

The shareholders in

Varyag Resources AB (publ)

are hereby summoned to the annual general meeting to be held on 1 June 2007 at 3 p.m. in room "Forum" in Salénhuset, Norrlandsgatan 15, Stockholm

Notification etc.

Shareholders who wish to participate in the general meeting must

firstly be included in the shareholders' register maintained by VPC AB as of 25 May 2007, and

secondly notify the company of their participation in the annual general meeting no later than 4 p.m. on 28 May 2007. The notification shall be in writing to Varyag Resources AB, Attn: Torbjörn Gunnarsson, Box 5376, 111 46 Stockholm, via telephone: +46 8-771 85 00, via fax: +46 8-611 14 34 or via e-mail: info@varyag.se. The notification should state the name, personal/corporate identity number, shareholding, address, telephone number daytime and, where applicable, information about representatives, counsels and assistants. When applicable, complete authorization documents, such as registration certificates and powers of attorney for representatives and counsels, shall be appended the notification.

Nominee shares

Shareholders, whose shares have been registered in the name of a bank or other trust department or with a private securities broker, must temporarily re-register their shares in their own names with VPC AB in order to be entitled to participate in the annual general meeting. Shareholders wishing such re-registration must inform their nominee of this well before 25 May 2007, when such re-registration must have been completed.

Proxy etc.

Shareholders represented by proxy shall issue dated and signed power of attorney for the proxy. If the power of attorney is issued on behalf of a legal entity, a certified copy of a registration certificate or a corresponding document shall be appended. The power of attorney and the registration certificate may not be older than one year. The power of attorney in original and, where applicable, the registration certificate, should be submitted to the company by mail at the address set forth above well in advance of the general meeting.

Proposed agenda

1. Opening of the meeting;
2. Election of a chairman at the meeting;
3. Preparation and approval of the voting list;
4. Approval of the agenda;
5. Election of one or two persons to verify the minutes;
6. Determination as to whether the meeting has been duly convened;
7. Presentation of the annual accounts and the auditor's report, and the group annual accounts and the auditor's report on the group accounts;
8. Resolution regarding the adoption of the income statement and the balance sheet, and of the consolidated income statement and the consolidated balance sheet;

9. Resolution regarding appropriation of the company's result according to the adopted balance sheet (see below);
10. Resolution regarding discharge from liability for the members of the board of directors and the managing director;
11. Determination of the number of members and deputy members of the board of directors (see below);
12. Determination of the fees to the board of directors and the auditors (see below);
13. Election of the members and deputy members of the board (see below);
14. Closing of the meeting.

The board of directors' proposals

Resolution regarding appropriation of the company's result in accordance with the adopted balance sheet (item 9)

The board of directors proposes that the company's loss shall be carried forward.

The nomination committee's proposals

Proposal regarding the number of members and deputy members of the board of directors, fees to the board of directors and the auditors and election of members and chairman of the board of directors (items 11, 12 and 13)

The extraordinary shareholders' meeting held on 16 May 2006 resolved upon principles regarding the appointment of a nomination committee, etc. The nomination committee has submitted the following proposal as regards the number of members and deputy members of the board of directors, fees to the board of directors and the auditors and election of members and chairman of the board of directors.

- The number of board members shall be six (6), with no deputy members (item 11).
- The fees to each board member who does not draw any salary from the company shall amount to SEK 100,000. The fee to the chairman of the board of directors shall however amount to SEK 200,000. No fee shall be paid for work in committees (item 12).
- Auditors' fee is proposed to be paid on current account (item 12).
- Re-election of Sven Hirdman, Agneta Dreber, Torbjörn Gunnarsson, Pia Rudengren and Johan Unger as board members and new-election of Johan Hessius as board member. Sven Hirdman is proposed to continue as chairman of the board of directors (item 13).

The shareholders are informed that the extraordinary shareholders' meeting on 18 April 2006 elected registered public accounting firm Ernst & Young AB as the auditor of the company with Björn Fernström as the auditor in charge, for the time until the annual general meeting to be held 2010.

Annual accounts and auditor's report will as from 18 May 2007 be held available at the company's office, Biblioteksgatan 6, 111 46 Stockholm, and be sent to shareholders that so request and inform the company of their postal address.

Stockholm, May 2007
Varyag Resources AB (publ)
The board of directors