

**CURRENT REPORT FILED WITH
THE POLISH FINANCIAL SUPERVISION AUTHORITY
DATE: May 23rd 2014**



EMAS
VERIFIED ENVIRONMENTAL
MANAGEMENT
REG. NO. PL 2 24-001-5



Subject: [Execution of significant agreement with Grupa Azoty Zakłady Azotowe Kędzierzyn S.A.](#)

Text of the report:

Current Report No. 30/2014

The Management Board of RAFAKO S.A. of Racibórz (the "Company") hereby announces that on May 23rd 2014 the Company signed with Grupa Azoty Zakłady Azotowe Kędzierzyn S.A. (the "Employer") a contract for the execution of Phase 1 of a project 'New CHP Plant at Grupa Azoty Zakłady Azotowe Kędzierzyn S.A.'.

The contract provides for:

- construction and supply of equipment and services, as well as start-up of a boiler house with a coal-fired pulverised-fuel boiler, with a capacity of 140 Mg/h of steam with temperature of 495°C and pressure of 7.5 MPa;
- construction and supply of equipment and services, as well as start-up of a 25 MWe pass-out and condensing turbine in the existing turbine house, to be fed inlet steam with temperature of 490°C and pressure of 7.0 MPa;
- construction of a building (housing the central control room, DCS control system and social amenities), including equipment supply and start-up.

The value of the contract is PLN 320m, VAT exclusive (PLN 393.6m VAT inclusive). All work and deliveries under the contract are to be completed by October 2016.

The aggregate value of contractual penalties is limited to 25% of the contract remuneration (VAT exclusive), with the proviso that the payment of the maximum amount of contractual penalties does not preclude the Employer's right to seek damages in excess of that amount.

The Company's maximum total liability may not exceed 100% of the contract value (VAT exclusive).

The other terms and conditions of the contract do not differ from the terms and conditions commonly applied in contracts of this kind.

The Contract is considered a reportable significant agreement as its value exceeds 10% of the RAFAKO Group's revenue generated in the last four financial quarters.

Legal basis: Art. 56.1.2 of the Public Offering Act.

Paweł Mortas, President of the Management Board
Jarosław Duśiło, Vice-President of the Management Board