

**THE COMPANIES ACT 1985**  
**PUBLIC COMPANY LIMITED BY SHARES**

**RESOLUTIONS**  
**OF**  
**FACES COSMETICS PLC**  
**PASSED ON 24<sup>TH</sup> AUGUST 2006**

At an Extraordinary General Meeting of the above named Company duly convened and held at One Portland Place, London W1B 1PN on 24<sup>th</sup> August 2006 the following resolutions were passed, as to resolutions 1 and 2 as ordinary resolutions and as to resolution 3 as a special resolution.

**Ordinary resolutions**

1. That pursuant to section 320 of the Companies Act 1985 ("the Act"), the acquisition of all of the 50,900,000 common shares in the capital of Faces Holdings Inc. and 30,172,631 convertible preference shares (including 7,457,991 common stock held by Ramesh Jolly being a director of the Company, or in which he is otherwise beneficially interested in, 218,182 common stock held by Michael Walter being a director of the Company, 1,032,071 common stock and 723,738 of convertible preference shares held by Terence Horner being a director of the Company, or in which he is otherwise beneficially interested in) in exchange for the issue of an aggregate of 50,900,000 ordinary shares of 1p each in the Company and 30,172,631 convertible preference shares of 1p each in the Company pursuant to an agreement in the form attached to the copy of this Resolution for the purpose of identification be and is hereby approved, subject to the Company obtaining the necessary certificate to do business pursuant to section 117 of the Act.
2. That the directors be and are hereby unconditionally authorised in accordance with section 80 of the Act to allot all relevant securities (as defined in that section) up to a maximum nominal amount of £1,301,726.31 provided that the authority will expire on 24th November 2007 or, if earlier, the next annual general meeting of the Company (unless previously renewed, varied or revoked by the Company in general meeting) save that the directors may, before the expiry, make an offer or agreement which would or might require relevant securities to be allotted after such expiry and the directors may allot relevant securities pursuant to such offer or agreement as if the authority hereby conferred had not expired.

**Special resolution**

3. That the Directors be and are hereby empowered pursuant to section 95 of the Act to allot equity securities (within the meaning of section 94 of that Act) up to a maximum aggregate amount of £1,301,726.31 as if Section 89 (1) of that Act did not apply to such allotment, provided that this power shall be limited to:
  - 3.1 the acquisition of the entire issued share capital of Faces Holdings Inc.;
  - 3.2 the grant of warrants to subscribe for up to 4,546,099 ordinary shares of 1p each in the capital of the Company;

- 3.3 the allotment of equity securities in connection with or pursuant to an offer by way of rights, open offer or other pre-emptive offer to the holders of the ordinary shares and other persons entitled to participate therein in proportion to their respective holdings, subject to such exclusions or other arrangements as the directors may consider necessary or expedient to deal with fractional entitlements or legal or practical problems under the laws of any territory or the regulations or requirements of any regulatory authority or any stock exchange in any territory; and
- 3.4 otherwise up to a maximum aggregate nominal amount of equity securities of £50,000 for cash,

provided that such power shall expire on 24<sup>th</sup> November 2007 or, if earlier, the next annual general meeting of the Company (unless previously renewed, varied or revoked by the Company in general meeting) save that the directors may, before the expiry, make an offer or agreement which would or might require relevant securities to be allotted after such expiry and the directors may allot relevant securities pursuant to such offer or agreement as if the authority hereby conferred had not expired.



Chairman