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395

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CHFP041

COMPANIES FORM No. 395

Particulars of a mortgage or charge

A fee of £13 is payable to Companies House in respect of each register entry for a mortgage or charge.

Please do not write in this margin

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

* Insert full name of company

Pursuant to section 395 of the Companies Act 1985

To the Registrar of Companies
(Address overleaf - Note 6)

For official use Company number

6

02761171

Name of company

* Churngold Remediation Limited (the "Company")

Date of creation of the charge

28 October 2005

Description of the instrument (if any) creating or evidencing the charge (note 2)

6 Mortgage Debenture (the "Debenture")

Amount secured by the mortgage or charge

4
10 See attached schedule, Part I

Names and addresses of the mortgagees or persons entitled to the charge

Churngold Construction Holdings Limited (the "Guarantor")

St Andrews House,
St Andrew's Road,
Avonmouth, Bristol

Postcode BS11 9DQ

Presentor's name, address and reference (if any):

Osborne Clarke (ref:SHX)
2 Temple Back East
Temple Quay
Bristol BS1 6EG
DX 7818 Bristol

For official use (06/2005)

Mortgage Section

Post room

Time critical reference



Short particulars of all the property mortgaged or charged

See attached schedule, Part II

Please do not
write in
this margin

01
95
Please complete
legibly, preferably
in black type or
bold block
lettering

A fee is
payable to
Companies House
in respect of each
register entry for a
mortgage or
charge.
(See Note 5)

Particulars as to commission allowance or discount (note 3)

None

Signed Osborne Clarke

Date 2 November 2005

On behalf of ~~company~~ [mortgagee/chargee]

Notes

†Delete as
appropriate

1. The original instrument (if any) creating or evidencing the charge, together with these prescribed particulars correctly completed must be delivered to the Registrar of Companies within 21 days after the date of creation of the charge (section 395). If the property is situated and the charge was created outside the United Kingdom delivery to the Registrar must be effected within 21 days after the date on which the instrument could in due course of post, and if dispatched with due diligence, have been received in the United Kingdom (section 398). A copy of the instrument creating the charge will be accepted where the property charged is situated and the charge was created outside the United Kingdom (section 398) and in such cases the copy must be verified to be a correct copy either by the company or by the person who has delivered or sent the copy to the registrar. The verification must be signed by or on behalf of the person giving the verification and where this is given by a body corporate it must be signed by an officer of that body. A verified copy will also be accepted where section 398(4) applies (property situate in Scotland or Northern Ireland) and Form No. 398 is submitted.
2. A description of the instrument, eg "Trust Deed", "Debenture", "Mortgage" or "Legal charge", etc, as the case may be, should be given.
3. In this section there should be inserted the amount or rate per cent. of the commission, allowance or discount (if any) paid or made either directly or indirectly by the company to any person in consideration of his:
 - (a) subscribing or agreeing to subscribe, whether absolutely or conditionally, or
 - (b) procuring or agreeing to procure subscriptions, whether absolute or conditional,for any of the debentures included in this return. The rate of interest payable under the terms of the debentures should not be entered.
4. If any of the spaces in this form provide insufficient space the particulars must be entered on the prescribed continuation sheet.
5. A fee of £13 is payable to Companies House in respect of each register entry for a mortgage or charge. Cheques and Postal Orders are to be made payable to **Companies House**.
6. The address of the Registrar of Companies is:- Companies House, Crown Way, Cardiff CF4 3UZ.

**Schedule to Form M395 in relation to
Churngold Remediation Limited (Company number: 02761171)**

Part I – Amount secured by the mortgage or charge:

Under the Debenture the Company covenanted with the Guarantor that it would on demand pay and discharge to the Guarantor, when they fall due for payment, all monies and liabilities (whether present or future, actual or contingent) now or at any time or times after the date of the Debenture due, owing or incurred by the Company to the Guarantor pursuant to the granting by the Guarantor of the Guarantee, including for the avoidance of doubt but without limiting the generality of the foregoing statement any counter-indemnity (whether express or implied) granted by the Company in favour of the Guarantor and any fees, commission, interest, costs, or charges due thereunder, but excluding any monies and liabilities which if included would constitute unlawful financial assistance within the meaning of section 151 Companies Act 1985.

Under the Debenture the Company covenanted to pay all reasonable costs, charges and expenses properly incurred by the Guarantor (including those arising from the Guarantor perfecting or enforcing or attempting to enforce this Security or any other security held by the Guarantor from time to time) and all payments made by the Guarantor or any Receiver appointed under the Debenture in the lawful exercise of the powers conferred by the Debenture whether or not occasioned by any act, neglect or default of the Company shall carry interest from the date of their being incurred or becoming payable at the rate per annum specified by the Guarantor in writing from time to time and the amount of all such costs, charges, expenses and payments and all interest on them and all remuneration payable under the debenture shall be payable by the Company on demand and shall be secured by the Debenture. All such costs, charges, expenses and payments shall be paid and charged as between the Guarantor and the Company on the basis of a full indemnity and not on the basis of a party and party or any other kind of taxation.

