

**Resolution of the EGM of PETROLINVEST S.A. held on 30 December 2009**

*Legal basis: Art 56.1.2 of the Act on public trading—current and periodic information*

Acting in compliance with Par. 38.1.7 of the Regulation of the Minister of Finance dated February 19<sup>th</sup> 2009 on current and periodic reports published by issuers of securities as well as on conditions for recognition of information required by the non Member State regulations as equivalent, the Management Board of PETROLINVEST S.A. publishes the wording of resolution of the Extraordinary General Shareholders Meeting of PETROLINVEST S.A. held on 30 December 2009.

*30 December 2009*

*/-/ Paweł Gricuk – President of the Management Board*

*/-/ Marcin Balicki – Vice President of the Management Board*

Re point 4 on the agenda:

**RESOLUTION NO. 1  
of the Extraordinary General Meeting of  
PETROLINVEST Spółka Akcyjna  
dated 30 December 2009**

**regarding issue of bonds convertible into Company shares, issue of subscription warrants,  
a conditional increase of the share capital of the Company, the exclusion of the pre-emptive  
rights of the existing shareholders of the Company and amendment of the statutes of the  
Company**

The Extraordinary General Meeting of PETROLINVEST Spółka Akcyjna with its registered seat in Gdynia (the "**Company**") resolves as follows:

§ 1

1. Under Art. 393.5 and Art. 448-458 of the Act of 15 September 2000 – the Commercial Companies Code and Art. 20 and 23 of the Act of 29 June 1995 on Bonds, an issue programme is adopted consisting in an issue of no more than 120,000 (one hundred and twenty thousand) registered or bearer bonds in dematerialised form (the "**Bonds**") convertible into Series V Shares (in compliance with the definition in § 3 below).
2. Bond issues will be effected as part of the issue programme of a total nominal value of no more than PLN 120,000,000 (one hundred and twenty million zloty).
3. The Management Board of the Company is authorised to set forth by a resolution adopted before the start of subscription the terms and conditions of the Bond issue other than those provided in this resolution, including in particular the forms of bond issue, the manner of splitting Bond issues into series and the maximum number of Bonds in a given series, the nominal value per Bond, the issue price, the goals of the issue, the level of interest, the deadlines and rules for paying benefits from the Bonds, the deadlines of buying out the individual series, and other buy-out terms. Hence, the Management Board is hereby authorised to set forth detailed terms and conditions of the issue of the Bonds and the Series V Shares other than those stipulated in this resolution, and also to allot the Bonds.
4. In the resolution setting forth the terms and conditions of the Bond issue, the Management Board may provide the option of early buy-out of Bonds and set forth instances in which the Company will be obliged or authorised to buy out the Bonds early and to stipulate pecuniary benefits connected with the early buy-out of the Bonds and the manner of calculating those benefits.
5. The Management Board is hereby authorised to determine the manner in which the Company will offer the Bonds for purchase in compliance with Art. 9 of the Act on Bonds.
6. The issue date shall be, depending on the manner of offering the Bonds for purchase decided upon by the Management Board, the date on which the Bonds are entered in the depository or on the securities accounts of the Bond holders, after those Bonds have been paid for in full; however, this may not take place before the date on which the conditional increase of the share capital effected on the basis of this resolution is entered in the register of entrepreneurs.
7. The Bond holders will be authorised to choose at their own discretion:

