

**TO THE SHAREHOLDERS IN ROCKSOURCE ASA**

# **SUMMONS TO ORDINARY GENERAL MEETING IN ROCKSOURCE ASA**

The ordinary General Meeting of Rocksource ASA will be held  
Wednesday 7 May 2008, at 15.00 at Thon Conference Vika Atrium,  
Munkedamsveien 45, 0250 Oslo.

## ON THE AGENDA IS:

1. **Opening by the Chairman of the Board, including registration of the attending shareholders and shares represented by proxy**
2. **Election of the Chairman of the meeting and a person to co-sign the minutes from the meeting together with the Chairman**
3. **Approval of the summons and the agenda**
4. **Approval of the financial statements and the Board of Directors' report for 2007**
5. **Determination of the remuneration for the members of the Board for 2007/2008**

The following remuneration is proposed for 2007/2008:

Chairman:	NOK 275,000,-
Deputy Chairman	NOK 250,000,-
Board member:	NOK 225,000,-
Deputy Board member:	NOK 8,000,- per meeting

6. **Determination of the remuneration for the company's auditor**

The proposal is to remunerate the company's auditor according to invoices.

7. **Election of Board of Directors**

The Board of Directors has evaluated the composition of the current Board and has concluded to propose that the current Board of Directors (including the deputy Board member) is re-elected for a period of 2 years. The reason for the Board's proposal is the company's need for continuity and the Board's proposal to establish a nomination committee, ref section 8. Reference is made to the company's website [www.rocksource.com](http://www.rocksource.com) for a more thorough presentation of the members of the Board. The Board of Directors considers the composition as suitable. The composition will ensure the company's need for suitable expertise and shareholder representation.

8. **Change of the company's Articles of Association - nomination committee**

The Board of Directors proposes that the General Meeting decides to establish a nomination committee, and as a consequence of this proposes to add a new article 5 in the articles of association as follows:

*«The company shall have a nomination committee consisting of three members who are elected by the General Meeting. The nomination committee shall make a proposal for the General Meeting of whom should be elected as members and as alternate members to the Board of Directors of the company and propose the remuneration for these members. The members of the nomination committee are to be elected by the General Meeting for a period of two years. Remuneration for the members of the nomination committee is to be decided by the General Meeting after proposal from the Board of Directors.»*

Existing articles 5 and 6 in the Articles of Association will be new articles 6 and 7.

9. **Approval of the Board of Directors' declaration of remuneration policy for the executive management for the coming year**

In accordance with the Norwegian Public Limited Liabilities Act section 6-16 cf. section 5-6, third paragraph, the General Meeting shall discuss the Board of Directors' declaration of remuneration policy for the executive management. The Board's declaration is as follows:

«(1) Remuneration policy for the executive management for 2008:

The Board of Directors in Rocksource is responsible for determining the remuneration of the Chief Executive Officer. The Chief Executive Officer (CEO) is, together with the Board, again responsible for the remuneration of the management team. When defining the criteria used as a basis for determining the remuneration the underlying principle is that the total compensation package should reflect the responsibility and duties resting with the team members, and that the employee contributes to long term value creation in the Group. It is important that the Group can offer a competitive remuneration package to attract the skills and competencies needed to support the strategic development of the Group both nationally as well as internationally.

The CEO and the management team participate in the standard pension and insurance schemes applicable to all employees. The Group uses standard employment contracts and standard terms and conditions regarding notice period and severance pay for the CEO and the management team. The Board of Directors has not set an upper or lower limit for the salary of the management team except for the principles stated above.

The option program is addressed separately in section 10 and the guidelines for the option scheme are presented to the General Meeting for approval.

(2) The remuneration policy for the executive management which has been followed in 2007 has been in accordance to the policy which was approved in the General Meeting in 2007.

(3) The consequences for the company and the shareholders of the options given in 2007 are described in section 10. The pension scheme for the management is the same as for the employees and no members of the management has retired in 2007. No members of the management have received pay after termination of employment.»

There will be an advisory vote over the Board's remuneration policy for the executive management in 2008 as these are described in paragraph (1) above. The Board proposes that the General Meeting passes the following resolution:

*«The General Meeting takes the Board of Director's remuneration policy for the executive management in 2008 into consideration.»*

10. **Incentive scheme, hereunder authorisation of the Board of Directors to issue shares under the scheme**

### Background

The General Meeting of Rocksource ASA has previously deliberated over and approved an incentive scheme in the form of share options to the employees in the Rocksource group. The General

Meeting on 9 May 2007 limited the option program to in total 34 million options. The option program is a continuation of the option scheme that was up before and approved by the General Meeting on 23 February 2006, where the limit was set at 17 million options.

