

### **Execution of a material agreement**

*Legal basis: Article 56, section 1.2a) of the Public Offering Act, in connection with §5, section 1.3 of the Regulation of the Minister of Finance dated 19 February 2009 regarding current and interim reports published by issuers of securities and the terms and conditions of qualifying as equivalent the information required by the law of any non-member state*

The management board of PETROLINVEST S.A. (the “Company”) informs that on 28 May 2010, the Company and Kingsbrook Opportunities Master Fund LP, Iroquois Master Fund Ltd. (jointly the “Investors”), and Prokom Investments S.A. (“Prokom”) executed an agreement (the “Assumption Agreement”) regarding the assumption by Prokom of certain of the Investor’s rights under the agreement dated 18 March 2010 (the “Agreement”) between the Company, the Investors and GEM Global Yield Fund Limited of which the Company informed in the current report No. 20/2010 dated 18 March 2010.

Under the Assumption Agreement the Investors transferred to Prokom all the rights to subscribe for second tranche convertible bonds or second tranche prepaid subscription warrants for the total issue price of PLN 30 million. The terms of conversion of the convertible bonds into shares in the Company and the terms of exercise of rights to prepaid subscription warrants remained as originally stated in the Agreement.

Besides the 1,200,000 subscription warrants (the “Issued Warrants”) that the Company has issued on gratuitous basis under the Agreement in favour of the Investors, the Company, in the Assumption Agreement, warranted to issue, on gratuitous basis, in favour of the Investors, additional 3,000,000 subscription warrants that authorise to subscribe for 3,000,000 shares in the Company at the issue price of PLN 20 per share (the “New Warrants”), where 1,200,000 New Warrants will be issued immediately after execution of the Assumption Agreement, and 1,800,000 New Warrants after the adoption by the Company’s General Meeting, no later than by 31 August 2010, of a resolution regarding a conditional increase of the Company’s share capital by PLN 18,000,000 (the “Resolution”). For the purposes of the Assumption Agreement the issue price for the shares subscribed for in result of exercise of the Issued Warrants was changed from PLN 35 to PLN 20.

The Investors are granted the right to exercise, on the terms of the Agreement, the subscription warrants that are held by them and that have been thus far issued by the Company under the Agreement. Under the Assumption Agreement Petrolinvest obtained the possibility to procure earlier financing of the Company by the Investors through the Investors’ subscription for shares as a result of the exercise of the rights under the subscription warrants. If during consecutive 60 stock exchange sessions the closing price for the shares in the Company remains at over than PLN 30, the Company will have the right to request the Investors to exercise 50% of the Issued Warrants and 50% of the New Warrants. The Company will have the right to demand the Investors to exercise rights to the remaining 50% of the Issued Warrants and the New Warrants if during consecutive 60 stock exchange sessions the closing price for the shares in the Company remains at over PLN 40. With respect to the New Warrants, the periods referred to in this paragraph are the periods after the adoption of the Resolution.

Pursuant to the Assumption Agreement Prokom has the right to demand the Investors to assign to Prokom or an entity designated by Prokom any rights to subscribe for the third and fourth tranche convertible bonds and the third and fourth tranche prepaid subscription warrants that the Company agreed to issue in favour of the Investors under the Agreement. Prokom may exercise the right referred to in the preceding sentence within 180 days from the date of execution of the Assumption Agreement. Once Prokom or an entity designated by Prokom exercise the rights described in this paragraph, the terms of conversion of the convertible bonds into shares in the Company and the terms of exercise of the rights to the prepaid subscription warrants will remain as originally stated in the Agreement.

The Company's management board emphasizes that the financing provided by the Investors played a significant role in ensuring the Company's liquidity at a time of material importance for the Company while the Investor's willingness to allow Prokom to become involved in the financing of the Company through convertible bonds and prepaid subscription warrants means to the Company that it would in fact be able to obtain financing adjusted to the needs of the Company and granted regardless of the price of company shares, and by Prokom exclusively on as needed basis in accordance with the declarations made by Prokom to provide financing to the Company.

The Agreement satisfies the criteria of a material agreement since its value exceeds 10% of the Company's equity.

*28 May 2010*

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

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