



Petrolinvest

**CONSOLIDATED
QUARTERLY REPORT
OF PETROLINVEST GROUP
FOR 3rd QUARTER 2009
ENDED 30 SEPTEMBER 2009**

1.	SELECTED FINANCIAL DATA	4
2.	AVERAGE PLN/EUR EXCHANGE RATE FIXED BY NBP	5
3.	GENERAL INFORMATION REGARDING THE ISSUER AND THE ISSUER'S GROUP	6
4.	ENTITIES OF THE GROUP SUBJECT TO CONSOLIDATION IN 3RD QUARTER 2009	6
5.	MATERIAL EVENTS OCCURRING AFTER THE END OF THE PERIOD WHICH HAD NOT BEEN REFLECTED IN THE CONSOLIDATED FINANCIAL STATEMENTS FOR 3RD QUARTER 2009	7
6.	EFFECTS OF CHANGES IN THE STRUCTURE OF THE COMPANY, INCLUDING MERGERS, ACQUISITIONS OR DISPOSALS OF THE ISSUER'S GROUP UNDERTAKINGS, LONG-TERM INVESTMENTS, DE-MERGERS, RESTRUCTURING AND DISCONTINUED OPERATIONS	9
7.	EXPLANATIONS REGARDING SEASONALITY OR CYCLICALITY OF THE ISSUER'S OPERATIONS IN THE PERIOD	10
8.	BRIEF DESCRIPTION OF SIGNIFICANT ACHIEVEMENTS OR FAILURES OF THE ISSUER DURING THE PERIOD COVERED BY THE REPORT, INCLUDING A LIST OF THE MOST SIGNIFICANT EVENTS RELATED TO SUCH ACHIEVEMENTS OR FAILURES	10
9.	DESCRIPTION OF FACTORS AND EVENTS, IN PARTICULARLY NON-RECURRING ONES, WHICH HAD A MATERIAL EFFECT ON FINANCIAL RESULTS	15
10.	INFORMATION REGARDING ISSUE, REPURCHASE OR REPAYMENT OF DEBT AND EQUITY SECURITIES	18
11.	INFORMATION ON ANY DIVIDED PAID OUT (OR DECLARED) IN AGGREGATE AND PER ONE SHARE, SEPARATELY FOR ORDINARY AND PREFERENCE SHARES	19
12.	SELECTED FINANCIAL DATA, INCLUDING THE KEY ITEMS OF CONDENSED FINANCIAL STATEMENTS (ALSO TRANSLATED INTO EURO)	19
13.	THE MANAGEMENT BOARD'S POSITION ON THE FEASIBILITY OF ACHIEVING THE RESULTS STATED IN THE FINANCIAL FORECASTS PUBLISHED EARLIER FOR THE YEAR IN VIEW OF THE FINANCIAL RESULTS PRESENTED IN THE QUARTERLY REPORT IN RELATION TO THE PROJECTED RESULTS	19
14.	SHAREHOLDERS HOLDING DIRECTLY OR INDIRECTLY (THROUGH SUBSIDIARY UNDERTAKINGS) 5% OR MORE OF THE TOTAL VOTE AT THE ISSUER'S GENERAL MEETING	20
15.	STATEMENT OF CHANGES IN THE NUMBER OF THE ISSUER SHARES OR RIGHTS TO SUCH SHARES (OPTIONS) HELD BY THE ISSUER'S MANAGING OR SUPERVISORY PERSONS, ACCORDING TO INFORMATION AVAILABLE TO THE ISSUER, IN THE PERIOD FROM THE DATE OF THE PREVIOUS REPORT	20
16.	PROCEEDINGS PENDING BEFORE COURT, COMPETENT ARBITRATION BODY OR ANY PUBLIC ADMINISTRATION AUTHORITY, INCLUDING INFORMATION ON ANY PROCEEDINGS CONCERNING THE ISSUER'S OR ITS SUBSIDIARY UNDERTAKING'S LIABILITIES OR CLAIMS WHOSE VALUE REPRESENTS 10% OR MORE OF THE ISSUER'S EQUITY	20
17.	INFORMATION ON ANY ONE OR MORE TRANSACTIONS CONCLUDED BY THE ISSUER OR ITS SUBSIDIARY UNDERTAKING WITH RELATED PARTIES, IF THEY ARE INDIVIDUALLY OR COLLECTIVELY MATERIAL AND HAVE BEEN CONCLUDED ON TERMS OTHER THAN AT ARM'S LENGTH	21
18.	INFORMATION ON SURETIES FOR LOANS OR GUARANTEES ISSUED BY THE ISSUER OR ITS SUBSIDIARY UNDERTAKING – JOINTLY TO ONE ENTITY OR ITS SUBSIDIARY, IF THE AGGREGATE VALUE OF EXISTING SURETIES AND GUARANTEES IS EQUIVALENT TO AT LEAST 10% OF THE ISSUER'S EQUITY	21
19.	OTHER INFORMATION WHICH THE ISSUER DEEMS RELEVANT FOR THE ASSESSMENT OF ITS PERSONNEL, ASSETS, FINANCIAL SITUATION, AND ITS NET RESULT, AS WELL AS THEIR CHANGES, AND FOR THE ASSESSMENT OF THE ISSUER'S ABILITY TO PERFORM ITS OBLIGATIONS	21
20.	FACTORS WHICH IN THE ISSUER'S OPINION WILL AFFECT ITS RESULTS IN A PERIOD COVERING AT LEAST THE NEXT QUARTER	21
21.	CHANGES IN CONTINGENT LIABILITIES OR CONTINGENT ASSETS WHICH OCCURRED SINCE THE END OF THE LAST FINANCIAL YEAR	22
	CONDENSED INTERIM CONSOLIDATED INCOME STATEMENT	23
	CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME	24
	CONDENSED INTERIM CONSOLIDATED BALANCE SHEET	25
	CONDENSED INTERIM CONSOLIDATED CASH FLOW STATEMENT	26
	CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	27
	NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS	28
1)	Segment information	28
2)	Employee benefits	29
3)	Finance income	30
4)	Finance costs	30
5)	Other operating expenses	30
6)	Impairment of oil&gas investments	31
7)	Discontinued operations	31
8)	Income tax	32
9)	Earnings per share	33
10)	Cash and cash equivalents	34
11)	Property, plant and equipment and expenditure on exploration for and evaluation of mineral resources	34
12)	Other financial assets	34

CONSOLIDATED QUARTERLY REPORT OF PETROLINVEST GROUP FOR 3rd QUARTER 2009
ENDED ON 30 SEPTEMBER 2009

13)	Goodwill	34
14)	Equity	35
15)	Interest-bearing loans and borrowings	38
16)	Receivables	40
17)	Trade and other payables and other current liabilities	40
18)	Prepayments and accruals	40
19)	Related party transactions	41
	CONDENSED INTERIM FINANCIAL STATEMENTS OF PETROLINVEST S.A.	45
	CONDENSED INTERIM INCOME STATEMENT	45
	CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME	46
	CONDENSED INTERIM BALANCE SHEET	47
	CONDENSED INTERIM CASH FLOW STATEMENT	48
	CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY	49

CONSOLIDATED QUARTERLY REPORT OF PETROLINVEST GROUP FOR 3rd QUARTER 2009
ENDED ON 30 SEPTEMBER 2009

1. SELECTED FINANCIAL DATA

1.1. Selected financial data of PETROLINVEST Group

	<i>for 9 months</i>		<i>for 9 months</i>	
	<i>ended 30 September</i>		<i>ended 30 September</i>	
	<i>2009</i>	<i>2008</i>	<i>2009</i>	<i>2008</i>
	<i>PLN '000</i>		<i>EUR '000</i>	
Net revenue from the sale of products, goods and materials	55 146	171 882	12 535	50 189
Profit (loss) from operations	(186 732)	(34 931)	(42 446)	(10 200)
Profit (loss) before tax	(347 005)	(28 000)	(78 878)	(8 176)
Net profit (loss) attributable to equity holders of the parent	(323 351)	(31 297)	(73 501)	(9 139)
Cash flows from operating activities	(20 627)	(45 767)	(4 689)	(13 364)
Cash flows from investing activities	(19 002)	(150 983)	(4 319)	(44 086)
Cash flows from financing activities	31 351	161 688	7 126	47 212
Net cash flows, total	(8 278)	(35 062)	(1 882)	(10 238)
Weighted average number of shares issued in units	11 787 948	6 057 464	11 787 948	6 057 464
Number of diluting potential ordinary shares	772 213	89 376	772 213	89 376
Earnings (loss) per share (in PLN/EUR)	(27.43)	(5.17)	(6.24)	(1.51)
Diluted earnings (loss) per share (in PLN/EUR)	(25.74)	(5.09)	(5.85)	(1.49)
	<i>as at</i>		<i>as at</i>	
	<i>30 September</i>	<i>31 December</i>	<i>30 September</i>	<i>31 December</i>
	<i>2009</i>	<i>2008</i>	<i>2009</i>	<i>2008</i>
	<i>PLN '000</i>		<i>EUR '000</i>	
Total assets	1 095 120	1 388 314	259 347	332 738
Liabilities and provisions for liabilities	856 397	982 645	202 813	235 511
Non-current liabilities	577 343	734 861	136 727	176 124
Current liabilities	279 054	247 784	66 086	59 386
Equity attributable to equity holders of the parent	238 639	391 270	56 515	93 776
Issued capital	162 174	63 481	38 406	15 215
Weighted average number of shares issued in units	11 787 948	6 111 350	11 787 948	6 111 350
Number of diluting potential ordinary shares	772 213	469 793	772 213	469 793
Book value per share (in PLN/EUR)	20.24	64.02	4.79	15.34
Diluted book value per share (in PLN/EUR)	19.00	59.45	4.50	14.25
Declared or paid dividend per share (in PLN/EUR)	0.00	0.00	0.00	0.00

CONSOLIDATED QUARTERLY REPORT OF PETROLINVEST GROUP FOR 3rd QUARTER 2009
ENDED ON 30 SEPTEMBER 2009

1.2. Selected financial data of PETROLINVEST S.A.

	<i>for 9 months</i>		<i>for 9 months</i>	
	<i>ended 30 September</i>		<i>ended 30 September</i>	
	<i>2009</i>	<i>2008</i>	<i>2009</i>	<i>2008</i>
	<i>PLN '000</i>		<i>EUR '000</i>	
Net revenue from the sale of products, goods and materials	55 146	170 930	12 535	49 911
Profit (loss) from operations	(173 385)	(22 974)	(39 412)	(6 708)
Profit (loss) before tax	(250 843)	(18 733)	(57 019)	(5 470)
Net profit (loss) attributable to equity holders of the parent	(249 162)	(18 243)	(56 637)	(5 327)
Cash flows from operating activities	(6 644)	(20 475)	(1 510)	(5 979)
Cash flows from investing activities	(34 701)	(168 077)	(7 888)	(49 078)
Cash flows from financing activities	35 756	157 325	8 128	45 938
Net cash flows, total	(5 589)	(31 227)	(1 270)	(9 118)
Weighted average number of shares issued in units	11 787 948	6 057 464	11 787 948	6 057 464
Number of diluting potential ordinary shares	772 213	89 376	772 213	89 376
Earnings (loss) per share (in PLN/EUR)	(21.14)	(3.01)	(4.80)	(0.88)
Diluted earnings (loss) per share (in PLN/EUR)	(19.84)	(2.97)	(4.51)	(0.87)
	<i>as at</i>		<i>as at</i>	
	<i>30 September</i>	<i>31 December</i>	<i>30 September</i>	<i>31 December</i>
	<i>2009</i>	<i>2008</i>	<i>2009</i>	<i>2008</i>
	<i>PLN '000</i>		<i>EUR '000</i>	
Total assets	1 037 017	1 050 265	245 587	251 717
Liabilities and provisions for liabilities	460 355	599 922	109 022	143 783
Non-current liabilities	346 221	508 082	81 992	121 772
Current liabilities	114 134	91 840	27 029	22 011
Equity attributable to equity holders of the parent	576 662	450 343	136 566	107 934
Issued capital	162 174	63 481	38 406	15 215
Weighted average number of shares issued in units	11 787 948	6 111 350	11 787 948	6 111 350
Number of diluting potential ordinary shares	772 213	469 793	772 213	469 793
Book value per share (in PLN/EUR)	48.92	73.69	11.59	17.66
Diluted book value per share (in PLN/EUR)	45.91	68.43	10.87	16.40
Declared or paid dividend per share (in PLN/EUR)	0.00	0.00	0.00	0.00

