987

<u>Consolidated Balance Sheet</u>		<u>£</u>	<u>£</u>
Tangible fixed assets			1,064,124
Current assets			
Stock	108,747		
Debtors	92,349		
Cash	<u>34,472</u>		
	235,568		
Creditors falling due within one year	<u>200,082</u>		<u>35,486</u>
Total assets less current liabilities			1,099,610
Creditors falling due after more than twelve months	113,839		
Provision for deferred taxation	<u>34,697</u>		<u>148,536</u>
Net assets			<u>£ 951,074</u>
Share capital			161,500
Share premium			619,250
Revaluation reserve			3,104
Profit and loss account			<u>167,220</u>
			<u>£ 951,074</u>
<u>Consolidated Profit and Loss Account</u>			
Turnover			1,127,780
Cost of Sales			<u>794,724</u>
Gross profit			333,056
Administrative expenses			273,517
Interest			<u>24,748</u>
Profit before taxation			34,791
Taxation			-
Profit after taxation, retained			<u>£ 34,791</u>

SECTION 5

DETAILS AND PLANS FOR AND CONSTRUCTION COSTS OF THE MUSEUM

1. Location of and access to Caernarfon Airport and air museum

Caernarfon airport is situated on a peninsula jutting into Caernarfon Bay approximately 10 miles by road south-west of Caernarfon town centre.

It is alongside the popular Dinas Dinlle beach and convenient to the main holiday centres on Anglesey, on the North Wales coast and on the Llyn peninsula. The Llandudno/Conwy conurbation (which is stated to contain approximately 25% of the serviced bed space in Wales) is less than an hour's drive away and Butlin's Holiday World at Pwllheli is only a few miles down the A499.

Statistics show that, in 1985, the average daily flow of vehicles on the main A487 through Caernarfon was between 10,000 and 20,000 vehicles. Although only a proportion of these vehicles represent tourist traffic, the figures nevertheless indicate the ease with which visitors can reach the airport and its proposed museum. The very extensive road improvements now being carried out on the North Wales A55 Expressway, including the construction of the new Conwy Tunnel, will facilitate access to the area which, the Directors believe, will attract even more visitors. By the time the improvements are complete, Manchester, for example, should be little more than a two-hour car drive away from Caernarfon.

2. History of Caernarfon Airport

Caernarfon airport itself was opened in January 1941 as R.A.F. Llandwrog and was originally a base for No. 9 Air Gunnery School.

It has a permanent place in the annals of the Royal Air Force ("R.A.F.") as the birthplace of the Mountain Rescue Services. During 1942, following a series of major aircraft accidents in Snowdonia and the problems of recovering both men and equipment from the hostile environment of the mountains, the first R.A.F. Mountain Rescue Team was formed, headed by Llandwrog's medical officer, Flight Lieutenant G.W. Graham. So effective was the team that it developed into the R.A.F. Mountain Rescue Service, today based across the Menai Straits on Anglesey at R.A.F. Valley.

The airfield was operational until the end of the second World War. R.A.F. flying ceased in 1945 after which the aerodrome was used to store and disarm large quantities of high explosives and gas bombs. The airfield was effectively abandoned in the late 1950's.

In 1969, there was a brief return to military activity when helicopters of No. 10 Flight Army Air Corps and some 2,000 troops camped on the airfield for the investiture of the Prince of Wales at Caernarfon Castle.

In August 1975, one of the aerodromes' three runways was reopened for civilian flying by the owners of nearby Fort Belan.

The airport was acquired by SMR (through its subsidiary, Aviation) in February 1986, and is now operated on a 125-year lease commencing on 1st February 1986 from the Trustees of Glynllifon Estate Trust.

All the land necessary for the completion of the museum project is contained within the area leased. In addition, the lease includes options, exercisable on or before 1st February 1996, over a further 109 acres (approximately) of adjacent land.

Some of the proceeds from the BES Offer for Subscription in January 1985 were used by SMR (through Aviation) to refurbish the neglected control tower at the airport and to construct a new flight operations building, (containing a tourist shop), car parking and other public facilities. This initiative has already resulted in considerably increased activity at the airport, especially in pleasure flights and the return of the flying club and flying school (which now has over 100 students on its books).

All operations at the airport conform with the relevant Civil Aviation Authority ("C.A.A.") requirements. The airport is licenced by the C.A.A. and a Category 1 Licence has been in force since February 1986.

