

No. 177777

The Companies Act 1985

COMPANY LIMITED BY SHARES

Ordinary Resolution

of

BRITISH AIRWAYS Plc

Passed 14th August 1987

CERTIFIED TRUE COPY

Clive G. Smith
CLIVE G. SMITH
ASSISTANT SECRETARY
BRITISH AIRWAYS
SPECIAL AGENT
HEATHROW AIRPORT (LONDON)
HOUNSLOW

At an EXTRAORDINARY GENERAL MEETING of the above named Company, duly convened and held at The Central Hall, Westminster, London, SW1 on Friday the fourteenth day of August 1987, the following RESOLUTION was duly passed as an ORDINARY RESOLUTION, namely:

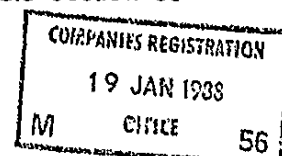
THAT:

A the acquisition by British Airways Plc (the "Company") of British Caledonian Group plc ("B-Cal Group") by means of an offer (the "Offer") by the Company for the share capital of B-Cal Group on such terms as the Directors may consider appropriate, be and is hereby approved; and

B conditional upon the Offer becoming or being declared unconditional in all respects:

(i) the authorised share capital of the Company be and it is hereby increased from £240,000,000 to £267,000,000 by the creation of 108,000,000 new ordinary shares of 25p each; and

(ii) in addition and without prejudice to the authority granted by the Articles of Association of the Company the Directors be and they are hereby unconditionally authorised and empowered pursuant to and in accordance with Section 80 of the Companies Act 1985 to exercise for the period of 12 months from the date of passing of this Resolution all the powers of the Company to allot and to make offers or agreements to allot relevant securities (including offers or agreements which would or might require relevant securities to be allotted after the expiry of the said period) up to an aggregate nominal amount of £27,000,000 in pursuance of the Offer and for the purpose of this Resolution, words and expressions defined in or for the purpose of the said Section 80 shall bear the same meanings.



Lord King of Wartnaby
Chairman