

Current Report No. 14/2017

Date of preparation: 22 May 2017

Subject: Resolution of the Supervisory Board of Lubelski Węgiel Bogdanka S.A. on the assessment of the Management Board's motion regarding the distribution of the Company's net profit for the financial year 2016

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. (Company) hereby announces that on 22 May 2017, The Supervisory Board positively assessed the Management Board's motion to the Annual General Shareholders Meeting regarding the distribution of net profit for 2016.

According to this proposal, the Management Board proposes to distribute the net profit generated by the Company in 2016 in the **amount of PLN 175,896,313.75** (one hundred seventy-five million eight hundred ninety-six thousand three hundred and thirteen zlotys 75/100) as follows:

1. **PLN 34,013,590.00** (thirty-four million thirteen thousand five hundred and ninety zlotys 00/100) – for a dividend, i.e. **PLN 1.00** (one zloty 00/100) per share.
2. Allocate the remaining amount, i.e. **PLN 141,882,723.75** (one hundred forty-one million eight hundred eighty-two thousand seven hundred and twenty-three zlotys 75/100) for the Company's reserve capital.

The above proposal is in line with the dividend policy as announced by the Company in the Development Strategy of LW Bogdanka S.A. Mining Area of the Enea Group until 2025 (under the 2030 framework).

The Management Board proposes to set the dividend date for 13 July 2017, and the dividend payment date for 2 August 2017.

A final decision regarding distribution of 2016 profit will be made by the Annual General Shareholders Meeting of Lubelski Węgiel Bogdanka S.A.

Legal basis for submitting the report: Article 38.1.11 of the Regulation of the Minister of Finance on the Stock Exchange