

Current report No. 35/2013

Date of preparation: 30 September 2013

Subject: Adoption of Terms and Conditions of the Management Options Scheme in 2013-2017 by the Supervisory Board; Allocation of Options

General legal basis: Article 56.1.1 of the Act on Public Offering – confidential information

Content:

The Management Board of LW BOGDANKA S.A. with registered office in Bogdanka (the “Company”) hereby announces that by virtue of a Resolution of 30 September 2013 the Supervisory Board adopted the Terms and Conditions of the Management Options Scheme in 2013-2017 (the “Scheme”). The said Resolution was adopted under Resolution No. 26 of the Annual General Shareholders Meeting of Lubelski Węgiel Bogdanka S.A. of 4 July 2013 on the issue of series A subscription warrants with the exclusion of a pre-emptive right, conditional increase in the Company's share capital with the exclusion of a pre-emptive right, consent to carry out the Management Options Scheme in 2013-2017, which was announced by the Company in Current Report No. 27/2013 of 5 July 2013.

By virtue of the Resolution of 30 September 2013 and as part of the Scheme, the Supervisory Board allocated a total of 1,102,032 Options for 2013-2017. Members of the Management Board were allocated the Options as follows: Zbigniew Stopa, President of the Management Board, received 183,672 Options, and each of the remaining Members of the Management Board, i.e. Waldemar Bernaciak, Roger de Bazelaire and Krzysztof Szlaga received 122,448 Options. The remaining 551,016 Options were allocated to senior management members of key importance for the Company's development. Options confer the right for eligible persons to acquire series A warrants free of charge. The warrants, in turn, confer the right to acquire series D shares.

The Terms and Conditions of the Management Options Scheme in 2013-2017 are attached hereto as an appendix.

Legal basis for submitting the report: Article 56.1.1 of the Act on Public Offering – confidential information