

6 December 2011

To: **Cosalt plc**  
4 Origin Way  
Europarc  
Grimsby  
North East Lincolnshire  
DN37 9TZ

From: **Oval (2245) Limited**  
Nuffield House  
41-46 Piccadilly  
London W1  
("the Lender")

Dear Sirs

**£5,000,000 Short Term Facilities Agreement**

**1. Loan**

- 1.1 The Lender hereby undertakes that, subject in each case to the Conditions Precedent being satisfied on each such occasion, upon receipt from Cosalt plc ("**the Company**") of a written notice ("**Drawdown Notice**") it will make available to the Company short term facilities ("**the Facilities**") by way of loan or otherwise in an amount or amounts as requested and specified by the Company in the Drawdown Notice of up to a maximum amount (when aggregated with all other amounts drawn down under the Facilities and remaining outstanding, including interest accrued due but unpaid) of £5,000,000.
- 1.2 The Drawdown Notice shall specify the date on which the relevant utilisation of the Facilities is to be made available by the Lender, ("**Drawdown Date**"). A Drawdown Notice must be received by the Lender not less than 2 Business Days prior to the applicable Drawdown Date.
- 1.3 The Facilities are available for multiple utilisations on any dates between the date of this Agreement and the Repayment Date (as defined in clause 2 below), whereupon to the extent not then utilised the Facilities shall be cancelled with immediate effect and the Lender shall have no further obligations in respect thereof.
- 1.4 The purpose of the Facilities is to enable the Company to ensure the solvency of the Company in the short term and to provide it with (i) sufficient working capital and (ii) finance for agreed capital expenditure.
- 1.5 To the extent amounts available under the Facilities are utilised by way of cash loan ("**Loans**"), such Loans shall be deemed for all purposes to be provided by the Lender on a revolving credit basis and may be repaid and subsequently reborrowed by the Company.
- 1.6 The Company shall repay all Loans from free cash (whether or not at the end of the Interest Period) by way of a daily cash sweep but such repaid amounts shall, subject to the Conditions Precedent, be available for re-drawing by the Company in accordance with the terms of this Agreement.

## 2. Repayment

- 2.1 Any amount outstanding hereunder shall, subject to clause 2.2 below, be immediately repayable and payable upon the earliest to occur of (i) 22 December 2011; (ii) the date of any refinancing of any nature of the bank facilities (being a refinancing, redemption or cancellation in full of all such facilities) being made available to the Company as at the date hereof pursuant to the Bank Facilities Agreement (as defined in clause 7 below); (iii) any date on which any offer for shares in the Company becomes wholly unconditional or a scheme of arrangement relating to the transfer or cancellation of the shares in the Company becomes effective in accordance with its terms, in accordance with the City Code on Takeovers and Mergers ("**Change of Control**"); or (iv) the date the Facilities must be repaid pursuant to clause 6 or, if such date is not a Business Day, the next following Business Day (the date of required repayment being the "**Repayment Date**"). On the Repayment Date the Facilities shall be cancelled with immediate effect and the Lender shall have no further obligations in respect thereof.
- 2.2 Notwithstanding the provisions of clause 2.1 above, prior to the Discharge Date, the Company shall not make, and the Lender shall not receive, any payments pursuant to clause 2.1 without the prior written consent of the Agent.
- 2.3 If an offer by a third party for shares in the Company is declared wholly unconditional, clause 2.2 above shall cease to apply as at the date falling 2 months after such offer by a third party for shares in the Company is declared wholly unconditional and the Lender may take such action (including but without limit Enforcement Action) as it deems appropriate to achieve repayment of the Facilities.

## 3. Interest and Default Interest

### 3.1 The Facilities:

- (a) to the extent drawn down and utilised as Loans, will accrue interest on the aggregate amount of principal outstanding (or treated as drawn down and not repaid) and accrued but unpaid interest at the rate per annum of 8% over 3 month LIBOR ("**LIBOR**" being, in respect of any Interest Period, the offered rate appearing on page 3570 of the telerate screen which displays British Bankers Association Settlement rates or any successor page as determined by The Royal Bank of Scotland plc in respect of sterling deposits in an amount comparable with the principal amount of the Facilities utilised outstanding on the first day of the relevant Interest Period as referred to in clause 3.2); and
- (b) to the extent utilised in any other way, will accrue interest (or other credit terms or payments, as the case may require) at such rate or rates and on such other terms as the Lender and the Company shall agree prior to each relevant Drawdown Date;

in each case "**the Interest Rate**".

