



Polish Oil and Gas Company (PGNiG SA)
Head Office

Warsaw, November 18th 2014

**Draft Resolutions for the Extraordinary General Meeting of PGNiG SA convened
for December 18th 2014**

Current Report No. 114/2014

The Management Board of Polskie Górnictwo Naftowe i Gazownictwo SA ("PGNiG" or the "Company") is publishing draft resolutions to be submitted to the Extraordinary General Meeting of PGNiG convened for December 18th 2014.

RESOLUTION No. ____
of the Extraordinary General Meeting of
Polskie Górnictwo Naftowe i Gazownictwo SA
dated December 18th 2014

concerning: approval of the agenda for the Extraordinary General Meeting of PGNiG SA

Section 1

The Extraordinary General Meeting of PGNiG SA resolves to adopt the following agenda:

1. Opening of the Meeting
2. Appointment of the Chairperson of the Meeting
3. Preparation of the attendance list
4. Confirmation that the Meeting has been duly convened and has the capacity to adopt resolutions
5. Approval of the agenda
6. Adoption of a resolution to reduce the sale prices of properties located in the towns of Sanok, Ustrzyki Dolne and Gorlice
7. Closing of the Meeting

Section 2

This Resolution shall come into force as of its date.

RESOLUTION No. ____
of the Extraordinary General Meeting of
Polskie Górnictwo Naftowe i Gazownictwo SA
dated December 18th 2014

concerning: reduction of the sale prices of properties located in the towns of Sanok, Ustrzyki Dolne and Gorlice.

Acting pursuant to Art. 19.3 of the Act on Commercialisation and Privatisation of August 30th 1996 (Dz.U. of 2013, No. 216, as amended) and Section 14.2 of the Procedures to Be Followed in the Management of Non-Current Assets at PGNiG SA, the Extraordinary General Meeting of Polskie Górnictwo Naftowe i Gazownictwo SA of Warsaw resolves to reduce the sale price of:

- a) the perpetual usufruct right to land plot No. 1076/2 with an area of 0.2945 ha, located at ul. Daszyńskiego 20a in Sanok, Province of Rzeszów, entered in the Land and Mortgage Register maintained by the District Court in Sanok under KW No. KS1S/00019167/4, together with the ownership title to the buildings and structures erected thereon and the associated property, plant and equipment, from PLN 2,600,000.00 VAT-exclusive (two million, six hundred thousand złoty), to PLN 1,733,400.00 VAT-exclusive (one million, seven hundred and thirty-three thousand, four hundred złoty);
- b) the perpetual usufruct right to land plot No. 1909 with an area of 0.2179 ha, located at ul. Naftowa 22 in Ustrzyki Dolne, Province of Rzeszów, entered in the Land and Mortgage Register maintained by the District Court in Lesko under KW No. KS2E/00030359/4, together with the ownership title to the buildings, structures and equipment located thereon, from PLN 735,000.00 VAT-exclusive (seven hundred and thirty-five thousand złoty), to PLN 490,000.00 VAT-exclusive (four hundred and ninety thousand złoty);
- c) perpetual usufruct rights to land plot No. 1394/3, with an area of 0.4610 ha, and land plot No. 1394/4, with an area of 0.4152 ha, located at ul. Kościuszki 34 in Gorlice, Province of Kraków, entered in the Land and Mortgage Register maintained by the District Court in Gorlice under KW No. NS1G/00088757/3, together with the ownership title to the buildings, structures and equipment located thereon, from PLN 2,975,000.00 VAT-exclusive (two million, nine hundred and seventy-five thousand złoty), to PLN 1,984,000.00 VAT-exclusive (one million, nine hundred and eighty-four thousand złoty).

This Resolution shall come into force as of its date.

GROUNDS

Re. a) With respect to the property located at ul. Daszyńskiego 20a in Sanok, Province of Rzeszów, two tender procedures were organised, on April 15th 2014 and June 10th 2014, with no bids placed in either of them. The tender offer was announced in nationwide newspapers, on websites run by the Ministry of the State Treasury and PGNiG SA and on industry portals. The tender was also advertised locally on banners. The building is not related to the core operations of the Sanok Branch.

Re. b) With respect to the property located at ul. Naftowa 22 in Ustrzyki Dolne, Province of Rzeszów, two tender procedures were organised, on February 25th 2014 and April 15th 2014, with no bids placed in either of them.

The tender offer was announced in nationwide newspapers, on the PGNiG SA corporate website and on industry portals. The tender was also advertised locally on banners. Following the change of the organisational structure at the Sanok Branch, the building has been abandoned and is no longer used for core or other operations.

Re. c) With respect to the property located at ul. Naftowa 22 in Gorlice, Province of Rzeszów, two tender procedures were organised, on February 25th 2014 and April 15th 2014, with no bids placed in either of them.

The tender offer was announced in nationwide newspapers, on the PGNiG SA corporate website and on industry portals. The tender was also advertised locally on banners. The property requires constant financial outlays for security, heating and maintenance.

Following the change of the organisational structure at the Sanok Branch, the building is no longer used for core operations.

The Sale Plan concerning properties listed in a), b) and c) above is a part of one of the five key workstreams defined by the Sanok Branch for implementation under the PGNiG Group 2014–2016 Efficiency Improvement Programme adopted by virtue of a PGNiG Management Board resolution of May 27th 2014.

Acting in accordance with Section 14.2 of the Procedures to Be Followed in the Management of Non-Current Assets at PGNiG SA, attached as an Appendix to Resolution No. 582/2007 of the PGNiG Management Board of August 21st 2007, as amended by Resolution No. 93/2008 of the PGNiG Management Board of February 20th 2008, given that the asking prices of the properties exceed the PLN equivalent of EUR 30,000.00, the PGNiG Management Board requests that the asking prices of the properties located in Sanok, Ustrzyki Dolne and Gorlice be reduced by one-third (1/3).

The Sanok Branch received approval for the sale of the rights to the properties under Management Board Resolution No. 470/2013 of June 26th 2013 and Supervisory Board Resolution No. 126/VI/2013 of August 8th 2013.

Management Board Resolution No. 470/2013 of June 26th 2013 was subsequently amended by Resolution No. 838/2013 of the PGNiG Management Board of November 19th 2013.

By virtue of Resolution No. 449/2014 of August 12th 2014, Sections 1.a), 1.b) and 1.c), the Management Board of Polskie Górnictwo Naftowe i Gazownictwo SA of Warsaw decided to request that the PGNiG General Meeting approve the reduction of the sale prices of the properties located in Sanok, Ustrzyki Dolne and Gorlice.

In Sections 1, 2 and 3 of its Resolution No. 29/VII/2014 of August 29th 2014, the Supervisory Board of Polskie Górnictwo Naftowe i Gazownictwo SA of Warsaw approved the request submitted by the PGNiG Management Board to the PGNiG General Meeting, concerning reduction of the sale prices of the properties located in Sanok, Ustrzyki Dolne and Gorlice.

Accordingly, the Management Board of PGNiG SA proposes as stated at the beginning.

Legal basis: Par. 38.1.3 of the Minister of Finance's Regulation on current and periodic information to be published by issuers of securities and conditions for recognition as equivalent of information whose disclosure is required under the laws of a non-member state, dated February 19th 2009 (Dz.U. No. 33, item 259).