Part II – Short Particulars of the property mortgaged or charged

Under the Debenture the Company with full title guarantee and to the intent that the Security shall rank as continuing security for all the respective liabilities and obligations described in clause 2 of the Debenture (as detailed in Part I above) charges to the Guarantor:

- (a) by way of legal mortgage all estates and interests in the freehold/ leasehold property of the Company now vested in it together with all buildings and fixtures (including trade and other fixtures) and fixed plant and machinery owned by the Company and from time to time in or on such property and the proceeds of sale of such assets;
- (b) by way of fixed equitable mortgage all estates and interests in any freehold or leasehold property of the Company (other than such property effectively mortgaged under sub-clause (a)) now and at any time during the continuance of this Security together with all buildings and fixtures (including trade and other fixtures) and fixed plant and machinery owned by the Company and from

time to time in or on any freehold or leasehold property and the proceeds of sale of such assets;

- (c) by way of fixed charge all stocks, shares, bonds, loan capital and other securities both present and future belonging to the Company (including stocks or shares acquired pursuant to scrip dividends) and all rights relating to them;
- (d) by way of fixed charge all Book Debts and other debts both present and future due or owing to the Company;
- (e) by way of fixed charge all the goodwill and uncalled capital of the Company both present and future;
- (f) by way of fixed charge all Intellectual Property Rights and all licences and ancillary rights and benefits both present and future of the Company; and
- (g) by way of floating charge the undertaking and all other property, assets and rights of the Company both present and future including without limitation those referred to sub-clauses (a) to (f) if and insofar as the security on those property, assets and rights shall for any reason be ineffective as security of the nature described in those sub-clauses.

The floating charge created by the Debenture is a qualifying floating charge for the purpose of paragraph 14 of Schedule B1 to the Insolvency Act 1986.

NB

Under the Debenture the Guarantor agreed that it would:

1. Not without the previous written consent of the Guarantor:
 - (a) sell, give or share possession of, grant or agree to grant any lease or tenancy of, or accept or agree to accept a surrender or any variation or addition to the terms of any lease or tenancy of, or otherwise dispose of all or any part of the Fixed Charged Property; or
 - (b) sell, assign or otherwise dispose of all or any part of the Floating Charged Property except in the ordinary course of business; or
 - (c) create or attempt to create any fixed mortgage, fixed or floating charge or other security upon any part of the Charged Property which would rank in priority to or pari passu with the mortgages and charges created by the Debenture; or
 - (d) allow any lien to arise on or affect any part of the Charged Property except a lien arising by operation of law in the ordinary course of business; or
 - (e) take any steps for the appointment of an administrator without first giving to the Guarantor 5 business days' notice of intention to do so.

2. Subject to the rights of any prior mortgagee the Company shall immediately deposit with the Guarantor and the Guarantor shall hold and retain all deeds and documents of title relating to the Fixed Charged Property.
3. The Company shall, if and when called upon by the Guarantor, execute in favour of the Guarantor or as the Guarantor shall direct such further legal and other mortgages, charges and assignments as the Guarantor shall require of and on all the Company's estate and interest in the Fixed Charged Property (including any vendor's lien) to secure all principal and other monies intended to be secured by the Debenture such mortgages, charges or assignments to be prepared by or on behalf of the Guarantor at the cost of the Company and to be in such form as the Guarantor may reasonably require.
4. During the continuance of the Debenture the Company shall:
 - (a) pay into a current account or a separate designated account (as the Guarantor may require) of the Company with the Bank all monies which it may receive in respect of the Book Debts and other debts charged by the Debenture and (subject to any rights the Bank has in respect of such debts) pay or otherwise deal with such monies standing in such account in accordance with any directions from time to time given in writing by the Guarantor. Prior to any demand being made under clause 9 of the Debenture or to the provisions of clause 10 of the Debenture becoming operative, in the absence of any directions from the Guarantor, any monies received by the Company and paid into such account in respect of the Book Debts and other debts charged by the Debenture shall upon such payment in stand released from the fixed charge created by the Debenture and shall stand subject to the floating charge created by the Debenture over the other property and assets of the Company; any such release shall in no respects derogate from the subsistence and continuance of the fixed charge on all other Book Debts and other debts of the Company for the time being outstanding;
 - (b) if called upon by the Guarantor execute a legal assignment of such Book Debts and other debts to the Guarantor in such terms as the Guarantor may require and give notice of such assignment to the debtors from whom the debts are owing or incurred and take such other steps as the Guarantor may require to perfect such legal assignment;
 - (c) deal with such Book Debts and other debts in accordance with any directions from time to time given in writing by the Guarantor (subject to any rights the Bank has in respect of such debts) and in default of and subject to any such directions deal with them only in the ordinary course of getting in and realising them (but not sell, assign, factor or discount them in any way); and
 - (d) permit the Bank to furnish directly to the Guarantor from time to time upon request full statements and particulars of all the Company's accounts with the Bank and such other financial statements and information respecting the assets and liabilities of the Company as are from time to time available to the Bank.
5. The Company shall from time to time execute and do all such assurances and things as the Guarantor may reasonably require for perfecting this Security and after the monies