3. Description of Building

The drawings included in this Section show the intended air museum which has received full planning permission and building regulation approval.

The museum is intended to be approximately 1,000 sq.m. (10,765 sq.ft) in floor area, being 54m long by 18m wide, with a small additional entrance lobby at one end. It will be of steel portal frame construction with the lower height of the external walls in brick and the remaining sections of wall and roof clad in coloured profiled steel cladding coated with Pvf² in view of the exposed position and marine atmosphere.

Whilst being of a basic industrial construction the colouring of the external cladding (agreed as part of the planning permission) and the curved eaves are intended to emphasise the leisure aspect of its use. At the same time, its intended general shape and size would make the museum compatible with the nearby aircraft hangar and other airport buildings on the site.

There are no intermediate internal columns and the inner space is completely available for exhibition purposes.

The Architects appointed for the entire museum project are Messrs. Derek Hicks & Thew of Liverpool.

4. Exhibits and layout of Museum

Aviation has already purchased and has in its possession the following items which will form the nucleus of exhibits at the museum:-

- Westland "Whirlwind" helicopter

- Bristol "Sycamore" helicopter
- De Havilland "Vampire" jet fighter/trainer
- Vickers "Varsity" flight deck procedure training simulator
- Gloster "Javelin" (cockpit and nose section only)
- Kirby "Cadet" training glider
- Collection of aircraft gas turbine and piston engines
- "Ejector seat" display
- partially built "Flying Flea" wooden aeroplane (one of the earliest aircraft available in Kit form for private flying).

In addition, Aviation has been approached by local collectors for the museum to display a collection of photographs, models and archive material showing the airport as R.A.F. Llandwrog together with historical photographs and material connected with the 617 (Dambusters) Squadron.

These collections will be housed in a wooden 'hut' within the main museum building, built to simulate the classical R.A.F. crew room of the Second World War. (See the internal perspective sketch enclosed).

There will also be an audio-visual display area contained in a replica of an R.A.F. wartime camp cinema (see sketch plan for main display items).

The aircraft exhibits will be arranged in such a way as to give as much visual impact as possible and to encourage a "walk of discovery" starting from the main entrance lobby. To recognise the significance of the airbourne Mountain Rescue Service to Caernarfon airport, it is intended that one of the principal exhibits will be the Westland "Whirlwind" helicopter mounted as part of a double-sided display illustrating a mountain rescue operation.

SUMMARY OF ESTIMATED COSTS

A summary of the estimated costs of construction of the museum (which have been reviewed by the Architects who consider them to be reasonable) are set out below:-

1.	Steelwork and cladding	£ 71,000
2.	Foundations, floor, brickwork etc.	£ 56,000
3.	Lighting, power, heating	£ 12,000
4.	Landscaping and external works	£ 9,000
5.	Internal builders work for displays	£ 9,000
6.	Specialist display and presentation work	£ 15,000
7.	Additional exhibits	£ 10,000
8.	Adventure playground	£ 16,000
9.	Improvement to incoming electricity supply	£ 1,000
10.	Consultants' and Architects' fees	£ 8,000
11.	Work to car park area	£ 10,000
12.	Toilet for disabled visitors	£ 6,000
13.	Contingency	£ 7,000
		<u>£ 230,000</u>

The costs of purchase of the exhibits listed in paragraph 4 above, being already in Aviation's possession, are not included in the above figures

but are reflected in the balance sheet figures for Aviation shown in its audited accounts for the year ending 31st December 1987.

LETTER FROM ARCHITECTS

A copy of the letter received from the Architects to the air museum, project is set out below:-

Derek Hicks and Thew
Chartered Architects
61 Duke Street
Liverpool L1 5AP

18 April 1988

Derek Rogerson, Esq
General Manager
Snowdon Mountain Railway
Llanberis
Caernarfon
Gwynedd
LL55 4TY

