

Polish Oil and Gas Company (PGNiG SA)
Head Office

Warsaw, October 30th 2007

Current Report No. 85/2007

Acquisition of interests in licences for operations on the Norwegian Continental Shelf
Current Report No. 85/2007 dated October 30th, 2007
The Management Board of Polskie Górnictwo Naftowe i Gazownictwo S.A. ("the Company") hereby reports that on October 30th 2007, PGNiG Norway A/S ("PNAS"), the Company' subsidiary, acquired from Mobil Development Norway A/S and ExxonMobil Production Norway Inc ("ExxonMobil") interests in PL212, PL212B and PL262 licences in the Norwegian Continental Shelf ("Licences"), together with rights and obligations under a number of agreements concerning the fields. The Licences were acquired in performance of the agreement dated February 28th 2007 between the Company and ExxonMobil ("the Agreement") (Current Report No. 6/2007). The Company's rights and obligations under the Agreement were assigned to PNAS under an agreement of October 19th 2007 (Current Report No. 83/2007). In consideration of the purchase of the Licences, PNAS paid the amount of USD 360m (the equivalent of approx. PLN 908.6 million, translated in accordance with exchange rate table No. 211/A/NBP/2007 of October 30th 2007). At the same time, PNAS paid approx. USD 3.5m (the equivalent of approx. PLN 8.8 million, translated in accordance with exchange rate table No. 211/A/NBP/2007 of October 30th 2007) and approx. NOK 170m (the equivalent of approx. PLN 79.9 million, translated in accordance with exchange rate table No. 211/A/NBP/2007 of October 30th 2007) in consideration of settlements and reimbursement (both provided for in the Agreement) of costs incurred by ExxonMobil between January 1st 2007 and October 30th 2007 in connection with the interests in the Licences. PNAS financed the acquisition of the Licences with a loan from the Company and equity contributions made by the Company, which the Company financed with internally generated funds.