2. AVERAGE PLN/EUR EXCHANGE RATE FIXED BY NBP

	<i>for 9 months</i>	
	<i>ended 30 September</i>	
	<i>2009</i>	<i>2008</i>
	<i>as at</i>	
	<i>30 September</i>	<i>31 December</i>
	<i>2009</i>	<i>2008</i>
average rate in the period	4.3993	3.4247
rate at the end of the period	4.2226	4.1724

3. GENERAL INFORMATION REGARDING THE ISSUER AND THE ISSUER'S GROUP

PETROLINVEST S.A. Group is comprised of parent entity - PETROLINVEST S.A. (the "Company") as well as subsidiary companies (see point 4). For the needs of this Report, the parent company, its subsidiaries and the jointly-controlled entity (see point 4) shall be referred to as PETROLINVEST Group (the Group).

PETROLINVEST S.A., the parent entity of PETROLINVEST Group, was incorporated pursuant to Resolution of the Shareholders' Meeting of Petrolinvest Sp. z o.o. (limited liability company) dated 22 December 2006 regarding its transformation into Spółka Akcyjna (a joint stock company). The Company was registered with the National Court Register kept by the District Court, VIII Economic Department of the National Court Register, under entry no. KRS 0000270970 on 29 December 2006. The Company was granted statistical REGON number 190829082.

On 16 July 2007, rights to shares of PETROLINVEST S.A. were first quoted on the Warsaw Stock Exchange.

The registered office of PETROLINVEST S.A. is located in Poland, at Podolska 21, Gdynia.

The parent entity and the other entities of the Group have an unlimited period of operation.

The main areas of business activities of PETROLINVEST Group include:

- activities incidental to oil and gas exploration and extraction,
- wholesale of solid, liquid and gaseous fuels and related products,
- retail sale of automotive fuel,
- manufacture of gaseous fuel,
- services connected with installation of metal structures,
- gas fittings and installations.

Gas trading activities are carried out by the Company' branch with a self-balancing set of accounts: PETROLINVEST Spółka Akcyjna – Oddział LPG (LPG Branch) headquartered in Gdynia. The Branch was separated on 1 July 2008. The Branch was granted statistical REGON number 190829082-00022.

As of the date of publication of this Report, the largest shareholder of PETROLINVEST S.A. is Prokom Investments S.A. The controlling entity of Prokom Investments S.A. is Mr. Ryszard Krauze.

As set out in the Company's statutes, if the management board is composed of two or three persons, Prokom Investments S.A. has personal powers to appoint and dismiss the president of the management board while Mr. Ryszard Krauze, one of the shareholders of PETROLINVEST S.A., has personal powers to appoint and dismiss the vice president. The number of board members is determined by Prokom Investments S.A. The supervisory board is composed of five members, two of them (including the chairman and deputy chairman of the supervisory board) are appointed and dismissed by Prokom Investments S.A. while one member of the supervisory board is appointed and dismissed by Mr. Ryszard Krauze.

4. ENTITIES OF THE GROUP SUBJECT TO CONSOLIDATION IN 3rd QUARTER 2009

PETROLINVEST Group is composed of the parent entity, its subsidiaries and a jointly-controlled entity (TOO COMPANY PROFIT) with the following profiles: prospecting and extraction, trade and service.

As of 30 September 2009, PETROLINVEST S.A. possessed stock/shares in the following companies:

Company name	Share capital	Shareholding	Consolidation method
Occidental Resources, Inc. (U.S.A.) ⁽¹⁾	199 332.77	USD 88.10%	Full
TOO EMBA JUG NIEFT (Republic of Kazakhstan)	145 000.00	KZT 79.00%	Full
TOO COMPANY PROFIT (Republic of Kazakhstan)	164 600.00	KZT 50.00%	Proportionate
UAB Petrolinvest Mockavos Perpyla (Lithuania)	2 000 000.00	LTL 87.00%	Full
PETROLINVEST GAZ S.A. (Poland) ⁽²⁾	15 720 325.00	PLN 100.00%	Full

⁽¹⁾ Occidental Resources, Inc. owns 100% of the shares in OilTechnoGroup, registered in the Republic of Kazakhstan.

⁽²⁾ The name of the subsidiary TPG GAZ S.A. was changed to PETROLINVEST GAZ S.A. on 28 September 2009.

5. MATERIAL EVENTS OCCURRING AFTER THE END OF THE PERIOD WHICH HAD NOT BEEN REFLECTED IN THE CONSOLIDATED FINANCIAL STATEMENTS FOR 3rd QUARTER 2009

- ✓ The **increase of the share capital of the Company** through the issue of 1,052,000 ordinary series N bearer shares, each of a nominal value of PLN 10, was **registered** on 2 October 2009.
In consequence, the Company's share capital increased to PLN 172,694,000 and the total number of votes attached to all Company shares issued increased to 17,269,400.
- ✓ On 2 October 2009, in connection with the disposal of the Russian assets, the Company signed three agreements with ZAO "Neva-Expo" with its registered office in the Russian Federation (the "Assignee") under which **the Company transferred to the Assignee loan receivables due to the Company from:**
 - OOO Siewiergeofizyka, totalling USD 18,572,000 with accrued interest, for a consideration of USD 300;
 - OOO Neftegeoserwis, totalling USD 8,239,500 with accrued interest, for a consideration of USD 300; and
 - ZAO Pechora-Petroleum, totalling USD 10,462,000 with accrued interest, for a consideration of USD 300.Please note that the balance-sheet value of the receivables from the loans advanced to those companies is zero zloty. Following the Management Board decision to give up the investments in the Russian oil exploration and production companies, those loans were written off as part of the revaluation of net assets associated with the projects developed in the Russian Federation, of which the Company informed the public in the 4th quarter 2008 report. The agreements meet the criteria of significant agreements because their nominal value exceeds 10% of the Company's equity.
- ✓ On 12 October 2009, the Management Board adopted a resolution regarding free-of-charge issue of no more than 2,285,714 registered subscription warrants to the exclusion of pre-emptive rights of the existing shareholders in order to grant the rights to purchase shares in the Company and another **resolution to increase the Company's share capital by no more than PLN 22,857,140 via the issuance of no more than 2,285,714 ordinary series T bearer shares**, each of a nominal value of PLN 10, in order to execute the rights of holders of the subscription warrants referred to above. The issue price of the Series T Shares was set at PLN 35. The issue of the Series T Shares is an element of the Company's strategy to obtain funds to enable the Company to continue its strategy of further growth and development of the oil prospecting and extraction activities of PETROLINVEST Group.
The Subscription Warrants were offered for subscription through private placement to selected investors interested in financing prospecting and extraction activities of PETROLINVEST Group.
The **offering of the Company's ordinary series T bearer series was effected** on 28 October 2009. **1,453,571 shares were taken up in the Offering.** The Company will receive gross proceeds of PLN 50,874,985 as a result of the Offering, while the Management Board had expected to receive no less than PLN 40 million from the issue.
The successful completion of the issue of Series T Shares means that the first of several steps mentioned in the Management Board's earlier communications—that are now well advanced and will provide the Company with finance for prospecting work on the territory of the Kazakhstan concessions—has been accomplished.
The Management Board was pleased to see Polish open investment funds and foreign investors take part in the subscription, which confirmed the positive perception of the Company's strategy for the years 2010-2011 as well as the Company's oil prospecting and extraction project, and which should also contribute to stabilising the shareholding structure.
- ✓ On 19 October 2009, the Company received a confirmation that the **subscription option agreement giving four open investment funds incorporated in Poland** (the "Funds") **the option to subscribe for shares in the Company** had been concluded (the "Agreement").
The conclusion of the Agreement was connected with the fact that the Funds had subscribed for the greatest number of subscription warrants entitling their holders to subscribe for the Company shares issued within the scope of the increase of the Company's share capital through the issue of ordinary series T bearer shares (discussed in the bullet point above).
The Company agreed under the Agreement that at the request of any one of the Funds it will issue on aggregate 182,000 subscription warrants free of charge where each warrant will entitle its holder to acquire one Company share at an issue price of PLN 50 per share. Only the Funds that agreed under the Agreement to exercise the rights attached to the Warrants immediately will be authorised to take up the warrants, whereas the Company agreed to issue immediately 182,000 Company shares that may be subscribed for only by the Funds exercising the rights attached to the Warrants.
Under the Agreement, the Company agreed that within 5 business days from the receipt of a written request from any of the Funds regarding the issue of Warrants and Shares, the Company's Management Board will adopt appropriate resolutions regarding the issue of Warrants and Shares and will obtain all necessary consents associated with their issue while the Funds agreed to subscribe for and take up all Warrants and, subsequently, to complete the subscription, sign Share subscription agreements and pay for the Shares within 5 business days from the moment the Company adopts and delivers to the Funds appropriate resolutions and all applicable consents.

Each of the Funds has the right to file the request referred to above at any point falling no later than within 2 years from the date of signing the Agreement.

