

Pursuant to the requirements of Article 402.2 of the Commercial Companies Code, the Management Board of LW Bogdanka S.A. hereby announces the existing and the proposed contents of the provisions of the Company's Articles of Association under item 13 of the agenda of the Annual General Shareholders Meeting convened for 10 May 2011:

Proposed amendments to the Articles of Association of LW Bogdanka S.A.:

1) In Article 5:

The existing wording:

“The Company shall be governed by the Commercial Companies Code of 15 September 2000 (Dz.U. No. 94, item 1037, as amended), the Act on Commercialisation and Privatisation of State-Owned Enterprises of 30 August 1996 (Dz.U. of 2002, No. 171, item 1397, as amended), and these Articles of Association.”

Is replaced with the following:

“The Company shall be governed by the Commercial Companies Code of 15 September 2000 (Dz.U. No. 94, item 1037, as amended) and these Articles of Association.”

2) In Article 9.2:

The existing wording:

“Subject to Article 17.2 of these Articles of Association, registered shares may be converted into bearer shares at a shareholder's request at any time.”

Is replaced with the following:

“The registered shares can be converted at any time, upon their owner's request, into bearer shares.”

3) Article 17 is deleted.

“1. Eligible employees shall have the right to acquire, free of charge, up to 15% of shares held by the State Treasury as at the date of the Company's registration, on terms and conditions prescribed by the applicable regulations governing commercialisation and privatisation of state-owned enterprises.”

“2. Shares acquired by eligible employees on the terms and conditions referred to in Article 17.1 may not be traded until the lapse of two years, or - in the case of employees being members of the Company's Management Board - three years, from the disposal by the State Treasury of the first shares on general terms. During the periods specified above, the shares may not be converted into bearer shares.”

“3. Shares acquired by eligible employees may not be subject to mandatory buy-out, referred to in Article 418 of the Commercial Companies Code, during the periods specified in Article 17.2.”

“4. The Company shall provide assistance to the State Treasury in its exercise of the rights specified in Article 17.1.”

4) Article 25.3:

“Each Management Board member may be dismissed or suspended from office by the Supervisory Board. A Management Board member nominated by employees may be dismissed from office upon fulfilment of conditions provided for in Article 25.4-25.8. The vacancy shall be filled without undue delay by way of appointing a new member. A Management Board member nominated by employees who has been dismissed from office before the expiry of his/her term of office may not seek re-election.”

Is replaced with the following:

“Each Management Board member may be dismissed or suspended from office by the Supervisory Board.”

5) Article 25.4-25.8 is deleted:

“4. At a request signed by at least 20% (twenty per cent) of the Company's employees, a vote shall be held on removal from office of a Management Board member nominated by employees. The request shall be submitted to the Management Board, which shall promptly forward it to the Supervisory Board.”

“5. A vote on removal from office of a Management Board member nominated by employees shall be ordered by the Supervisory Board.”

“6. The vote referred to in Article 25.4 shall be carried out in accordance with the applicable provisions of these Articles of Association and rules governing the election of a Management Board member nominated by employees, referred to in Article 26.7 of these Articles of Association.”

“7. The result of the vote shall be binding on the Supervisory Board if at least 50% of the Company's employees take part in the vote on the removal from office of a Management Board member.”

“8. The removal from office of a Management Board member appointed by employees shall require an absolute majority of the votes cast by employees.”

6) Article 26 is deleted.

“1. As long as the State Treasury continues as a shareholder of the Company and the average annual headcount at the Company exceeds 500 persons, the Company's employees shall appoint one Management Board member.”

“2. The election of a Management Board member nominated by employees shall be ordered by the Supervisory Board by virtue of its resolution.” Simultaneously, by way of a resolution, the Supervisory Board shall nominate an Election Committee from among the Company's employees, which Committee shall be responsible for conducting the election. No person standing for election may be a member of the Election Committee.”

“3. Employees shall elect a member of the Management Board directly in a general election, in secret ballot.”

“4. If no Management Board member is elected by the Company's employees, this shall not prevent the Management Board from adopting valid resolutions.”

“5. A Management Board member nominated by employees shall be elected by the absolute majority of votes cast by the employees.”

“6. The Company's Management Board shall provide assistance necessary to hold the election.”

“7. The Supervisory Board shall adopt detailed rules governing the appointment and removal from office of a Management Board member nominated by employees, and the procedure for holding by-election, in accordance with the requirements provided below.”

“8. The following rules and procedures shall apply to the appointment and removal from office of a Management Board member nominated by employees, and to a by-election:

- 1) The election shall be organised and conducted by the Central Election Committee in cooperation with Division Election Committees.
- 2) Election Committees shall be responsible for conducting the election in an efficient manner and in compliance with applicable laws, provisions of these Articles of Association and the Committees' rules of procedure.
- 3) The scope of responsibilities of the Central Election Committee shall include in particular:
 - a) development and announcement of the Committees' rules of procedure,
 - b) preparation of the list of election divisions and the election schedule,
 - c) verification and registration of the voting lists and determination of the number of employees holding the right to vote as at the election date,
 - d) ongoing supervision over the voting process in all divisions and over the Division Election Committees' activities, as well as handling complaints concerning the voting process,
 - e) verification of eligibility of candidates (whether or not a candidate has the right to run for office), registration of nominated candidates and announcing their lists,
 - f) preparation of ballots and ballot-boxes,
 - g) supervision over the voting process, counting the votes, drawing up a final voting report, determining and announcing voting results, confirming their validity or declaring them null and void, announcing the election results, and delivering all the election documents to the Supervisory Board after voting is officially closed,
 - h) supervision over strict compliance with the provisions of these Articles of Association governing the election, and interpretation thereof in contentious matters,
 - i) determination of the official design of a special election stamp.
- 4) The scope of responsibilities of the Division Election Committees shall include in particular:
 - a) verification of the voting lists in respective divisions and determination of the number of employees holding the right to vote as at the election date in a given division,
 - b) carrying out the voting process and delivering ballot-boxes to the Central Election Committee,

