

To the shareholders of Itera ASA

## NOTICE OF ANNUAL GENERAL MEETING

The Annual General Meeting will be held at Sognsveien 77 entrance B, Ullevaal Stadion, Oslo on **Monday 23 May 2016** at **17.30** hrs.

The Board of Directors has adopted the following agenda for the meeting:

### Agenda

1. Opening of the Annual General Meeting by the Chair of the Board of Directors and registration of shareholders attending.
2. Election of a Chair for the meeting and at least one additional person to countersign the minutes together with the Chair.
3. Approval of the notice of the meeting and the agenda.
4. Approval of the Annual Report and Accounts for 2015.
5. Approval of the remuneration of the members of the Board of Directors, Board Committees and Nomination Committee.
6. Determination of the fees payable to the Auditor
7. To consider the Board of Directors' statement regarding the determination of salary and other remuneration of senior employees cf. Public Limited Companies Act § 6-16a.
8. Adoption of the Board of Directors' proposal to authorise the Board of Directors to increase the company's share capital. The proposal includes the option to waive the pre-emptive rights of shareholders to subscribe for shares in the event of an increase in share capital.
9. Adoption of the Board of Directors' proposal to authorise the Board of Directors to increase the company's share capital in connection with the share option program for employees.
10. Adoption of the Board of Directors' proposal to approve the purchase by the company of its own shares.
11. Election of the members of the Board of Directors and the Nomination Committee.
12. Authorisation for the Board to approve an additional dividend based on the company's annual financial accounts for 2015.

The 2015 Annual Report, the report from the Nomination Committee (item number 11) and the Board's statement under item 7 are available at [www.itera.no](http://www.itera.no).

Total holdings of shares in the company Itera ASA is 82,186,624 and each share carries one vote.

Shareholders who will attend the meeting are requested to fill in and return the attached attendance form/proxy form no later than 16 May 2014 to Itera ASA, attn: Mette Valdem, e-mail; [mette.valdem@itera.no](mailto:mette.valdem@itera.no), fax no 23 00 76 60.

Oslo, 29 April 2016  
the Board of Directors of ITERA ASA

Morten Thorkildsen  
Chairman

**ATTENDANCE FORM**

The undersigned will attend the Annual General Meeting of Itera ASA on **23 May 2016** and exercise voting rights for the following:

..... own shares

..... shares owned by others in accordance with the attached proxies.

In total ..... shares.

\_\_\_\_\_  
Place and date

\_\_\_\_\_  
Signature (repeat in capital letters)

A copy of proxy forms entitling the named bearer to meet and vote on behalf of shareholders must be attached and the original forms must be brought to and presented at the General Meeting.

Shareholders are requested to return the completed and signed attendance forms and/or proxy forms no later than 16 May 2016 to:

**Itera ASA, attn: Mette Valdem, e-mail; [mette.valdem@itera.no](mailto:mette.valdem@itera.no) or by mail, P.O. Box 3834 Ullevaal Stadion, NO-0805 Oslo, Norway.**

**PROXY FORM – Itera ASA – Annual General Meeting**

The undersigned hereby grants the right to attend the meeting and to vote on behalf of the shareholder at the Annual General Meeting of Itera ASA on 23 May 2016 to:

\_\_\_\_\_  
Name in capital letters of person\* entitled to exercise the proxy

for my/our ..... shares.  
number

\* If the proxy name is not applied the name of the Chairman of the Board will be applied.

Where the proxy is given by means of signature authorisation, a certified copy of the Company's Certificate of Registration shall also be attached.

Voting shall take place in accordance with the instructions given below. If instructions by checking off the box below are not given, this will be regarded as instructed to vote "in favour."

