

Polish Oil and Gas Company (PGNiG SA)
Head Office

Warsaw, November 8th 2018

Current Report No. 59/2018

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Execution of LNG supply contract with Cheniere Marketing International, LLP

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The Management Board of Polskie Górnictwo Naftowe i Gazownictwo S.A. ("PGNiG", the "Company") announces that on November 8th 2018, after obtaining the required corporate approvals, a binding long-term liquefied natural gas ("LNG") sales/purchase contract with Cheniere Marketing International, LLP („Cheniere”) has been signed.

The contract with Cheniere for purchase of the LNG by the Company and supplies to the President Lech Kaczyński LNG Terminal in Świnoujście as a main receiving LNG terminal has been signed for a total period of 24 years and volumes of:

- approximately 0.73 bcm of natural gas after regasification in the entire period of 2019-2022;
- approximately 39 bcm of natural gas after regasification in the entire period, i.e. approximately 1.95 bcm per annum.

The deliveries will be executed on Delivery Ex-Ship basis.

In the opinion of the PGNiG Management Board, the terms and conditions of the contract with Cheniere is satisfactory in the context of the PGNiG Group's strategy to expand LNG trading on global markets.

The deliveries from Cheniere will be made via two main LNG facilities: Sabine Pass in Louisiana and Corpus Christi in Texas (USA).

The announcement of information on negotiations and intention of the execution of the contract with Cheniere was delayed on September 24th 2018 until today pursuant to Article 17(4) of Regulation (EU) No. 596/2014 of the European Parliament and of the Council of April 16th 2014 on market abuse and repealing Directive 2003/6/EC of the European Parliament and of the Council and Commission Directives 2003/124/EC, 2003/125/EC and 2004/72/EC.