

Company Number: 117766C

THE COMPANIES ACTS 1931 - 2004

ISLE OF MAN

SPECIAL RESOLUTION

OF

**CLEAN ENERGY BRAZIL PLC
(the "Company")**

Passed the 1st day of December 2006

At an Extraordinary General Meeting of the members of Clean Energy Brazil PLC duly convened and held at 15-19 Athol Street, Douglas, Isle of Man IM1 1LB on 1 December 2006 the following resolution was duly passed as a composite special resolution:

"That:

- (1) the Company increase its share capital by the addition of £5,998,000 divided into 599,800,000 ordinary shares of £0.01 each, to rank pari passu with the existing issued and unissued share capital of the Company;
- (2) the directors of the Company be generally and unconditionally authorised to allot Relevant Securities (as defined in the Articles) up to a maximum aggregate nominal amount of £6,000,000, such authority to expire on the earlier of the next annual general meeting of the Company and the date which is eighteen months after the date on which this resolution is passed but so that the Company may, before this authority expires, make an offer or agreement which would or might require Relevant Securities to be allotted after the expiry of this authority and the directors of the Company may allot Relevant Securities pursuant to such an offer or agreement as if this authority had not expired;
- (3) the directors of the Company be authorised to allot ordinary shares of £0.01 each in the capital of the Company ("**Ordinary Shares**") for cash as if the provisions of article 5.5 of the Articles did not apply, provided that this power shall be limited to the allotment of:
 - (a) Ordinary Shares upon the first admission of the share capital of the Company to trading on the AIM market of the London Stock Exchange plc ("**Admission**") pursuant to the placing agreement to be dated on or about 5 December 2006 and made between, inter alia, the Company, its directors and Numis Securities Limited (the "**Placing**" and Ordinary Shares issued as part of the Placing are "**Placing Shares**");

- (b) Ordinary Shares pursuant to the exercise of warrants to be issued upon Admission under the Placing; and
 - (c) Ordinary Shares up to such aggregate nominal amount of £4,125,000;
- (4) the Company generally be and is hereby authorised for the purposes of Section 13 of the Companies Act 1992 to make market purchases (as defined in Section 13(2) of the said Act) of Ordinary Shares provided that:
- (a) the maximum number of Ordinary Shares hereby authorised to be purchased is 10 per cent. of the Company's issued share capital immediately following the issue of the Placing Shares;
 - (b) the minimum price which may be paid for such Ordinary Shares is the nominal amount thereof;
 - (c) the maximum price (exclusive of expenses) which may be paid for such Ordinary Shares shall be 5 per cent. above the average of the middle market quotations taken from the AIM appendix to the Daily Official List of the London Stock Exchange for the five business days before the purchase is made;
 - (d) the authority hereby conferred shall (unless previously renewed or revoked) expire on the earlier of the next annual general meeting of the Company and the date which is eighteen months after the date on which this resolution is passed;
 - (e) the Company may make a contract to purchase its own Ordinary Shares under the authority hereby conferred prior to the expiry of such authority which will or may be executed wholly or partly after the expiry of such authority, and may make a purchase of its own Ordinary Shares in pursuance of any such contract;
- (5) subject to the confirmation of the Isle of Man High Court in accordance with section 56 of the Companies Act 1931, all amounts standing to the credit of the share premium account of the Company immediately following the closing of the Placing be cancelled and reclassified as a distributable reserve of the Company; and
- (6) any one director (or, if necessary, any two directors) and/ or the secretary of the Company be authorised to do all acts, matters and things and negotiate, agree, amend, sign, execute (with or without the affixing of the common seal), date and deliver all agreements, deeds, contracts, notices, forms, certificates, returns and other documents of every description which any such person(s) may consider to be necessary, desirable or incidental in relation to all or any of the matters referred to in this composite special resolution."

Andrew Baker
Chairman

Date: 1 December 2006