Dear Mr Rogerson

PROPOSED AIR MUSEUM AT CAERNARFON AIRPORT

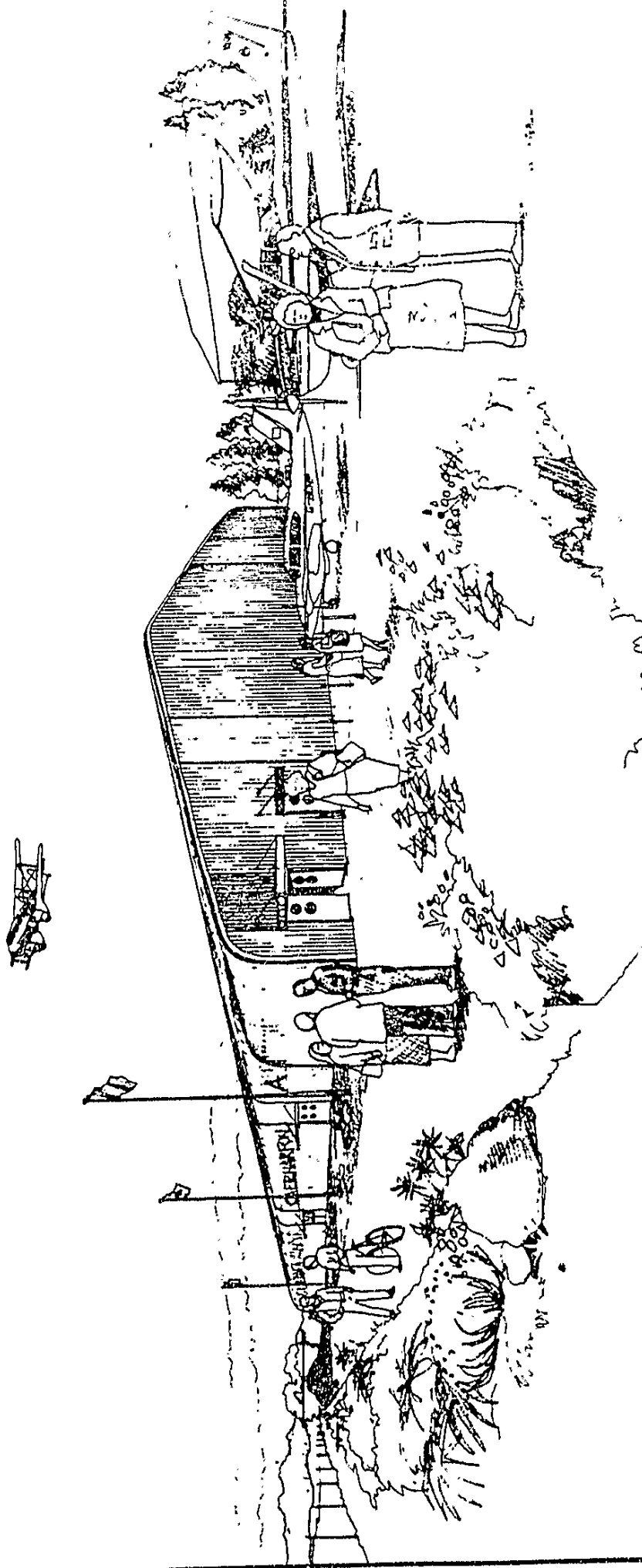
Further to our recent letter we confirm that we are pleased to accept the commission as Architects for the project at Caernarfon.

We understand the scheme is to proceed as the drawings refined during the design process and it is our professional opinion that the design of the building, interior design, fitting out and associated landscaping will be entirely appropriate for the continuing development of the airport.

With regard to the programme we confidently expect that, barring any unforeseen circumstances, the project can be completed by early Summer 1989 at an overall cost of approximately £230,000 if we continue with the project specifications that we have at present and that work begins during the latter part of this year.

