



**NOTICE
OF
EXTRAORDINARY SHAREHOLDERS' MEETING
OF
PROSAFE ASA**

NOTICE IS HEREBY GIVEN that an extraordinary shareholders' meeting of Prosafe ASA will be held on

31 May 2006 at 2:00 p.m. at the company's premises at Risavika Havnering 224, Tananger, Municipality of Sola, Norway

Agenda:

1. *Election of the chair of the meeting and of one person to co-sign the minutes together with the chair of the meeting.*
2. *Approval of the notice of meeting and agenda.*
3. *Authorisation to the Board of Directors to implement an agreement dated 2 May 2006 with JCE Group AB and JCE Panama to acquire their shares of Consafe Offshore AB (Publ.) with settlement in shares of Prosafe ASA, authorisation to the Board of Directors to implement an Offer Agreement dated 9 May 2006 with Consafe Offshore AB (Publ.) to offer to acquire the shares of the remaining shareholders in Consafe Offshore AB (Publ.) with settlement in shares of Prosafe ASA, authorisation to the Board of Directors to increase the share capital with up to NO 98,363,339 by issuing up to 9,836,339 shares of par value NOK 10 as consideration for the shares of Consafe Offshore AB (Publ.), and authorisation to the Board of Directors to increase the share capital by further NOK 2,000,000 by issuing up to 200,000 shares of par value NOK 10 in respect of possible adjustments.*

The chairman of the Board of Directors will open the general meeting.

The company's annual accounts, annual report and auditor's report for 2005 will be available at the company's offices and will be mailed at request.

Shareholders wishing to attend are asked to return the attached form by 29 May 2006.

Shareholders not attending may fill in the attached proxy form and return it to Prosafe ASA, P.O. Box 143, 4098 Tananger, Norway facsimile + 47 51 64 25 01. This form must have been received by Prosafe ASA no later than 29 May 2006.

Tananger, 15 May 2006
The board of Prosafe ASA

Note on item 3 on the agenda – Acquisition of the shares of Consafe Offshore AB (Publ.)

1. Introduction

The Board of Directors invites the extraordinary shareholders' meeting to authorize the Board to implement an agreement dated 2 May 2006 with JCE Group AB and JCE Panama concerning the acquisition of their shares of Consafe Offshore AB (Publ.) with settlement in Prosafe ASA shares, and to authorise the Board to implement the Offer Agreement of 9 May 2006 with Consafe Offshore AB (Publ.) concerning offering to acquire the remaining shares of Consafe Offshore AB (Publ.) with settlement in Prosafe ASA shares, and authorisation of the Board to issue up to 9,836,339 shares of Prosafe ASA as consideration of the shares of Consafe Offshore AB (Publ.). The agreements and the background for the proposed transaction are outlined in more detail below.

2. The agreement with J. Christer Ericsson and related companies

On 2 May Prosafe ASA entered into a share sale and purchase agreement with J. Christer Ericsson and related companies (hereinafter jointly “**JCE**”) concerning the acquisition of their 13,435,450 shares of Consafe Offshore AB (hereinafter “**Consafe**”), representing 48.353 % of the share capital of Consafe. The settlement shall be made in Prosafe ASA shares of the ratio 1:0.354, meaning that one Consafe share will give 0.354 Prosafe ASA share. This agreement was made with the intent of acquiring even the remaining Consafe shares, and is stated outright in the agreement, see also section 3 below.

The implementation of the JCE agreement and settlement in Prosafe ASA shares is subject to the necessary resolutions being passed by Prosafe ASA's shareholders' meeting, and is further subject to reciprocal satisfactory due diligence. It is a further condition that the settlement for transaction can be made in shares issued by Prosafe ASA and that no cash offer has to be made as a matter of law, that no events occur which will have material adverse effect and that necessary governmental approval are obtained on conditions satisfactory to Prosafe ASA.

At present, the Board has initiated the necessary actions to be made to ascertain that all conditions are fulfilled. To this end it has retained Ernst & Young and Wikborg, Rein & Co. The work shall be completed by the time of the extraordinary shareholders' meeting, and the Board will then give an account of the outcome hereof.

The Board has also retained Pareto Securities ASA as manager of the transaction, and ABG Sundal Collier Norge ASA to issue a fairness opinion from a financial point of view.

3. The agreement with the Board of Directors of Consafe concerning the remaining shareholders

On 9 May 2006 an “Offer Agreement” was made with Consafe, by which Prosafe ASA promised to make an offer to the remaining shareholders of Consafe at the same terms and conditions as agreed with JCE. If the JCE agreement should not be implemented as envisaged, but Prosafe ASA regardless of this should acquire the JCE shares under a new agreement within three months after the signing of the “Offer Agreement”, Prosafe ASA shall make an offer to the remaining shareholders on the same terms and conditions as such possible new

agreement with JCE. The “Offer Agreement” is binding on Prosafe ASA vis-a-vis the remaining shareholders.

Prosafe ASA has not undertaken to issue a prospectus in other jurisdictions than those where it may lawfully submit the offer document, which will be filed with and examined by Oslo Børs by so called “passporting”.