- 7.1. to convert the Bonds into the Series V Shares; or
- 7.2. to buy out the Bonds.
8. The Bonds will be bought out by paying the amount determined in compliance with the terms of the issue on the buy-out date.
9. A Bond holder has the right to exchange the Bonds for the Series V Shares issued within the scope of the conditional increase of the share capital of the Company in compliance with § 3 of this Resolution, in exchange for the Bonds held by him, on the following terms:
  - 9.1. The number of Series V Shares awarded in exchange for one Bond will be equal to the rounded-down quotient of the nominal value of the bond and the conversion price of the Series V Shares issued in exchange for the Bonds.
  - 9.2. The minimum conversion price of the Series V Shares issued in exchange for the Bonds is set so that every one zloty of the nominal value of the Bond will be matched by one zloty or less of the nominal value of the Series V Share. Provided that the minimum conversion price is complied with, the Management Board shall be authorised to determine the conversion price or to define a detailed manner of determining the conversion price of the Series V Shares issued in exchange for the Bonds in a resolution setting forth the terms and conditions of the Bond issue.
  - 9.3. The timetable and detailed terms and conditions of the conversion of the Bonds into the Series V Shares will be laid down by the Management Board in the resolution setting forth the terms and conditions of the Bond issue; however, the deadline for converting the Bonds into the Series V Shares may not fall after 31 January 2015.
  - 9.4. The Bonds shall be converted into the Series V Shares on the basis of written statements by the Bond holders. The Management Board will report the share capital increase to the register court in the manner compliant with Art. 452 of the Commercial Companies Code. The deadlines for filing the statements referred to in the previous sentence will be set by the Management Board in the resolution setting forth the terms and conditions of the Bond issue.

§ 2

1. Pursuant to Art. 453, § 2 of the Commercial Companies Code (the „CCC”) it is resolved to issue up to 19,000,000 (nineteen million) registered subscription warrants (the „**Subscription Warrants**”).
2. The Subscription Warrants will be issued in documentary form and may be issued in global certificates.
3. The Subscription Warrants will be issued free of charge.
4. One Subscription Warrant will authorise to subscribe for one (1) Series V Share (as defined below).
5. The Subscription Warrants shall be non-transferable.
6. The rights to subscribe for the Series V Shares under the Subscription Warrants can be exercised until 31 January 2015. The Management Board of the Company is authorised to deliver the Subscription Warrants authorising to subscribe for the Series V Shares within a term shorter than the maximum term stated in this § 1.6 of the Resolution.
7. The Subscription Warrants which have not been exercised to subscribe for the Series V Shares within the term stated in §1.6 shall expire.

8. The Subscription Warrants will be offered for subscription through private placement to entities selected by the Management Board of the Company, provided there will be less than 100 (one hundred) of such entities.
9. The General Meeting authorises the Management Board of the Company to take any and all actions related with the issuance and allocation of Subscription Warrants in favour of the persons designated in §2.8 above, including:
  - 9.1 defining the wording of Subscription Warrants, including the detailed contents of the document of Subscription Warrant and the global certificate of Subscription Warrants;
  - 9.2. offering Subscription Warrants in a number smaller than the maximum number stated in this resolution; and
  - 9.3. issuing Subscription Warrants in different series and defining the detailed deadlines for the issuance of Subscription Warrants as well as other terms and conditions of issue as the Management Board of the Company deems necessary.