Yours sincerely

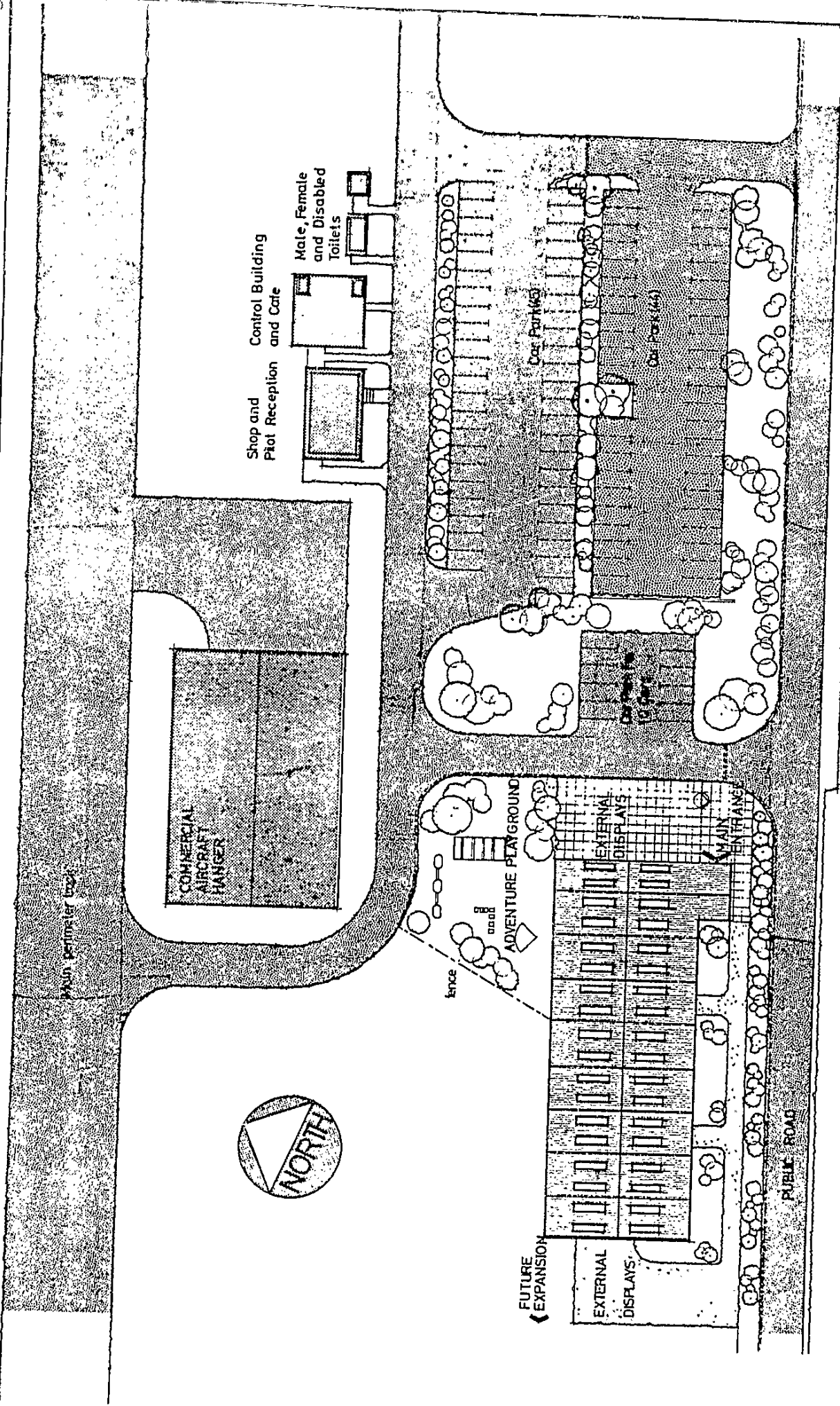
G M THEW
DEREK HICKS AND THEW



AMGUEDDFA AWYR - CAERNARFON - AIR MUSEUM

Snowdon Mountain Aviation

