

Polish Oil and Gas Company (PGNiG SA)
Head Office

Warsaw, December 29th 2010

Current Report No. 94/2010

Promissory Note Issued in Connection with Agreement for Partial Funding of Project "Mogilno Cavern Underground Storage Facility"

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The Management Board of Polskie Górnictwo Naftowe i Gazownictwo SA ("PGNiG") hereby reports that on December 28th 2010 it issued a blank promissory note with a promissory note declaration for up to PLN 23,125,370.00 ("the Promissory Note") for the benefit of Instytut Nafty i Gazu (the Oil and Gas Institute) of Kraków.

The Promissory Note serves as a guarantee of PGNiG's proper performance of the agreement for partial financing of the Project "Mogilno Cavern Underground Storage Facility" of December 22nd 2010. The agreement was executed as part of Measure 10.1 "Development of Transmission Systems for Electricity, Natural Gas and Crude Oil, as well as Construction and Reconstruction of Natural Gas Storage Facilities" envisaged in Priority X "Energy Security including Diversification of Energy Sources" under the Infrastructure and Environment Operating Programme for 2007–2013.

Pursuant to the promissory note declaration, the Promissory Note may be filled in if:

- the partial financing is not used as originally intended,- the partial financing is used in breach of the procedures applicable to the implementation of the Project "Mogilno Cavern Underground Storage Facility",- PGNiG uses the partial financing despite lack of entitlement or uses more of the partial financing than it is entitled to use,- In the event of termination of the agreement – PGNiG fails to return, in whole or in part, the partial financing provided to it within 30 days from the termination date.

See also: Current Report No. 89/2010 of December 22nd 2010