

(Translation from the Polish language)

FINANCIAL SUPERVISORY COMMISSION

Current report No 13/ 2010

Date: 26 January 2010

Issuer's shortened name: KOPEX S.A.

Subject: Information on submitting an answer to the action at law by the Law Office representing KOPEX S.A. and TAGOR S.A.

Legal basis: Law on Offer, Art. 56, Par.5–information actualization

Contents of the report:

Referring to the current reports as follows: No 1/2010 dated 04 January 2010, No 4/2010 dated 08 January 2010, No 5/2010 dated 12 January 2010 and No 12/2010 dated 22 January 2010, the Management Board of KOPEX S.A. (the Issuer) informs that on 25 January 2010, the Issuer obtained information on submitting answers, as belowmentioned, by the Law Office representing the Issuer and Fabryka Maszyn i Urządzeń TAGOR S.A. based in Tarnowskie Góry (the Issuer's subsidiary) – hereinafter referred to as "TAGOR S.A."- on 25 January 2010, it means within a statutory term of two weeks, defined in the regulations of the Code of Civil Procedure - hereinafter referred to as "C.C.P."

1. a joint answer on behalf of the Issuer and TAGOR S.A. to the action at law brought by Fabryka Zmechanizowanych Obudów Ścianowych FAZOS S.A. based in Tarnowskie Góry ("FAZOS S.A."), including a claim for compensation amounting to PLN 22,206,707.76 (say: twenty two million two hundred six thousand, seven hundred seven zlotys and seventy six groszes).
2. an answer on behalf of the Issuer to the action at law brought by Fabryka Maszyn FAMUR S.A. based in Kaowice ("FAMUR S.A."), including a claim for compensation amounting to PLN 40,261,950 (say: forty million two hundred sixty one thousand, and nine hundred fifty zlotys).

Both answers to the actions at law were posted at a Polish operator post office, in compliance with binding regulations, to the addresses of the Court and the proxy of the plaintiff.

The Issuer and TAGOR S.A. maintained their previous positions in the answers to the action at law which were presented in the current reports as follows: No 173/2009 dated 06 November 2009, No 1/2010 dated 04 January 2010, No 5/2010 dated 12 January 2010 on unfounded claims brought by the plaintiff.

Statements of the Issuer and TAGOR S.A. included in the answer to the actions at law refer to fundamental pleas, as below:

1. with regard to both actions at law:

- 1). denial of a plea that Issuer and TAGOR S.A. supposedly did not execute or executed improperly cooperation agreements with FAMUR S.A. and FAZOS S.A. The agreements in question regard execution of a Chinese contract. The Issuer and Fabryka Maszyn i Urządzeń TAGOR S.A. (the Issuer's subsidiary) are of the opinion that the cooperation agreement signed on 11 January 2008 between the Issuer and Fabryka Maszyn FAMUR S.A.- the plaintiff's dominant entity- did not demand the Issuer to entrust FAMUR S.A. or FAZOS S.A.

with the order of executing 50% of the Chinese contract value (the Issuer informed about signing the cooperation agreement in question in the current report No 4/2008 dated 12 January 2008). A detailed cooperation agreement dated 05 June 2008 and signed between the Issuer, TAGOR S.A., FAZOS S.A. and FAMUR S.A. expired, due to changing the scope of the contract by the Chinese partner.

It is the reason why the plaintiffs' statements of non-executing of the aforesaid agreements by the Issuer and TAGOR S.A. (resulted from non-entrusting the plaintiff with order of executing 50% of the value of the contract signed with the Chinese partner) is groundless, in compliance with Art.471 of the Civil Code.

2). non-liability of the Issuer and TAGOR S.A. for non-participating the companies TAGOR S.A. and FAZOS S.A in execution of the Chinese contract which resulted from the fact that the Chinese partner changed its demands and expectations- on the one hand side- and defectiveness of the products manufactured by the plaintiff to be subject of supply in the framework of the Chinese contract- on the other hand side. Cooperation agreements signed between the Famur Group and Kopex Group in 2008 defined specific items of the products. Annex to the aforesaid contract, signed in May 2009, changed the contract text and resulted in loss of timeliness and in legal ineffectiveness of the cooperation agreement. Despite of lack of legal binding obligations, the goodwill for further cooperation with the Famur Group resulted in placing an order for manufacture of advance rams and hydraulic cylinders by TAGOR S.A. with FAZOS S.A. in June 2009. However, quality of the products manufactured by the plaintiff and order execution time were inadequate. This incident entitled TAGOR S.A. to withdraw from a contract with FAZOS S.A. and to abandon further cooperation between the parties in the contract execution.

