



To the shareholders of PhotoCure ASA

NOTICE OF GENERAL MEETING

The shareholders of PhotoCure ASA are hereby invited to the annual general meeting

Tuesday May 3rd, 2005 at 6 pm

in the Auditorium at the Norwegian Radium Hospital

Address: Ullernchausséen 70, Oslo. (Entrance via the hospital main reception.)

The board of directors has proposed the following agenda:

1. Opening of the meeting, including registration of attending shareholders.
2. Election of a chairman for the meeting and one person to sign the minutes.
3. Approval of the notice of meeting and agenda.
4. Management's status report.
5. Approval of the annual accounts 2004, and coverage of deficit in accordance with the approved balance sheet.
6. Proposed changes to the articles of association (see attachment)
7. Election of the board of directors and nomination committee (see attachment)
8. Determination of the fees payable to the board of directors, board committees and auditors (see attachment).
9. Authority to the board of directors to increase the share capital of the company (see attachment).

Shareholders who wish to participate are requested to notify their attendance by returning the attached attendance slip or proxy form no later than Monday May 2nd, 2005 at 4 pm.

Oslo, April 14th, 2005

on behalf of the board of directors of PhotoCure ASA

Erik Engebretsen
Chairman of the board
(Signature)

Further explanations of Items 6, 7, 8 and 9 are found in the appendices. Please find annual report including directors' report enclosed.

Attached is an attendance slip and proxy.

Appendix 1 – Item 6 of the agenda

Proposed changes to the articles of association

The board proposed to establish a nomination committee on the annual general assembly in 2004. This nomination committee was formed in March 2005 according to the guidelines established by the general assembly. The board has the following proposal for change in the articles of association:

§ 6:

New paragraph:

”The nomination committee is elected by the general assembly and consists of three members that represent the diversity of the shareholder structure. The two largest shareholders should be represented in the nomination committee. The committee members are elected for one year and may be reelected. The mandate for the nomination committee is to propose candidates for election and fees payable for board members.”

Appendix 2 – Item 7 of the agenda

Election of board of directors and nomination committee

The nomination committee announces that the following members are elected to the board of directors for a period of two years:

- *reelection of Birgit Stattin Norinder as board member.*
- *election of Trine Bjøro as board member*

Trine Bjøro, M.D.,Ph.D., born 1955, is chief physician at the centrallaboratory at the Norwegian Radium Hospital. Trine Bjøro is a specialist in laboratory medicine and has extensive experience from leading positions in public and private health services. She has been a member of several public committees within R&D and health service. Trine Bjøro will add medical expertise and in-depth knowledge of public health administration to the board.

The nomination committee to be elected is proposed as follows:

- *Jónas Einarsson, leader*
- *Tharald Brøvig*
- *John Harald Henriksen*

Appendix 3 – Item 8 of the agenda

Fees of the board of directors, nomination committee and auditors

The board proposes that the general assembly pass the following resolution:

“The following Directors’ fees are proposed (no change from last year):

- | | | |
|---|------------------------|--------------------|
| - | <i>Chairman</i> | <i>NOK 290,000</i> |
| - | <i>Deputy chairman</i> | <i>NOK 230,000</i> |
| - | <i>Board member</i> | <i>NOK 150,000</i> |

No fees are proposed for the nomination committee or compensation committee.

It is proposed that the fees of the auditors are paid according to invoice, ref. annual report 2004.”

Appendix 4 – Item 9 of the agenda

Authority to increase the share capital

Background

The general meeting has as of today, granted the following authorities to the board of PhotoCure ASA to increase the company’s share capital through ordinary share issuances and by means of share options and subscription rights to employees.

The board of directors proposes that the general meeting adopt a new authority that replaces granted authorities in accordance with the proposed resolution included below. The authority is desired for the following reasons:

- The board wants to be able to use the authority to finance the company’s further development. It is appropriate that the authority may be utilised both for the issuance of shares against cash consideration, mergers or as compensation for other acquisitions of importance to the company’s development. It is proposed that the board be allowed to increase the share capital by up to NOK 900,000 through the issuance of up to 1,800,000 shares of NOK 0.50 per share, which approximately equals 10% of the company shares (including issued subscription rights). Such capital increase is subject to the price/consideration for the shares, at the board’s assessment, being approximately equivalent to the shares’ market value.
- Furthermore, the board would like to have the authority to increase the company’s share capital by maximum NOK 225,000 through the issuance of up to 450,000 shares of NOK 0.50 per share to employees, or certain business partners, whose closer association to the company will, in the board’s individual assessment, benefit the shareholders. This authority may be used for the issuance of options and/or subscription rights under the company’s established incentive programme and share

issuances due to the exercise of share options under this program. The right to subscribe for shares that are granted under this item shall at the time of granting as a minimum correspond to the market price per share.

Proposal

Based on the above-mentioned considerations, the board will propose that the general meeting pass the following resolution:

The board was granted the authority to increase the share capital by a maximum amount of NOK 1,125,000 in one or more issuances. The subscription price per share is to be decided by the board in connection with each single issuance.

- a) *The board may increase the share capital by up to NOK 900,000 through the issuance of up to 1,800,000 shares of NOK 0.50 per share to secure the financing of the company's development. The authority may also be used for acquisitions, mergers, and for other corporate purposes that serve the company's development. The shares may be issued against a cash consideration or considerations in the form of other assets. The consideration shall, at the board's assessment, be approximately equivalent to the shares' market value.*
- b) *The board may increase the share capital through the issuance of shares to employees and certain co-operation partners, whose closer association to the company will, in the board's individual assessment, benefit the shareholders. The authority may be used for share issuances under the company's incentive programme. The right to subscribe for shares as assigned under this clause shall, at the time of allotment, at the least correspond with the market value per share.*

The total increase of capital under this item b) shall be maximum NOK 225,000 through the issuance of maximum 450,000 shares of NOK 0.50 per share.

Authority a) shall apply until the next annual general meeting, whereas the authority under b) shall apply for 2 years. The existing shareholders of the company waive their pre-emptive right to subscribe for shares. All previously granted authorities are withdrawn.