- ✓ In execution of the provisions of the resolution of the Extraordinary General Meeting dated 31 July 2009 regarding conditional share capital increase through the issue of ordinary series P bearer shares to the exclusion of the pre-emptive rights and the issue of subscription warrants to the exclusion of the pre-emptive rights (the "Issue Resolution"), on 19 October 2009 the Management Board of PETROLINVEST S.A. adopted a **resolution setting forth detailed terms and conditions of the issue of subscription warrants over series P shares. The Management Board decided to issue 300,000 registered subscription warrants and offered them for subscription through private placement to GEM Global Yield Limited** headquartered in George Town, Grand Cayman, the Cayman Islands ("GEM") in exercise of the equity line of credit agreement dated 29 April 2009. The Series A Warrants were taken up by GEM on 19 October 2009. On the same day, GEM exercised its right to subscribe for the Company shares following from Series A Warrants and filed a statement of acquisition of 300,000 Petrolinvest ordinary series P bearer shares. The issue price of ordinary series P bearer shares issued to the holder of Series A Warrants, issued under the Issue Resolution within the scope of the conditional increase of the Company's share capital, was set by the Management Board at PLN 35.07 per share.
On 16 November 2009, 300,000 series P shares were first listed on the main list (details below).
- ✓ On 2 November 2009, since the issue of series T shares was successfully completed, the Company entered into a **subscription option agreement giving the brokerage house Dom Maklerski IDM S.A.**, which organised and carried out the issue of series T shares (the "Investor"), **the option to subscribe for shares in the Company** (the "Agreement").
The Company agreed under the Agreement that at the request of the Investor it will make a single issue of 65,000 transferable subscription warrants free of charge where each warrant will entitle its holder to acquire one Company bearer share at an issue price of PLN 50 per share (the "Warrants"). The issue of the Warrants will be addressed only to the Investor, who agreed under the Agreement to exercise the rights attached to the Warrants immediately, whereas the Company agreed to issue immediately 65,000 Company shares (the "Shares") dedicated to the Investor in execution of the rights attached to its Warrants.
Under the Agreement, the Company agreed that within 5 business days from the receipt of a written request regarding the issue of Warrants and Shares, the Company's Management Board will adopt an appropriate resolution regarding the issue of Warrants and Shares and will offer the Warrants for subscription by the Investor while the Investor agreed to subscribe for and take up all Warrants and, subsequently, to complete the subscription, sign a Share subscription agreement and pay for the Shares within 5 business days from the moment the Company adopts and delivers to the Investor appropriate resolutions.
The Investor has the right to file the request referred to above at any point falling no later than within 2 years from the date of signing the Agreement.
- ✓ On 4 November 2009, **the Company and Morgan Stanley Capital Group, Inc. concluded an LPG supply agreement.** Under the agreement, the Company will purchase 140,000 tons of LPG in total between the years 2010 to 2011. The Management Board estimates that the value of the contracted deliveries will be in excess of USD 90,000,000. The agreement allows Morgan Stanley to generate a slightly higher margin than that generated on agreements with other recipients. In connection with the conclusion of this Agreement, the parties renounced their mutual claims for non-deliveries of LPG under agreements that were in force in 2008 and committed to terminate court proceedings in Poland and the UK immediately.
The agreement concluded with Morgan Stanley meets the criteria of a significant agreement because its value exceeds 10% of the Company's equity.
- ✓ On 5 November 2009, the Management Board of the National Depository for Securities (KDPW S.A.) adopted a resolution, corrected on 9 November 2009, whereby it **resolved to admit to the National Depository for Securities:**
 - 1,052,000 ordinary **series N** bearer shares of the Company, each of a nominal value of PLN 10, and assign them code PLPTRLI00018, on the condition that the operator of the regulated market decides to introduce Series N Shares to trading on the same regulated market that the other Company shares bearing code PLPTRLI00018 have been introduced to. Series N Shares will be registered with the National Depository for Securities within three days from the day on which the Company files an appropriate document with the National Depository confirming that the operator of the regulated market had decided to introduce those shares to trading on the regulated market, no earlier, however, than on the day stipulated in that decision as the date of introduction of the shares to trading on that market.
 - up to 1,200,000 ordinary **series P** bearer shares, each of a nominal value of PLN 10, issued within the conditional share capital increase under Resolution no. 2 of the Extraordinary General Meeting of the Company dated 31 July 2009, and assign them code PLPTRLI00018, on the condition that the operator of the regulated market decides to introduce Series P Shares to trading on the same regulated market that the other Company shares bearing code PLPTRLI00018 have been introduced to, no later, however, than on the date of each registration of series P shares with the NDS. The registration of the Series P Shares with the National Depository for Securities will be

effected based on the Company's motions filed in that respect with the National Depository and an issue letter drawn up for those shares or annexes to that issue letter.

- ✓ On 10 November 2009, the Management Board of the Warsaw Stock Exchange ("WSE") adopted a resolution stating that the following ordinary bearer Petrolinvest shares, each of a nominal value of PLN 10, had been admitted to trading on the main list:

- 1,052,000 series N shares
- 300,000 series P shares

In the same resolution, the Management Board of the WSE also resolved to introduce the aforementioned shares in the Company, in the ordinary course of action, to public trading on the main list as from 16 November 2009; provided, however, that the National Depository for Securities registers the shares on 16 November 2009 and assigns them the code "PLPTRLI0001".

On 16 November 2009, that is on the date of introduction of 300,000 series P shares to public trading, the **share capital of PETROLINVEST S.A. was increased to PLN 175,694,000** while the total number of votes attached to all Company shares issued amounted to 17,569,400.

- ✓ On 10 November 2009, the Company entered into **two agreements for purchases of liquefied propane-butane mix** with a new LPG supplier (the "Agreement") with an estimated aggregate value of USD 52,200,000.

Deliveries under the Agreements will be made both by land and by sea using the Company's infrastructure.

The terms and conditions of the Agreements do not vary from market terms used for land and sea deliveries, as appropriate. Deliveries of LPG will be made according to the "CIF Gdynia" and "DAF or CPT Polish boarder" formulas in accordance with Incoterms 2000. The Agreements guarantee LPG deliveries for 12 months with an option to extend for subsequent periods. The pricing formula used in the Agreements will allow the Company to generate a much higher margin than the average margins delivered to date.

The estimated value of each of the agreements is USD 26,100,000 and exceeds 10% of the Company's equity, thus meeting the criteria of a significant agreement.

- ✓ On 16 November 2009, the Company received a decision of the Ministry of Energy and Mineral Resources of the Republic of Kazakhstan **prolonging the prospecting period of the Emba Contract** registered to TOO EMBA YUG NEFT by another two years to 29 June 2011. The decision referred to above will be implemented in the form of an annex to Emba Contract no. 976 dated 29 June 2002.

6. EFFECTS OF CHANGES IN THE STRUCTURE OF THE COMPANY, INCLUDING MERGERS, ACQUISITIONS OR DISPOSALS OF THE ISSUER'S GROUP UNDERTAKINGS, LONG-TERM INVESTMENTS, DE-MERGERS, RESTRUCTURING AND DISCONTINUED OPERATIONS

On 29 September 2009, following the strategy of focusing on highly-effective investments adopted towards the end of 2008, the Company finalised the agreements concluded on 25 June 2009 committing PETROLINVEST S.A. to **dispose of all shares/stocks owned in companies headquartered in the Russian Federation:**

- on aggregate 59.999% of the shares in OOO Siewiergeofizyka for a total consideration of USD 1,800
- on aggregate 59.99% of the shares in OOO Nieftegeoserwis for a total consideration of USD 180
- on aggregate 59% of the shares in ZAO Pechora-Petroleum for a total consideration of USD 360.

Additionally, if—while the buyers are in the possession of the shares/stocks listed above—hydrocarbons are discovered on the concessions belonging to the companies that have been disposed of and those hydrocarbons meet specific conditions, the Company will be entitled to additional compensation of no more than USD 42 million in total.

As previously discussed in detail in the Interim Report for 1st half 2009, taking into account the crisis on financial markets, difficulties in getting access to financing, the stage of advancement of prospecting work, the size of prospective resources, results of the drillings already completed, as well as the assessment of prospective resources drawn up by McDaniel&Associates Consultants Ltd. in July 2009, in the third quarter 2009 the Management Board of the Company decided to **take steps to sell the stake in COMPANY PROFIT**. It is possible, however, that the Company may continue to finance partly the work and/or activities of COMPANY PROFIT to the extent that they will allow to maintain the concession until the stake in the company is sold or access to financial resources is provided, allowing all the planned investment projects to be completed, even if that means that the expected NPV of the project does not fully cover the expenditures incurred to date. The ongoing prospecting work may translate into higher prospective resources or a reclassification of prospective resources to the proven category, which in both cases may lead to a reassessment of the fair value of the net assets associated with the project delivered by COMPANY PROFIT. The impairment loss recognised on the assets and liabilities associated with the project was charged against the Company's and the Group's financial result reported in the Financial Statements for 1st half 2009 (PLN 46.7m against the Company's financial result and PLN 30.7m against the Group's consolidated financial result).

7. EXPLANATIONS REGARDING SEASONALITY OR CYCLICALITY OF THE ISSUER'S OPERATIONS IN THE PERIOD

As far as the Company's trading activities are concerned, which involve trading in LPG, selected product groups show a high seasonality.

The demand for automotive gas is higher in the months from May to September due to higher seasonal activity of motor vehicle users. In the winter months, there is less vehicular traffic, which is reflected by a decrease in sales of automotive gas.

The demand for gas for heating purposes concentrates in the period before the start of the winter season and throughout that season. The sales of gas for heating purposes are greatly limited in the spring and summer months.

The phenomena discussed above have a material impact on the Company's results generated on those operations. The third quarter is usually a period of strong sales, which is evidenced by the results of the reporting quarter. Sales revenues growth dynamics in the third quarter 2009 were 114% and 141% compared to the first and second quarters, respectively.

8. BRIEF DESCRIPTION OF SIGNIFICANT ACHIEVEMENTS OR FAILURES OF THE ISSUER DURING THE PERIOD COVERED BY THE REPORT, INCLUDING A LIST OF THE MOST SIGNIFICANT EVENTS RELATED TO SUCH ACHIEVEMENTS OR FAILURES

PROSPECTING AND EXTRACTION

- ✓ In July 2009, the Company **received reports from the independent competent person hired by the Company, McDaniel & Associates Consultants, with respect to the size and estimated value of resources of the contracts owned by PETROLINVEST Group:**

On 2 July 2009, the Company published **McDaniel & Associates Consultants' report on the resources of the OTG Contract** (the key company of PETROLINVEST Group).

The Management Board of the Company would like to draw attention to the following:

1. The report estimates the prospective resources of the OTG Contract at over 1.9bn boe (barrels of oil equivalent), i.e. doubles the productive geological potential of the Contract as compared to the report published in January 2008.
2. The quantity of resources risked using all the five parameters that – in accordance with the internationally recognised standards – are usually taken into account when assessing the risk profile of exploration work was increased from 174 million boe to 450 million boe, which confirms that the OTG Contract is one of the largest prospecting concessions in Kazakhstan, both in view of its geological potential and also – more importantly – the value of hydrocarbons present in the area.
3. The report considers in detail the recently acquired seismic and its interpretations, and describes the test results for the most important wells drilled by PETROLINVEST over the past three years in Kazakhstan:
 - a. K-3 on the Koblandy structure where drilling is completed and where natural gas and crude oil flows were found to confirm the presence of hydrocarbon reserves in the Koblandy structure.
 - b. Shyrak-1, currently drilled to a depth of 1,231.5 metres, where there were gas shows during drilling and possible bitumen or oil traces.
4. The results of the drilling of K-3, despite non-completion of production testing, allowed McDaniel to reassess the Geological Chance of Success (of discovering crude oil) radically from 18% (Koblandy structure in January 2008) to 32%-45% (currently).
5. The effects of interpretation of seismic research also allowed to identify new prospects within the OTG Contract area:
 - a. Ayganym – 240 million barrels of prospective resources
 - b. Tamdy – 180 million barrels of prospective resources
 - c. Utektas – 244.5 million barrels of prospective resources
 - d. Damba – 108.5 million barrels of prospective resources.

