

Warsaw, 18 September 2015

Explanations of the Chairman of the Supervisory Board

In connection with the resolution adopted by the Supervisory Board of Lubelski Węgiel Bogdanka S.A. on convening an extraordinary general shareholders meeting, with the agenda including the adoption of resolutions on introducing amendments to the Company's Articles of Association, I hereby explain as follows. By adopting this resolution, the Supervisory Board was driven by the interests of the Company's shareholders in the context of a tender offer to sell the Company's shares, announced by Enea S.A. The Supervisory Board has taken account of the fact that the tender offer does not cover all Company's shares and that the price is a minimum price accepted by the law in such a situation. The Supervisory Board also considered that Enea has recently terminated a long-term contract for coal supplies by Bogdanka, which adversely affected the Company's share price. In this situation, by adopting the resolution in question, the Supervisory Board wanted to secure the interests of the shareholders by improving their negotiation position. The decision on responding to the tender offer and on possible introducing amendments (submitted in draft resolutions) to the Articles of Association is entirely on the part of the shareholders who may exercise their right to respond to the offer or not. The proposed amendments to the Company's Articles of Association are based on solutions already in place in other companies operating in the power sector. The position of the Management Board, as required by the law, will be announced in due time.

Witold Daniłowicz