



Eltek ASA

Post address:
PO Box 2340 Strømsø
3003 DRAMMEN

Visiting address:
Gråterudveien 8
3036 DRAMMEN

Tel.: 32 20 32 00
Fax: 32 20 32 10

E-post: eltek@eltek.no
Internet: www.eltekenergy.com

Reg.nr.: NO 824 545 022 MVA

To the Shareholders of Eltek ASA

Your ref.:

Our ref.:
05b-JL/SW

Drammen, 2005-03-29

NOTICE OF ANNUAL GENERAL MEETING IN ELTEK ASA

Notice is hereby given on behalf of the Board of Directors of Eltek ASA of the Annual General Meeting in Eltek ASA to be held on 15 April 2005 at 1700 hrs at Gråterudveien 8, Drammen, Norway.

Recording of meeting shareholders will take place from 1630 hrs.

The following issues will be considered:

- 1. Opening of the General Meeting and recording of meeting shareholders**
- 2. Appointment of a Chairman of the General Meeting and of a person to co-sign the minutes from the General Meeting**
- 3. Approval of the notice and the agenda of the General Meeting**
- 4. Information on the Company's state of affairs**
- 5. Approval of the annual accounts and report of the Board of Directors for the financial year 2004, including allocation of profit and presentation of the auditors' report**
- 6. Powers of attorney to the Board of Directors**
- 7. Remuneration to the Board of Directors and auditor for 2004**

The General Meeting will be opened by the Chairman of the Board, Erik Thorsen.

The reasons for and proposed resolutions under item 6 – 7 are appended.

We kindly request that shareholders who intend to attend the Annual General Meeting give notice to the company within 14 April 2005 by telephone or telefax (by using the enclosed form) on the following numbers:

Telephone: + 47 32 20 32 00
Telefax: +47 32 20 33 02

Shareholders may choose to be represented by power of attorney. If so preferred, the attached power of attorney may be used. Power of attorney can also be given to the Chairman of the Board or the company's CEO.

After the Annual General Meeting, management will present the results for the first quarter of 2005.

Appendices:

1. Notification of attendance / power of attorney
2. Reason for and proposals for resolutions under item 6 – 7
3. Annual report 2004

Drammen, 29 March 2005
On behalf of the Board of Directors of Eltek ASA

Erik Thorsen (sign.)
Chairman

TO BE RETURNED TO:

Eltek ASA
PO Box 2340 Strømsø
N-3003 Drammen
Norway

(Fax. no. +47 32 20 33 02)

**ANNOUNCEMENT OF PARTICIPATION
at Annual General Meeting of Shareholders in Eltek ASA,
on 15th April 2005 at 1700 hrs in Eltek ASA's premises in Drammen.**

I ownshares
I am a proxy forshares
I am a legal proxy for (Board Member, guardian for minors, etc.):

Name:..... Shares:.....

Name:..... Shares:.....

.....
Place Date Signature by the participant at the
Annual General Meeting of Shareholders

AUTHORISATION

As an owner ofshares in Eltek ASA, I hereby give

.....
authorisation to represent me at the Annual General Meeting of Shareholders in Eltek ASA,
15th April 2005 at 1700 hrs., and to vote for my shares.

.....
Place Date Principal/shareholder's signature

Principal/shareholder's name and address (please use capital letters)

.....

REASONS FOR AND PROPOSED RESOLUTIONS

Item 6. Powers of attorney to the Board of Directors

6.1 Current powers of attorney

As per today, the Board of Directors has the following remaining powers of attorney to increase the company's share capital:

(i) Option agreements, 1,435,000 shares.

Power of attorney to the Board of Directors to increase the share capital by up to NOK 1,435,000 by issuance of up to 1,435,000 shares granted in the general meeting on April 21 2004. The power of attorney remains in force until 21 April 2006. As per today NOK 932,467 of the power of attorney has been used. The balance of the power of attorney amounts to NOK 502,533.

(ii) Option agreements, 300,000 shares.

Power of attorney to the Board of Directors to increase the share capital by up to NOK 300,000 by issuance of up to 300,000 shares granted in the general meeting on April 21 2004. The power of attorney remains in force until 21 April 2006. The Board of Directors has as per today not made use of the power of attorney for issuance of shares.

(iii) General power of attorney to issue up to 6,000,000 shares.

Power of attorney to the Board of Directors to increase the share capital by up to NOK 6,000,000 by issuance of up to 6,000,000 shares granted in the general meeting on April 21 2004. The power of attorney remains in force until April 21 2006. As per today, NOK 2,820,000 of the power of attorney has been used. The balance of the power of attorney amounts to NOK 3,180,000.

6.2 Proposal on new power of attorney related to the company's stock option programs

In the Board of Director's opinion, it is an advantage for the Company that the stock option programs have longer terms than two years. The Board of Directors therefore proposes that the General Meeting replaces the Board of Directors' power of attorney mentioned under item 6.1 (i) and (ii) above, to the extent they are not utilized for issuance of shares, with a new power of attorney with a term of two years.

