

**The board of directors of Central Asia Gold AB (publ) company registration number. 556659-4833 ("Company") complete proposal to resolution on issues of warrants for the purposes of an incentive programme (item 23 in the notice)**

*Resolution on issue of warrants*

The board of directors proposes that the annual general meeting makes a resolution, with deviation of the shareholders' preferential rights, to issue 10,650,000 warrants to its subsidiary LLC Tardan Gold ("Subsidiary"). The warrants are to be subscribed during the period of 5 August 2010 to 12 August 2010. The reason for deviating from the shareholders' preferential rights is that the warrants from the Subsidiary are to be used for the purposes of an incentive programme ("Incentive programme 2010/2012") to special executives and key persons, see below. No subscription price shall be paid for the warrants. Each warrant entitles subscription of one share. The share capital can, if the warrants are fully exercised, be increased with at the most SEK 11,981,250. For each share a price shall be paid corresponding to the average volume based price of the Company's share during the period of 19 July 2010 to 30 July 2010 multiplied by one point fourtyfour (1.44) rounded to the nearest even ten öre whereof five öre shall be rounded downwards, provided however, that the price shall never be lower than the share's quota value. The warrant rights may be exercised during August 2012. The subscribed shares shall entitle to dividend the first time on the first record day for dividends which occurs after the registration with the Swedish Companies' Registration Office. Other conditions for the warrants are found in an enclosure.

*Resolution on incentive programme*

The board of directors proposes that the annual general meeting instructs the board of directors to procure that the board of directors of the Subsidiary carry out a sale of warrants subscribed for within the Incentive programme as follows:

- (i) In total the offer is to be directed to at the most 25 persons.
- (ii) The persons to receive the offer shall be divided into four groups as follows: COO maximum 2,000,000 warrants, members of the management group (at the most eight persons) maximum 750,000 warrants per person, specialists (at the most seven

persons) maximum 250,000 warrants per person, key employees (at the most nine persons) maximum 100,000 warrants per person.

- (iii) The price to be paid for the warrants shall be market value calculated with application of the Black & Scholes model based on the share price and other market conditions precedent at the time of acquisition. The calculation of the warrants market value shall be carried out by an independent evaluation institute.
- (iv) There shall not be an opportunity for the participants in the programme to acquire more warrants than those offered in accordance with ii above.
- (v) If a person has been offered to participate in the programme and abstains from acquiring warrants, such warrants are not to be offered to any other participant.

With respect to the proposal above regarding the incentive programme the board of directors wishes to provide the following information:

- (i) The motive for the proposal is that COO, executive committee, key employees and specialists within the Group, in addition to their normal remuneration, through on investment of their own shall be able to participate in and work for a positive growth in the company. The board of directors is of the opinion that the Incentive programme 2010/2012 is going to contribute to motivate and keep these important persons within the group and that this will be of gain to the shareholders.
- (ii) The warrants will, under the assumption that the share issue of 141 225 000 shares is fully subscribed for, lead to an increase in the amount of outstanding shares with at the most 6,5 percent. Dilution and costs for establishment and administration of the Incentive programme 2010/2012 is expected to have a marginal effect on the group's key ratio.
- (iii) The programme is not expected to lead to any costs with respect to the development of the Company's share price.
- (iv) The programme is not expected to lead to any costs regarding hedging
- (v) The programme is not expected to lead to any costs regarding social security costs.
- (vi) The programme has been prepared by the board of directors of the company.

(vii) The company has no other share related incentive programmes in place.

*Other*

The complete terms for the Incentive programme 2010/2012 are stated in enclosure 1. As described in enclosure 1 the issue price as well as amount of shares which a warrant is entitled to subscribe can be recalculated in connection with a bonus issue, new issue, issue of warrants or convertibles and in certain other cases.

For the resolution to be valid it is required that the board of directors' proposal is supported by not less than two thirds of both the votes given and the shares represented at the annual meeting.

The board of directors, or whomever the board of directors appoints, is authorized to make those adjustments that may become necessary in connection with registration at the Companies' Registration Office.