- 3.2 For these purposes the first Interest Period in relation to any amount utilised shall commence on the date of that utilisation of the Facilities, and shall finish on the day preceding the date one month thereafter, and subsequent Interest Periods shall be periods of one month (the last day of each such period being an "**Interest Accrual Date**") with interest being compounded on each Interest Accrual Date.
- 3.3 Interest shall accrue from day to day and the amount of interest payable in respect of the Facilities shall be calculated by reference to the actual number of days between each Interest Accrual Date (or in the case of the first Interest Period from the date of drawdown of the Facilities until the first Interest Accrual Date).
- 3.4 All accrued Interest (less any United Kingdom tax which the Company is required by law to deduct from it) at the Interest Rate will, subject to clause 3.5 below, be payable on the Facilities in arrears on the Repayment Date.

- 3.5 Notwithstanding the provisions of clause 3.4 above, prior to the Discharge Date, the Company shall not make, and the Lender shall not receive, any payments pursuant to clause 3.4 without the prior written consent of the Agent.
- 3.6 If an offer by a third party for shares in the Company is declared wholly unconditional, clause 3.5 above shall cease to apply as at the date falling 2 months after such offer by a third party for shares in the Company is declared wholly unconditional and the Lender may take such action (including but without limit Enforcement Action) as it deems appropriate to achieve repayment of accrued interest.
- 3.7 In the event that the Company shall fail to make any payment when due hereunder, Default Interest at the Interest Rate shall accrue and be payable (before as well as after judgement) on the amount unpaid from (and including) the due date until the date on which the monies in respect of it are remitted in full to the Lender.

#### 4. **Security**

The Loan will not be secured.

#### 5. **Fees**

- 5.1 Subject to clause 5.2 below, the Company will pay to the Lender (if required by the Lender) an arrangement fee of £100,000 (the "**Arrangement Fee**") in respect of the Facilities on the Repayment Date.
- 5.2 Notwithstanding the provisions of clause 5.1 above, prior to the Discharge Date, the Company shall not pay and the Lender shall not receive the Arrangement Fee save either (i) by payment utilising any other loan facility provided or to be provided by the Lender to the Company or otherwise (ii) with the prior written consent of the Agent (acting on the instructions of the Lenders (as such term is defined in the Bank Facilities Agreement)).

#### 6. **Events of default**

- 6.1 The principal amount of all amounts utilised under the Facilities and not repaid together with all unpaid interest accrued on it and (if required by the Lender) the fee pursuant to clause 5 shall, subject to clause 6.2 below, immediately become due and repayable upon written demand by the Lender, and the Facilities shall be cancelled with immediate effect and the Lender shall have no further obligations in respect thereof, on or after the date, upon which any of the following events (each an "**Event of Default**") shall occur:
- (i) an order is made or an effective resolution is passed for the winding up of the Company or any member of its Group (other than by its members voluntarily winding up for the purpose of an amalgamation or reconstruction whereunder a successor company undertakes to perform the obligations of the Company or the relevant member of the Group);
  - (ii) the Company or any member of the Group stops payment of its debts generally or becomes unable to pay its debts within the meaning of Section 123(1), Insolvency Act 1986 or the Company or any member of the Group ceases to carry on all or substantially all its business, or any compromise, composition, arrangement or agreement is made with the creditors of the Company or any member of the Group; or
  - (iii) the appointment of a receiver, administrative receiver or administrator in respect of or over all or a material part of the undertaking or assets of the Company or any member of the Group.
- 6.2 Following an Event of Default, the Lender shall promptly issue an Event of Default Notice to the Agent. The Lender may not take any Enforcement Action prior to the earliest of:

- (a) the occurrence of any event such as is referred to in clauses 6.1(i) or (iii);
- (b) the date on which the Agent (acting on the instructions of the Majority Lenders (as such term is defined in the Bank Facilities Agreement)) directs the Security Trustee to take any Enforcement Action or take steps to exercise any or all of its rights in respect of the security it holds in relation to the Bank Facilities Agreement;
- (c) the date on which clause 2.2 above ceases to apply in accordance with clause 2.3; and
- (d) the Discharge Date

without the prior written consent of the Agent (acting on the instructions of the Lenders (as such term is defined in the Bank Facilities Agreement)).

7. In this Agreement:

7.1 "**Agent**" shall have the meaning given to such term in the Bank Facilities Agreement;

7.2 "**Bank Facilities Agreement**" means the multi-currency term and revolving facilities agreement amended and as restated on 3 May 2011 but originally dated 26 March 2009 entered into between (1) Cosalt Plc and others (as Original Borrowers), (2) Cosalt Plc and others (as Original Guarantors), (3) HSBC Bank plc and The Royal Bank of Scotland plc (as mandated lead arrangers), (4) HSBC Bank plc and National Westminster Bank Plc (as Lenders), (5) The Royal Bank of Scotland plc (as Agent) and (6) HSBC Corporate Trustee Company (UK) Limited (as Security Trustee) (as each such term is defined therein) as amended and restated from time to time, including, without limitation, by an amending and restating deed dated 31 July 2009, by an amending and restating deed dated 3 December 2010, by an amendment letter dated 15 February 2011, by an amendment letter dated 8 March 2011 and by an amendment letter dated 28 March 2011;

