

Notice of the Annual General Meeting of PA Resources AB on 9 May 2007

Notice is hereby given of the Annual General Meeting of PA Resources AB (publ), 556488-2180, at 18.00 on Wednesday, 9 May 2007 at Hotel Birger Jarl, Tulegatan 8, Stockholm.

Right to participate in the Annual General Meeting

Shareholders wishing to participate in the Annual General Meeting (AGM) must:

- be entered in their own name in the transcript of the register of shareholders made by VPC AB on Thursday, 3 May 2007 (see also the section on Nominee-registered shares below), and
- have notified the company of their attendance not later than 16.00 on Monday, 7 May at the following address: PA Resources AB, Kungsgatan 44, 7th floor, SE-111 35 Stockholm, or by telephone: +46 8 21 83 82, fax: +46 8 20 98 99 or email: bolagsstamma@paresources.se. When notifying the company, please state your name, personal or corporate identity number, telephone number, address and shareholding.

Nominee-registered shares

Shareholders whose shares are nominee-registered must also request a temporary entry in the register of shareholders kept by VPC AB, in order to be entitled to participate in the AGM. Shareholders must notify the nominee about this well before Thursday, 3 May 2007, when this entry must have been effected, in order to be taken into account in the transcript of the register of shareholders made by VPC AB on that date.

Shareholders who are registered in the Norwegian Verdipapirsentralen must request a temporary entry as shareholders in the register of shareholders kept by VPC AB, in order to be entitled to participate in the AGM. In this connection, shareholders must notify DnB NOR Bank ASA about this at the following address: Verdipapirservice, Beddingen 8, 0021 Oslo or by fax: +47 22 94 90 20 not later than 12.00 CET on Friday, 27 April 2007, so that DnB NOR Bank can ensure an entry is made in the register of shareholders kept by VPC AB by 3 May 2007. Following the AGM, DnB NOR Bank will arrange for the shares to be re-registered in the Norwegian Verdipapirsentralen.

Proposal for the agenda

1. Opening of the Meeting
2. Election of the chairman of the Meeting
3. Establishment and approval of the list of voters
4. Approval of the Board's proposal for the agenda
5. Election of persons to countersign the minutes
6. Determining whether the Meeting has been duly convened
7.
 - a) Speech by the company's CEO, Ulrik Jansson
 - b) Presentation of the financial statements and the auditors' report, as well as the consolidated financial statements and the auditors' report for the Group.
8.
 - a) Resolution on the adoption of the income statement and the balance sheet, as well as the consolidated income statement and the consolidated balance sheet
 - b) Resolution on the allocation of the company's profits in accordance with the adopted balance sheet
 - c) Resolution on discharging the directors and the CEO from liability

9. The Nomination Committee's report on its work
10. Determining the number of directors and deputy directors
11. Determining the fees for the Board of Directors and the auditors
12. Election of directors and Chairman of the Board and, when applicable, deputy directors
13. Resolution on a Nomination Committee for the next AGM
14. Resolution on guidelines for the remuneration of senior management
15. Resolution to authorise the Board to resolve on a new share issue
16. Resolution to authorise the Board to resolve on the acquisition and transfer of the company's own shares
17. Resolutions with reference to proposals from shareholders for:
 - a) resolution to cancel previously issued warrants
 - b) resolution to issue warrants
18. Any other business
19. Closing of the Meeting

Proposals of the Board of Directors

Item 8 b): Dividend

The Board proposes that no dividend be paid for the financial year 2006.

Item 14: Guidelines for the remuneration of senior management

The Board's proposal for guidelines for the remuneration of senior management includes the following main points. The remuneration of the CEO and other senior executives consists of a fixed basic salary, pension and, when applicable, variable remuneration. Remuneration levels should be in line with market conditions to enable the retention and, when applicable, the recruitment of senior management in the market in which the company operates, taking into account the competence of the individual manager. Any variable remuneration that may be offered to senior management should be determined on the basis of the fulfilment of predetermined group and individual targets for management and production results, the company's financial development and taking into account the personal development of the manager concerned. Variable remuneration should always have a certain maximum fixed ceiling, which should be a proportion of the annual salary payable to the manager concerned. Pension conditions should be in line with the market conditions generally applicable to equivalent managers in the markets in which the company operates. Consequently, defined-contribution pension plans are applied in Sweden, while defined-benefit pension plans are applied in the Norwegian subsidiary. Pay during the notice period and severance pay should not in any case exceed a total of 18 monthly salaries. The Board should be entitled to deviate from these guidelines, if there are particular reasons for this in an individual case.

These guidelines should include the CEO and other senior executives in group management.

Item 15: Resolution to authorise the Board to resolve on a new share issue

The Board proposes that the AGM pass a resolution authorising the Board for the period up to the next AGM, to resolve, on one or more occasions, to increase the company's share capital through a share issue by a maximum total of SEK 12,500,000, equivalent to a maximum 25,000,000 shares. In this connection, the Board should be able to deviate from the preferential right of shareholders. Payment for subscribed shares should be made in kind, by offset or other arrangement associated with conditions. The authorisation is intended to enable capital procurement and/or company acquisitions, in which payment should wholly or partly consist of shares. If this authorisation is fully utilised, it will have a dilutive effect of approximately 14.7%.