*The board of directors*



**CENTRAL ASIA GOLD AB (publ.)**  
**CONDITIONS FOR WARRANTS SERIES 2010/2012**  
**TO SUBSCRIBE FOR NEW COMMON SHARES**

**1. DEFINITIONS**

For the purpose of these conditions, the following terms shall have the meanings stated below:

“Banking Day”	a day which is not a Saturday or Sunday or other public holiday;
“Company ”	Central Asia Gold AB (publ), 556659-4833;
“Central Register of Companies”	Euroclear Sweden AB
“Warrant Certificate”	certificate to which certain Warrants to subscribe for new Shares in the Company has been attached
“Warrant Holder”	the holder of a Warrant Certificate;
“Subscription”	subscription for new Shares in the Company as stated in Chapter 14 of the Swedish Companies Act (SFS 2005:551) pursuant to the conditions below;
“Strike Price”	the price at which subscription for new shares can take place upon exercise of the Warrants;

“Warrants”	the right to subscribe for a Share in the Company for cash payment;
“Exercise Period”	the period during which a Warrant may be exercised;

## **2. WARRANT CERTIFICATE**

The total number of Warrants of Series 2010/2012 shall amount to, at the most, 10 650 000. The Warrants are represented by Warrant Certificates. The Warrant Certificates are issued to the holder or order. The Warrant Certificates may be surrendered to the Company in exchange of other denominations.

## **3. THE RIGHT TO SUBSCRIBE FOR NEW SHARES**

The Warrant Holder has the right to subscribe for one (1) new Share for each Warrant from August 1, 2012 until August 31, 2012, at a Strike Price per Share of SEK [xxx]. The Strike Price corresponds to the average volume base price of the Company’s shares during the period July 19, 2010 until and including July 30, 2010 multiplied by 1.44. The Strike price shall be rounded up or down to the nearest full ten *öre*, whereupon five *öre* shall be rounded down.

Recalculation of the Strike Price as well as of the number of new Shares that each Warrant entitles a right to subscribe for, may be made under the circumstances set forth in section 9 below.

Shares subscribed for cannot be divided, whereby a Warrant Holder has the right to subscribe for the maximum number of Shares that his Warrants give a right to subscribe for at the time of the Subscription.

#### **4. EXERCISE OF WARRANTS**

Exercise of the Warrants shall take place by written notification of Subscription to the Company. The notification shall state the number of Warrants to be exercised. The notification is binding and cannot be recalled by the Warrant Holder.

When making a notification of Subscription, the Warrant Holder shall submit Warrant Certificates representing the number of Warrants that the Warrant Holder wishes to exercise. Subscription may refer to all or some of the Shares that may be subscribed for in respect of the Warrants represented by the submitted Warrant Certificate. If the Warrant Holder exercises a smaller number of Warrants than the number of Warrants that the Warrant Certificate represents, the Warrant Holder shall have the right, upon request, to receive from the Company a new Warrant Certificate representing the number of Warrants not exercised.

#### **5. EXERCISE PERIOD FOR THE WARRANTS**

Notification of Subscription pursuant to section 4 can be sent to the Company by letter or courier. The Subscription is considered to have arrived at the Company at the latest (i) when the Company has signed a delivery receipt or (ii) when the Company in some other way has confirmed receipt of the notification of Subscription. The notification of Subscription shall, however, be considered to have arrived at the latest five Banking Days after that the Warrant Holder has sent it to the Company in a domestic letter.

#### **6. PAYMENT**

When making a notification of Subscription pursuant to section 4, payment shall simultaneously be made in cash to the Company for all Shares subscribed for.

## **7. REGISTRATION IN THE SHARE REGISTER ETC.**

After allocation of the new Shares, the new Shares shall immediately be entered into the share register as interim shares. After registration with the Swedish Companies Registration Office, the record on the control account will become final. In accordance with section 8 and 9 below such final recording may in some cases be delayed.

## **8. DIVIDENDS**

A notification for a Subscription that is not made in due time for the Subscription to be completed at the latest on the tenth calendar day before the record day of a dividend decided by or proposed to the general shareholder's meeting will be completed after the record day. Shares which has been issued based on a Subscription that is completed after the record day will be recorded on the control account as interim shares and will not entitle to dividend until the final recording on the control account has been made.

## **9. RECALCULATION OF STRIKE PRICE, ETC.**

With regard to the right of the Warrant Holder in cases of bonus issues; consolidations or splits; new issues of shares, convertibles or warrants to subscribe for new shares; and in certain other cases listed below, the provisions below shall apply.