The maximum amount of options approved on 9 May 2007, in total 34 million options, equals approximately 5.8 % of the total number of issued shares at the date of the summons.

In total approximately 22.2 million options of the total number available - 34 million - has been awarded, and approximately 2 million of these options have been exercised since the start of the option program. Of the total number of options available approximately 11.8 million options consequently have not been awarded.

#### Sign-on/stay-on options

Sign-on/stay-on options are options that the employees are given upon signing on to the company. This has been an important tool in the build-up of the organisation during the last years and has proven to be a very successful way of attracting competent employees. The number of sign-on options awarded through 2007 was approximately 2.6 million. In total approximately 16.7 million sign-on/stay-on options have been awarded. These options are normally vested over a three-year period.

#### Performance based options

This option program gives the employees options based on the performance of the Group as well as the individual performance throughout the year. A cash amount limited to maximum 50% of the employees' annual salary is converted to a number of options based on the difference between the share price over a defined period and the face value of the share. This performance-based bonus is meant to reward extraordinary effort and to establish a performance-based culture in the organisation. The criteria for award of the options are part financial and part operational. The number of performance-based options awarded in 2007 totalled approximately 3.8 million and were all fully vested on award. In total approximately 5.5 million performance-based options have been awarded.

#### The opinion of the Board of Directors

It is the view of the Board of Directors that the launch of the incentive scheme has been a very important factor in the build-up of the organisation. Rocksource has established an organisation consisting of highly competent, motivated and dedicated employees in a market where there is a considerable imbalance between supply and demand, and where the competition to attract the best personnel only has become fiercer over the last years. Access to the most skilled employees is critical to a company like Rocksource, and there is today a strong competition when attracting employees with the right background to the company. There is considerable pressure on all costs in the oil business, and we expect that employees still will be a scarce resource.

The Board of Directors is of the opinion that the option program has made Rocksource able to attract qualified personnel and have been a crucial factor when successfully recruiting in today's tough market. The incentive scheme has been an important success factor for recruitment at the same time as the scheme is a motivating factor for continued employment with the company. For Rocksource to be able to succeed in its further development

and commercialisation, the company must also in the future be able to attract the best talents in the market. It is therefore considered very important that the General Meeting decides to carry on and expand the current incentive scheme as proposed in the summons.

An expansion of the current incentive scheme is required to allow for the performance-based options the coming two years, and to allow for sign-on/stay-on options to attract and retain new employees. It is the view of the Board of Directors that it would be positive for the development of the company to maintain the main structure of the existing incentive scheme and expand that to take into account further growth. Taking into account the already awarded number of options of 22.2 million, there are fewer than 12 million options available for new awards. The Board of Directors therefore proposes that the maximum number of options under the incentive scheme that may be awarded is increased from 34 million to 40 million options. The proposed maximum number of options, if exercised, equals approximately 6.8 % of the total number of shares in the company on 7 May 2008. It is noted that a substantial part of the already awarded options fall due during the period between 2009-2010 and that the number of outstanding options as a percentage of the number of shares in the company will be considerably reduced going forward.

The incentive scheme will lead to payable costs in the form of employer's contribution and will give a capital injection of at least NOK 0.25 per share for sign-on/stay-on options and performance-based options. The Board of Directors may decide that the strike price of sign-on/stay-on options to be awarded shall be higher than the face value.

The Board of Directors further proposes to renew the authorisation for the Board of Directors to issue shares related to the exercise of options. As the Board of Directors' authorisation to issue shares is limited to a maximum of two years, the General Meeting will have to renew the authorisation after the expiry of the two-year period.

The focus in 2006 and 2007 has been on recruiting personnel to secure sufficient capacity. As previously communicated, the Board of Directors wants to adjust the incentive scheme to reflect that the company is moving out of the development phase and into an operating phase. The Board of Directors is continuously evaluating the principles of the existing incentive scheme and has focus on the performance-based remuneration and the need to secure long-term employment.

#### The guidelines by the Board of Directors as regards the option scheme

The Board of Directors proposes that the General Meeting pass the following resolution on the company's incentive scheme:

*«(1) The current incentive scheme for the employees in the Rocksource-group and specially qualified personnel is continued, however the maximum number of options that may be awarded is expanded to 40 million options. The options can be awarded either to the person directly or to a company controlled by the person.*

*«(2) The General Meeting authorises the Board of Directors to further design the incentive scheme, within the limit of 40 million options, execute and administrate it.»*

#### Authorisation of the Board of Directors to issue shares in relation to the option program

The General Meeting of Rocksource ASA on 9 May 2007 authorised the Board of Directors to increase the share capital of the company to among other issue shares to those who exercise their awarded options. The Board of Directors proposes that the General Meeting renew this authorisation. The rationale behind the proposal is to give the Board of Directors the authorisation to issue shares to employees in the Rocksource-group and specially qualified personnel as part of the company's option program. The Board of Directors is of the opinion that Rocksource is positioned for further growth, and the Board of Directors wishes to secure the services of employees and specially qualified resource persons by giving them the opportunity to take part in the result of their efforts. This authorisation will be limited to 2 years.

