

Katowice, 29 April 2016

Dear Sir or Madam,

on behalf of the management board giving You annual report KOPEX S. A. for the year 2015.

The mining industry is undergoing a profound crisis, which took over the entire previous year and worse, still do not see the signs of the end. Particularly difficult environment in which we operate, reflected in the worse financial results compared to the previous year.

In 2015 KOPEX Group in the amount of sales revenue reached PLN 1.064 million and this was lower sales compared to 2014 about 26%. The consolidated net result achieved by the holding company in 2015, closed the loss of PLN 1.471 million. For 2015 made write-offs influenced consolidated KOPEX Group results about the total value of the PLN 1.406 million, of which the amount of PLN 1.208 million related to impairment of permanent loss of goodwill. Copies of these derive from the conservative and prudential approach to assess the quality of assets held and their valuation.

Difficult financial situation in which she found herself Group KOPEX meant that starting 26 February 2016 we have intense conversations with banks - creditors of the group, the objective of which is the consensual debt restructuring of the Group. Within the framework of the ongoing discussions, the company and the banks financing seek as soon as arrangements and sign the contract restructuring so as to limit access to finance current operations no longer limit the Group operational activity, KOPEX, and, in particular, the possibility of some tenders. Regardless of the ongoing negotiations with the creditors, the Board Kopex S. A. in cooperation with professional advisers, prepares and implements a comprehensive and deep restructuring program, assets and financial Group KOPEX. Its elements are m. in. reduction of assets, restructuring of employment and the improvement of operational efficiency in all areas of activity. Currently started activities in the field of reduction of employment costs, the sale of unnecessary assets, and increased cost discipline resulting in reduction of operating expenses. In addition, an increased action in the field of receivables collection and extend the terms of payment obligations. The Board also drew up the short-term financial forecasts to the end of the year 2016, which show positive cash flow from operating activities and allow you to look to the future with hope.

The Board of Directors firmly believes that developed and implemented effectively restructuring creates the opportunity for an effective output Group KOPEX from the financial crisis, rebuild its credibility as a reliable and secure business partner and adapt to the functioning of the lending crisis in the mining industry.

On behalf of the Board of Directors thank you for the confidence Shareholders, Board of Directors, our partners and Employees Kopex S. A. and its subsidiaries for your dedication and work on behalf of the Group and of the company Kopex S. A.

With kind regards

Bogusław Bobrowski
President of the Management Board