- A. In the event of a *bonus issue*, a Subscription that is not made in due time for the Subscription to be completed at the latest on the tenth calendar day before the resolution on a bonus issue is adopted by the general shareholder's meeting will be completed after the decision. Shares issued based on the Subscription completed after the decision will be recorded on the control account as interim shares and are not entitled to take part in the issue. Final recording on the control account will be made after the record day of the issue.



In the event of a Subscription that is completed after the decision of a *bonus issue*, a recalculated Strike Price as well as a recalculated number of Shares which every Warrant confers the right to subscribe for, shall be applied.

Recalculation will take place according to the following formula.

$$\text{recalculated Strike Price} = \frac{\text{the Strike Price prior to the bonus issue multiplied by the number of shares prior to the bonus issue}}{\text{the number of shares after the bonus issue}}$$

$$\text{the recalculated number of shares which each Warrant confers the right to subscribe for} = \frac{\text{the number of shares which each Warrant confers subscription rights to prior to the bonus issue multiplied by the number of shares after the bonus issue}}{\text{the number of shares prior to the bonus issue}}$$

Shares held by the Company itself should not be included in a recalculation in accordance with the above. A recalculated Strike Price should be determined by the Company as soon as possible after the general shareholder's meeting decision of the bonus issue but should be applied after the record day

- B. In the event of a *consolidation or a split* of the shares, the provisions in A shall apply correspondingly, and the day the Company requests the Central Register of Companies to carry out the consolidation or split shall be considered as the record day.
- C. In the event of a *new issue of shares* with preferential right to the shareholders to subscribe for new shares through cash payment or by set-off against a claim against the Company, the following shall apply in relation to the right to participate in the new issue with shares that has been issued based on the Warrants.

1. If the issue has been decided by the board of directors subject to approval by the general meeting of shareholders, or with the authority of the general meeting of shareholders, the decision shall specify the final date on which a Subscription is to be completed in order for a Share, issued due to such Subscription, to confer the right of participation in the issue. This date may not be earlier than the tenth calendar day after the decision.
  
2. If the issue is decided by the shareholders meeting, a Subscription that is not made in due time for the Subscription to be completed at the latest on the tenth calendar day before the decision of the issue is made by the general shareholder's meeting will be completed after the Company has made a recalculation in accordance with this section C, second last sentence. Shares issued based on such Subscription completed after the decision will be recorded on the control account as interim shares and are not entitled to participate in the issue.

A recalculation shall be made of the Strike Price as well as the number of Shares conferred by each Warrant, in connection with a Subscription executed at such time that a right to participate in the new issue will not arise.

Recalculation shall be made according to the following formulas:

$$\begin{array}{l}
 \text{the recalculated} \\
 \text{Strike Price}
 \end{array}
 =
 \frac{\begin{array}{l}
 \text{the Strike Price prior to the new issue multiplied} \\
 \text{by the average quoted price during the Exercise} \\
 \text{Period established in the decision to issue shares} \\
 \text{(average price of share)}
 \end{array}}{\begin{array}{l}
 \text{the average price of the share increased by the} \\
 \text{theoretical value of the right to subscribe} \\
 \text{calculated on that basis}
 \end{array}}
 \times
 \frac{\begin{array}{l}
 \text{the number of Shares to which each} \\
 \text{Warrant confers the right to subscribe for} \\
 \text{prior to the new issue multiplied by} \\
 \text{the average quoted market value of the} \\
 \text{Share increased by the calculated}
 \end{array}}{\text{recalculated}}$$

$$\begin{array}{l} \text{number of Shares} \\ \text{which each Warrant} \\ \text{confers the right to} \\ \text{subscribe for} \end{array} = \frac{\text{theoretical value of the right to subscribe}}{\text{the average price of the share}}$$

The average price of the Share is considered to be equivalent to the average of the mean calculated for each trading day during the Exercise Period of the highest and lowest price in accordance with the OMX stock exchange or other official stock exchange list. In the absence of a quoted payment price, the purchase price quoted as the final price shall instead be included in the calculation. Dates on which there is neither a quotation of payment price nor a purchase price shall not be included in the calculation.

