

Current Report 35/2016

Date of preparation: 30 August 2016

Subject: Conclusion of an Annex to the Agreement with ENGIE Energia Polska S.A. Elektrownia Połaniec S.A. – (Formerly Elektrownia Połaniec S.A. - Grupa GDF SUEZ ENERGIA POLSKA)

General legal basis: Art. 17.1 of the MAR Regulation – confidential information

Content:

The Management Board of LW Bogdanka S.A. with registered office in Bogdanka (the "Company", the "Seller") hereby informs you that on 30 August 2016 it concluded an Annex to Agreement No. 3/W/2012 on the sale of thermal coal (the "Agreement") with ENGIE Energia Polska Spółka Akcyjna (the "Buyer") with registered office in Zawada 26, 28-230 Połaniec. The Agreement was referred to in Current Reports Nos. 41/2012 of 12 July 2012, 31/2013 of 30 August 2013, 38/2013 of 31 October 2013, 40/2013 of 18 November 2013, 21/2014 of 17 December 2014 and 50/2015 of 7 December 2015.

The Agreement provides for supplies of thermal coal for the purposes of the power plant of the Buyer located in Połaniec.

As a result of concluding the Annex, the condition subsequent of the Agreement has been amended and reads as follows:

If: until 30 September 2016 the Parties fail to conclude an annex to the Agreement setting the price of coal supplies for 2019, the Agreement is terminated with effect at the end of the period for which the Parties have set the price in accordance with the Agreement.

The previous version of this condition implied the need to conclude the Annex before 31 August 2016.

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

The Management Board has considered the information significant because of a material change in the Agreement, published in Current Report No. 21/2014 of 17 December 2014.