4. Squeeze out of non accepting Consafe shareholders

In the event that Prosafe ASA should acquire more than 90 % of the shares and voting rights in Consafe, Prosafe ASA may give a squeeze out notice to the shareholders then remaining in Consafe. Correspondingly, Prosafe ASA will also be obliged to acquire the shares of such remaining shareholders with cash settlement.

5. Rationale for the share exchange ratio and increase of the company’s share capital

The share exchange ratio is stipulated to 1: 0.354, so that one Consafe share gives 0.354 Prosafe ASA share. The Prosafe ASA settlement shares will have to be made available through an issue of 9,836,339 shares of which 4,756,149 will be transferred to JCE Group AB and JCE Panama. The issue will be structured as a private placement to the said companies and the remaining shareholders in Consafe in the same ratio as their own shares of Consafe.

To secure the required flexibility, it is proposed that the shareholders’ meeting of Prosafe ASA grant the necessary authorisation to the Board of Directors to pass the required corporate resolutions in respect of the issue, cf. section 10-4 of the public limited liability companies’ act. It will be stipulated that the issued shares will be paid in kind (the Consafe shares), and that the shareholders of Prosafe ASA will forgo their pre-emption right at this instance. It is suggested that the authorisation shall be valid until the ordinary shareholders’ meeting in 2007.

The share exchange ratio has been stipulated after negotiations between Prosafe ASA on the one side and JCE Group AB and JCE Panama represented by J. Christer Ericsson on the other side. However, the underlying values of the companies have been discussed carefully by the Board and the management of Prosafe ASA. When agreeing to the proposed share exchange ratio, due consideration has been made of the asset value of each group, executed customer contracts including duration thereof and options, contractual coverage and positioning in the relevant markets, tax positions, market outlook on short and long term, the organisations of the groups, possible synergies, Prosafes ASA’s business goals and strategic gain. The Board is of the opinion that the agreed share exchange ratio, based on a total evaluation, is satisfactory and fair.

6. Rationale for the acquisition of Consafe

When recommending that shareholders’ meeting pass the proposed resolutions, the Board will underscore the following:

The acquisition of the shares of Consafe represents an important element in Prosafe’s communicated strategy of consolidating the semi submersible accommodation- and service

rig market and will cement the company's leading position. Growing demand in new regions like Asia, West-Africa, and USA, and increased utilisation of units in combinations with other floaters, have resulted in a tighter market. This growth is increasing, and is connected to a development of a late cyclical market, which traditionally, with some delay, has followed the fluctuations in areas such as exploration drilling and seismic activities.

Based on the current high drilling activity, the Board expects an increased number of field developments, which gives rise for continued growth in the market for advanced accommodation- and service rigs. The acquisition of Consafe will provide Prosafe ASA with an efficient geographic spread of the units, and considerable improved capacity to serve the growing market.

In addition to synergies related to the company's market position, Prosafe ASA will benefit from operational synergies, such as business development, insurance, finance and procurement. The Board expects that the transaction, in combination with total synergies, will enhance shareholders' values.

In the long term, the company will take advantage of Consafe's long operational experience and the company's market knowledge, particularly with regard to emerging markets in Asia and West-Africa. The acquisition of Consafe will further enhance Prosafe ASA's focus on Floating Production.

7. Resolution

The Board invites the extraordinary shareholders' meeting to approve the acquisition and to resolve to grant the necessary authorisation for the implementation of the transactions as described in sections 2 to 6 above. Considering the Board's intention of acquiring all the issued shares of Consafe, it may, as discussed in section 4, be required to conduct a subsequent squeeze out.

The Board proposes that the extraordinary shareholders' meeting adopts the following resolution:

1. The Board of Directors is authorised to:

(i) implement the agreement of 2 May 2006 with JCE group AB and JCE Panama concerning the acquisition of their shares of Consafe Offshore AB (Publ.), 12,998,550 and 436,990 shares respectively, with settlement in Prosafe ASA shares so that 1 share in Consafe will give 0.354 shares of Prosafe ASA,

(ii) implement the Offer Agreement of 9 May 2006 with Consafe Offshore AB (Publ.) concerning the making of an offer to the shareholders not covered by the agreement with JCE Group AB and JCE Panama (in item (i) above) to acquire their shares with settlement in Prosafe ASA shares so that 1 share in Consafe will give 0.354 shares of Prosafe ASA,

(iii) increase the share capital of Prosafe ASA by up to NOK 98,363,339 in one or several steps by issuing up to 9,836,339 shares of par value NOK 10, including to resolve that the shareholders' pre-emption rights pursuant to section 10-4 of the public liability companies act are waived and that the

contribution in respect of the Prosafe ASA shares are being made in kind through contribution of shares of Consafe Offshore AB (Publ.) pursuant to section 10-2 of the public liability companies act. The Board may resolve to perform a squeeze out of shareholders remaining, and

(iv) resolve to make adjustments in the number of shares to be issued. In order to facilitate this, the Board is authorised to increase the share capital in one or more steps by additional up to NOK 2,000,000 by issuing of a total of up to 200,000 shares of par value NOK 10, and otherwise on the terms and conditions as set out in item (i).

2. *The Board of Directors is authorised to make such amendments in the company's by-laws as the increase of the share capital necessitates.*
3. *The authorisation in items 1. and 2. are valid until the ordinary shareholders' meeting in 2007.*