On 16 July 2009, the Company published McDaniel & Associates Consultants' **report on the crude oil and natural gas reserves and resources of the TOO EMBA JUG NIEFT** (hereinafter "Emba"), **TOO COMPANY PROFIT** (hereinafter "Profit") and **AKTAU TRANZIT** (hereinafter "Aktau") **contracts.**

The Management Board of the Company would like to draw attention to the following:

1. The report contains an assessment of reserves, contingent resources and prospective resources of the Emba, Profit and Aktau contracts, corresponding to the PETROLINVEST Group's interests in the contracts:
 - a. Reserves (proven plus probable plus possible) – 1.97 million boe (barrels of oil equivalent)
 - b. Contingent resources – (1C+2C+3C) – 6.3 million boe
 - c. Prospective resources (unrisked mean estimate) – 89.7 million boe

- d. Prospective resources fully risked using all the parameters prescribed by the internationally recognised standards (risked mean estimate) – 15.8 million boe.
2. As a result of the exploration work carried out and the acquisitions made, the PETROLINVEST Group's share of the prospective resources of the three contracts, risked using all the five parameters that – in accordance with the internationally recognised standards – are usually taken into account when assessing the risk profile of exploration work, has increased from 40.8 million boe to nearly 90 million boe, its share of the contingent resources has decreased from 7.7 million boe to 6.3 million boe, while its share of the reserves has risen from 1.5 million boe to 1.97 million boe.
3. Together with the resources which the Independent Competent Person has assigned to the OTG contract (see: current report no. 59/2009), the volume of confirmed prospective resources controlled by PETROLINVEST Group exceeds 2 Bboe (billion barrels of oil equivalent).
4. The report considers in detail the recently acquired seismic and its interpretations, and describes the test results for the most important wells drilled by PETROLINVEST over the past three years in the areas covered by the contracts in Kazakhstan.
5. In the case of the Emba contract area, the largest property reviewed by the report, the geological chance of success rose as a result of the work conducted to date to 13%-31% (from the previously estimated level of 12%-23%).

On 16 July 2009, the Company published McDaniel & Associates Consultants' **report on the evaluation of the crude oil and natural gas reserves and resources of the TOO OilTechnoGroup, TOO EMBA JUG NIEFT, TOO COMPANY PROFIT and AKTAU TRANZIT contracts.**

The Company's Management Board would like to draw attention to the following:

1. According to the report, the reserves and resources controlled by PETROLINVEST Group are valued as follows:
 - a. Prospective resources (risk-weighted) – USD 2.766bn,
 - b. Contingent resources – USD 38.3m,
 - c. Reserves – USD 8.8m.
 2. According to the Independent Competent Person, the reserves and resources of each contract are valued as follows:
 - a. The OTG contract:
 - Prospective resources (risk-weighted) – USD 2.628bn,
 - b. The Emba contract
 - Reserves – USD 8.8m
 - Prospective resources (risk-weighted) – USD 132.6m,
 - c. The Aktau contracts
 - Contingent resources – USD 38.3m,
 - d. The Profit contract
 - Prospective resources (risk-weighted) – USD 5.2m.
 3. The Management Board would like to point out that in the case of prospective resources the evaluation methodology was adopted taking into account the sizes and parameters of the individual geological structures located in the contract areas, along with all the risk factors identified by the Independent Competent Person at the current stage of work, and the expenditures necessary to reclassify the resources and commence commercial production in the contract areas.
 4. The Management Board would also like to emphasize that reclassifying prospective resources as contingent resources or reserves may result in a significant increase in the value of such resources (or, to be more precise, the part of such resources to which such reclassification applies) relative to the evaluation presented in the report. The current stage of work on the Koblandy structure (discounted value: USD 1.7bn) and the Shyrak structure (discounted value: USD 126m), described in current report no. 59/2009, indicates that the probability of such reclassification is the highest in the case of these structures.
- ✓ On 29 September 2009, following the decisions **to sell the Russian assets** made in Q4 2008, the Company finalised agreements concluded on 25 June 2009 to dispose of the shares/stocks held in OOO Siewiergeofizyka, OOO Neftegeoserwis, and ZAO Pechora-Petroleum (details further below).

In the third quarter 2009, PETROLINVEST Group continued its prospecting and research work, the scope of which is presented below, taking into account, however, the delays in access to the expected sources of finance for its investments.

OIL TECHNO GROUP (subsidiary of Occidental Resources, Inc.)

The OTG concession is the key concession for the whole Petrolinvest Group, for which the independent competent person (McDaniel & Associates Consultant) estimated by far the largest prospective resources at a level of ca. 1.9bn boe (barrels of oil equivalent), specifying their risked mean estimate at USD 2,628.5 million. This concession has the largest investment programme in place, which is expected to lead to crude oil and natural gas production being started as soon as possible. Consequently, the independent competent person is expected to reclassify a significant portion of prospective resources to the proven category.

On 14 September 2009, the Company was informed that TOO OilTechnoGroup had signed an annex to the OTG Contract no. 993 for hydrocarbon exploration and production with the Ministry of Energy and Natural Resources of the Republic of Kazakhstan.

In compliance with the decision of the Ministry of Energy and Natural Resources of the Republic of Kazakhstan, the receipt of which was the subject of the current report mentioned above, the annex prolongs the exploration period of the Contract to 18 March 2011 and commits TOO OilTechnoGroup to spend USD 23,000 thousand in capital expenditure in the extended prospecting period.

The following works were carried out in the third quarter 2009:

- ✓ The efforts to temporarily secure the Koblandy 3 (K-3) well were finalised.
- ✓ Interpretation of 2D and 3D seismic data, as well as gravimetric and microseismic data from the Koblandy, Tamdy, Bestau, Shyrak, Sarkol, Damba, Utektas, and Aiganym areas was continued, using the results of Koblandy 3 and the results of Shyrak 1 obtained to date.

The Management Board of the Company has the following strategic plans connected with the OTG Contract:

1. With the use of the funds provided under the agreement with GEM Global Yield Fund, together with funds that the Company intends to obtain from the European Bank for Reconstruction and Development, other financial investors, and proceeds already received from the issue of series T shares, the Company intends to conduct works necessary to run a full production test on the Koblandy structure within the next few months, to finish drilling, to test and run a production test on the Shyrak structure and to drill new wells.
2. Taking advantage of the results of the work already completed and the considerable increase of the prospective potential, the Company has intensified negotiations with strategic partners to allow them to participate in providing finance for future investments on the OTG Contract through farm-ins/farm-outs concluded with respect to individual wells and/or prospects or equity investments.

TOO EMBA JUG NIEFT

The prospective resources of the Emba concession were estimated by McDaniel & Associates Consultant at 84.3 million barrels of oil equivalent, their risked estimated value as at 30 June 2009 is USD 132.6 million. Furthermore, reserves (proven plus probable plus possible) were estimated at 1.97 million boe, their value was estimated at USD 8.8 million. The aggregate value of reserves and prospective resources for this concession is USD 93.1 million.

The following works were carried out in the third quarter 2009:

- ✓ Processing of 3D seismic data obtained from the north-west part of the contract area was continued.
- ✓ Preliminary interpretation of 3D seismic images from 2006 and 2008 in conjunction with information on the regional geology and paleogeography of the north-east part of the North Caspian Lowland was commenced in order to determine the potential of sub-salt formations and choose prospects for drilling.
- ✓ Interpretation was continued to rank prospects in supra-salt structures for the needs of selecting sites for exploration drilling, with a particular emphasis on the potential of Jurassic and Triassic structures.

After the period covered by this Report, on 16 November 2009, the Company received a decision of the Ministry of Energy and Mineral Resources of the Republic of Kazakhstan allowing for the prolongation of the prospecting period of the Emba Contract to 29 June 2011.

In line with management's strategic plans, over the next few months the Company is planning to use the funds secured under the agreement with GEM Global Yield Fund, together with funds which it intends to obtain from the European Bank for Reconstruction and Development, other financial investors, and the proceeds already received from the issue of series T shares, to commence the development of the Zhubantam field reserves, to complete the interpretation of the seismic acquired over the northern part of the concession and to select in the area covered by the seismic survey the location of a well to be drilled to a depth of approx. 4.5km.

TOO COMPANY PROFIT

The prospective resources of the Profit concession were estimated by McDaniel & Associates Consultant at 5.5 million barrels of oil equivalent, and their risked value was estimated at USD 5.2 million. In 3rd quarter 2009, following the strategy of focusing on highly-effective investments, the Management Board decided to take steps to sell the stake in COMPANY PROFIT. It is possible that the Company may continue to finance COMPANY PROFIT partly, to the extent that it will allow to maintain the concession until the stake in the company is sold or access to financial resources is provided, allowing for all the planned investment projects to be completed.

The following works were carried out in the third quarter 2009:

- ✓ Reinterpretation of the 2D seismic image together with the results of the drillings was ongoing in order to select prospects for drilling, with a particular emphasis on the north-east part of the contract area.

Events pertaining to concessions held by entities with whom the Company has conditional investment agreements.

AKTAU TRANSIT

The concessions owned by Aktau Transit were covered by the independent competent person's report from McDaniel & Associates Consultant who estimated the conditional resources for those concessions at a level of 6.3 million barrels of oil equivalent with a value of USD 38.4 million.

The following works were carried out in the third quarter 2009:

- ✓ Trial production of crude oil was continued on the Zhangurshi Concession (Aktau-Tranzit) within a trial exploitation project.

FINANCIAL AREA

- ✓ On 31 July 2009, the Company received from Prokom:
 1. a **request to transfer to Prokom a number of shares** that corresponds to the quotient of (i) the aggregate amount of interest payable on Accounts Receivable from the Loans extended by Prokom accrued from 28 January 2009 to 30 July 2009 and (ii) the average closing price of one Company share on the WSE in the last 3 months preceding the date of placing the request, i.e. Petrolinvest share price quote of PLN 49.4060, and
 2. a **call to offer to Prokom**, within five days from 31 July 2009, to take up:
 - a) 2,720,716 ordinary bearer Petrolinvest shares at an issue price of PLN 45.9387 per share, that is for a total consideration of PLN 124,986,156.11,
 - b) 58,275 ordinary bearer Petrolinvest shares at an issue price of PLN 49.4060 per share, that is for a total consideration of PLN 2,879,134.65,that is **on aggregate 2,778,991 ordinary bearer Petrolinvest shares** at a weighted average issue price of PLN 46.0114 per share.