ITEM	For	Against	Desist from voting	Representative determines the voting
3. Approval of the notice of the meeting and the agenda.				
4. Approval of the Annual Report and Accounts for 2015.				
5. Approval of the remuneration of the members of the Board of Directors, Board Committees and Nomination Committee.				
6. Determination of the fees payable to the Auditor				
7. To consider the Board of Directors' statement regarding the determination of salary and other remuneration of senior employees cf. Public Limited Companies Act § 6-16a.				
8. Adoption of the Board of Directors' proposal to authorise the Board of Directors to increase the company's share capital. The proposal includes the option to waive the pre-emptive rights of shareholders to subscribe for shares in the event of an increase in share capital.				
9. Adoption of the Board of Directors' proposal to authorise the Board of Directors to increase the company's share capital in connection with the share option program for employees.				
10. Adoption of the Board of Directors' proposal to approve the purchase by the company of its own shares.				
11. Election of the members of the Board of Directors and the Nomination Committee.				
12. Authorisation for the Board to approve an additional dividend based on the company's annual financial accounts for 2015.				

\_\_\_\_\_  
Place and date

\_\_\_\_\_  
Signature (repeat in capital letters)

Shareholders are requested to return the completed and signed attendance forms and/or proxy forms no later than 15 May 2014 to:

**Itera ASA, attn: Mette Valdem, e-mail; [mette.valdem@itera.no](mailto:mette.valdem@itera.no) or by mail, P.O. Box 3834 Ullevaal Stadion, NO-0805 Oslo, Norway.**

**Item 1: Opening of the Annual General Meeting by the Chairman of the Board, and registration of Shareholders attending.**

Attending shareholders will be accounted for in the General Meeting.

**Item 2: Election of a chairperson to preside over the meeting and at least one additional person to countersign the minutes together with the chairperson.**

The Chairman of the Board will be nominated to preside the General Meeting and it will be suggested that a shareholder present countersigns the minutes.

**Item 3: Approval of the Notice of meeting and the agenda.**

In accordance with applicable laws and regulations the notice of the meeting and the agenda were sent out within the specified deadlines.

**Item 4: Approval of the Annual Accounts and Annual Report for 2015.**

Approval of the Annual Accounts and Annual Report for 2015, including allocation of this year's profit for the parent company.

The Board proposes the following resolution for adoption by the General Meeting:

*"The Board proposes that this year's profit for the parent company, Itera ASA, amounting to NOK 10 581 thousand, should be allocated as follows:*

- *NOK 12 237 thousand to additional dividend, equivalent to 0.15 per share paid on 12 November 2015 in accordance with proxy from the General Meeting on 21 May 2015.*
- *NOK 9 862 thousand to dividends, equivalent kr. 0.12 per share. The dividend will be paid to the shareholder who owns the share on the date for the General Meeting 23 May 2016. The share will be listed exclusive dividend 24 May 2016. The dividend will be paid 3 June 2016.*
- *NOK 11 518 thousand from other equity."*

**Item 5: Approval of remuneration to the Board of Directors, Audit Committee, Compensation Committee and Nomination Committee**

Proposals for determining the remuneration of members of the Board of Directors, Board Committees and the Nomination Committee are provided in the Nomination Committee's report, which is available on the Company's website at: <http://www.itera.no/Investor-relations/>

In accordance with these proposals, the Nomination Committee proposes that the Annual General Meeting should approve the following resolution:

*"The following structure for remuneration for the Board for 2015/2016 is adopted:*

- *Chairman* *kr. 325 000*
- *Board member, shareholder elected* *kr. 200 000*
- *Board member, employee elected* *kr. 20 000*

*For the forthcoming period, the Nomination committee proposes to leave the remuneration unchanged. 50 % of the remuneration can be paid initially and 50 % at the end of the period.*

*The Nomination Committee recognises that there may be a need for the Chairman or any Board members to assume extraordinary work beyond what is included in the ordinary board work. To the extent the Board approves such agreements, the remuneration for such work will be additional to the above fixed remuneration.*

The Board proposes that the Annual General Meeting should approve the following resolution in respect of the remuneration of members of Board Committees:

*"The following structure for the remuneration of the members of Board Committees for 2015/2016 is hereby approved:*

- *Chair of the Audit Committee NOK 15 000*
- *Chair of the Remuneration Committee NOK 15 000.*

*For the coming period, the remuneration to the chair of the Audit Committee is increased by NOK 10 000."*

The Board proposes the following resolutions for adoption by the General Meeting:

*"The following structure for the remuneration of the members of the Nomination Committee for 2016/2017 is hereby approved:*

- *Chairman* *NOK 30 000*
- *Members* *NOK 15 000."*

**Item 6: Adoption of Auditor's fees.**

The Company has not yet received final invoices from the Auditor for 2015. Fees include services related to the sale of a subsidiary.

