

Current Report No. 52/2015

Date of preparation: 22 December 2015

Subject: EDF Paliwa Sp. z o.o. terminates the Long-Term Agreement for the Supply of Power Coal, concluded on 19 July 2011.

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

Content:

The Management Board of Lubelski Węgiel Bogdanka S.A. with registered office in Bogdanka (the “Company”) hereby announces that on 22 December 2015 it received a notice of termination of the Long-Term Agreement for the Supply of Power Coal (the “Agreement”), concluded on 19 July 2011 by and between EDF Paliwa Sp. z o.o. with registered office in Kraków ul. Cepłownicza 1 (the “Buyer”) and the Company; the Agreement was described in Current Reports Nos. 21/2011 of 19 July 2011, 42/2012 of 1 August 2012, 37/2013 of 31 October 2013 and 4/2014 of 31 March 2014.

The Buyer substantiated the statement with an ineffective lapse of term for negotiations of the prices for the next calendar year (2016), which entitles the party to terminate the Agreement with effect from 31 December 2016.

As a result of the submitted notice of termination, the Agreement will be terminated as of 31 December 2016.

The Company informs you that during the termination period until 31 December 2016, the volumes of supplies will be as agreed upon in the Agreement, and at the price resulting from a formula based on the prices of domestic supplies, as used in the absence of the price set through the negotiations.

Given the above, the net value of the entire Agreement amounts currently to PLN 481 million. The decrease in value of the Agreement takes into account the shortening of the term of the Agreement and do not use of the recipient contained in the contract options for additional volumes.

The criterion for deeming the 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 5.1.5 of the Regulation of the Minister of Finance on the Stock Exchange