

Current Report No. 23/2012

Date of preparation: 27 April 2012

Subject: Adopting resolution on dividend payment by LW Bogdanka S.A.

General legal basis: Article 56.1.2 of the Act on Public Offering – current and periodic information

Content:

The Management Board of Lubelski Węgiel Bogdanka S.A. (the “Company”) hereby announces that the Annual General Shareholders Meeting held on 27 April 2012, adopted a resolution on distribution of net profit for 2011.

The Annual General Shareholders Meeting has decided that the net profit generated by the Company in 2011 amounting to PLN 218,977,735.69 (two hundred eighteen million nine hundred seventy-seven thousand seven hundred and thirty-five zlotys 69/100) be distributed as follows:

1. The amount of PLN 136,054,360.00 (one hundred thirty-six million fifty-four thousand three hundred and sixty zlotys) - for distribution to the Company's shareholders, i.e. to pay a dividend of PLN 4.00 (four zlotys 00/100) per share.
2. The amount of PLN 82,923,375.69 (eighty-two million nine hundred twenty-three thousand three hundred and seventy-five zlotys 69/100) - to the Company's reserve capital.

Number of shares subject to dividend is 34,013,590.

The General Shareholders Meeting set the dividend date for 18 May 2012 and dividend payment date for 14 August 2012, as per a request filed by a Company's shareholder during the Annual General Shareholders Meeting. As a result of the above, the period between the dividend date and the dividend payment date exceeds 15 business days and is incompliant with Rule IV.6 of the Code of Best Practice for WSE Listed Companies, which is attached as an Appendix to Resolution No. 20/1287/2011 of the WSE Board of 19 October 2011. The shareholder's rationale behind the extension of the time lapse recommended by the Code of Best Practice is that the Company needs time for collecting funds necessary for the payment of the dividend.

Legal basis for submitting the report: Regulation of the Finance Minister on the Stock Exchange, Par. 38.2