The Board proposes the following resolution for adoption by the General Meeting:

*"The auditor's fees are to be paid limited up to NOK 750 000."*

**Item 7: The Board of Directors' statement regarding the determination of salary and other remuneration to senior employees**

The Board of Director's statement regarding the determination of salary and other remuneration is included in the annual report, note 9.

The Board of Director's statement for remuneration to senior employees is presented to the General Meeting for an advisory vote, and the following resolution for adoption by the General Meeting is proposed:

*"The General Meeting approves the Board's statement regarding salary and other remuneration to senior employees."*

**Item 8: Authority to increase the Company's share capital**

The Annual General Meeting of 21 May 2015 awarded Power of Attorney to the Board of Directors to increase the company's capital for amongst other things the purchase of other companies and to fulfil the company's commitments pursuant to the share option programme. The Power of Attorney expires on 1 July 2016. The Board of Directors has not used the powers granted.

Based on the Company's strategy and economic development, the Board wishes to be in the position to acquire companies that are industrial compatible with the Company's further development. The Board therefore wants a renewal of this authorisation so that the limits for the shares that may be issued can be adjusted up to 5 % of the share capital at the date of the resolution. At the moment this represents NOK 1 232 799. The authorisation will enable the Board to deviate from the shareholders' preferential rights, which the Board considers necessary in order to perform share capital increases rapidly and in a cost-efficient manner. This applies to the acquiring of other companies and enterprises against payment in shares.

The authorisation will replace the authorisation granted at the General Meeting of 21 May 2015 and will be used for the following purposes:

To accomplish share capital increases, including private placing in connection with acquisitions, mergers and/or purchase of capital assets etc.

Based on this, the Board proposes the following resolution for adoption by the General Meeting:

*"The Board is authorised to increase the Company's share capital by up to NOK 1 232 799 through the issue of up to 4 109 331 shares at a face value of NOK 0.30. The authorisation shall be effective until 1 July 2017 and replace the authorisation from 21 May 2015. Shareholders' preferential rights according to Section 10-4 of the Norwegian Public Limited Companies Act can be withheld. The authorisation also covers capital increase against deposits in holdings other than money or the right to incur the Company specific obligations according to Section 10-2 of the Norwegian Public Limited Companies Act. The authorisation also covers decisions in connection with mergers according to Section 13-5 of the Norwegian Public Limited Companies Act."*

**Item 9: Authority to increase the Company's share capital regarding stock option programmes**

The company currently has two share option programmes. The number of share options outstanding (issued but not exercised) is 1 572 000.

	<b>Outstanding</b>	<b>Issued</b>	<b>Lapsed</b>	<b>Exercised</b>	<b>Outstanding</b>
<b>Programme</b>	<b>31 Dec 2014</b>	<b>2015</b>	<b>2015</b>	<b>2015</b>	<b>31 Dec 2014</b>
2011	393 000		393 000		
2013	1 711 000		389 000	30 000	1 292 000
2015		1 400 000	1 120 000		280 000
<b>Total</b>	<b>2 104 000</b>	<b>1 400 000</b>	<b>1 902 000</b>	<b>30 000</b>	<b>1 572 000</b>

The Board is of the opinion that the share option programme for key personnel should be continued. The Board proposes to the General Meeting that a new share option programme comprising 2 000 000 options for key personnel to be adopted. 80% of the options should be dependent on reaching the Company's profit targets for 2016.

