

Current Report 26/2009

Subject: Conclusion of significant agreements with Przedsiębiorstwo Robót Specjalistycznych WSCHÓD Sp. z o.o.

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. hereby announces that in connection with the signing of a new agreement, the total value of agreements concluded between the Company and Przedsiębiorstwo Robót Specjalistycznych WSCHÓD Sp. z o.o., with registered office in Lublin, from June 22, 2009, i.e. from the date of admission of the Company's securities to public trading until today, has amounted to PLN 112.2 million net.

The agreement with the highest value is the agreement concluded on September 21, 2009 by and between LW Bogdanka S.A. (the Client) and Przedsiębiorstwo Robót Specjalistycznych WSCHÓD Sp. z o.o. (the Contractor), whose subject matter is the performance by the Contractor for the benefit of the Client of mining works consisting in the execution of mining excavations in Lubelski Węgiel Bogdanka S.A. Stefanów Field, pursuant to the technical design of the mine excavations execution and the technical documentation developed and approved by the Client, in line with the work technology developed by the Contractor and approved by the Contractor's Manager of the Mining Works Department.

The maximum net value of the agreement amounts to approx. PLN 54 million. The time limit for the performance of the agreement has been specified for January 31, 2012.

The agreement provides for the following liquidated damages.

1. a) Due to delay in performance of the subject matter of the agreement with respect to the time limit specified in the agreement – liquidated damages in the amount of 0.05% of the net value of the maximum remuneration due for the performance of the subject matter of the agreement, for each commenced day of delay,
b) Due to delay in liquidation of defects found during the acceptance procedure or within the warranty period, with respect to the time limit specified by the Client – liquidated damages in the amount of 0.05% of the net value of the maximum remuneration due for the performance of the subject of the agreement, for each commenced day of delay,
c) Due to the termination of the agreement by the Client for reasons attributable to the Contractor – liquidated damages in the amount of 10% of the net value of the maximum remuneration due for the performance of the subject matter of the agreement,
2. Due to the termination of the agreement by the Contractor for reasons attributable to the Client, the Contractor shall be entitled to charge the Client with the liquidated damages in the amount of 10% of the net value of the maximum remuneration due for the performance of the subject matter of the agreement.
3. In the event that the incurred damage exceeds the value of the liquidated damages and

in other cases of non-performance or undue performance of the agreement, the Parties may seek redress on general terms resulting from the Civil Code, including the redress transferring the amount of the reserved liquidated damages. The Client is entitled to demand concurrently liquidated damages specified in section 1 item a), b), and c). Termination of the agreement by any of the Parties shall not deprive the Client of the right to charge the Contractor with liquidated damages on the grounds stated above.

4. Reservation and charging the liquidated damages does not exclude the possibility of terminating the agreement by the Client due to the untimely performance thereof on terms and conditions provided for in the agreement and the Civil Code.

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

The criterion for deeming concluded agreements to be significant is that they exceed 10% of the value of the Company shareholders' equity.

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