7.3 "**Business Day**" means any day (other than a Saturday or Sunday) on which clearing banks are open for normal banking business in the City of London;

7.4 "**the Conditions Precedent**" to any utilisation under the Facilities shall be that:

- (a) the Company and the Lender shall have agreed on or before the Drawdown Date the nature of the utilisation (whether as a loan or otherwise) and the purpose to which it is to be put;
- (b) no Event of Default under this Agreement or Change of Control shall have occurred and is continuing;
- (c) no other event or circumstance of any nature has occurred which in the opinion and sole discretion of the Lender constitutes, or could reasonably be expected to constitute, either a material adverse change in the circumstances pertaining to the Company or a material worsening of the Company's financial position; and
- (d) any necessary consents or approvals from any third parties have been obtained and no Court or regulatory authority has indicated any objection to the provision by the Lender of the Facilities on the terms of this Agreement or any drawing or repayment under it;

7.5 "**Deed of Priority**" means the deed of priority amended and as restated on 3 May 2011 but originally dated 26 March 2009 entered into between (1) Cosalt PLC and others (as Original Borrowers), (2) Cosalt PLC and others (as Original Guarantors), (3) HSBC Bank plc and National Westminster Bank Plc (as Original Lenders), (4) National Westminster Bank Plc and HSBC Bank plc (as Original Ancillary Lenders), (5) National Westminster Bank Plc and HSBC Bank plc (as Original Hedging Banks), (6) the persons named therein as original pension trustees, the persons named therein as original investment fundraisers, (8) the persons named therein as the shortfall fundraisers, (9) The Royal Bank of Scotland plc (as Agent) and (10) HSBC Corporate Trustee Company (UK) Limited (as Security Trustee) as amended and

restated from time to time, including, without limitation, by an amending and restating deed dated 31 July 2001, by an amending and restating deed 3 December 2010, by an amendment letter dated 15 February 2011, by an amendment letter dated 8 March 2011 and by an amendment letter dated 28 March 2011;

- 7.6 "**Discharge Date**" shall have the meaning given to such term in the Deed of Priority;
- 7.7 "**Enforcement Action**" means, in relation to the Company's Liabilities, any action taken whatsoever against the Company:
- (a) to demand payment, declare prematurely due and payable or otherwise seek to accelerate payment of such Liabilities or part thereof;
  - (b) to recover such Liabilities or any part thereof (including, without limitation, by exercising any rights of set-off or combination of accounts but excluding amounts repaid by means of cash sweeps); or
  - (c) to commence legal proceedings against the Company;
- 7.8 "**Event of Default Notice**" means a notice delivered by the Lender to the Agent detailing any Event of Default under this Agreement, together with the date of such Event of Default;
- 7.9 "**the Facilities**" shall mean such loan, hire purchase, lease, rental, credit or other financial facilities as the Company and the Lender shall agree, to be provided by the Lender or as the Lender shall procure, up to an aggregate maximum value (including interest accrued due but unpaid) of £5,000,000 (five million pounds sterling);
- 7.10 "**Group**" means the Company and any undertaking which is or (at any time after the date hereof) becomes, a subsidiary or a subsidiary undertaking of the Company;
- 7.11 "**Insolvency Event**" shall have the meaning given to such term in the Deed of Priority;
- 7.12 "**Liabilities**" means all present and future sums, liabilities and obligations whatsoever (actual or contingent) payable, owing, due or incurred by the Company to the Lender whether or not matured and whether or not liquidated.
- 7.13 "**Security Trustee**" shall have the meaning given to such term in the Bank Facilities Agreement.
8. The Lender and the Company acknowledge that this Agreement, the Facilities and all other amounts due under this Agreement are subject to the provisions of the Deed of Priority.
9. The Lender's costs of preparation and negotiation of this Agreement shall be payable by the Company following execution of this Agreement.
10. Save in respect of those financial institutions referred to in clause 7.2 (and any successors in title, permitted assigns and permitted transferees of those financial institutions listed in clause 7.2 and, in the case of the security trustee, any person appointed as security trustee), a person who is not a party to this Agreement has no right under the Contracts (Rights of Third Parties) Act 1999 to enforce or enjoy the benefit of any term of this Agreement.
11. This Agreement may be executed in any number of counterparts and this has the same effect as if the signatures on the counterparts were on a single copy of this Agreement.
12. This Agreement and any non-contractual obligations arising out of or in connection with it are governed by English law.

As witnessed by the parties or their duly authorised representatives have entered into this Agreement on the date at the top of the first page.

Signed for and on behalf of )  
Oval (2245) Limited )  
in the presence of: )

Boyle

ROBY CHICHESTER

45 SEAGRAVE ROAD, LONDON [Signature]

DIRECTOR

Signed )  
for and on behalf of Cosalt plc )  
acting by: )

[Signature]

OLIVER HUTLEY

FL1 1, 1 Ives Street, SW3 OL 1JY

Director