

## **Notice to attend the Annual General Meeting in Central Asia Gold AB (publ.)**

The shareholders in Central Asia Gold AB (publ.) ("Company") are hereby given notice to attend an Annual General Meeting on Tuesday May 31, 2011 at 3.00 p.m. in Näringslivets Hus, Storgatan 19, 114 85 Stockholm. Registration for the meeting commences at 2.30 p.m.

### **NOTICE**

Shareholders wishing to participate in the meeting must:

- (i) Be entered in the shareholders' register kept by Euroclear Sweden AB (the Swedish Central Securities Depository & Clearing Organization) on the record day Wednesday May 25, 2011. Shareholders who have had their shares registered in the name of a nominee must, well in advance of May 25, 2011, through the nominee, temporarily register the shares in their own name in order to be entitled to participate in the meeting.
- (ii) Notify the Company of their attendance no later than 4 pm on May 27, 2011, via e-mail at address [agm@centralasiagold.se](mailto:agm@centralasiagold.se), via letter to Central Asia Gold AB, Engelbrektsplan 2, 4 tr, 114 34 Stockholm or telephone 08-624 26 80. Notification must include full name, personal ID number or corporate registration number, address and telephone number and, if applicable, information about proxy, representative and assistant. In order to facilitate entry to the meeting, notification should, when appropriate, be accompanied by powers of attorney, registration certificate and other authorization documents. Forms for power of attorney can be downloaded from the Company's website [www.centralasiagold.se](http://www.centralasiagold.se).

### ***Shareholders' information right***

According to Chapter 7 section 32§, of the Swedish Companies Act (2005:551), the shareholders present at the Annual General Meeting have right to request information regarding the matters on the agenda or the company's financial situation.

### **PROPOSED AGENDA**

- 1) Opening of the annual general meeting
- 2) Election of the chairman of the meeting
- 3) Preparation and approval of the voting register
- 4) Approval of the agenda
- 5) Election of one or two persons to attest the minutes of the meeting
- 6) Determination of whether the meeting has been duly convened
- 7) Presentation of the annual report and audit report and the consolidated accounts and group audit report and in connection with this address by the chairman of the board and the managing director
- 8) Resolution on:
  - a) adoption of profit and loss account and balance sheet and consolidated profit and loss account and consolidated balance sheet,
  - b) allocation regarding the Company's profit/loss in accordance with the adopted balance sheet, and

- c) discharge of liability for the board members and the managing director
- 9) Resolution on remuneration and other compensation to the board of directors
- 10) Resolution on remuneration to the auditor
- 11) Resolution on the number of board members
- 12) Election of board members and chairman of the board
- 13) Resolution on election committee
- 14) Resolution on guidelines for remuneration to the executive management
- 15) Resolution to amend the articles of association
- 16) Resolution authorizing the Board to decide on new share issues
- 17) Closing of the annual general meeting

## **PROPOSALS BY THE BOARD OF DIRECTORS**

### ***Item 2. Election of the chairman of the meeting***

The election committee, comprising Tom Baring (representing Bertil Holdings Ltd.), Thomas Falck (representing Ellge Kapital i Stockholm AB), Martin Diggle (representing Artradis Fund Management PTE Ltd), Mats Löfgren (representing Commodity Quest AB) and Lars Guldstrand, Chairman of the board, has not informed the company of its proposal regarding appointment of the Chairman of the meeting. The company will publish the election committee's proposal regarding this in due time before the annual general meeting.

### ***Item 8b. Resolution on allocation of profit/loss for 2010***

The board of directors and the managing director did not state the Company's non-restricted equity. The company will publish the proposal regarding this in due time before the annual general meeting.

### ***Item 9 – 12. Election of board members and the chairman of the board***

Items 9, 11 and 12. The election committee, has not informed the company of its proposal regarding the number of board members, composition of the board of directors, and remuneration to the board members. The company will publish the election committee's proposal regarding these questions in due time before the annual general meeting.

### ***Item 10. Remuneration to the auditor***

It is proposed that remuneration in accordance with an approved invoice shall be paid to the auditor.

### ***Punkt 13. Adoption of principles on the appointment of the election committee***

The election committee proposes that a new election committee shall be appointed before the annual general meeting 2012 in accordance with the previously adopted principles, i.e. that the Company shall have an election committee comprising of the chairman of the board and four members, each representing one of the four owners with the largest voting power. Thus, the shareholders with the largest number of votes will be contacted based on the Company's list of registered shareholders (by group), which is provided by Euroclear Sweden AB, per October 31, 2011. Shareholders which are not registered by Euroclear. Sweden AB, and wish to exercise their rights, shall notify the chairman of the board and shall be able to verify the ownership. As soon as possible after the end of October, the chairman of the board shall contact the four largest shareholders above and ask them to appoint one member each. If any of the shareholders waives its right to elect a member of the election committee, the next shareholder by size shall be given the opportunity to elect a member. The names of the owner representatives and the names of the shareholders which they represent shall be made public no later than six months prior to the

annual general meeting. The election committee's term of office shall last until a new election committee has been appointed. The chairman of the election committee shall, unless the members otherwise agree, be the member who represents the largest shareholder. If a member leaves the election committee before its work is completed and if the election committee considers that there is a need to replace this member, the election committee shall appoint a new member. No remuneration shall be paid to the members of the election committee. The election committee may charge the Company reasonable costs for travelling and investigations.