§ 3

1. Pursuant to Art. 432 and Art. 449 of the CCC it is resolved to increase the share capital of the Company by no more than PLN 190,000,000 (one hundred and ninety million) through the issuance of no more than 19,000,000 (nineteen million) ordinary series V bearer shares of PLN 10 (ten) each (the „**Series V Shares**“).
2. The goal of the conditional share capital increase is to award subscription rights to the Series V Shares to holders of the Subscription Warrants and the Bonds that the Company will issue based on this Resolution. The take-up of the Series V Shares by exercising the rights from the Subscription Warrants will take place in the timeframe specified in § 2.6 above. The take-up of the Series V Shares as a result of Bond conversion will be possible on or before the Bond buy-out date for a given Bond series, set out in compliance with § 1.3 above and considering § 1.9 sub-section 9.3 above.
3. The Series V Shares, subscribed for as a result of the exercise by holders of Subscription Warrants of their right to subscribe for them, will be issued only in exchange for cash contributions to holders of Subscription Warrants who file a written statement of subscription for the Series V Shares in compliance with Art. 451.1 of the CCC and pay the issue price of the Series V Shares.
4. The Management Board of the Company is hereby authorised to determine the issue price of the Series V Shares. The issue price of the Series V Shares that will be issued in connection with Bond conversion will be equal to the Bond conversion price determined in compliance with the rules defined in § 1 above and the terms and conditions of Bond issue.
5. The Series V Shares will participate in the dividend on the following terms:
  - 5.1. the Series V Shares issued no later than on the dividend date established in the resolution of the General Meeting with respect to distribution of profit, will participate in the profit starting with the profits for the previous financial year, i.e. since 1 January in the financial year directly preceding the year in which the shares have been issued;
  - 5.2. the Series V Shares issued after the dividend date established in the resolution of the General Meeting with respect to distribution of profit, will participate in the profit starting with the profits for the financial year in which the shares were issued, i.e. since 1 January in that financial year.
6. The Management Board of the Company is hereby authorised to take any and all actions related with the issuance and allocation of the Series V Shares to the holders of the Subscription Warrants and to the holders of the Bonds, in particular the Management Board of the Company

is authorised to, if necessary, to enter into an agreement with a selected financial institution on the basis of which such institution will perform certain actions related with the issuance and registration of the Series V Shares with the National Depository of Securities („NDS”), and their admission and introduction to trading on the Warsaw Stock Exchange („WSE”).

7. The Extraordinary General Meeting of the Company resolves to pursue the admission and introduction of the Series V Shares to trading on the regulated market of the WSE and decides that the Series V Shares will be in book entry form.
8. The Management Board of the Company is authorised and required to take any and all actions necessary to perform this Resolution, including filing proper motions or notices to the Polish Financial Supervision Authority, apply for admission of the Series V Shares to trading on the regulated market, register the Series V Shares in the NDS and file an application for the introduction of the Series V Shares to trading on the regulated market of the WSE.

§ 4

1. Acting in the interest of the Company its existing shareholders are fully deprived of their pre-emptive rights with respect to the Series V Shares, the Bonds and the Subscription Warrants, that the Company will issue based on this Resolution. We acknowledge the written opinion of the Company’s Management Board presenting the grounds for waiving the pre-emptive rights to the Series V Shares, the Bonds and the Subscription Warrants and as well as the rules of determining the issue price, as such opinion is attached as Schedule No. 1 to this Resolution.
2. The adoption of this resolution regarding issue of Bonds, issue of Subscription Warrants, a conditional increase of the share capital, the exclusion of the pre-emptive rights of the existing shareholders and amendment of the statutes of the Company is justified by the fact that the Company needs to obtain financial resources to enable it to continue prospecting and extraction in Kazakhstan, to acquire new capital assets, including companies’ shares and stocks, convert the Company’s debt and exercise incentive programmes.

§ 5

In reference with the conditional share capital increase made on the basis of this Resolution of the Extraordinary General Meeting of the Company, it is resolved to amend §8a of the Company Statute by assigning its the following new wording:

„§ 8a

1. The conditional share capital of the Company shall amount to no more than PLN 217,642,850 (two hundred and seventeen million, six hundred and forty-two thousand, eight hundred and fifty) and shall be divided into no more than:
  - (a) 264,285 (two hundred and sixty-four thousand, two hundred and eighty-five) ordinary bearer series E shares of PLN 10 (ten) nominal value each;
  - (b) 1,300,000 (one million, three hundred thousand) ordinary bearer series O shares of PLN 10 (ten) nominal value each;
  - (c) 1,200,000 (one million, two hundred thousand) ordinary bearer series P shares of PLN 10 (ten) nominal value; and
  - (d) 19,000,000 (nineteen million) ordinary bearer series V shares of PLN 10 (ten) nominal value each.
2. The objective of the conditional share capital increase referred to in §8a.1(a) above is to grant the right to subscribe to the series E shares to the holders of subscription warrants issued by the Company on the basis of the resolution of the Extraordinary General Meeting No. 3 dated 29 April 2008. The holders of subscription warrants referred to in the preceding sentence will be

authorised to subscribe for the series E shares. The right to subscribe for the series E shares may be exercised until 30 April 2011.