The theoretical value of the subscription right is calculated according to the following formula:

$$\begin{array}{l} \text{the value of the} \\ \text{right to subscribe} \end{array} = \frac{\begin{array}{l} \text{the maximum number of shares which may be} \\ \text{issued in accordance with the decision to issue} \\ \text{multiplied by (the average price of the share –} \\ \text{the issue price for the new share)} \end{array}}{\text{the number of shares prior to the issue decision}}$$

Shares held by the Company itself should not be included in a recalculation in accordance with the above. If the recalculation results in a negative value, the theoretical value of the right to subscribe shall be set at zero.

The recalculated Strike Price and number of shares in accordance the above shall be set by the Company two Banking Days after the expiry of the period of subscription and applied to Subscriptions implemented thereafter.

During the period when the recalculated Strike Price and the recalculated number of shares that each warrant entitles to is determined a Subscription will only be made preliminary and the shares that each Warrant entitles to will be recorded as interim shares on the control account. It is thereby noted that

each Warrant after the recalculation may entitle to additional shares or amounts in cash. Final recording on the control account will be made after the recalculation has been completed.

- D. In the event the Company issues *warrants* or *convertibles* with preferential rights for existing shareholders pursuant to Chapters 14 and 15 of the Companies Act, the provisions in section C, first sentence paragraph 1 and 2 shall apply correspondingly.

A recalculation shall be made of the Strike Price as well as the number of Shares conferred by each Warrant, in connection with a Subscription executed at such time that a right to participate in the new issue will not arise.

Recalculation shall be made according to the following formulas:

$$\text{the recalculated Strike Price} = \frac{\text{the Strike Price prior to the new issue multiplied by the average quoted price during the Exercise Period established in the decision to issue shares (average price of share)}}{\text{the average price of the share increased by the value of the right to subscribe}}$$

$$\text{recalculated number of Shares which each Warrant confers the right to subscribe for} = \frac{\text{the number of Shares to which each Warrant confers the right to subscribe for prior to the new issue multiplied by the average quoted market value of the Share increased by the value of the Warrant}}{\text{the average price of the share}}$$

The value of the Warrant is considered to be equivalent to the average of the mean calculated for each trading day during the Exercise Period of the highest and lowest price in accordance with the OMX stock exchange or other official stock exchange list. In the absence of a quoted payment price, the purchase

price quoted as the final price shall instead be included in the calculation. Dates on which there is neither a quotation of payment price nor a purchase price shall not be included in the calculation.

The recalculated Strike Price and number of shares in accordance with the above shall be determined by the Company two Banking Days after the expiry of the period of subscription and applied to Subscriptions implemented thereafter.

With regard to a Subscription during the period when the recalculated Strike Price and the recalculated number of shares that each warrant entitles to is determined section C, last sentence shall apply correspondingly.

- E. In the event of an *offer made by the Company directed to the shareholders in another case* than as referred to in A-D, to acquire securities or rights of some kind with preferential rights, according to the principles in Chapter 13 sections 1-2 of the Companies Act, or a decision to distribute such securities or rights without payment according to the principles above, shall when Subscription has been called for at such a time that the new share or shares do not confer the right to participate in the offer, a recalculation of the Strike Price and the number of Shares conferred by each Warrant shall be made by the Company according to the following formula:

$$\text{the recalculated Strike Price} = \frac{\text{Strike Price prior to the offer multiplied by the average quoted price during the notification period decided in the offer (average price of the share)}}{\text{The average price of the share increased by the value of the right to take part in the offer (value of purchasing right)}}$$

$$\text{Number of Shares prior to the offer to which each Warrant entitles subscription multiplied by the average price of the Shares increased The}$$

$$\frac{\text{recalculated number of Shares which each Warrant confers the right to subscribe for}}{\text{by the value of the right to take part in the offer}} = \frac{\text{The average price of the share}}{\text{The average price of the share}}$$

The average price of the Share is calculated in accordance with C.

If the shareholders have received purchase rights and trade has taken place with them, the value of the right to participate in the offer should be considered to correspond to the value of the purchase right. The value of the purchase right shall in this context be calculated as the average of the highest and lowest price for each trading day during the period of notification according to the official price list at the OMX stock exchange or other official stock exchange list. In the absence of a quoted payment price, the purchase price quoted as the final price shall instead be included in the calculation. Dates on which there is neither a quotation of payment price nor a purchase price shall not be included in the calculation.