The election committee shall submit proposals to the annual general meeting for: (i) election of the chairman of the meeting, (ii) number of board members, (iii) election of chairman of the board and board members, (iv) remuneration to the board, divided between the chairman and the other members, (v) any remuneration for committee work, and (vi) election and remuneration to auditors and alternate auditors (if applicable). In addition, the election committee shall submit a proposal to a resolution for the appointment of a new election committee.

#### ***Item 14. Resolution on guidelines for remuneration to the executive management***

The board of directors proposes that the annual general meeting approves the guidelines for remuneration to the executive management of Central Asia Gold group ("Group"), essentially containing the following:

The guidelines shall apply to remuneration and other employment terms and conditions for the managing director and other members of the Group's management ("Group Management").

#### ***Guidelines***

The guidelines shall apply to all employment contracts which are entered into after the meeting's resolution and in those cases where amendments are made to the existing terms and conditions after this point in time. The Company shall aim to offer a total remuneration, which is reasonable and competitive based on the circumstances in the individual country. The remuneration shall vary in relation to the performance of the individual and the Group. It is proposed that the total remuneration to the Group Management shall consist of the components stated below.

#### ***Fixed salary***

The fixed salary ("Base Salary") shall be adjusted to the market and be based on responsibility, competence and performance. The fixed salary shall be revised every year.

#### ***Variable salary***

The variable salary shall relate to the Company's return on production result, reserves and production goals, and specific goals within each executive's area of responsibility. The variable salary shall be paid annually and shall amount to a maximum of one annual Base Salary.

#### ***Longterm incentives***

The board of directors intends, on a regular basis, to assess the need of long-term incentive programmes that shall be proposed to the annual general meeting.

#### ***Insurable benefits***

Old-age pension, healthcare benefits and medical benefits shall, if applicable, be prepared in a manner that reflects the rules and practice in the home country. If possible, the pension plans shall be premium determined. In individual cases, depending on the tax and/or social insurance laws which apply to the individual, other adjusted pension plans or pension solutions may be approved.

#### ***Other benefits***

The Company shall be able to provide individual members of the Group Management or the entire Group Management with other benefits. These benefits shall not constitute a substantial part of the total remuneration. The benefits shall further correspond to what is normal on the market.

### *Termination and severance pay*

Notice of termination of employment shall be no more than twelve months upon termination initiated by the Group and no more than six months upon termination initiated by a member of the

In individual cases, the board of directors shall be able to approve of severance pay in addition to the period of notice. Severance pay may only be paid out upon termination by the Company or when a member of the Group Management resigns due to a significant change of his/her working conditions, which means the he/she cannot perform adequately.

The board of directors shall be entitled to derogate from these guidelines if special reasons exist in an individual case.

### ***Item 15. Resolution to amend the articles of association***

The Board of Directors proposes that the current wording of § 7, second paragraph of the Articles of Association is to be amended as follows:

"Notice of an Annual General Meeting shall be made by advertisement in the Swedish Official Gazette ( Post- och Inrikes Tidningar ) and on the company's website. An announcement that the notice has been given shall be published in the daily newspaper Svenska Dagbladet."

### ***Item 16. Resolution authorizing the Board to decide on new share issues***

The Board proposes that the Annual General Meeting to authorize the Board to issue new shares, etc.

The Board is authorized, for the period until the next Annual General Meeting on one or more occasions, with or without preferential rights for shareholders, issue new shares, warrants and / or convertibles. Decisions related to the authorization may result in increase of the capital by a maximum of 18, 000,000, representing a maximum of 1,600,000 shares of the company, upon full exercise of the warrants and convertible bonds issued under the present authorization and prior to any conversion in accordance to its terms.

The decision may consist of provisions stating that the payment for the newly issued shares, warrants or convertible bonds are to be made in kind, by offset or otherwise be subscribed for under conditions stated in Chapter 13. § 5 first paragraph 6, Chapter 14. § 5 first paragraph 6, or Chapter 15. 5 § 4 first paragraph of the Companies Act (2005:551). The Board is authorized to define other terms and conditions for the rights issue.

The share issue can be made for financing of acquisitions of a company, part of it or assets which the board deems to be of value for the company, as payment substitution for the company's strategic partnerships, raise of the capital either for such acquisitions, partnerships or other investments or for strengthening of the company's financial position, if necessary, and for the implementation of financial restructuring, such as a loan repayment.

The Board, or the one that the board appoints, is authorized to make minor adjustments in the decision of the Annual General Meeting as may be required in conjunction with registration of the decision by the Companies Registration Office.

## **INFORMATION OF THE TOTAL NUMBER OF SHARES**

As of the day of notice, there are 16,016,987 shares and votes in total in the Company.

**GENERAL**

Accounts, audit reports, statement of the auditor and statement whether the Company has followed the guidelines for remuneration for the executive managers and complete proposals for resolutions will be kept available at the Company's office at Engelbrektsplan 2, 4 tr, 114 34 Stockholm as of May 11, 2011 and will be sent in connection therewith to the shareholders who so request and state their postal address. The documents will also be available on the Company's website [www.centralasiagold.se](http://www.centralasiagold.se). All of the above documents will also be submitted at the general meeting.

Stockholm in April 2011  
The Board of Directors