The Board of Directors proposes that the General Meeting passes the following resolution:

*«The Board of Directors of Rocksource ASA (the «company») is authorised to resolve one or several share capital increases by issuing up to 40 million shares, equal to approximately 6.8 % of the total number of shares in the company at the time of this authorisation. Consequently, the share capital can be increased by up to NOK 10 million.*

*This authorisation can only be used to issue shares to employees of the company and/or its subsidiaries and to specially qualified personnel. The shares may be issued to the person directly or to a company owned by that person.*

*The Board of Directors may, pursuant to this authorisation, offer shares to persons or companies that are not shareholders in the company.*

*The existing shareholders' preferential right is deviated.*

*The Board of Directors may amend Article 4 of the Articles of Association regarding the share capital of the company in accordance with the increases of capital resolved by the Board of Directors pursuant to this authorisation.*

*The authorisation to the Board of Directors in this section 10 is valid for 2 years as from the date of this General Meeting.*

*This authorisation replaces the authorisation given by the General Meeting on 9 May 2007.»*

#### **11. Authorisation to increase the share capital through private placements**

The General Meeting of Rocksource ASA on 9 May 2007 authorised the Board of Directors to increase the share capital of the company among other in connection with private placements or as settlement in an acquisition. The Board of Directors proposes to replace the authorisation with a new authorisation where the terms are somewhat different than the existing authorisation. The total number of shares that may be issued pursuant to the authorisations in sections 10 and 11 is the same as in the authorisation given by the General Meeting on 9 May 2007, being approximately 25 % of the total number of shares at the time of this authorisation.

The background for the proposal is to give the Board authorisation to resolve share capital increases when acquiring companies

and when raising additional capital. The reason for the proposal is to give an added freedom of action to be able to make private placements towards companies or investors, or to acquire assets within the company's core business with total or partial settlement in shares. This authorisation is given for 1 year.

The Board of Directors proposes that the General Meeting passes the following resolution:

*«The Board of Directors in Rocksource ASA (the «company») is authorised to resolve one or several share capital increases by issuing up to 106,172,236 shares, equal to approximately 18 % of the total number of shares in the company at the time of this authorisation. Consequently, the share capital can be increased by NOK 26,543,059.00.*

*This authorisation can be used in the following situations:*

*«(1) Private placement and issue of shares to suitable investors for raising of further capital to the company.*

*(2) As full or partial compensation in case of acquisitions.*

*The Board of Directors may, pursuant to this authorisation, offer shares to persons or companies that are not shareholders in the company.*

*Payment of share contribution in connection with a capital increase under this authorisation may be made by contribution in kind or by other ways as set out in Section 10-2 of the Norwegian Public Limited Liabilities Act.*

*The existing shareholders' preferential right is deviated. If the Board resolves to issue shares for cash consideration pursuant to this section 11, the Board shall within reasonable time resolve a subsequent offering to the existing shareholders in the company where they are offered the possibility to subscribe for shares on the same terms.*

*The Board of Directors may amend Article 4 of the Articles of Association - the size of the share capital of the company - in accordance with the increases of capital resolved by the Board of Directors pursuant to this authorisation.*

*The authorisation to the Board of Directors is according to this section 11 valid for 1 year as from the date of this resolution.*

*This authorisation replaces the authorisation given by the General Meeting on 9 May 2007.»*

#### **12. Authorisation to the Board of Directors to acquire the company's own shares**

The General Meeting of Rocksource ASA on 9 May 2007 authorised the Board of Directors to acquire own shares. The authorisation has not been utilised. The Board of Directors proposes to renew the authorisation as follows:

The Board of Directors proposes that the General Meeting authorise the Board of Directors to acquire the company's own shares.

On this basis, the Board of Directors proposes that the General Meeting pass the following resolution:

(1) The Board of Directors is granted authorisation to acquire the company's own shares in accordance with Sections 9-2 and 9-3 of the Norwegian Public Limited Liabilities Act

(2) This authorisation is valid for 18 months, and can be used several times within this period.

(3) The highest nominal value of the shares that the company in total may acquire is NOK 146,001,426.25, however the company must not at any time own more than 10 % of the company's share capital, ref. Section 9-2 of the Norwegian Public Limited Liabilities Act.

