

Polish Oil and Gas Company (PGNiG SA)
Head Office

Warsaw, April 18th 2018

**Draft resolutions for the Extraordinary General Meeting of PGNiG convened for May 16th
2018**

Current Report No. 21/2018

The Management Board of Polskie Górnictwo Naftowe i Gazownictwo S.A. ("PGNiG" or the "Company") publishes draft resolutions to be submitted to the Extraordinary General Meeting of PGNiG convened for May 16th 2018.

**Resolution No. / 2018
of the General Meeting of
Polskie Górnictwo Naftowe i Gazownictwo S.A.
of Warsaw
of May 16th 2018**

concerning: adoption of the agenda for the Extraordinary General Meeting of PGNiG

Section 1

The Extraordinary General Meeting of PGNiG S.A. resolves to adopt the following agenda:

1. Opening of the Meeting.
2. Election of the Chairperson.
3. Confirmation that the Meeting has been duly convened and has the capacity to adopt resolutions.
4. Preparation of a list of attendees.
5. Approval of the agenda.
6. Adoption of resolution to granting consent for PGNiG S.A. to subscribe of new shares in the increased share capital of Polska Spółka Gazownictwa sp. z o.o.
7. Adoption of resolution to granting consent for PGNiG S.A. to subscribe for new shares in the increased share capital of PGNiG Obrót Detaliczny sp. z o.o., in the number equivalent to the value of a non-cash contribution in the form of assets of CNG filling stations.
8. Closing of the Meeting.

Section 2

This Resolution shall become effective as of its date.

**Resolution No. ... / 2018
of the General Meeting of
Polskie Górnictwo Naftowe i Gazownictwo S.A.
of Warsaw
of May 16th 2018**

concerning: granting consent to acquisition of new shares in Polska Spółka Gazownictwa sp. z o.o. in connection with non-cash contribution made as part of share capital increase

Section 1

The Extraordinary General Meeting of Polskie Górnictwo Naftowe i Gazownictwo S.A. of Warsaw, acting pursuant to Art. 56.6 in conjunction with Art. 56.3 of the Articles of Association of PGNiG S.A. of Warsaw, grants its consent to the acquisition by PGNiG S.A. of 694,210 new shares in Polska Spółka Gazownictwa Sp. z o.o., with a par value of PLN 50 per share and a total value of PLN 34,710,500.00, paid for with a non-cash contribution of PLN 34,710,521.50, with the share premium of PLN 21.50 to be allocated to the statutory reserve funds of Polska Spółka Gazownictwa Sp. z o.o.; The non-cash contribution amount of PLN 34,710,521.50 is based on an appraiser's valuation of the non-cash contribution in the form of ½ (one half) of the perpetual usufruct right to the plot of land situated at ul. Krucza 6/14, Warsaw, plot registration no. 145, subdivision 5-05-04, with an area of 0.3138 ha, and in the form of ½ (one half) of the ownership title to the buildings, structures and equipment situated on the said plot, which are owned independently of the land, for which the District Court for Warsaw-Mokotów in Warsaw, 10th Land and Mortgage Register Division, maintains Land and Mortgage Register entry No. KW WA4M/00162879/0, and the shared independent possession of the underground garage parts located on plots adjacent to plot no. 145, i.e. plots with registration numbers 146/4, 146/5 and 153, and the coverage of all the acquired shares with the non-cash contribution by transferring the title to the above assets to Polska Spółka Gazownictwa Sp. z o.o.

Section 2

This Resolution shall become effective as of its date.

Grounds

The property is a non-productive asset of PGNiG S.A. In order to meet the demand for premises from the subsidiary Polska Spółka Gazownictwa sp. o.o., which is currently the only tenant of the property located in Warsaw at ul. Krucza 6/14 in the part used by PGNiG S.A., steps have been

taken to transfer the right to this property, held to date by PGNiG S.A., onto PSG sp. o.o. as a non-cash contribution.

In order for PGNiG S.A. to effect these steps and acquire the new shares in the increased share capital of PSG sp. z o.o., in accordance with Art. 56.6 in conjunction with Art. 56.3 of the Articles of Association of PGNiG S.A., it is necessary to obtain the consent of the General Meeting of PGNiG S.A. for PGNiG S.A. to acquire these shares.