Hence, the Board of Directors proposes that the General Meeting adopts the following resolution:

"The power of attorney given at the Annual General Meeting 21 April 2004 to the Board of Directors to increase the Company's share capital by up to NOK 1,435,000, to be used to issue shares pursuant to option agreements entered into between the Company and its employees, and the power of attorney given at the Annual General Meeting 21 April 2004 to the Board of Directors to increase the Company's share capital by up to NOK 300,000, to be used to issue shares pursuant to option agreements entered into between the Company and its employees and members of the Board of Directors, are both declared void, and replaced by the following power of attorney:

The Board of Directors is given power of attorney to increase the share capital of the Company by up to NOK 805,000. The power of attorney shall be used when issuing shares pursuant to option agreements entered into between the Company, and the employees and members of the Board of Directors. The Board of Directors sets the subscription price and other conditions for subscription under the option agreements. The shareholders' preferential right according to the Norwegian Public Liability Companies Act § 10-4 can be derogated from. The power of attorney is valid for two years from the date of this resolution."

6.3 Proposal on new power of attorney to issue shares in connection with new option program

In order to ensure that the Company is able to offer competitive terms to both new and existing management and key employees and to retain employees through active co-ownership, the Board of Directors wishes to continue the incentive programs that are linked to the development in the share price.

The Board of Directors considers the existing option programs to have been successful, as they have created great involvement and enthusiasm among key employees. The existing option programs have also been used to grant a smaller amount of options to all employees in the Eltek Group, and the Board of Directors is of the opinion that this program should continue.

Following exercise of options by the employees in March 2005, 687,533 options are outstanding. The majority of these options are vested or can be vested within 1 May 2005. The number of options that can be vested after 1 May 2005 is 171,083. In order to cover grant of new options to management and employees, it is proposed to issue a power of attorney to the Board of Directors to increase the share capital of the company by up to NOK 800,000, corresponding to 800,000 shares. Following this resolution, the authorizations to the Board of Directors to increase the share capital of the company connected to options granted to employees and the members of the Board of Directors come to 1,605,000 shares corresponding to 5.0 % of the total outstanding and issued shares of the company.

Hence, the Board of Directors proposes that the General Meeting adopts the following resolution:

“The Board of Directors is given power of attorney to increase the share capital by up to NOK 800,000. The power of attorney shall be used when issuing shares pursuant to option agreements entered into between the Company and the employees. The Board of Directors sets the subscription price and other conditions for subscription under the option agreements with employees. The shareholders’ preferential right according to the Norwegian Public Liability Companies Act § 10-4 can be derogated from. The power of attorney is valid for two years from the date of this resolution.”

6.4 Proposal on new general power of attorney to issue shares

In August 2004, 2,820,000 shares of the Company were issued under the power of attorney described under Item 6.1 (iii) by way of a private placing among Norwegian and international investors.

The Board of Directors believes that it is vital that the Board of Directors is authorized to issue shares in connection with mergers or takeovers, or financing of mergers and/or the day-to-day business of the Company by way of a share issue. The Board of Directors therefore proposes that the General Meeting replaces the Board of Directors’ power of attorney mentioned under item 6.1 (iii) above, with a new power of attorney with a term of two years.

Hence, the Board of Directors proposes that the General Meeting adopts the following resolution:

“The power of attorney given in the Annual General Meeting 21 April 2004 to the Board of Directors to increase the Company’s share capital by up to NOK 6,000,000 to be used to issue shares in connections with mergers and takeovers is declared void, and replaced by the following power of attorney:

The Board of Directors is given power of attorney to increase the share capital of the Company by up to NOK 6,000,000. The Board of Directors sets the share price and other terms and conditions for subscription. The shareholders’ preferential right according to the Norwegian Public Liability Companies Act § 10-4 can be derogated from at the sole discretion of the Board of Directors. The power of attorney covers increase of the share capital by non-cash payment and a right to charge the Company with special obligations, cf. the Norwegian Public Liability Companies Act § 10-2, and resolution to merge according to the Norwegian Public Liability Companies Act § 13-5. The power of attorney can be used in connection with a takeover situation, cf. the Norwegian Securities Trading Act § 4-17 and the Norwegian Stock Exchange Act § 5-15. The power of attorney is valid for two years

from the date of this resolution.”

Item 7. Remuneration to the Board of Directors and auditor for 2004

The Board of Directors proposes that the General Meeting adopts the following resolution regarding remuneration to the members of the Board of Directors:

“Remuneration shall be paid to the Board of Directors for 2004 with NOK 480,000 to the chairman of the Board and NOK 300,000 to each of the other shareholder elected Board members. For members of the Board elected by the employees a remuneration of NOK 50,000 shall be paid to each. ”

The increase in the Board of Directors fee is proposed on the basis that stock options will no longer be granted to the Board of Directors.

The Board of Directors proposes that the General Meeting adopts the following resolution regarding remuneration to the company's (Eltek ASA) auditor:

“Remuneration shall be paid to the auditor for auditing and other professional services for 2004 according to invoice from the auditor of NOK 354,000.”