3. The objective of the conditional share capital increase referred to in §8a.1(b) above is to grant the right to subscribe to the series O shares to the holders of subscription warrants issued by the Company on the basis of the resolution of the Extraordinary General Meeting No. 1 dated 31 July 2009. The holders of subscription warrants referred to in the preceding sentence will be authorised to subscribe for the Series O Shares. The right to subscribe for the Series O Shares may be exercised until 30 April 2013.
4. The objective of the conditional share capital increase referred to in §8a.1(c) above is to grant the right to subscribe to the series P shares to the holders of subscription warrants issued by the Company on the basis of the resolution of the Extraordinary General Meeting No. 2 dated 31 July 2009. The holders of subscription warrants referred to in the preceding sentence will be authorised to subscribe for the Series P Shares. The right to subscribe for the Series P Shares may be exercised until 30 April 2013.
5. The objective of the conditional share capital increase referred to in §8a.1(d) above is to grant the right to subscribe to the series V shares to the holders of subscription warrants and convertible bonds issued by the Company on the basis of the resolution of the Extraordinary General Meeting No. 1 dated 30 December 2009. The holders of subscription warrants and convertible bonds referred to in the preceding sentence will be authorised to subscribe for the Series V Shares. The right to subscribe for the Series V Shares may be exercised until 31 January 2015.”

**Schedule No. 1 to the Resolution No. 1 of the Extraordinary General Meeting of PETROLINVEST S.A. dated 30 December 2009**

Acting pursuant to Art. 433, §2, fourth sentence and §6 of the Commercial Companies Code, the Management Board of PETROLINVEST S.A. (the „**Company**”), in light of the proposed conditional increase of the Company’s share capital by no more than PLN 190,000,000 (one hundred and ninety million) through the issuance of no more than 19,000,000 (nineteen million) ordinary series V bearer shares of PLN 10 (ten) nominal value each to the exclusion of all the pre-emptive rights of the existing shareholders, and the issuance of up to 19,000,000 (nineteen million) of registered subscription warrants to the exclusion of all the pre-emptive rights of the existing shareholders, and the issuance of no more than 120,000 (one hundred twenty thousand) bonds convertible into Series V Shares, hereby presents the Extraordinary General Meeting of the Company convened for 30 December 2009, with the following opinion:

**Management Board Opinion  
PETROLINVEST Spółka Akcyjna  
of 14 December 2009**

**laying down the grounds for the full and complete exclusion of the pre-emptive rights to series V shares, subscription warrants convertible into series V shares and bonds convertible into Series V Shares, and the procedure for setting the issue price of the shares and the free-of-charge nature of subscription warrants**

The Extraordinary General Meeting of PETROLINVEST S.A. (the “**Company**”) was convened for 30 December 2009 in order to adopt, among other things, a resolution regarding the issue of no more than 120,000 (one hundred and twenty thousand) convertible bonds (the “**Bonds**”), the issue of up to 19,000,000 (nineteen million) registered subscription warrants (the “**Subscription Warrants**”) and a conditional increase of the Company’s share capital by no more than PLN 190,000,000 (one hundred and ninety million) through the issue of no more than 19,000,000 (nineteen million) ordinary series V bearer shares, each of a nominal value of PLN 10 (ten) (the

“**Series V Shares**”), the exclusion of the pre-emptive rights of the existing shareholders and amendments to the Company’s statutes.

The goal of the conditional increase of the share capital through the issue of the Series V Shares, the issue of Subscription Warrants and Bonds convertible into the Series V Shares is to provide the Company with the effective tools that will enable it to obtain financial resources to continue hydrocarbon prospecting and extraction in Kazakhstan and acquire new capital assets, to secure the Company’s liquidity needs connected with reducing its indebtedness and also to exercise incentive programmes.