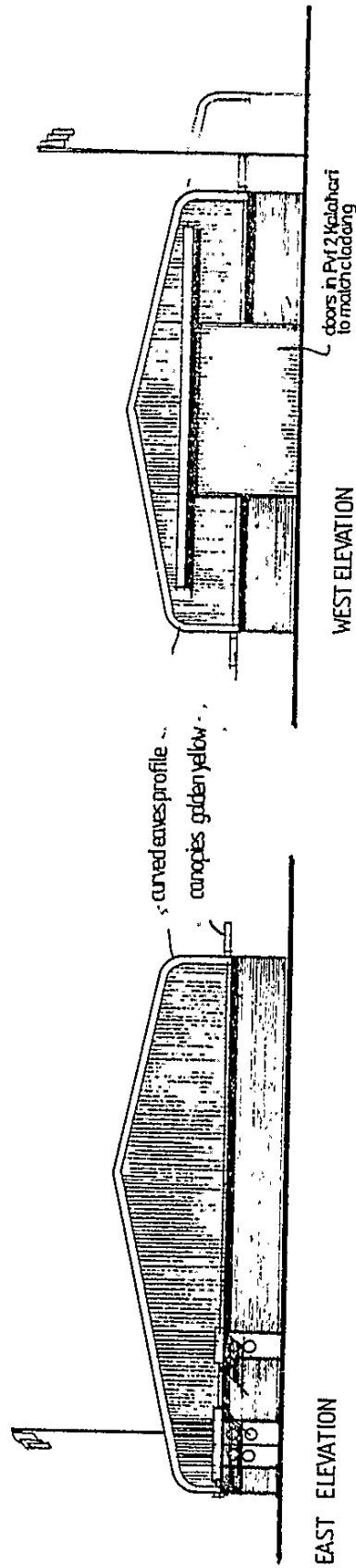
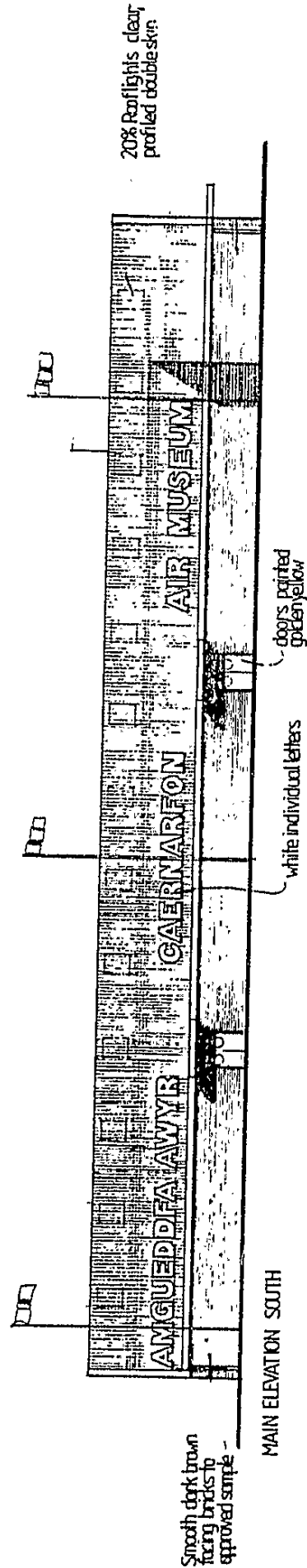
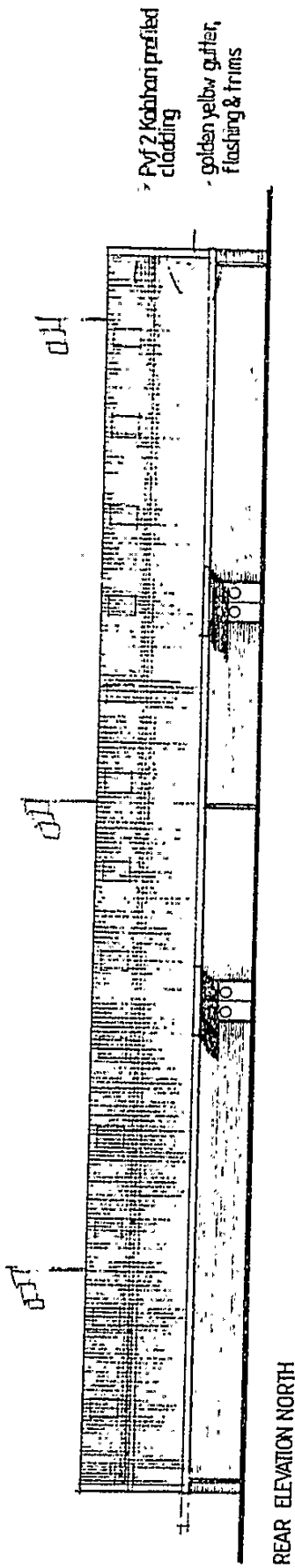
Derek Hicks and Thew
CHARTERED ARCHITECTS