In the statement delivered to the Company Prokom indicated that the aggregate amount of the accounts receivable, which served as the basis for calculating the number of shares participating in the call:

- in point 2a) above, totalling PLN 124,986,163.01, comprised:
 - (i) all accounts receivable by Prokom from the Company under the Loans extended by Prokom together with interest accrued to 28 January 2009, totalling PLN 124,976,468.68, which comprise the principal amount of PLN 107,599,770.75 and interest of PLN 17,376,697.93;
 - (ii) interest on trade accounts receivable by Prokom from the Company which arose in the course of regular business activities of both companies accrued for the period from 13 January 2009 to 28 January 2009 totalling PLN 9,694.33,
 - in point 2b) above, interest payable on Accounts Receivable from the Loans defined in appendix no. 1 to the agreement dated 13 January 2009 accrued for the period from 28 January 2009 to 30 July 2009 totalling PLN 2,879,175.04.
- ✓ On 3 August 2009, in order to perform the call made on 31 July 2009, the Company concluded a **netting agreement** with Prokom Investments S.A. under which the Parties netted an outstanding account receivable by the Company under the share subscription agreement for the Series Q Shares totalling PLN 127,865,266.50 with the outstanding accounts payable to the Subscriber by the Company defined in the request referred to above. The netting agreement meets the criteria of a significant agreement because its value exceeds 10% of the Company's equity.
 - ✓ On 29 September 2009, the Company received a **consent from PKO BP S.A.**, acting as the Facility Agent for the facility extended to the Company under the credit facility agreement dated 21 March 2007 as amended, for the Company to **carry out activities resulting from the agreements** concluded on 25 June 2009 with Ms. Tatiana Pilipienko, Mr. Sergey Dokuchaev, and Mr. Aidar Mardanshin **in respect of disposing of shares/stocks in the companies operating in the**

Russian Federation. As a result of this consent being given, the conditions precedent of the sale agreements pertaining to the following shares had been met:

- an aggregate of 59.999% of the shares in OOO Siewiergeofizyka headquartered in Ukhta, Komi Republic, Russian Federation (“Siewiergeofizyka”) (“Siewiergeofizyka Shares”), including 24.999% of the shares in Siewiergeofizyka in favour of Ms. Tatiana Pilipienko, 10% of the shares in Siewiergeofizyka in favour of Mr. Sergey Dokuchaev, and 25% of the shares in Siewiergeofizyka in favour of Mr. Aidar Mardanshin;
- an aggregate of 59.99% of the shares in OOO Nieftiegeoserwis headquartered in Ukhta, Komi Republic, Russian Federation (“Nieftiegeoserwis”) (“Nieftiegeoserwis Shares”), including 24.99% of the shares in Nieftiegeoserwis in favour of Ms. Tatiana Pilipienko, 10% of the shares in Nieftiegeoserwis in favour of Mr. Sergey Dokuchaev, and 25% of the shares in Nieftiegeoserwis in favour of Mr. Aidar Mardanshin; and
- an aggregate of 59% shares in ZAO Pechora-Petroleum headquartered in Ukhta, Komi Republic, Russian Federation (“Pechora-Petroleum”) (“Pechora-Petroleum Shares”), including 24.50% of the shares in Pechora-Petroleum in favour of Ms. Tatiana Pilipienko, 9.75% of the shares in Pechora-Petroleum in favour of Mr. Sergey Dokuchaev, and 24.75% of the shares in Pechora-Petroleum in favour of Mr. Aidar Mardanshin.

At the same time, in connection with the receipt of the consent referred to above, the Company provided **additional collateral** to PKO BP S.A. and Bank Gospodarstwa Krajowego for the credit facility agreement dated 21 March 2007 **in the form of a transfer of accounts receivable** for the premiums payable to PETROLINVEST S.A. under the Sale Agreements. The aggregate maximum value of the premiums that the Buyers will be obliged to pay to the Company if certain conditions regarding the discovery of hydrocarbons are met is USD 42 million.

The receivables transfer agreement is a significant agreement because the value of the rights transferred under the agreement exceeds 10% of the Company’s equity.

CAPITAL AREA

- ✓ On 17 July 2009, for the purposes of the incentive scheme addressed to the officers of the Company and the Group, and its associates, the Management Board adopted a resolution on free-of-charge **issue of no more than 1,052,000 registered subscription warrants**. The resolution increasing the share capital of the Company through the issue of 1,052,000 ordinary series N shares in order to execute the rights of holders of the subscription warrants defined above was adopted on 7 September 2009. The Company received gross proceeds of PLN 10.5 million as a result of the issue of series N shares.
- ✓ On 31 July 2009, the Extraordinary General Meeting adopted a resolution regarding a **conditional share capital increase by no more than PLN 13,000,000** through the issue of no more than 1,300,000 ordinary series O bearer shares, each of a nominal value of PLN 10, subject to the exclusion of pre-emptive rights and regarding the **issue of 1,300,000 registered subscription warrants** carrying the right to subscribe for the series O shares subject to the exclusion of pre-emptive rights. The Subscription Warrants will be offered for subscription through private placement to GEM Global Yield Fund Limited with its registered offices in George Town, Grand Cayman, Cayman Islands. The issue price of the Series O Shares will be established by the Management Board of the Company in accordance with the terms of the Agreement with GEM and will be PLN 60 per share, provided that such price may change in the events defined in the agreement. The contractual solution adopted in the agreement is a standard clause of this type used to protect holders of subscription warrants from unfavourable consequences of dilution of shares in the event of additional issue of shares, division of shares and similar events. The objective of the conditional increase of the share capital through the issue of the Series O Shares and the issue of the Subscription Warrants carrying the right to subscribe for the Series O Shares is to obtain funds to finance the Company’s activities in the area of prospecting and production of hydrocarbons in Kazakhstan, and it is connected with the performance of the agreement concluded by the Company on 29 April 2009 with GEM and GEM Investments Advisers, Inc.
- ✓ On 31 July 2009, the Extraordinary General Meeting adopted a resolution regarding a **conditional share capital increase by no more than PLN 12,000,000** through the issue of no more than 1,200,000 ordinary **series P** bearer shares and regarding the issue of 1,200,000 registered subscription warrants carrying the right to subscribe for the series P shares. After the period covered by this Report, on 19 November 2009, the Management Board decided to issue 300,000 registered series A subscription warrants dedicated to GEM Global Yield Limited to execute the provisions of the resolution referred to above. As a result of the issue of series P shares delivered in execution of the rights attached to the series A subscription warrants, the Company received gross proceeds of PLN 10.5 million. Details regarding the issue are given in points 5 and 10 of this Report.
- ✓ On 31 July 2009, in connection with the call for a share offer placed by PROKOM Investments S.A. based on the agreement of 13 January 2009, the Management Board adopted a resolution regarding the issue of warrants convertible into shares and—as a result of the exercise of the warrants—a **resolution regarding an increase of the share capital of the Company by PLN 27,789,910** through the issue of 2,778,991 ordinary **series Q** bearer shares. The Company’s liabilities to Prokom Investments S.A. totalling PLN 127.9 million were converted as a result of the series Q issue. Details regarding the issue are given in point 10 of this Report.

- ✓ On 31 July 2009, in connection with the performance of the agreement concluded with GEM Global Yield Fund on 29 April 2009, in execution of the first drawdown from the agreement, the Management Board adopted a resolution regarding the issue of warrants convertible into shares and—as a result of the exercise of the warrants—a **resolution increasing the share capital of the Company by PLN 6,000,000** through the issue of 600,000 ordinary **series R** bearer shares. The Company received gross proceeds of PLN 23.8 million as a result of the issue of series R shares. Details regarding the issue are given in point 10 of this Report.
- ✓ On 17 August 2009, the District Court for Gdańsk-Północ of Gdańsk, VIII Economic Department of the National Court Register, resolved to **register the increase of the share capital of the Company** effected by way of:
 - an issue of 2,778,991 ordinary series Q bearer shares, each of a nominal value of PLN 10, and
 - an issue of 600,000 ordinary series R bearer shares, each of a nominal value of PLN 10,and **registering the conditional increase of the share capital of the Company** by no more than PLN 25,000,000 through the issue of no more than 1,300,000 ordinary series O bearer shares and 1,200,000 ordinary series P bearer shares each of a nominal value of PLN 10.
In consequence:
 - the Company's share capital increased to PLN 162,174,000,
 - the total number of votes attached to all Company shares issued increased to 16,217,400,
 - the nominal value of the conditional increase of the share capital was no more than PLN 27,642,850.

9. DESCRIPTION OF FACTORS AND EVENTS, IN PARTICULARLY NON-RECURRING ONES, WHICH HAD A MATERIAL EFFECT ON FINANCIAL RESULTS

The results of 9 months ended 30 September 2009 were primarily impacted by the following:

- ✓ On 4 February 2009, pursuant to a decision of the National Bank of the Republic of Kazakhstan, the exchange rate of the tenge to US dollar at the Kazakhstan Stock Exchange was lowered by nearly 18% to 143.98. Ever since PETROLINVEST started its investment programme aimed at expanding its operations in the area of prospecting for and extracting oil and gas in Kazakhstan, back in 2006, fluctuations of the tenge to US dollar were minimal and stayed around 120.0-125.0. This abrupt and sharp depreciation of the tenge produced significant foreign exchange losses under the Group's finance costs.
- ✓ Since the offering of the Company's ordinary series K registered shares was effected on 6 February 2009 (details in note 14 to the condensed interim consolidated financial statements), in compliance with IFRS 2, the Company was required to measure the fair value of the shares granted. The measurement to fair value was performed as at the offering end date. The excess of fair value over nominal value of the shares paid up by eligible persons was PLN 21.2 million and was taken to the Group's payroll expenses for Q1 2009. The cost will not impact the Group's cash flows.
- ✓ Since the offering of the Company's ordinary Series M bearer shares was effected on 16 April 2009 (details in note 14 to the condensed interim consolidated financial statements), in compliance with the requirements of IFRS 2 the Company measured the shares to fair value as at the offering end date. 730,000 Series M Shares at an issue price of PLN 10 each were subscribed for in the offering. The excess of fair value over nominal value of the shares paid up by eligible persons was PLN 28.0 million and was taken to PETROLINVEST/PETROLINVEST Group's payroll expenses for the second quarter 2009. The cost will not impact the Group's cash flows.
- ✓ Since the offering of the Company's series N shares was effected on 9 September 2009 (details in note 14 to the condensed interim consolidated financial statements), in compliance with IFRS 2, the Company was required to measure the fair value of the shares granted. The measurement to fair value was performed as at the offering end date. The excess of fair value over nominal value of the shares paid up by eligible persons was PLN 31.4 million and was taken to the Group's payroll expenses for Q3 2009. The cost will not impact the Group's cash flows.
- ✓ On 14 May 2009, the Company signed three agreements with PROKOM Investments S.A., Osiedle Wilanowskie Sp. z o.o. and Agro Jazowa S.A. setting forth the terms on which those companies make their assets available to the Company to use as collateral for the credit facility extended under the agreement dated 21 March 2007 by the consortium of PKO Bank Polska S.A. and Bank Gospodarstwa Krajowego. The fee is calculated as 6.5% of the value of the collateral from the moment it is established to the moment it is released. The discounted fee calculated under the agreements referred to above to 30 September 2009 was PLN 80.8 million, of which PLN 78.6 million was taken to other operating expenses and PLN 2.2 thousand was taken to the Group's finance costs. The fees payable to Prokom Investments S.A., Osiedle Wilanowskie Sp. z o.o. and Agro Jazowa S.A. are convertible into equity. Management believes that the conversion will take place, and so those costs will not entail a cash outflow. The total value of collateral established under the agreement as at 30 September 2009 was PLN 601.6 million, while the average value of collateral during the term of the agreement effectively in use as at 30 September 2009 was PLN 753.7 million.

- ✓ On 29 April 2009, the Company entered into an agreement with GEM Global Yield Fund Limited under which a PLN 200 million financing was made available to the Company through an equity line of credit. The Company may decide when to use the equity line of credit at its own discretion, depending on its current capital requirements, and use each tranche of the financing as needed. The Company is not obliged to use the full amount of the equity line of credit. In exchange for the right to use the committed equity line of credit, the Company agreed to pay to GEM a remuneration (fee) of PLN 2m and to issue subscription warrants convertible into 1.3 million Company shares in total for PLN 60 per share.