**Resolution No. ... / 2018
of the General Meeting of
Polskie Górnictwo Naftowe i Gazownictwo S.A.
of Warsaw
of May 16th 2018**

concerning: granting consent for PGNiG S.A. to subscribe for all new shares in the increased share capital of PGNiG Obrót Detaliczny Sp. z o.o, in the number equivalent to the value of a non-cash contribution in the form of assets of CNG filling stations.

Section 1

Acting pursuant to Art. 56.3.3 of the Company's Articles of Association, taking into consideration the positive opinion of the PGNiG Supervisory Board expressed in Resolution No. of, the General Meeting resolves to grant consent for PGNiG S.A. to subscribe for all the 459,233 new shares at a par value of PLN 55.00 (fifty-five złoty) per share in the increased share capital of PGNiG OD Sp. z o.o. of Warsaw, with a total value of PLN 25,257,815.00, in exchange for a non-cash contribution in the form of assets of CNG filling stations, including:

1. Perpetual usufruct right to a part of a property located at ul. Balicka 86 in Kraków, comprising land plot No. 255/2, with an area of 0.3970 ha, entered in the Land and Mortgage Register maintained by the District Court for Kraków-Podgórze in Kraków, 4th Land and Mortgage Register Division, under entry No. KR1P/00418904/5, together with the ownership of the buildings, structures and equipment located on that land plot,
2. Perpetual usufruct right to a part of a property located at ul. Gazowa 3 in Wrocław, comprising land plot No. 1/35, with an area of 0.1808 ha, entered in the Land and Mortgage Register maintained by the District Court for Wrocław-Krzyki in Wrocław, 4th Land and Mortgage Register Division, under entry No. WR1K/00057098/7, together with the ownership of the structures and equipment located on that land plot,
3. Property located at Aleja Tysiąclecia 6 in Świdnik, comprising land plot No. 16/16, with an area of 0.3859 ha, and land plot No. 16/14, with an area of 0.1361 ha, entered in the Land and Mortgage Register maintained by the District Court for Lublin-Wschód in Lublin, with its seat in Świdnik, 5th Land and Mortgage Register Division, under entry No. LU11/00238340/0;
4. Property located at ul. Ludowa 1d in Wałbrzych, comprising land plot No. 466/42, with an area of 0.0542 ha, entered in the Land and Mortgage Register maintained by the District Court in Wałbrzych, 7th Land and Mortgage Register Division, under entry No. SW1W/00020298/0;

5. Property located at ul. Głogowska 429 in Poznań, comprising land plot No. 1/9, with an area of 0.2112 ha, entered in the Land and Mortgage Register maintained by the District Court for Poznań-Stare Miasto in Poznań, 5th Land and Mortgage Register Division, under entry No. PO1P/00097408/0;
6. Ownership of movables, including the equipment of the CNG filling stations (compressors, storage facilities, CNG dispensers and other equipment) described in detail in Appendix 1,

with the market value of the said assets totalling PLN 25,257,842.00, VAT-exclusive, as per a property appraisal report of March 30th 2018 prepared by property appraisers Iwona Kubarek (licence no. 5201) and Halina Wieczorek-Nowak (licence no. 3463), and an appraiser specialising in the valuation of technical assets and mega-systems Krzysztof Puk.

Section 2

This Resolution shall become effective as of its date.

Grounds

PGNiG S.A. after establishing PGNiG Obrót Detaliczny sp. z o.o. ('PGNiG OD') passed on the Company operations in retail trade of natural gas, including sales of Compressed Natural Gas (CNG) through CNG refuelling stations, owned by PGNiG S.A. PGNiG S.A. did not transfer the ownership of the station, and gave the installations for exclusive use and collection of benefits under the lease contract with PGNiG OD. This form of lease splits the responsibility for functioning of CNG refuelling segment between PGNiG S.A. and PGNiG OD, generates numerous arrangements regarding the scope of potential investments and settlements between companies, which in practice extend the process of preparation, implementation and settlement of investments. In addition, the process of servicing the property (including settlement of the lease agreement, settlement of costs related to the operation of the CNG station and providing records of assets) involves human resources in both Companies.

Legal basis:

Par. 38.1.1 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 of February 28th 2009, item 259).