If such trade with purchase rights as referred to above has not taken place, recalculation of the conversion rate shall take place applying as far as possible the provisions specified in this section E. If the securities or rights offered to the shareholders are listed, the value of the right to take part in the offer shall equal the mean of 25 trading days as from the date of listing based on a calculated price for each day represented by the average price of the highest and lowest payment price for such securities or rights at to the OMX Stock exchange or other official stock exchange list, reduced by any price paid for the securities or rights. In the absence of a quoted payment price, the purchase price quoted as the final price shall instead be included in the calculation. Dates on which there is neither a quotation of payment price nor a purchase price shall not be included in the calculation. When recalculating the Strike Price and number of shares in accordance with this sentence the notification period of the offer shall equal the 25 days mentioned above. If such listing does not take place the value of the right to take part in the offer shall be

determined based on the change in market value of the shares in the Company that can be deemed a consequence of the offer.

The recalculated Strike Price shall be determined by the Company as soon as possible after the expiry of the offer and applied to Subscription completed thereafter.

With regard to a Subscription during the period when the recalculated Strike Price and the recalculated number of shares that each warrant entitles to is determined section C, last sentence shall apply correspondingly.

- F. In the event the Company decides upon an *issue of shares or issues warrants or convertibles* with preferential rights for existing shareholders pursuant to Chapters 14 and 15 of the Companies Act , the Company may decide to offer all Warrant Holders equal rights as the shareholders. In such case each Warrant Holder shall be considered the holder of the number of shares that the Warrant Holder would have received if Subscription was completed for the number of shares each Warrant entitled to at the time of the issue. The fact that the Warrant Holder may also have had the right to a cash amount shall not render any further rights.

In the event the Company would direct an offer to the shareholders in accordance with section E above, shall this section apply correspondingly, however the number of shares each Warrant Holder is entitled to shall be determined based on the strike price at the time of the offer.

If the Company would decide to offer the Warrant Holders a priority in accordance with this section F a recalculation in accordance with section C, D or E shall not be made.

- G. If a cash dividend to the shareholders is decided upon, resulting in the latter receiving a dividend which, together with other dividends paid during the

same financial year, exceeds 15 per cent of the average price of the share during a period of 25 trading days immediately preceding the day on which the Company announces its intention to make a proposal to the General Meeting on such payment, a recalculated Strike Price shall be applied and a recalculated number of Shares conferred by each Warrant in the event of the Subscription being requested at such a time that the share obtained when the Subscription is carried out does not confer the right to a dividend. The recalculation shall be based on that part of the total dividend that exceeds 15% of the share's average value during the aforesaid period (extraordinary dividend). Recalculation is to be carried out according to the following formulas:

$$\begin{aligned} \text{the recalculated Strike Price} &= \frac{\text{Strike Price prior to recalculation multiplied by the average quoted price for the share for a period of 25 trading days calculated from the day on which the Share was quoted without the right to extraordinary repayment (average price of the share)}}{\text{the average price of the share increased by the extraordinary dividend paid per share}} \\ \\ \text{the recalculated number of Shares which each Share confers the right to subscribe for} &= \frac{\text{number of Shares prior to recalculation to which every Warrants confers exercise rights multiplied by the average price of the Shares increased by the extraordinary dividend}}{\text{the average price of the share}} \end{aligned}$$

The average price of the Share shall be considered to be equivalent to the average of the mean of the highest and lowest price paid for each trading day for 25 trading days in accordance with the OMX stock exchange or other official stock exchange list. In the absence of a quoted payment price, the purchase price quoted as the final price shall instead be included in the calculation. Dates on which neither a payment price nor a purchase price is quoted shall not be included in the calculation.



The recalculated conversion rate in accordance with above shall be set two Banking Days after the expiry of the above period of 25 days and applied by the bank to share subscriptions implemented thereafter.

If a notification for a subscription as been made but, in accordance with section 8 above, recording on the control account is not made, it shall be noted that each Warrant after recalculations may entitle to additional shares and/or a cash amount. Final recording on the control account takes place when the recalculations are completed, however not before the time that is stipulated in section 8 above.

