

## BLOCK WATNE GRUPPEN ASA

The annual general meeting of Block Watne ASA took place on 23 February 2006 with Harald Walther, chair of the board, in the chair.

Those present were:

Lani Invest AS, rep by Lars Nilsen	25 000 000 shares
Lani Development AS, rep by Lars Nilsen	<u>15 000 000 shares</u>
	<u>40 000 000 shares</u>

All the shares were accordingly represented.

Ketil Kvalvik attended on behalf of the management.

The notice of the meeting was deemed to have been lawfully given.

The agenda was:

### 1. To approve the directors' report for 2005

The main points of the directors' report were reviewed, and this report was thereafter approved

### 2. To adopt the annual accounts for 2005

The annual accounts as presented were reviewed and the auditor's report was read out. The accounts as presented were thereafter adopted as the accounts of the company for 2005.

### 3. To adopt the group accounts for 2005

The group accounts were reviewed and commented upon. The group accounts as presented were thereafter adopted as the company's group accounts for 2005.

### 4. To approve allocations

The company's profit and loss account broke even, and no proposal for allocations had accordingly been submitted for the general meeting to approve.

### 5. To approve remuneration

A fee of NOK 75 000 was approved for the chair of the board, together with a fee of NOK 50 000 for the external shareholder-elected director.

The fee for each director elected by the workers (employee representative) was set at NOK 30 000. The attendance fee for alternates was set at NOK 3 000 per meeting.

The board was authorised to approve the auditor's fee.

### 6. To authorise the board to increase the share capital through the issue of new shares

In connection with the planned stock market listing of the company's shares, an initial public offering of shares is planned together with a dispersion sale of shares by the existing shareholder(s). For practical reasons, the IPO should be implemented by the board in accordance with an authority pursuant to section 10-14 of the Norwegian Act on Public Limited Companies.

The general meeting voted unanimously to give the board such authority:

1. The board is authorised to increase the share capital by up to NOK 2 000 000 through the issue of up to 10 000 000 new shares

with a nominal value of NOK 0.20 each.

2. This authority will remain valid until the annual general meeting in 2007, and can be utilised several times up to the limit specified in point 1.
3. It will be possible to override the pre-emptive right of the existing shareholders pursuant to section 10-4 of the Act on Public Limited Companies.
4. The authority confers the right to make special commitments on behalf of the company pursuant to section 10-2 of the Act on Public Limited Companies, but does not permit an increase in capital in exchange for considerations other than monetary ones.
5. The new shares will have the same rights as the existing shares.
6. This authority does not apply to decisions on mergers pursuant to section 13-5 of the Act on Public Limited Companies.

The general meeting's decision to grant the authority to the board will be reported to the Norwegian Register of Business Enterprises as soon as the general meeting has been concluded.

Pursuant to section 10-19 of the Act on Public Limited Companies, the board will make the necessary amendments to the articles of association when a capital expansion is carried out under the authority.

At the discretion of the board, employees in Block Watne AS are expected to be given the opportunity to subscribe to shares in the issue at a discount on the price and with financial support from Block Watne AS.

#### **7. To approve amendments to the articles of association**

With a view to the planned stock market listing of the company's shares, the company's articles of association have been reviewed to ensure that they are formulated in a way which satisfies the stock exchange's requirements.

The board has proposed the following wording for article 2:

##### "Article 2

The company's object is to pursue, either on its own account or through participation in other companies, building activities and other operations associated therewith. The company may in that connection make loans and provide security."

The board's proposal as approved unanimously.

The board has further proposed the following wording for article 5:

##### "Article 5

The board of directors of the company will have five-seven members, as determined by the general meeting.  
The directors, including the chair and deputy chair, are elected by the general meeting for a term of two years.  
The chair and deputy chair individually or two directors acting jointly can sign on behalf of the company."

The board's proposal was approved unanimously.

The board has also proposed the inclusion of a new article 6 concerning an election committee, with the following wording:

"Article 6

The company will have an election committee with three members, elected by the general meeting for a term of one year. The election committee will propose candidates for election to the board and to a possible corporate assembly as well as the remuneration of members of these bodies. The board can issue instructions to the election committee."

The board's proposal was approved unanimously. The election committee is expected to commence its work ahead of the annual general meeting in 2007.

The existing articles 6-7 are thereby renumbered as articles 7-8.

The board has proposed a simplified wording for article 7, as follows:

"Article 7

The annual general meeting will consider and determine:

- a) the adoption of the annual accounts and directors' report, including the payment of dividend
- b) other matters which fall within the competence of the general meeting pursuant to Norwegian law or the articles of association."

The board's proposal was unanimously approved.

## **8. Changes to the board of directors**

In connection with the planned stock market listing, Lars Nilsen as president and CEO is expected to resign from the board of directors of Block Watne ASA with effect from the day that the company's shares are first listed on the Oslo Stock Exchange. This is planned to occur on 17 March 2006.

Petter Neslein was elected as a new independent director, and will join the board when Mr Nilsen resigns as a director – in other words, on the day that trading begins in the company's shares.

Harald Walther and Hege Bømark were elected as chair and deputy chair of the board respectively.

From the date that trading in the company's shares begins, the board will accordingly have the following composition:

Harald Walther, chair  
Hege Bømark, deputy chair  
Petter Neslein  
Tore Morten Randen, employee representative  
Einar Magnus Hauge, employee representative  
Brit Hagelund, employee representative

Personal alternates for the employee representatives are:

Bjørn Sigvard Ask  
John Bjørn Brattebø  
Einar Salbu  
Gunnar Inge Iversen  
Øyvind Wiik  
Gudveig Margrethe Johannessen  
Steinar Kurås

As specified in the articles, the shareholder-elected directors will sit for a term of two years.

Employee representatives with their personal alternates will remain in office until a new election of employee representatives by and among the employees of Block Watne AS is held.

It was noted that the changes to the board of directors are to be reported to the Norwegian Register of Business Enterprises when they take effect, in other words, on the day that trading in the company's shares begins on the Oslo Stock Exchange.

No other business remained on the agenda.

The minutes were read out and approved.

The general meeting was declared to be over.



Harald Walther



Lars Nilsen