

Current Report No. 43/2010

Date of preparation: 14 December 2010

Subject: Conclusion of a 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

Content:

The Management Board of LW Bogdanka S.A. with registered office in Bogdanka ("Company") hereby announces that on 14 December 2010 it signed a *Long-Term Agreement on the sale of power coal ("Agreement")* with ENERGA Elektrownie Ostrołęka with registered office in Ostrołęka at ul. Elektryczna 5.

The Agreement is effective from 1 January 2011 to 31 December 2015 and concerns coal supplies for existing units of Elektrownia Ostrołęka. The coal price will be estimated for yearly periods on the basis of negotiations.

According to current prices, the net value of the entire Agreement amounts to PLN 799 million.

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 this Agreement upon a twelve-months' notice.

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

The criterion for deeming concluded Agreement to be significant is that it 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