- H. In the event of a compulsory *reduction of share capital* and repayment to the shareholders a recalculation of the Strike Price and the number of Shares conferred by each Warrant shall be made by the company according to the following formula:

$$\text{the recalculated Strike Price} = \frac{\text{Strike Price prior to recalculation multiplied by the average quoted price for the share for a period of 25 trading days calculated from the day on which the share was quoted without the right the repayment (average price of share)}}{\text{the average price of the share increased by the amount repaid per share}}$$

$$\text{the recalculated number of Shares which each Warrant confers the right to subscribe for} = \frac{\text{Number of Shares prior to recalculation to which every Warrants entitles subscription multiplied by the average price of the Shares increased by the amount repaid per Share}}{\text{the average price of the Share}}$$

The average price of the Share is calculated in accordance with section C.

A recalculation in accordance with the above shall, in the event of a reduction of share capital as a consequence of a redemption of shares, instead of the actual amount repaid per share include an amount calculated as follows.

$$\text{Calculated repayment price per share} = \frac{\text{Actual amount repaid per redeemed share reduced by the average quoted price for the share for a period of 25 trading days calculated from the day on which the share was quoted without the right to the repayment (average price of share)}}{\text{The number of shares in the Company that confers the right to redemption of one share reduced with the number 1.}}$$

The average price of the Share is calculated in accordance with section C.

The recalculated Strike Price shall be set by the Company two Banking Days after the expiry of the above period of 25 days and applied to Subscriptions implemented thereafter.

Subscription shall not be executed during the period from the decision on consolidation to the day on which the recalculated Strike Price is determined.

In the event the share capital in the Company is reduced by a redemption of shares that is not compulsory, or if the Company- without a reduction of share capital- would carry out a buy-back of shares, and according to the Company such measure, taking into consideration the technical nature of the measures and economical effects, can be compared to a compulsory reduction, a recalculation of the Strike Price and the number of Shares to which each Warrant confers a right to purchase shall be carried out to the extent possible in accordance with the principles set out in this section H.

- I. If the Company carries out a measure as provided for in section A-E, section G or H above, and should, according to the Company, application of the recalculation formulas intended for this purpose, taking into consideration the technical nature of the measures or for some other reason, not result in the

Warrant Holder receiving a reasonable financial compensation or lead to an incorrect result, the Company shall carry out a recalculation of the Strike Price and, in relevant cases, the number of Shares to which each Warrant confers a right to purchase in the way that the Company finds appropriate with the end of such recalculation leading to an equitable result.

- J. For determination of the recalculated Strike Price the Strike Price shall be rounded up or down to the nearest full ten *öre*, whereupon five *öre* shall be rounded up and the number of Shares rounded to two decimals.
- K. Should the general meeting of the shareholders pursuant to Chapter 23 § 15 of the Companies Act approve a *merger plan*, by which the Company is absorbed by another company, a notification for a Subscription may not be made thereafter.

No later than two months before the company finally approves a merger plan in accordance with the above, the Warrant Holders shall be notified in accordance with section 11 below about the merger plan. The notification shall include the main content of the merger plan and the Warrant Holders shall be informed that a Subscription cannot be notified after the final approval in accordance with the above.

In the event the Company notifies the Warrant Holders in accordance with the above, the Warrant Holder shall, irrespective of the earliest Subscription date in section 3, as from the date the notification was made have the right to Subscribe, provided that the Subscription can be completed at the latest on the tenth day before the merger plan is to be approved.

- L. In the event the Company creates a merger plan in accordance with Chapter 23, section 28 of the Companies Act, by which the Company is dissolved by being absorbed by another company, the following applies.

In case the Board of directors declares its intent to create a merger plan in accordance with Chapter 23, section 28 of the Companies Act, the Company shall, in case the last day for a Subscription in accordance with section 3 above occurs after such declaration, determine a new final day for a Subscription (the Final day). The Final day must be within 60 days from the declaration.

If a declaration has been made in accordance with this section L, shall, irrespective of the earliest Subscription date in section 3, the Warrant Holder have the right to Subscribe until the Final day. The Company shall no later than four months before the Final day by a notification in accordance with section 11 below remind the Warrant Holders of this right and that a Subscription can not take place after the Final day.

- M. In the event of a *winding up* pursuant to Chapter 25 of the Companies Act, regardless of the grounds for the winding up, no further Subscriptions may be executed. The right to subscribe ceases by the decision of a winding up regardless whether the decision has attained legal force or not.

At the latest two months prior to the General Meeting having decided on the issue of whether the Company shall be voluntarily wound up pursuant to Chapter 25, Section 1, of the Companies Act, the Warrant Holders shall be informed by a notification, provided for in section 11, of the matter. This notification shall include a reminder that a notification of Subscription may not be made after the General Meeting has reached a decision to wind up the Company.

