CURRENT REPORT

Polish Oil and Gas Company (PGNiG SA)
Head Office

Warsaw, December 30th 2009

Current Report No. 101/2009

Significant agreement for sale of crude oil with TOTAL TOTSA TRADING SA

Current Report no. 101/2009 dated December 30th 2009

The Management Board of Polskie Górnictwo Naftowe i Gazownictwo SA ("PGNiG") reports that on December 30th 2009 a crude oil sales agreement ("the Agreement") between PGNiG and TOTAL TOTSA OIL TRADING SA of Geneva, Switzerland ("TOTAL TOTSA") was executed.

The Agreement provides for sale of crude oil via a pipeline owned by Przedsiębiorstwo Eksploatacji Rurociągów Naftowych Przyjaźń SA ("PERN") to the delivery point in Germany. The agreement does not define the conditions of oil transport to TOTAL TOTSA as these are provided for in a separate agreement, concluded between TOTAL TOTSA and PERN.The price of crude oil will be based on Brent Dated quotations and payments for the delivered crude oil will be settled in US Dollars.

The value of the Agreement was estimated on the basis of forecast crude oil sales over the next five years, and amounts to approximately USD 900m (approximately PLN 2.6bn computed based on the PLN/USD mid-exchange rate for quoted by the National Bank of Poland for December 29th 2009).

The agreement was concluded for an indefinite period, starting from January 1st 2010, and may be terminated by PGNiG or TOTAL TOTSA ("the Parties"). Should the Agreement be terminated before October 1st of any year starting from 2010, it will remain effective until the end of the year following the year in which the termination notice was delivered to the other Party.

The Agreement constitutes a "significant agreement" within the meaning 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, because its value exceeds 10% of PGNiG's equity.