In compliance with IFRS, the Company was required to make an assessment of the fair value of the warrants issued to GEM. The cost of warrant issue calculated using the Black-Scholes model was PLN 29.6m. IFRS does not allow to treat the right to use the equity line of credit acquired by the Company as the cost of capital; hence, the full cost was taken to the Group's finance costs for the second quarter 2009. The cost of PLN 29.6m pertaining to warrant issue will not impact the Group's cash flows.

- ✓ Due to the current crisis on financial markets, difficulties in getting access to financing and delays in increasing the Company's share capital, PETROLINVEST S.A. has limited financial resources that may prove insufficient for full and complete delivery of investment programs on all concessions held by the companies in which PETROLINVEST S.A. owns shares or stocks. Taking into account the stage of advancement of prospecting work, the size of prospective resources, results of the drillings already completed, the stability and attractiveness of the tax and regulatory environments for prospecting and production activities in Russia and Kazakhstan, the assessment of prospective resources drawn up by McDaniel&Associates Consultants Ltd. (Independent Competent Person), and after discussions with advisors to the Company, the Management Board decided that PETROLINVEST'S focus should be around continuing the work in Kazakhstan, with a particular focus on the concessions of OTG and Emba Jug Niefert.

According to the Independent Competent Person's report, the value of prospective resources on the concession of COMPANY PROFIT was estimated at USD 5,213 thousand, which according to the Management Board—given the geological and economic conditions of the COMPANY PROFIT concession, the independent nature of the valuation and conservative assumptions underlying the valuation—may be treated as fair value at the current stage of the project. Therefore, the Management Board of PETROLINVEST S.A. decided to take steps to sell its stake in COMPANY PROFIT. The Management Board will attempt to obtain the maximum possible price for its stake in COMPANY PROFIT; however, Management believes that the fair value determined by the Independent Competent Person at USD 5,213 thousand is currently the best estimate of the price realisable on such sale.

It is possible that PETROLINVEST S.A. will continue to finance partly the work and/or activities of COMPANY PROFIT to the extent that they will allow to maintain the concession until the stake in the company is sold or access to financial resources is provided, allowing all the planned investment projects to be completed, even if that means that the expected NPV of the project does not fully cover the expenditures incurred to date. The ongoing prospecting work may translate into higher prospective resources or a reclassification of prospective resources to the proven category, which in both cases may lead to a reassessment of the fair value of the net assets associated with the project delivered by COMPANY PROFIT.

With a view to the above, the Management Board decided—based on the assessment of the fair value—to write down the assets associated with PROFIT to an amount not higher than USD 5,213 thousand and to classify them as assets held for sale. The decision resulted in a one-off impairment loss being recognised on the assets and liabilities associated with the project of PLN 46.7m against the Company's financial result and PLN 30.7m against the Group's consolidated financial result.

- ✓ In 2008, with respect to the concessions of the Russian companies as the least prospective, the Management Board decided to discontinue exploration on the territory of the Russian Federation and to begin working towards selling those assets. On 25 June 2009, the Company signed agreements committing the Company to dispose in favour of three buyers of the shares and stocks held by the Company in:

- OOO Siewiergeofizyka for a total consideration of USD 1,800
- OOO Neftegeoserwis for a total consideration of USD 180
- ZAO Pechora-Petroleum for a total consideration of USD 360.

Since the date of signing of the agreements, the buyers have had operating control over the companies, and so the Management Board of PETROLINVEST decided that it did not have operating control over those companies as at 30 June 2009.

As control was lost, the Company wrote off the remaining assets and liabilities and foreign exchange differences on translation of foreign operations connected with the valuation of assets and liabilities, which according to IFRS the Company may derecognise at the date control is lost and not earlier. The charge was PLN 5.7m, including PLN 4.1m in assets, PLN 17.6m in liabilities, and PLN 19.2m in foreign exchange differences on translation of foreign operations.

CONSOLIDATED QUARTERLY REPORT OF PETROLINVEST GROUP FOR 3rd QUARTER 2009
ENDED ON 30 SEPTEMBER 2009

The Management Board would like to emphasise that the events listed above are for the most part one-off events and the majority of them are non-cash—they do not affect and/or Management believes will not affect the financial cash flows of the Company and the Group in the future, i.e. they will not entail a cash outflow and they result only from the Company's and the Group's conservative approach to presenting financial results. The table below illustrates the key events that had an impact on the financial results of the Company and the Group in the 9-month period ended 30 September 2009.

	Standalone statements in PLN million	Consolidated statements in PLN million
REPORTED NET LOSS	(249.2)	(344.7)
Valuation of payroll costs connected with share issues for Supervisory Board, Management Board and employees and associates of the Company and the Group—series K, M, N	(80.7)	(80.7)
Fee payable to Prokom Investments, Osiedle Wilanowskie and Agro Jazowa for providing assets to collateralise the credit facility (Management expects the liabilities arising from those agreements to be converted to equity)	(80.8)	(80.8)
Acquisition cost of right to use financing (performance of the agreement with GEM)	(31.6)	(31.6)
Impairment of O&G investment—TOO COMPANY PROFIT	(46.7)	(30.7)
Impairment of O&G investment—Russian assets	N/A	(5.7)
Total selected one-off non-cash events	(239.8)	(229.5)
NET LOSS ADJUSTED FOR SELECTED ONE-OFF NON-CASH EVENTS	(9.4)	(115.2)
Foreign exchange differences	(1.7)	(63.8)
NET LOSS ADJUSTED FOR SELECTED ONE-OFF NON-CASH EVENTS AND FOREIGN EXCHANGE DIFFERENCES	(7.7)	(51.4)

including in the 3-month period ended 30 September 2009:

	Standalone statements in PLN million	Consolidated statements in PLN million
REPORTED NET LOSS	(43.8)	(39.4)
Valuation of payroll costs connected with share issues for Supervisory Board, Management Board and employees and associates of the Company and the Group—series K, M, N	(31.5)	(31.5)
Fee payable to Prokom Investments, Osiedle Wilanowskie and Agro Jazowa for providing assets to collateralise the credit facility (Management expects the liabilities arising from those agreements to be converted to equity)	(9.3)	(9.3)
Total selected one-off non-cash events	(40.8)	(40.8)
NET LOSS ADJUSTED FOR SELECTED ONE-OFF NON-CASH EVENTS	(3.0)	1.4
Foreign exchange differences	(2.1)	(17.3)
NET LOSS ADJUSTED FOR SELECTED ONE-OFF NON-CASH EVENTS AND FOREIGN EXCHANGE DIFFERENCES	(0.9)	(15.9)

The Management Board's efforts to restructure LPG operations have led to a reduction of costs on those operations and worked to limit transactions in those segments in which the Company did not generate satisfactory sales profitability levels. The Company's plans to conclude long-term contracts for LPG deliveries were delayed, and the contracts were not concluded until 4 November 2009 (the contract with Morgan Stanley) and 10 November 2009 (two contracts with a new LPG supplier). Those delays had an impact on the results generated by the Company in 9 months ended 30 September 2009. Nonetheless, the Management Board would like to emphasise that the margin that can be achieved on a material part of the contracted products when performing contracts is considerably higher than the margin delivered to date while the conclusion of the contracts mentioned above constitutes a qualitative change to the nature of LPG purchases: from spot transactions to long-term contracts based on a pricing formula. Taking this into account, and bearing in mind the other contracts that the Company expects to conclude within the next few months, the Management Board believes that it will be possible to assess the full effects of the restructuring efforts based on Q4 2009 and Q1 2010 results.

10. INFORMATION REGARDING ISSUE, REPURCHASE OR REPAYMENT OF DEBT AND EQUITY SECURITIES

In the third quarter 2009, the Company carried out three issues of series N, Q, and R shares and initiated the issue of series P shares.

Timetable of events relating to the issue of series N shares

17 July 2009	The Management Board of the Company adopted a resolution regarding free-of-charge issue of no more than 1,052,000 registered subscription warrants to the exclusion of pre-emptive rights of the existing shareholders in order to grant the rights to purchase shares in the Company. The subscription warrants were offered for subscription through private placement by members of Company authorities or an entity designated by such person and related to a member of Company authorities, and employees and associates of the Company as well as members of authorities, employees and associates of the companies in its group.
7 September 2009	The Management Board resolved to increase the Company's share capital by an amount not higher than PLN 10,520,000 via the issuance of no more than 1,052,000 ordinary series N bearer shares, each of a nominal value of PLN 10, to the exclusion of pre-emptive rights of the existing shareholders. The issue price of the shares was set as PLN 10. The goal of the share capital increase is to execute the rights of holders of registered subscription warrants. The issue of the Series N Shares is an element of the incentive programme for top management. The Series N Shares will participate in dividends starting from 1 January 2009.
9 September 2009	Ending of the offer for the series N shares. 1,052,000 Series N Shares were subscribed for in the Offering. The Company will receive gross proceeds of PLN 10,520,000 as a result of the Offering.

After the period covered by the Report, on 2 October 2009, the District Court registered the increase of the share capital via the issuance of series N shares to PLN 172,694,000, on 5 November 2009 the Management Board of the NDS (KDPW S.A.) passed a resolution on conditional admission of the series N shares to the NDS, and on 16 November 2009 the series N shares were introduced to public trading (details in point 5 of this Report).

Timetable of events relating to the issue of series Q shares

31 July 2009	The Management Board of the Company passed a resolution regarding the issue of warrants convertible into Company shares and—as a result of the exercise of those shares—a resolution regarding an increase of the share capital of the Company by PLN 27,789,910 through the issue of 2,778,991 ordinary series Q bearer shares, each of a nominal value of PLN 10 and an issue price of PLN 46.0114, to the exclusion of pre-emptive rights of the existing shareholders. The resolution was taken in connection with the call for share offering made by PROKOM Investments S.A. The Series Q Shares will participate in dividends starting from 1 January 2009.
3 August 2009	Ending of the offer for the series Q shares. PROKOM Investments S.A. subscribed for 2,778,991 Series Q Shares in the Offering at an issue price of PLN 46.0114 per share. The contribution due to the Company for the shares subscribed for by Prokom Investments S.A. was made by netting the PLN 127,865,266.50 outstanding account receivable by the Company under the share subscription agreement with specified outstanding accounts payable by the Company to Prokom Investments S.A. under loans and trade payables.
19 August 2009	Registration by the District Court of the increase of the Company's share capital via the issuance of series Q and R shares. Following the registration: <ul style="list-style-type: none">– the Company's share capital is PLN 162,174,000;– the total number of votes resulting from all of the Company's shares issued is 16,217,400.
2 September 2009	Decision by the National Depository for Securities (Krajowy Depozyt Papierów Wartościowych w Warszawie S.A.) to admit the series Q and R shares to the National Depository for Securities and assign them code PLPTRLI00018, on the condition that the operator of the regulated market decides to introduce the series Q and R shares to trading on the same regulated market that the other Company shares bearing code PLPTRLI00018 have been introduced to.
8 September 2009	Decision by the National Depository for Securities (Krajowy Depozyt Papierów Wartościowych w Warszawie S.A.) to admit the series Q and R shares to the National Depository for Securities and assign them code PLPTRLI00018, on the condition that the operator of the regulated market decides to introduce the series Q and R shares to trading on the same regulated market that the other Company shares bearing code PLPTRLI00018 have been introduced to.
11 September 2009	Series Q and R shares were introduced to trading on the WSE.