(4) The lowest amount to be paid for the shares is NOK 0.25 per share. The highest amount to be paid for the shares is NOK 10 per share.

(5) The Board of Directors is authorised to decide in which way acquisition and sale of the company's own shares shall be carried out in accordance with the Norwegian Public Limited Liabilities Act and general principles.»

### 13. Reduction of the share premium fund

The Board of Directors proposes that the share premium fund in Rocksource ASA is reduced by NOK 66,265,340 in accordance with section 3-2, 2. paragraph nr. 4 ref. chapter 12 of the Norwegian Public Limited Liabilities Act and that the entire amount of the reduction is transferred to other share capital. The transfer is done to create a foundation for flexible transfer of resources between the companies in the Group as a part of the financing of the Group's joint activities. After the reduction there will be full coverage of the company's undistributable equity.

The Board of Directors is not aware of any substantial circumstances that must be taken into account when reducing the share premium fund, beyond what is stated above and what

has been previously communicated to the market. The Board of Directors proposes that the General Meeting passes the following resolution:

«The share premium fund is reduced by NOK 66,265,340 by transfer to a fund which shall be used according to the decision by the General Meeting. The reduction is done in accordance with the Norwegian Public Limited Liabilities Act section 3-2, second paragraph nr. 4, ref chapter 12, and shall be reported in accordance with the Norwegian Public Limited Liabilities Act section 12-6.»

There is at the date of this summons 584,005,705 shares in the company. Each share has one votingright. Rocksource ASA is by this informing the shareholders that all shareholders have the right to attend the General Meeting.

Shareholders that shall attend the meeting are requested to give notice to the company as soon as possible and at latest within 16.00 (GMT +1) 6 May 2008 by using the enclosed reply fax with attendance notice. A shareholder may attend with a representative provided that such representative presents a written proxy, ref the enclosed reply fax.

The English version of the financial statements, the Board of Directors' report and the auditor's report for 2007 are attached. The proposed new Articles of Association are also attached. A Norwegian text version of the annual report will be published on the company's website [www.rocksource.com](http://www.rocksource.com).

Encl.: Reply fax including notice of attendance and proxy  
Annual report 2007  
Proposed new Articles of Association

Oslo, 16 April 2008



Dag Dvergsten  
Chairman

## ARTICLES OF ASSOCIATION FOR ROCKSOURCE ASA (as of 7 May 2008)

1. The name of the company is Rocksource ASA. The company is a public limited company.
2. The registered office of the company is in Oslo.
3. The object of the company is to carry on exploration for minerals, oil and gas, mining activity, technology development, activities that may be associated herewith, and participation in other companies anywhere in the world.
4. The share capital of the company is NOK 146,001,426.25 divided on 584,005,705 shares of a nominal value of NOK 0.25. The shares of the company shall be registered in the Norwegian Registry of Securities.
5. The company shall have a nomination committee consisting of three members who are elected by the General Meeting. The nomination committee shall make a proposal for the General Meeting of who shall be elected as members and as alternate members to the Board of Directors of the company and propose the remuneration for these members. The members of the nomination committee shall be elected by the General Meeting for a period of two years. Remuneration for the members of the nomination committee is to be decided by the General Meeting after proposal from the Board of Directors.
6. The Board of Directors shall have from 3 to 8 members according to the decision of the General Meeting. Two board members acting jointly can sign on behalf of the company.
7. The General Meeting shall deal with:
  - i) Adoption of the profit and loss account and the balance sheet
  - ii) Appropriation of the profits or covering of loss for the year in accordance with the adopted balance sheet, and payment of any dividend
  - iii) Election of the Board of Directors
  - iv) Other matters that pursuant to law are the business of the General Meeting.

# Notice of attendance

to the ordinary General Meeting of Rocksource ASA on 7 May 2008 at 15:00  
at Thon Conference Vika Atrium, Munkedamsveien 45, 0250 Oslo.

Shareholder: .....

As owner of: ..... shares in Rocksource ASA, I will attend the ordinary General Meeting of the company.

....., .....2008

.....

Name:

## Proxy

Shareholder ..... hereby authorises the Chairman of the Board /.....

to vote for my/our ..... shares in Rocksource ASA in the ordinary General Meeting of the company on 7 May 2008 at 15:00.

....., ..... 2008

.....

Name:

Attendance notice/proxy can be sent by fax to fax no. + 47 22 94 77 71, Rocksource ASA att: Mette Valdem.

Or by regular mail to:

**Rocksource ASA**  
Vika Atrium  
Munkedamsveien 45  
0250 Oslo  
Norway  
Att: Mette Valdem