

Current Report No. 32/2011

Date of preparation: 28 December 2011

Subject: Conclusion of an Annex to the Significant Agreement with ENERGA Elektrownie Ostrołęka S.A.

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

Contents:

The Management Board of LW Bogdanka S.A. with registered office in Bogdanka (the “Company”) hereby announces that on 28 December 2011 it signed Annex No. 2 to *Long-Term Agreement on the Sale of Power Coal No. 1456/W/2010* (“Agreement”) with ENERGA Elektrownie Ostrołęka with registered office in Ostrołęka at ul. Elektryczna 5, as announced in Current Report No. 43/2010 of 14 December 2010.

The Annex provides for shifting a portion of coal supplies to Elektrownia Ostrołęka’s units from 2011 to 2012 and sets new sale prices of power coal in 2012.

In view of the above:

- the aggregate value of supplies in 2012 shall amount to approx. PLN 217 million;
- the value of the entire Agreement effective from 1 January 2011 to 31 December 2015 has been changed and shall amount to approx. PLN 871 million, i.e. by approx. 9.0% more than the value specified in Current Report No. 43/2010.

The Agreement provides for the following liquidated damages:

The Party to the Agreement which fails to collect or supply the contracted amount of coal in quarterly periods, shall pay the other Party liquidated damages in the amount of 10% of the value of the undelivered/uncollected coal.

The Agreement provides for the following terms of termination:

The Parties are entitled to terminate the Agreement upon a twelve-months’ notice.

Other terms and conditions of the Agreement remain unchanged and do not differ from the market standards applied in such agreements.

The criterion for deeming the concluded Annex as significant is that its value exceeds 10% of the value of the Company shareholders’ equity.

Legal basis for submitting the report: Article 5.1.3 of the Regulation of the Minister of Finance on the Stock Exchange