



To the shareholders of I.M. Skaugen ASA

NOTICE OF EXTRAORDINARY GENERAL MEETING

Notice is hereby given to the shareholders of I.M. Skaugen ASA that an Extraordinary General Meeting of the shareholders is to be convened on Friday 16th June 2006, at 1000 hours. The Extraordinary General Meeting will be held at the Company's offices at Karenslyst Allé 8B, Skøyen, in Oslo.

The Board of Directors proposes the following agenda:

- 1) Opening of the meeting**
- 2) Election of the chairperson for the meeting**
- 3) Election of a shareholder to sign the minutes jointly with the chairperson**
- 4) Approval of the meeting notice and the agenda of the meeting**
- 5) Update on the activities of the group**
- 6) Changes in the Board of Directors**

During the spring the Board, by way of external assistance, has carried out an evaluation of the composition of the Board of Directors. On the basis of this evaluation the Board wants to request shareholders approval for a change in its composition. The Board of Directors proposes to elect Liselott Kilaas (47 years, Master Sc., Chief Operating Officer Zenitel Norway ASA) and Ingelise Arntsen (40 years, B.Sc. (Econ), Executive Vice President Statkraft AS) as Board Members. (A more detailed presentation of Liselott Kilaas and Ingelise Arntsen is given on our website www.skaugen.com). The articles of association of I.M. Skaugen ASA limit the number of Board Members to eight. Consequently the Board of Directors proposes that CEO Morits Skaugen resign his Board position and that he is appointed as deputy member of the Board.

If the Board's proposal is accepted by the shareholders the new composition of the Board of Directors will be; Erik Eik (chairman), Ingelise Arntsen, Nils Gregusson, Liselott Kilaas, Bertel Steen, Jon Aksel Torgersen, Karen Helene Ulltveit Moe, Christian Wessel. Deputy Members to the Board; Morits Skaugen.

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Pursuant to Section 6 of the Articles of Association, shareholders that wish to participate at the Extraordinary General Meeting themselves or by proxy must use the enclosed form (enclosure 1). A proxy may also be submitted to Board Chairman, Mr. Erik Eik.

Reply coupon must be registered with Nordea Bank Norge ASA, Verdipapirservice, telefax 22 48 63 49, no later than Tuesday 13th June 2006, at 1600 hours.

Oslo, 23rd May 2006
The Board of Directors