LOCATION PLAN

CAERNARFON AIRPORT MUSEUM

Derek Hicks & Thew Architects

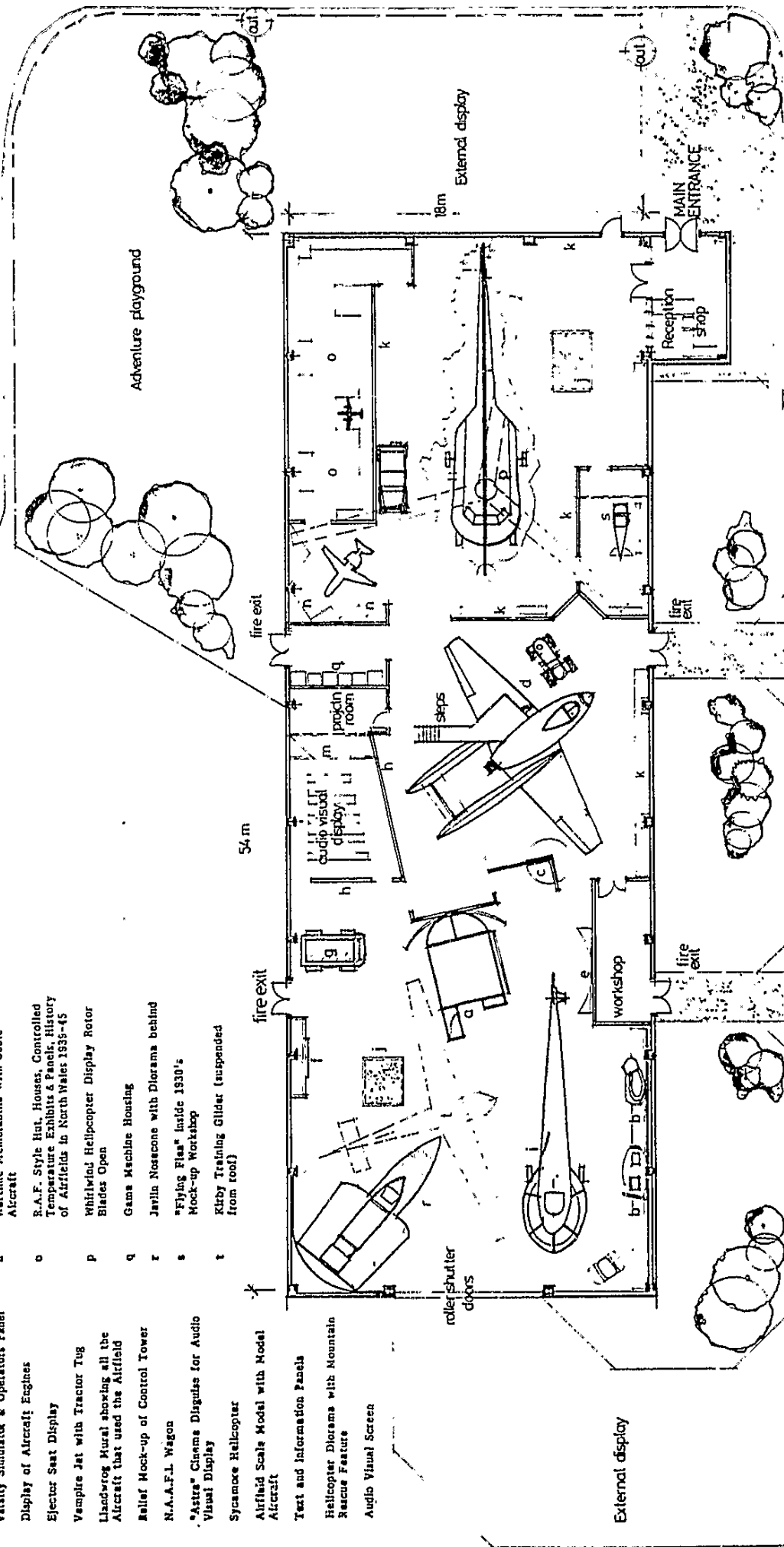


Derek Hicks and Thew
CHARTERED ARCHITECTS
81 DUNE STREET LANSKROOL 11 8AP TELEPHONE 041 750 1246