2. with regard to the action at law brought by FAZOS S.A. against KOPEX S.A. and TAGOR S.A. for compensation amounting to PLN 22,206,707.76 (say: twenty two million two hundred six thousand, seven hundred seven zlotys and seventy six grosz).

1) incorrectly calculated damage value, basing on the exchange rate of the American Dollar in particular, is inconsistent with text of the cooperation agreement dated 05 June 2008. The calculation method applied did not include the following elements: the plaintiff's profit margin from executing contract, increased by material and labour cost-effectiveness resulted from changing the subject of the order (powered roof supports of higher load bearing capacities and increased use of high-quality steel), benefits lost and some other minor cost elements.

2) non-compliance of the fact, that other orders and works were executed for the Chinese contract, and they contributed to the plaintiffs' economic profits. which would not be gained in case if the Chinese contract were executed. The compensation required by FAZOS S.A. should be diminished by the aforesaid profits, because compensation may not be a reason for unjust enrichment of the entity entitled.

3) there may not be simultaneous suing for damages and also for the liquidated damages within the Famur Group, to avoid unjust enrichment of the entity entitled.

4) neither prerequisites proving supposed joint and several liability of the defendants towards FAZOS S.A. were presented, nor in solidium liability of the defendants.

In opinion of the Issuer and TAGOR S.A., the aforesaid circumstances make it impossible to argument justifiedly liability of the Kopex Group towards the company FAZOS S.A. for its supposed benefits lost.

3. in completion to the action at law brought by FAMUR S.A. against KOPEX S.A. for additional compensation amounting to PLN 22,206,707.76:
 - 1) the action at law was brought untimely, because scope of the cooperation agreement dated 11 January 2008 regarded not only powered roof supports but also longwall systems, including longwall shearers and conveyors, and supplies of the aforesaid machines and equipment for this Chinese partner, basing on the government credit financing- like in the aforesaid contract- may not be excluded in the future. Besides, the cooperation agreement dated 11 January 2008 neither limited cooperation between the parties to sign only one contract for supply of the powered roof supports nor no specific obligations regarding scope or subject of the orders executed by any party were defined in this cooperation agreement.
 - 2) there is no prerequisite for bringing sanction of liquidated damages, since liquidated damages may be applied if the other party to the agreement or its subsidiary executes a contract with the Chinese partner with no participation of the other party, in compliance with Cl.10 Par.1. of the cooperation agreement dated 11 January 2008. In June 2009 TAGOR S.A. placed with FAZOS S.A. order for advancing rams and leg pads -within the framework of the Chinese contract- and due to this fact, there are no prerequisites for paying FAMUR S.A. any stipulated penalties by the Issuer.

In opinion of the Issue, the aforesaid circumstances make it impossible to argument justifiedly liability of KOPEX S.A. towards the company FAMUR S.A. for the liquidated damages.

To prove their previous positions, the Issuer and TAGOR S.A. have taken to court for taking of evidence basing on the proper documents and hearing of witnesses and litigants.

The Issuer advises that considering protection of investors- the Issuer and Fabryka Maszyn FAMUR S.A. (the plaintiff's dominant entity)-, a notice of holding non-public meetings in compliance with Art.153 Cl.2 of the C.C.P. was included in the answer to the action at law in question.

Besides, with regard to the action at law brought by FAZOS S.A. against KOPEX S.A. and TAGOR S.A. for damages due to the benefits lost, the defendants submitted an application to stay of proceedings by the date the actions at law brought by FAMUR S.A. against KOPEX S.A. for payment of stipulated penalties will have been decided, what is of prejudicial importance for the aforesaid claim for damages.