

(Translation from the Polish language)

## **FINANCIAL SUPERVISORY COMMISSION**

### **Current report No 158/2011**

Date: 21 October 2011

Issuer's shortened name: KOPEX SA

Subject: **Confidential information – the Issuer's agreement with Russian contracting party**

Legal basis: Law on Offer, Art. 56, Par.1 Item 1 – confidential information

#### **Contents of the report:**

The Management Board of KOPEX SA with its registered seat in Katowice (the Issuer) informs that on 21 October 2011 has received signed agreement with Russian contracting party – Closed Joint Stock Company – Antonovska Coal Mine with its registered seat in Novokuznetsk (Russia).

The Parties of the agreement dated 19 October 2011 are: KOPEX SA - Seller and Closed Joint Stock Company – Antonovska Coal Mine with its registered seat in Novokuznetsk (Russia) – Buyer.

Subject of the agreement is „Supply of longwall system equipment including the TAGOR-14/32-Poz powered roof support, the KSW-460 NE longwall shearer, the RYBNIK 850 scraper armoured face conveyor, the GROT 850 scraper beam stage loader together with the SCORPION 1800P crusher and return end station RYFAMA as well as power units.”

Total value of the agreement: EUR 16,199,725.00

The agreement value is fixed and can not be changed.

#### Terms of payment:

- prepayment of 25% of the total agreement value, ie EUR 4,049,931.25 payable within 14 calendar days from the date of signing the agreement on the basis of pro-forma invoice and advanced payment guarantee,
- payment of 75% of the total agreement value, ie EUR 12,149,793.75 on the basis of three irrevocable letters of credit confirmed by a Polish bank and opened within 30 days from the date of signing the agreement by the buyer in favour of the seller.

The agreement shall enter into force after the total fulfillment of the conditions:

- after signing the agreement by both parties,
- after prepayment by the buyer.

Term of the agreement: within 138 days from the date of entry into force

#### Stipulated penalties:

For delays in delivery time:

In case of the late delivery of the equipment, only due to the reasons caused by the Seller, the Buyer may require the Seller to pay stipulated penalties amounting to

0.1% of the past-due equipment value specified in the agreement, for each full calendar week of delay, starting from the 8th day of delay.

Maximum compensation for delay shall not exceed 5% of the total value of the past-due equipment and it will be total and maximum liability of the seller under the agreement for delay in delivery.

In case of supply of poor quality equipment:

The Buyer will be entitled to resort the legal sanctions set out in detail in the agreement, depending on the quality indicators of the system, calculated as a percentage of the final payment of 10% of the agreement value.

The above mentioned agreement does not meet the criterion of recognising an agreement as a significant one within the meaning of Regulation of the Minister of Finance dated 19 February 2009 on current and periodic information (...).

Legal basis for publishing: Art. 56 Par.1 Item 1 of Law on Offer and Conditions Governing the Introduction of Financial Instruments to Organised Trading, and Public Companies dated 29 July 2005 (Dz.U. Nr 184, poz.1539), consolidated act of 9 October 2009 (Dz.U. , Nr 185, poz.1439).