Item 16: Resolution to authorise the Board to resolve on the acquisition and transfer of the company's own shares

The Board proposes that the Board should be authorised for the period up to the next AGM, to acquire, on one or more occasions, a maximum number of shares in the company without the company's holding of its own shares at any time exceeding 10% of the total shares issued in the company. Moreover, the authorisation should include a right for the Board during the equivalent period, to transfer the number of its own shares that the company holds at any time, deviating from the preferential right of shareholders. The purpose of the Board's proposal is to give the Board increased scope for action with respect to the company's capital structure, to enable payment using the company's own shares in connection with the acquisition of a company or business and to enable, when applicable, hedging of the costs of the company's outstanding staff warrants programme. The resolution to authorise the Board to acquire and transfer the company's own shares requires that shareholders representing at least two-thirds of the votes cast and the shares represented at the Meeting are in favour.

Proposals of the Nomination Committee

Item 2: Election of the chairman of the Meeting

The Nomination Committee proposes that the lawyer Gunnar Johansson be elected chairman of the Meeting.

Item 10: Number of directors

The Nomination Committee proposes that the Board should comprise six directors and no deputy directors for the period up to the next AGM.

Item 11: Fees for the Board of Directors and the auditors

The Nomination Committee proposes that the Board be paid a total fee of SEK 1,500,000 (previous year SEK 1,400,000); SEK 500,000 to be allocated to the Chairman and SEK 250,000 (previous year SEK 200,000) to each non-executive director. The amounts include remuneration for any committee work. The committee proposes that the auditors be paid a fee in accordance with a reasonable fee account.

Item 12: Election of directors and Chairman of the Board

The Nomination Committee proposes the re-election of Ulrik Jansson, Jan Haudemann-Andersen, Harald Arnet, Catharina Nystedt-Ringborg and Jan P Grimnes and the election of Jan Kvarnström. The committee proposes that Jan Kvarnström be elected Chairman of the Board. Information on all the proposed directors may be found on the company's website (www.paresources.se).

Item 13: Appointment of a Nomination Committee

The Nomination Committee proposes that the Meeting resolve that a new Nomination Committee should be appointed for the AGM in 2008, mainly in accordance with the previous model. Under this model, the Chairman of the Board is tasked with contacting the three largest registered shareholders at the end of the third quarter of 2007 and asking them to each appoint a member to the Nomination Committee. If one of these shareholders does not wish to appoint a member, the fourth largest registered shareholder is asked and so on. The members appointed in this manner, together with the Chairman of the Board as convener, should form the Nomination Committee. This committee should appoint one of its members as chairman. The names of the members of the committee should be published by the company not later than six (6) months before the AGM in 2008. The term of office for the appointed committee should run until a new Nomination Committee has taken office.

Proposals from shareholders

Shareholders representing approximately 23 per cent of the company's shares and votes have notified their intention to vote for the Board's proposals under items 14, 15 and 16 above and have agreed on the following proposals:

Item 17 a): Resolution to cancel previously issued warrants

Resolution with reference to a proposal from shareholders to cancel 500,000 of the total of 5,100,000 options (warrants) previously issued at the Extraordinary General Meeting on 17 October 2005 within the framework of an incentive programme intended for senior management and other key employees in the Group. Of the warrants issued at that Meeting, 4,050,000 warrants have been allocated, while the remaining 1,050,000 warrants have not been allocated and are held by the wholly-owned subsidiary Microdrill AB. All 500,000 warrants, which it is now proposed to cancel, are to be replaced in full by 500,000 warrants, in accordance with the proposal to issue warrants under Item 17 b) below.

Item 17 b): Resolution to issue warrants

The shareholders propose that the AGM resolves to issue 500,000 warrants as follows:

- A total of 500,000 warrants with the right to subscribe for 500,000 new shares (par value SEK 0.50) should be issued.
- Deviating from the preferential right of shareholders, the warrants should carry the right to be subscribed by the proposed new Chairman of the Board, Jan Kvarnström. The resolution to issue 500,000 warrants is conditional on the election of Jan Kvarnström to the Board, in accordance with Item 12 above.
- Subscription for warrants should take place not later than 18 May 2007.
- Each warrant entitles the holder to subscribe for one (1) new share in PA Resources AB during the period 1 December - 31 December 2010 at an issue price amounting to 115 % of the average of the volume-weighted mean for each trading day during the period 10 May 2007 – 16 May 2007 of the quoted price paid for the company's shares on the OMX Nordic Exchange (Mid Cap).
- As a consequence of the robust demand for qualified directors in the company's sector, the company's principal owner has seen and still sees a strong need to attract and engage new directors to the company's Board by offering share-related incentives. All non-executive directors currently have such incentives.

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In case of full subscription and exchange of the 500,000 new warrants in the shareholders' proposal, the company's share capital will increase by SEK 250,000 distributed among 500,000 shares. In view of the fact that an equivalent number of warrants are to be cancelled, the resolution does not result in any further dilution for the company's shareholders, compared with previously issued warrants within the framework of the company's staff warrants programme.

A resolution by the Meeting in accordance with the shareholders' proposal under this item requires that shareholders representing at least 90% of the votes cast and the shares represented at the Meeting are in favour, pursuant to Chapter 16 of the Swedish Companies Act.

Documents

The financial statements and the auditors' report as well as complete proposals and, when applicable, statements regarding items 14, 16 and 17 will be available at the company's office (see address above). In addition, the Nomination Committee's report on its work and its complete proposals will be available. Copies of the above documents will be sent to shareholders requesting them and stating their postal address. All the above documents will also be available on the company's website www.paresources.se and will be displayed at the Meeting.

Stockholm, April 2007
PA Resources AB (publ)
Board of Directors