The Management Board believes that increasing the share capital through share issue is, under current circumstances, the optimal way of raising capital, obtaining new capital assets, reducing the Company’s debt without putting its financial liquidity in danger and implementing the incentive programmes. The current situation on the capital market as well as the Company’s current and future financial needs and ambitions connected with improving its financial results by reducing debt justify the full and complete exclusion of the pre-emptive rights of shareholders to the Series V Shares. The issue of Subscription Warrants carrying the right to subscribe for the Series V Shares is aimed at facilitating and accelerating the introduction of the Series V Shares to public trading on the Warsaw Stock Exchange (“**WSE**”). In Management’s opinion, providing appropriate liquidity by promptly listing the shares on the WSE enhances the attractiveness of the instrument to the buyers and increases the likelihood of a successful offering and, as a result, the likelihood of the Company obtaining the necessary financial means or effectively reducing its indebtedness without it having a negative impact on the Company’s current investing activities. The Subscription Warrants will be offered to investors who express interest in investing in the Company, and also with the goal to obtain new capital assets, including other companies’ stocks and shares, convert the Company’s indebtedness and execute the incentive programmes.

The Subscription Warrants convertible into the Series V Shares will be issued free of charge since the goal of the issue of the Subscription Warrants is to provide demand for the Series V Shares and to facilitate prompt listing of the Series V Shares on the WSE. Taking into account the current situation on the capital market and the price of the Company’s shares, the free of charge issue of the Subscription Warrants seems to be fully warranted.

The Bond issue is independent from the issue of Subscription Warrants and serves as an independent means of gaining capital. It will enable the Company to diversify the financial instruments offered to potential investors.

The issue price of the Series V Shares will be set by the Company’s Management Board depending on the goals of the issue, primarily by reference to the market value of the shares or the value arrived at using comparative methods of valuation and/or the discounted cash flow method, as well as the Company’s projected financial results. Other methods of determining the value of the Shares will also be taken into consideration if those methods can help to match the issue price to the level of demand for the shares or the requirements of the incentive programmes or the investment programme that the Company has in place.

The circumstances discussed above mean that the full and complete exclusion of the pre-emptive rights of the existing shareholders to the Series V Shares is justified for economic reasons and is in the Company’s best interest. The procedure of determining the issue price of the Series V Shares and the free-of-charge issue of Subscription Warrants are also warranted.

In view of the above, the Management Board recommends to the Extraordinary General Meeting that it vote in favour of the resolution regarding the issue Bonds, issue of Subscription Warrants, a conditional increase of the share capital of the Company, the exclusion of the pre-emptive rights of the existing shareholders of the Company.

#### GROUNDS

The adoption of the resolution regarding a conditional increase of the Company's share capital by no more than PLN 190,000,000 (one hundred and ninety million) through the issue of no more than 19,000,000 (nineteen million) ordinary series V bearer shares, each of a nominal value of PLN 10 (ten) with the full and complete exclusion of the pre-emptive rights of the existing shareholders and an issue of up to 19,000,000 (nineteen million) registered subscription warrants with the full and complete exclusion of the pre-emptive rights of the existing shareholders is justified by the fact that the Company needs to obtain financial resources to enable it to continue the efforts connected with hydrocarbon prospecting and extraction in Kazakhstan, it needs to secure its liquidity needs connected with reducing indebtedness, and also needs to acquire new capital assets, including other entities' shares and stocks, and exercise incentive programmes.

*The voting was attended by the Company's shareholders holding 9,732,254 shares in total, representing 45.21% of the Company's share capital, of which 9,732,254 shares voted, and all votes were valid; there were 9.728.565 votes "for", 3.689 votes "against" and no "abstaining" votes. The resolution was passed.*