The authorisation will replace the authorisation granted at the General Meeting of 21 May 2015 and may be used for the following purposes:

Fulfilment of the Company's obligations connected to new share option agreements with employees. When allocating new share options, the redemption price shall not be set lower than the market price at the date of the allocation, and in any case not lower than the share's face value of NOK 0.30. The exercise date is set to from 12 to 48 months from the allocation date.

Based on this, the Board proposes the following resolution for adoption by the General Meeting:

*"The Board is authorised to increase the Company's share capital by up to NOK 387 600 through the issue of up to 1 292 000 shares at a face value of NOK 0.30. The authorisation shall be effective until 1 July 2017 and replaces the authorisation from 21 May 2015. Shareholders' preferential rights according to Section 10-4 of the Norwegian Public Limited Companies Act can be withheld. When allocating new share options to employees, the exercise price shall not be set lower than the market price at the date the share option was allocated, and in any case not lower than the share's face value of NOK 0.30. The exercise date shall be set to from 12 to 48 months after the share option was granted."*

#### **Item 10: Power of Attorney to acquire own shares**

The Board of Directors proposes that the Annual General Meeting grants Power of Attorney to the Board of Directors to acquire own shares to a value of up to 5 % of the share capital as of the date of the Annual General Meeting's decision to grant the Power of Attorney.

On this basis, the Board of Directors proposes that the Annual General Meeting adopts the following proposal:

*"The Board of Directors is granted Power of Attorney to acquire own shares. The Power of Attorney shall expire on 1 July 2017. The highest total face value of the shares that can be acquired by the company is NOK 1 232 799, which is equal to 4 109 331 shares each of face value NOK 0.30. The acquisition is within the framework of The Public Limited Liabilities Companies Act Section 9-2. The price of each share shall be minimum NOK 0.30, which is equal to the face value and maximum NOK 20, but such that the price shall not exceed the listed price.*

*The acquisition and disposal of own shares can be done in connection with the fulfilment of option agreements or similar agreements with employees, as remuneration in connection with mergers, acquisitions or the acquisition of assets, and/or ordinary purchases and sales in the market. Shares shall only be acquired through direct offers to some or all shareholders, hereunder employees, or via the stock exchange. Offers to acquire shares can be presented for a defined number of shares or as a general offer.*

*In the case that the face value of the shares changes, the highest total face value of shares the company can acquire shall be amended, together with the minimum and maximum price to be paid on a pro-rata basis".*

#### **Item 11: Election of the Board of Directors and the Nomination Committee**

##### **11.1: Election of the Board**

The Nomination Committee proposes that Wenche Holen is replaced by Eli Giske and that the rest of the Board is re-elected and moreover that the General Meeting make the following resolution for the period 2016/2017:

*"Morten Thorkildsen is re-elected as Chairman of the Board and Mimi K. Berdal and Jan-Erik Karlsson are re-elected as Board members. Wenche Holen is replaced by Eli Giske".*

##### **11.2: Election of the Nomination Committee**

In accordance with the Articles of Association and the current Instructions to the Committee, the Committee has consulted the largest shareholders.

Based on this, the Nomination Committee proposes the following resolution for adoption by the General Meeting for the period 2016/2017:

*"Erik Sandersen (chairman), Olav Werner Pedersen and Geir Moe are re-elected as members of the Nomination Committee."*

#### **Item 12: Authorisation for the Board to approve an additional dividend based on the company's annual financial accounts for 2015.**

The Board proposes that the General Meeting grants Power of Attorney to the Board of Directors to decide on paying additional dividend based on the 2015 annual financial accounts, ref. Section 8-2 (2) of the Norwegian Public Limited Companies Act. The Board further proposes that the Power of Attorney can be used multiple times and that it is valid until the next Annual General Meeting in 2017.

Based on this, the Board proposes the following resolution for adoption by the General Meeting:

*“The Board is granted a Power of Attorney to decide on paying additional dividend based on the 2015 annual financial accounts, ref. Section 8-2 (2) of the Norwegian Public Limited Companies Act. The Power of Attorney can be used multiple times and is valid until the next Annual General Meeting in 2017.”*