PROPOSED AIR MUSEUM
CAERNARFON AIRPORT for
SNOWDON MOUNTAIN AVIATION

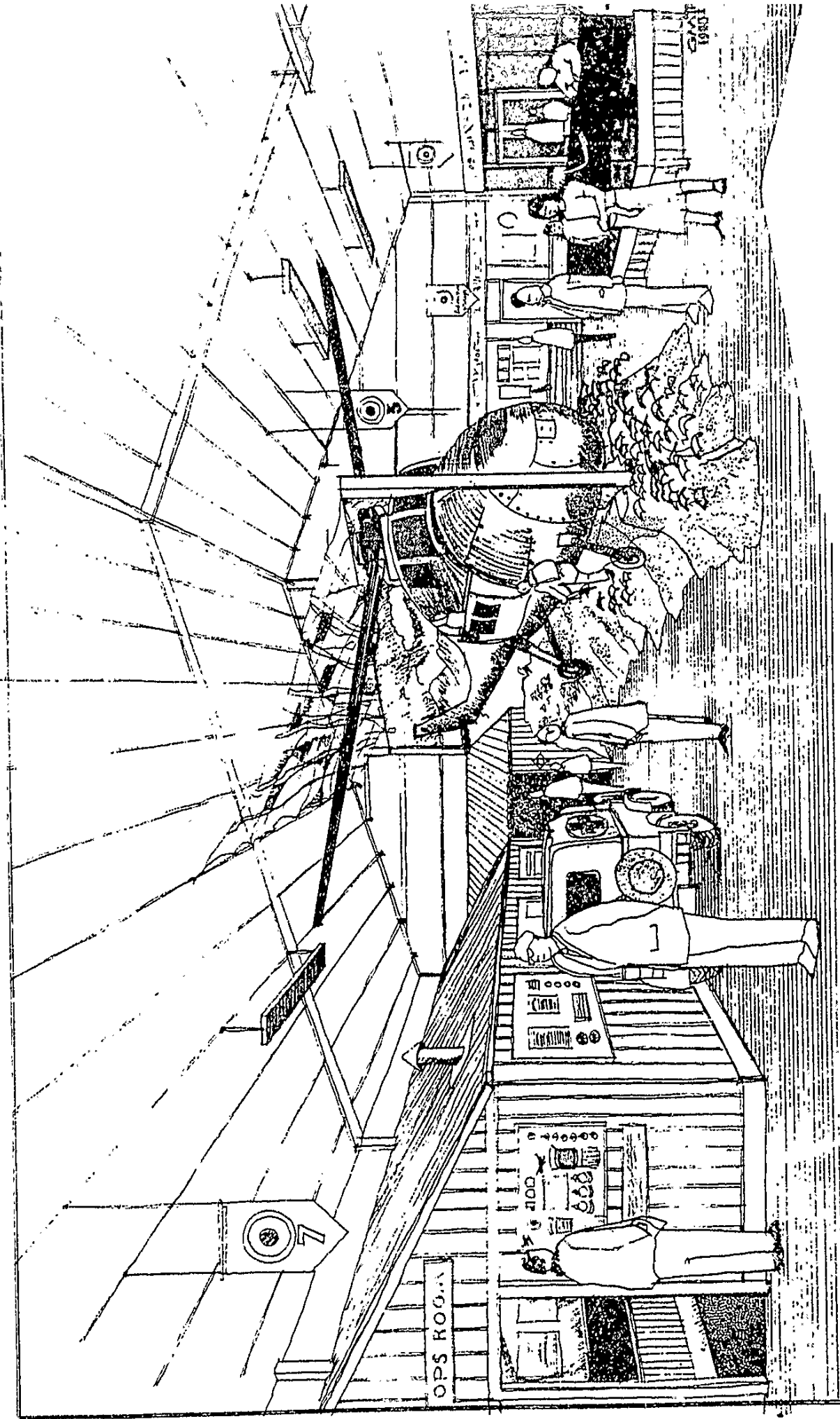
KEY

- a Varsity Simulator & Operators Panel
- b Display of Aircraft Engines
- c Ejector Seat Display
- d Vampire Jet with Tractor Tug
- e Landing Gear Mural showing all the Aircraft that used the Airfield
- f Relief Mock-up of Control Tower
- g N.A.A.F.L. Wagon
- h "Astre" Cinema Displays for Audio Visual Display
- i Sycamore Helicopter
- j Airfield Scale Model with Model Aircraft
- k Text and Information Panels
- l Helicopter Diorama with Mountain Rescue Feature
- m Audio Visual Screen
- n Wartime Memorabilia with Scale Aircraft
- o R.A.F. Style Hut, Housings, Controlled Temperature Exhibits & Panels, History of Airfields in North Wales 1935-45
- p Whirlwind Helicopter Display Rotor Blades Open
- q Game Machine Housing
- r Jetlin Nosecone with Diorama behind
- s "Flying Flap" inside 1930's Mock-up Workshop
- t Kitty Training Glider (suspended from roof)



SKETCH PLAN FOR MAIN DISPLAY ITEMS
CAERNARFON AIRPORT MUSEUM

DEREK HICKS AND THER
CHARTERED ARCHITECTS
051-709 2249 April '88



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