Timetable of events relating to the issue of series R shares

31 July 2009

The Management Board of the Company passed a resolution regarding the issue of warrants convertible into shares and—as a result of the exercise of those shares—a resolution regarding an increase of the share capital of the Company by PLN 6,000,000 through the issue of 600,000 ordinary series R bearer shares, each of a nominal value of PLN 10 and an issue price of PLN 39.69, to the exclusion of pre-emptive rights of the existing shareholders. The resolution was taken in connection with the performance of the agreement concluded with GEM Global Fund on 29 April 2009 as part of the first drawdown from the agreement. The Series R Shares will participate in dividends starting from 1 January 2009.

31 July 2009

Ending of the offer for the series R shares. 600,000 series R shares were subscribed for in the Offering at an issue price of PLN 39.69 per share. The Company received gross proceeds of PLN 23,814,000 as a result of the Offering.

The other events up to the moment of introducing the series R shares to trading on the WSE were parallel to the events associated with the issue of series Q shares (details above).

Timetable of events relating to the issue of series P shares

31 July 2009

The Extraordinary General Meeting adopted a resolution on a conditional share capital increase by no more than PLN 12,000,000 through the issue of no more than 1,200,000 ordinary series P bearer shares, each of a nominal value of PLN 10, subject to the exclusion of pre-emptive rights and regarding the issue of 1,200,000 registered subscription warrants carrying the right to subscribe for the series P shares, subject to the exclusion of pre-emptive rights. 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 a hundred of those entities.

The issue price of the Series P Shares will be established by the Management Board by reference to the stock exchange price of the Company shares at the time of the issue and the expected demand for the Series P Shares among investors.

The objective of the conditional increase of the share capital through the issue of the Series P Shares and the issue of the Subscription Warrants carrying the right to subscribe for the Series P Shares is to obtain funds to finance the Company's activities in the area of prospecting and production of hydrocarbons in Kazakhstan and to sustain the Company's liquidity needs connected with decreasing its indebtedness.

After the period covered by this Report, on 19 October 2009, in execution of the provisions of the above-mentioned resolution of the EGM, the Management Board decided to issue 300,000 registered series A subscription warrants to GEM Global Yield Limited. On the same day, GEM filed a statement of acquisition of 300,000 ordinary series P bearer shares. As a result of the series P issue carried out in execution of the rights attached to series A subscription warrants, the Company received gross proceeds of PLN 10,521,000. On 5 November 2009, the Management Board of the NDS (KDPW S.A.) decided to allow conditional admission of 300,000 series P Shares to the NDS, and on 16 November 2009 the series P shares were introduced to public trading (details in point 5 of this Report).

In the third quarter 2009, six share issues—carried out and registered to share capital increases in prior periods—were introduced to trading on the main list as from 10 July 2009: the issue of series F shares totalling 184,616 shares, the issue of series G shares totalling 2,613,163 shares, the issue of series H shares totalling 447,942 shares, the issue of series K shares totalling 599,212 shares, the issue of series L shares totalling 2,100,000 shares, and the issue of series M shares totalling 730,000 shares.

11. INFORMATION ON ANY DIVIDED PAID OUT (OR DECLARED) IN AGGREGATE AND PER ONE SHARE, SEPARATELY FOR ORDINARY AND PREFERENCE SHARES

The Company did not pay or declare dividends in the third quarter 2009.

12. SELECTED FINANCIAL DATA, INCLUDING THE KEY ITEMS OF CONDENSED FINANCIAL STATEMENTS (ALSO TRANSLATED INTO EURO)

Selected financial data of the Company and the Group were presented in point 1 of this Report.

13. THE MANAGEMENT BOARD'S POSITION ON THE FEASIBILITY OF ACHIEVING THE RESULTS STATED IN THE FINANCIAL FORECASTS PUBLISHED EARLIER FOR THE YEAR IN VIEW OF THE FINANCIAL RESULTS PRESENTED IN THE QUARTERLY REPORT IN RELATION TO THE PROJECTED RESULTS

The Management Board of PETROLINVEST S.A. did not publish any forecasts for 2009.

14. SHAREHOLDERS HOLDING DIRECTLY OR INDIRECTLY (THROUGH SUBSIDIARY UNDERTAKINGS) 5% OR MORE OF THE TOTAL VOTE AT THE ISSUER'S GENERAL MEETING

Shareholders holding directly or indirectly 5% or more of the total vote at the Company's general meeting as at the date of publication of this Report are presented in the table below, which also shows changes in the ownership structure which had taken place since the publication of the previous report (according to information available to the Company).

Shareholder	Number of shares/ votes	Percentage held in share capital/ total vote at AGM	Change in number of shares	Number of shares/ votes	Percentage held in share capital/ total vote at AGM
	: publication date of last Report			: publication date of this Report	
Ryszard Krauze	3 586	0.02%	0	3 586	0.02%
Prokom Investments S.A.	7 413 679	45.71%	-1 047 429	6 367 250	36.24%
Other shareholders	8 800 135	54.27%	+ 2 398 429	11 198 564	63.74%
TOTAL	16 217 400	100.00%	+1 352 000	17 569 400	100.00%

15. STATEMENT OF CHANGES IN THE NUMBER OF THE ISSUER SHARES OR RIGHTS TO SUCH SHARES (OPTIONS) HELD BY THE ISSUER'S MANAGING OR SUPERVISORY PERSONS, ACCORDING TO INFORMATION AVAILABLE TO THE ISSUER, IN THE PERIOD FROM THE DATE OF THE PREVIOUS REPORT

The table below sets forth the number of shares held by supervisory and managing persons as at the date of publication of this Report together with information on any changes since the publication of the previous report (according to information available to the Company).

Shareholder	Number of shares held at publication date of last Report	Change in number of shares	Number of shares at publication date of this Report
Supervisory Board			
Ryszard Krauze	3 586	0	3 586
Maciej Grelowski	31 321	0	31 321
Krzysztof Wilski	31 321	0	31 321
Marek Modecki	1 000	0	1.000
Tomasz Buzuk	0	0	0
Management Board			
Paweł Gricuk	0	+ 3 688	3 688
Marcin Balicki	0	+ 50 000	50 000
Entities controlled by managing or supervisory persons			
Prokom Investments S.A. (Ryszard Krauze)	7 413 679	- 1 046 429	6 367 250
Brightshield Ventures Ltd (Paweł Gricuk)	0	+ 500 000	500 000

In accordance with information in the possession of the Company, managing and supervisory persons did not own shares in PETROLINVEST Group companies as at the date of publication of this Report.

In addition, Members of the Management Board own subscription warrants convertible into Company series E shares—all warrants were taken up in July 2008 as part of the Incentive Programme implemented by resolutions of the EGM dated 29 April 2008. The rights conferred by the warrants to subscribe for shares will be realisable from 30 April 2011.

	Number of warrants held at publication date of last Report	Change in number of warrants	Number of warrants at publication date of this Report
Management Board			
Paweł Gricuk	176 190	0	176 190
Marcin Balicki	29 365	0	29 365

16. PROCEEDINGS PENDING BEFORE COURT, COMPETENT ARBITRATION BODY OR ANY PUBLIC ADMINISTRATION AUTHORITY, INCLUDING INFORMATION ON ANY PROCEEDINGS CONCERNING THE ISSUER'S OR ITS SUBSIDIARY UNDERTAKING'S LIABILITIES OR CLAIMS WHOSE VALUE REPRESENTS 10% OR MORE OF THE ISSUER'S EQUITY

There are no proceedings pending before courts, competent arbitration bodies or any public administration authorities, the aggregate value of which as at 30 September 2009 represents 10% or more of the Company's equity.

17. INFORMATION ON ANY ONE OR MORE TRANSACTIONS CONCLUDED BY THE ISSUER OR ITS SUBSIDIARY UNDERTAKING WITH RELATED PARTIES, IF THEY ARE INDIVIDUALLY OR COLLECTIVELY MATERIAL AND HAVE BEEN CONCLUDED ON TERMS OTHER THAN AT ARM'S LENGTH

In the third quarter 2009, no material transactions within PETROLINVEST Group were concluded on terms other than at arm's length. A detailed description of the transactions concluded in the reporting period by the Company or the other entities of PETROLINVEST Group with related parties is provided in note 19 to the condensed interim consolidated financial statements.

18. INFORMATION ON SURETIES FOR LOANS OR GUARANTEES ISSUED BY THE ISSUER OR ITS SUBSIDIARY UNDERTAKING – JOINTLY TO ONE ENTITY OR ITS SUBSIDIARY, IF THE AGGREGATE VALUE OF EXISTING SURETIES AND GUARANTEES IS EQUIVALENT TO AT LEAST 10% OF THE ISSUER'S EQUITY

In the third quarter 2009, TOO OilTechnoGroup gave a USD 15,000 thousand guarantee to PETROLINVEST S.A. as collateral for the USD 10,000 thousand loan extended by PETROLINVEST S.A. to Occidental Resources, Inc. The guarantee remains in force until final repayment of the liabilities resulting from the loan agreement, which matures on 30 September 2010. The guarantee was given free of charge.

Occidental Resources, Inc. and TOO OilTechnoGroup are subsidiaries of PETROLINVEST S.A.

This is the third guarantee issued to collateralise the loans extended by PETROLINVEST S.A. to Occidental Resources, Inc. to finance its prospecting and extraction project. As at 30 September 2009, the total amount of the guarantees given by TOO OilTechnoGroup to the Company was USD 44,000 thousand, and the value of the loan agreements collateralised by the guarantees was USD 32,041 thousand.

19. OTHER INFORMATION WHICH THE ISSUER DEEMS RELEVANT FOR THE ASSESSMENT OF ITS PERSONNEL, ASSETS, FINANCIAL SITUATION, AND ITS NET RESULT, AS WELL AS THEIR CHANGES, AND FOR THE ASSESSMENT OF THE ISSUER'S ABILITY TO PERFORM ITS OBLIGATIONS

The Management Board of PETROLINVEST S.A. believes that information presented in this Report is an exhaustive description of the Company's personnel, assets and financial situation, and that no other events had taken place that have not be disclosed by the Company and that could be material for the assessment of the Company's standing.

The Management Board of the Company would like to draw your attention to the fact that as regards providing finance for investment activities in the area of exploration for and extraction of hydrocarbons at this point in time:

- the Company has closed the issue of Series T shares, thus obtaining access to financing in excess of PLN 50 million,
- the Company is finalising negotiations with financial investors regarding the next round of financing through bonds convertible to shares, which should provide the Company with another PLN 100 million financing; the Management Board believes that appropriate agreements will be concluded in Q4 2009,
- the Company is finalising its long-term negotiations with the European Bank for Reconstruction and Development and is expecting to obtain financing for some USD 30-50 million; the appropriate agreement should be concluded in Q4 2009,
- the Company is involved in intense negotiations with strategic partners to ensure access to financing for investments on the concessions owned by the Group in exchange for the option of equity interest; the Management Board believes that appropriate agreements will be concluded in Q4 2009.

Those actions, together with the agreements signed earlier to ensure access to financing, will allow the Company to put a final close to the exploration phase of the PETROLINVEST Group Project, start production from the fields with confirmed reserves, and carry out further investment work based on cooperation with strategic partner(s), as well as access to reserves based financing.

