

(Translation from the Polish language)

FINANCIAL SUPERVISORY COMMISSION

Current report No 85/2016

Date: 5 October 2016

Issuer's shortened name: KOPEX SA

Subject: **The signing of the agreement within consortium on supply of longwall system to Nowe Brzeszcze Coal Mine.**

Legal basis: Art. 17, Par.1 MAR – confidential information

Contents of the report:

The Management Board of KOPEX SA (the Issuer) informs that today has been aware of signing the Agreement between Nowe Brzeszcze Grupa TAURON sp. z o.o. and the Consortium of FAMUR SA (the Consortium Leader) and KOPEX Machinery SA (the Consortium Participant – the Issuer's subsidiary).

The subject of the agreement is supply of a new and highly-effective longwall system together with additional equipment to Nowe Brzeszcze Grupa TAURON sp. z o.o.

Term of supply: 120 days from the date of the agreement, not later than 30.12.2016

Net value of the agreement: PLN 72.4 million

The scope of the works are to be agreed between the companies forming the consortium, and in the event that the involvement of KOPEX Machinery SA in the implementation of the agreement differ significantly from the 50%, the Issuer shall inform about it in a current report.

Each party of the consortium is jointly and severally liable for correct and timely performance of contractual obligations toward the Orderer.

The agreement contains standard provisions on stipulated penalties in the event of, among others, delays in the execution of the agreement or in the removal of faults or in case of violation of confidentiality provisions. The Parties of the agreement are obliged to pay a stipulated penalty amounting to 10% of the net agreement value in case of renouncing the agreement due to the reasons caused by the other party or in case of renouncing the agreement without due cause. If the stipulated penalties do not cover the total loss suffered by the Orderer, the Orderer may claim additional compensation up to the net value of remuneration due to the Contractor.