secured by the Debenture shall have become payable for facilitating the realisation of all or any part of the Charged Property and for exercising all powers, authorities and discretions conferred by the Debenture or by law on the Guarantor or any Receiver appointed by it.

6. The Company by way of security irrevocably appoints the Guarantor to be the attorney of the Company in the name and on behalf of the Company to execute and do any assurances and things which the Company ought to execute and do under the Debenture and generally to use the name of the Company in the exercise of all or any of the powers conferred on the Guarantor or any Receiver appointed by it under the Debenture and the Company expressly authorises the Guarantor to pursue any insurance claim relating to the Charged Property in the name of the Company and to delegate all or any of the powers conferred by the Debenture upon it to any Receiver appointed by it or to such other person or persons as it may in its absolute discretion think fit.

Definitions

"Administrator" means any administrator appointed pursuant to the Debenture.

"Bank" means any bank that the Guarantor may agree to in writing or may notify to the Company and in the absence of such notification or agreement the Company's principal bank.

"Book Debts" means all debts due to the Company (including without limitation rents, dividends and royalties or other sums payable in respect of Intellectual Property Rights) whether or not the sum is such as would in the ordinary course of business be entered in the books relating to such business and shall include:

- (a) the benefit of all rights, securities and guarantees of any nature enjoyed or held by the Company in relation to such debts and all monies becoming payable to the Company in respect of debts due to or claims (including insurance claims) by the Company and any contributions due to the Company's assets pursuant to any court declaration under Sections 212-215, Insolvency Act 1986 notwithstanding that the amount of such contribution shall not have been quantified at the time when the monies secured by the Debenture shall have become payable; and
- (b) all monies becoming payable to the Company in respect of book debts under or by virtue of any policy of insurance taken out by the Company against the non-payment of book debts.

"Charged Property" means all the property, assets and rights charged under the Debenture.

"costs" means shall include all costs incurred by the Guarantor in any court proceedings relating to all or any part of the Charged Property where such proceedings are brought pursuant to the Insolvency Act 1986 and all costs incurred by the Guarantor in connection with the discharge, enforcement and release of the Debenture and the security constituted under the Debenture.

"Fixed Charged Property" means together all the property, assets and rights charged under sub-clauses 3(a) to (f).

"Floating Charged Property" means all the property, assets and rights charged under sub-clause 3(g).

"Insolvency Act" means The Insolvency Act 1986, unless otherwise stated.

"Intellectual Property Rights" means all rights in patents, patent applications, inventions, trade marks, trade mark applications, service marks, trade names, registered designs, copyrights, know how, confidential information, trade secrets and any other intellectual property rights.

"Receiver" means a receiver, receiver and manager or administrative receiver appointed pursuant to the provisions of the Debenture.

"Security" means the security constituted by the Debenture.

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CERTIFICATE OF THE REGISTRATION OF A MORTGAGE OR CHARGE

Pursuant to section 401(2) of the Companies Act 1985

COMPANY No. 02761171

THE REGISTRAR OF COMPANIES FOR ENGLAND AND WALES HEREBY CERTIFIES THAT A MORTGAGE DEBENTURE DATED THE 28th OCTOBER 2005 AND CREATED BY CHURNGOLD REMEDIATION LIMITED FOR SECURING ALL MONIES DUE OR TO BECOME DUE FROM THE COMPANY TO CHURNGOLD CONSTRUCTION HOLDINGS LIMITED (THE GUARANTOR) ON ANY ACCOUNT WHATSOEVER UNDER THE TERMS OF THE AFOREMENTIONED INSTRUMENT CREATING OR EVIDENCING THE CHARGE WAS REGISTERED PURSUANT TO CHAPTER 1 PART XII OF THE COMPANIES ACT 1985 ON THE 3rd NOVEMBER 2005.

GIVEN AT COMPANIES HOUSE, CARDIFF THE 7th NOVEMBER 2005.

PDMM



Companies House

— for the record —



THE OFFICIAL SEAL OF THE
REGISTRAR OF COMPANIES