Current report No. 40/2013

Date of preparation: 18 November 2013

Subject: Conclusion of an annex to the significant agreement with Elektrownia Połaniec S.A. - GDF SUEZ ENERGIA POLSKA Group

General legal basis: Art. 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", "Seller") hereby announces that on 18 November 2013 it concluded an annex ("Annex") to Agreement on the Sale of Power Coal No. 3/W/2012 ("Agreement") with Elektrownia Połaniec Spółka Akcyjna - GDF SUEZ ENERGIA POLSKA Group ("Buyer") with registered office at Zawada 26, 28-230 Połaniec. The Agreement was the subject of Current Reports Nos. 41/2012 of 12 July 2012, 31/2013 of 30 August 2013 and 38/2013 of 31 October 2013.

The Agreement provides for the supplies of power coal for the purposes of Elektrownia Połaniec in 2013-2018.

The Annex specifies the terms and conditions of supplies in 2013-2018. Since the Annex has been signed, the condition subsequent described in Current Report No. 38/2013 of 31 October 2013 will not apply.

The value of the entire Agreement after the Annex has been concluded amounts to about PLN 2.848 billion net, as per current prices.

As a result of concluding the Annex, the condition subsequent has been amended and reads as follows: If until 31 August 2015 the Parties fail to conclude an annex to the Agreement setting the price of coal supplies for 2018, the Agreement is terminated with effect at the end of a period, for which the Parties have set the price according to the provisions of the Agreement.

As a result of concluding the Annex, the liquidated damages for failure to collect or supply coal have been amended as follows: In the case of failure to supply or collect coal for reasons attributable to one of the Parties in the amount specified for a particular year, taking into account permissible deviations in a settlement for a given Year of the Agreement, the other Party is entitled to liquidated damages which shall account for 20% of the value of coal which has not been supplied or collected.

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 Agreement significant is that it exceeds 10% of the value of the Company's equity.

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