Should the Company make a notification that it is considering to voluntarily wind up the Company, the Warrant Holders shall, irrespective of what is provided for under 3 above, have the right to make a notification of Subscription from the day on which the notification was given. This applies, however, only if the Subscription can be executed at the latest on the tenth day before the

general meeting of shareholders, at which the issue of the winding up of the Company is to be dealt with.

- N. Should the General Meeting approve a division plan pursuant to Chapter 24, Section 17 of the Companies Act, by which the Company shall be divided by way of a part of the Company's assets and liabilities are acquired by one or more limited liability companies, a Subscription may not be made thereafter.

No later than two months before the company approves a division plan in accordance with the above, the Warrant Holders shall be notified in accordance with section 11 below about the division plan. The notification shall include the main content of the division plan and the Warrant Holders shall be informed that a Subscription cannot be notified after the final approval in accordance with the above.

In the event the Company notifies the Warrant Holders in accordance with the above, the Warrant Holder shall, irrespective of the earliest Subscription date in section 3, as from the date the notification was made have the right to Subscribe, provided that the Subscription can be completed at the latest on the tenth day before the division plan is approved.

- O. Regardless of the provisions made in K, L, M and N on Subscription not being permitted after a decision on a winding up or approval of a merger plan or a division plan, and that Subscription may not be called for after the new Final day, the right to Subscription shall be restored if the winding up ceases or the merger or division lapse.
- P. If the Company has been declared *bankrupt*, Subscription may not take place thereafter. If the bankruptcy decision is rescinded, the right to Subscription is restored.

## 10. CERTAIN OBLIGATIONS OF THE COMPANY

The Company shall not take any actions in accordance with section 9 above resulting in the Strike Price falling below that of the quotient value applicable from time to time for a Share.

## **11. NOTIFICATIONS**

Notifications concerning Warrants, unless otherwise stated in these conditions, will be sent to each Warrant Holder by mail to the last known address or through publication in at least one daily newspaper distributed in Stockholm.

A notice concerning Warrants made through mail shall (if no earlier receipt can be proven) be deemed received at the latest five Banking Days after the date the Company has sent the notice.

## **12. CHANGES OF TERMS**

The Company has the right to amend these terms to the extent it is required by legislation, a court decision, a decision by an authority or, according to the Company, is considered appropriate from a practical perspective or necessary and the Warrant Holders rights are not essentially reduced.

## **13. RESTRICTED LIABILITY**

The Company shall be relieved from liability for a failure to perform any obligation under these conditions due to circumstances such as changes in Swedish or foreign legislation, acts of Swedish or foreign authorities, war, strike, boycott, lock-out or other similar circumstances. The reservation for strike, boycott and lock-out is valid even if the Company takes or is subject to such measures.

The Company shall, provided that the Company has not acted negligently, be relieved from liability for any damage. The Company is under no circumstances liable for any indirect damage.

If the Company is prevented from performing any obligation under these conditions, such as making payments, due to any circumstance described in this section 13, the performance may be postponed until the obstacle is removed.

#### **14. GOVERNING LAW AND DISPUTES**

This Agreement shall be governed by and construed in accordance with the laws of Sweden. Any dispute or controversy arising out of these terms shall finally be settled by arbitration in accordance with the rules of the Arbitration Institute of the Stockholm Chamber of Commerce. The rules for Expedited Arbitration of the Arbitration Institute of the Stockholm Chamber of Commerce shall apply unless the Stockholm Chamber of Commerce, based on the complexity of the case, the value of the dispute or other circumstances decides that the arbitration in accordance with the rules of the Arbitration Institute of the Stockholm Chamber of Commerce shall apply. In the latter case the Stockholm Chamber of Commerce shall decide if the arbitration panel shall consist of one or three arbitrators. The place of the arbitration proceedings shall be Sweden. The language to be used in the arbitral proceedings shall be Swedish.

Arbitration proceedings in accordance with this provision shall be subject to confidentiality. All information and documentation regarding the arbitration proceedings and the decision by the tribunal shall be regarded as Confidential Information. Confidential information may not in any form be provided to any third person.

If Warrants are transferred to any third person such third person shall be subject to this arbitration clause.

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