- c) providing assistance to the Central Election Committee, especially with respect to vote counting.
- 5) A right to run for office shall be vested with any person nominated as a candidate in accordance with Article 26.8.6 and 26.8.7, who:
 - a) has full capacity to enter into legal transactions,
 - b) has not been deprived of civic rights,
 - c) has completed higher education,
 - d) has been employed in the mining industry for at least ten years, including a minimum of five years of employment at the Company or its legal predecessors,
 - e) is not subject to any legal restriction or ban on serving as member of the management board of a commercial company,
 - f) does not hold any elected post in any enterprise trade-union organisation or multi-enterprise trade-union organisation active at the Company; if a candidate holds such a post, he/she shall attach a resignation from that post to the statement of consent to run in the election, along with a confirmation of receipt thereof by the relevant enterprise (multi-enterprise) trade-union organisation, with the proviso that the resignation will become effective only if the candidate is appointed member of the Management Board,
 - g) is not a member of the Supervisory Board nominated by employees,
 - h) is not a member of an Election Committee,
- 6) each trade-union organisation active at the Company and a group of at least 50 employees shall have the right to propose candidates. Each employee may endorse only one candidate,
- 7) candidate nominations shall be submitted in writing to the Central Election Committee no later than seven days prior to the voting date set by the Supervisory Board,
- 8) if no candidate is elected in accordance with Article 26.5, a second round of election shall be held between two candidates who obtained the highest number of votes in the first round,
- 9) the second round shall be conducted in line with the procedure established for the first round, subject to changes resulting from Article 26.8.8,
- 10) after the final voting results are determined, the Central Election Committee shall confirm their validity, and shall subsequently announce them and deliver election documents to the Supervisory Board.”

7) Article 27 is deleted.

“1. The Supervisory Board shall order the election of a Management Board member nominated by employees for the successive term of office within two months of the lapse of the last full financial year of the Management Board's term of office. The election should be held within one month of it being ordered by the Supervisory Board.”

“2. If the mandate of a Management Board member nominated by employees expires before the end of the Management Board's term of office, by-election shall be held.”

“3. The by-election shall be ordered by the Supervisory Board within no more than one month of the date on which the Supervisory Board becomes aware of an event justifying the by-election. The by-election should be held within one month from the date it was ordered by the Supervisory Board.”

“4. The provisions of Article 26 shall apply to the by-election.”

8) Article 28 is deleted.

“1. The Company shall execute an employment contract with the Management Board member elected by the employees, which provides for serving as a Management Board member.”

“2. The contract referred to in Article 28.1 shall be concluded for the period of a given person's membership on the Management Board, with the proviso that it shall be terminated upon expiry of such person's mandate.”

“3. If the contract of a Management Board member nominated by employees expires or is terminated or expires, such a Management Board member shall have the right to be employed by the Company under an employment contract in the position he/she held prior to the appointment to the Management Board or in a comparable position, on terms which may not be less favourable than the terms stipulated by the employment contract with the Company in force immediately before the appointment to the Management Board.”

9) Article 34.7:

“All persons running for the office of an independent Supervisory Board member must submit a written declaration of compliance with the independence criteria stipulated in Article 34.5. prior to the appointment.”

Is replaced with the following:

“An independent member of the Supervisory Board is obliged to immediately inform the Company in writing if he ceases to meet the independence criteria provided for in Article 34.5.”

10) Article 35 is deleted.

“1. The Company's employees shall appoint: a) 2 (two) members of the Supervisory Board, if the Supervisory Board is composed of up to 6 (six) members, or b) 3 (three) members of the Supervisory Board, if the Supervisory Board is composed of 7 (seven) to 9 (nine) members.”

“2. Elections, conducted by Election Committees appointed by the Supervisory Board from among the employees, shall be direct, general and secret. No person standing for election may be a member of the Election Committee.”

“3. Elections of candidates to the Supervisory Board shall be ordered by the Supervisory Board. In this respect, Articles 26-27, with the exception of Article 26.1, shall apply accordingly.”

“4. The Supervisory Board shall adopt the Election Rules regulating in detail the procedure for appointment and removal of Supervisory Board members appointed from among the persons nominated by the employees.”

11) Article 36 is deleted.

“The provisions of Article 25 shall apply accordingly to the removal from office of a Supervisory Board member nominated by the Company employees.”

12) Article 37 is deleted:

“In the event of removal from office, resignation or death of a Supervisory Board member elected from among the candidates nominated by the employees, the person who obtained the next largest number of votes during the most recent elections shall be appointed to the Supervisory Board.” If such appointment is not possible, a by-election shall be held and the provisions of Article 27.3 and 27.4, and Article 35.4 shall apply accordingly.”

13) Article 38 is deleted:

“The by-election shall be ordered by the Supervisory Board within no more than one month of the date on which the Supervisory Board becomes aware of an event justifying the by-election. The by-election should be held within one month from the date it was ordered by the Supervisory Board.”

14) In Article 46.2 the words “in Article 46.6” are replaced with the words “in Article 44.6”.