20. FACTORS WHICH IN THE ISSUER'S OPINION WILL AFFECT ITS RESULTS IN A PERIOD COVERING AT LEAST THE NEXT QUARTER

The main factors that may affect the Company's results in the next quarter include primarily:

- ✓ With respect to prospecting and extraction:
 - access to financing and the terms and conditions that such financing may be obtained on;
 - fluctuations of exchange rates, including in particular USD to PLN, KZT to USD and RUB to USD, KZT to PLN and RUB to PLN;
 - fluctuations of interest rates that impact the Company's debt service costs.
- ✓ With respect to trading activities:
 - efforts undertaken in the first half of the year in respect of cost reductions, reviewing operating procedures, and changes to the policy on purchases of goods;
 - access to short-term financing;
 - fluctuations of exchange rates, including in particular USD to PLN;

- fluctuations of crude oil and LPG pricing in world markets and the relations between those prices and the prices that are possible to be achieved in the domestic market;
- seasonal changes in the demand for liquefied gas for heating and automotive purposes;
- economic effects of the performance of long-term contracts for LPG deliveries.

21. CHANGES IN CONTINGENT LIABILITIES OR CONTINGENT ASSETS WHICH OCCURRED SINCE THE END OF THE LAST FINANCIAL YEAR

As at 30 September 2009, compared to the end of the financial year 2008, there was a change in the balance of PETROLINVEST Group's contingent liabilities as a result of:

- ✓ the guarantee provided on 23 January 2009 by Occidental Resources Inc to secure the repayment by TOO OilTechnoGroup of liabilities due to Bank CenterCredit JSC in connection with the USD 37,800 thousand line of credit. Occidental Resources Inc and TOO OilTechnoGroup are controlled by PETROLINVEST S.A.,
- ✓ the guarantee provided on 6 November 2008 by Occidental Resources Inc. (still in force) to secure the repayment by TOO OilTechnoGroup of liabilities due to Tenaris Global Services S.A. under agreements for the purchase of well construction materials. The aggregate amount of liabilities covered by the guarantee as at 30 September 2009 was USD 2,916 thousand compared to USD 2,805 thousand shown as at 31 December 2008, and
- ✓ two guarantees provided by TOO OilTechnoGroup to PETROLINVEST S.A. totalling USD 15,000 thousand each to secure the repayment by Occidental Resources, Inc. of liabilities resulting from the loans extended by the Company totalling USD 20,000 thousand.

On 25 June 2009, the Company concluded agreements to sell shares and stocks in companies headquartered in the Russian Federation, which provide that if a discovery is made on the concessions while the acquirers hold shares in the acquired companies, each of the acquirers is obliged to pay additional consideration to the Company. The total amount of such additional consideration may come at a maximum of USD 42m.

CONSOLIDATED QUARTERLY REPORT OF PETROLINVEST GROUP FOR 3rd QUARTER 2009
 ENDED ON 30 SEPTEMBER 2009
 CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS OF PETROLINVEST S.A. GROUP

CONDENSED INTERIM CONSOLIDATED INCOME STATEMENT

	<i>for 9 months</i>		<i>for 3 months</i>	
	<i>ended 30 September</i>		<i>ended 30 September</i>	
	2009	2008	2009	2008
	<i>PLN '000</i>	<i>PLN '000</i>	<i>PLN '000</i>	<i>PLN '000</i>
Continuing operations				
Sale of goods	54 639	170 766	21 162	89 871
Rendering of services	507	1 116	191	992
Revenue	55 146	171 882	21 353	90 863
Value of goods and materials sold	42 265	155 335	17 634	81 158
Materials and energy	1 681	2 523	548	873
Employee benefits	95 224	28 290	35 680	17 241
Depreciation and amortisation	2 712	2 007	871	689
External services	17 406	14 024	4 860	4 891
Taxes and charges	4 285	2 149	1 379	584
Other expenses	1 194	3 272	330	620
Operating expenses	164 767	207 600	61 302	106 056
Gross profit/ (loss)	(109 621)	(35 718)	(39 949)	(15 193)
Other operating income	2 162	1 577	0	297
Other operating expenses	79 273	790	7 822	119
Finance income	6 265	18 830	19 538	2 795
Finance costs	135 839	11 899	12 148	27 601
Impairment of oil&gas investments	30 699	0	0	0
Profit/ (loss) before tax	(347 005)	(28 000)	(40 381)	(39 821)
Income tax expense	(10 020)	(3 110)	(1 001)	(8 983)
Profit/ (loss) for the period from continuing operations	(336 985)	(24 890)	(39 380)	(30 838)
Profit/ (loss) from discontinued operations	(7 760)	(6 541)	0	(3 538)
Profit/ (loss) for the period	(344 745)	(31 431)	(39 380)	(34 376)
Attributable to:				
Equity holders of the parent	(323 351)	(31 297)	(40 239)	(34 329)
Minority interest	(21 394)	(134)	859	(47)
Weighted average number of issued shares for basic earnings per share computations	11 787 948	6 057 464	14 454 448	6 163 476
Number of diluting potential ordinary shares	772 213	89 376	772 213	89 376
Earnings (loss) per share in PLN	(27.43)	(5.17)	(2.78)	(5.57)
Earnings (loss) from continuing operations per share in PLN	(26.77)	(4.09)	(2.78)	(5.00)
Diluted earnings (loss) per share in PLN	(25.74)	(5.09)	(2.64)	(5.49)
Diluted earnings (loss) from continuing operations per share in PLN	(25.13)	(4.03)	(2.64)	(4.92)

CONSOLIDATED QUARTERLY REPORT OF PETROLINVEST GROUP FOR 3rd QUARTER 2009
 ENDED ON 30 SEPTEMBER 2009
 CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS OF PETROLINVEST S.A. GROUP

CONDENSED INTERIM CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	<i>for 9 months</i>		<i>for 3 months</i>	
	<i>ended 30 September</i>		<i>ended 30 September</i>	
	<i>2009</i>	<i>2008</i>	<i>2009</i>	<i>2008</i>
	<i>PLN '000</i>	<i>PLN '000</i>	<i>PLN '000</i>	<i>PLN '000</i>
Profit/ (loss) for the period	(344 745)	(31 431)	(39 380)	(34 376)
Other comprehensive income				
Exchange differences on translation of foreign operation	(197 682)	(81 177)	(63 239)	27 733
Available-for-sale financial assets	0	0	0	0
Cash flow hedges	0	0	0	0
Actuarial gains/(losses) on defined benefit pension plans	0	0	0	0
Share of other comprehensive income of associates	0	0		
Income tax relating to components of other comprehensive income	0	0	0	0
Total net other comprehensive income	(197 682)	(81 177)	(63 239)	27 733
Total comprehensive income for the period	(542 427)	(112 608)	(102 619)	(6 643)
Total income attributable to:				
Equity holders of the parent	(528 112)	(112 240)	(75 600)	(6 437)
Minority interest	(14 315)	(368)	(19)	(206)

CONSOLIDATED QUARTERLY REPORT OF PETROLINVEST GROUP FOR 3rd QUARTER 2009
 ENDED ON 30 SEPTEMBER 2009
 CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS OF PETROLINVEST S.A. GROUP

CONDENSED INTERIM CONSOLIDATED BALANCE SHEET

	<u>30 September</u> 2009	<u>30 June</u> 2009	<u>31 December</u> 2008	<u>30 September</u> 2008
	<u>PLN '000</u>	<u>PLN '000</u>	<u>PLN '000</u>	<u>PLN '000</u>
ASSETS				
Non-current assets (long-term)				
Goodwill	338 642	384 208	536 414	411 937
Intangible assets	268	401	765	479
Property, plant and equipment	56 024	57 970	62 070	54 564
Expenditure on exploration for and evaluation of mineral resources	455 613	490 033	497 550	354 656
Investment properties	2 616	2 616	2 616	2 567
Other financial assets	76 536	83 739	92 350	118 275
Non-current receivables	21 048	22 255	21 132	13 531
Long-term deposits	87	162	1 222	1 641
Deferred tax	47 259	51 667	50 766	47 093
	<u>998 093</u>	<u>1 093 051</u>	<u>1 264 885</u>	<u>1 004 743</u>
Non-current assets held for sale	<u>11 705</u>	<u>13 322</u>	<u>29 225</u>	<u>0</u>
Current assets (short-term)				
Inventories	2 211	3 142	3 646	13 096
Trade and other receivables	5 440	5 992	8 520	29 996
Income tax overpayment	53	55	58	80
Prepayments and deferred costs	8 145	7 266	10 759	9 531
Current investments	50 479	53 807	47 431	60 060
Cash and cash equivalents	18 994	13 319	23 790	22 704
	<u>85 322</u>	<u>83 581</u>	<u>94 204</u>	<u>135 467</u>
TOTAL ASSETS	<u>1 095 120</u>	<u>1 189 954</u>	<u>1 388 314</u>	<u>1 140 210</u>
EQUITY AND LIABILITIES				
Equity attributable to equity holders of the parent				
Issued capital	162 174	128 384	63 481	61 635
Exchange differences on translation of foreign operations	(165 091)	(102 730)	39 670	(140 807)
Other reserves	909 884	751 532	633 096	503 253
Retained earnings	(668 328)	(628 089)	(344 977)	(60 420)
	<u>238 639</u>	<u>149 097</u>	<u>391 270</u>	<u>363 661</u>
Minority interest	<u>84</u>	<u>103</u>	<u>14 399</u>	<u>120</u>
Total equity	<u>238 723</u>	<u>149 200</u>	<u>405 669</u>	<u>363 781</u>
Non-current liabilities				
Non-current provisions	9 596	6 639	6 567	4 284
Deferred tax liability	0	0	0	30 834
Interest-bearing loans and borrowings	340 289	547 287	584 113	474 013
Finance lease liabilities	50	77	145	199
Other non-current liabilities	227 408	231 284	144 036	131 871
	<u>577 343</u>	<u>785 287</u>	<u>734 861</u>	<u>641 201</u>
Current liabilities				
Current provisions	39 475	39 188	39 858	2 047
Current portion of interest-bearing loans and borrowings	120 057	86 928	88 270	65 692
Finance lease liabilities	149	185	231	233
Trade and other payables	117 511	126 933	116 515	65 065
Income tax payable	13	0	0	0
Accruals and deferred income	1 849	2 233	2 910	2 191
	<u>279 054</u>	<u>255 467</u>	<u>247 784</u>	<u>135 228</u>
Total liabilities	<u>856 397</u>	<u>1 040 754</u>	<u>982 645</u>	<u>776 429</u>
TOTAL EQUITY AND LIABILITIES	<u>1 095 120</u>	<u>1 189 954</u>	<u>1 388 314</u>	<u>1 140 210</u>

CONSOLIDATED QUARTERLY REPORT OF PETROLINVEST GROUP FOR 3rd QUARTER 2009
ENDED ON 30 SEPTEMBER 2009
CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS OF PETROLINVEST S.A. GROUP

CONDENSED INTERIM CONSOLIDATED CASH FLOW STATEMENT

	<i>for 9 months</i>		<i>for 3 months</i>	
	<i>ended 30 September</i>		<i>ended 30 September</i>	
	<i>2009</i>	<i>2008</i>	<i>2009</i>	<i>2008</i>
	<i>PLN '000</i>	<i>PLN '000</i>	<i>PLN '000</i>	<i>PLN '000</i>
Cash flows from operating activities				
Profit/ (loss) before taxation	(347 005)	(28 000)	(40 381)	(39 821)
Adjustments for:				
Depreciation and amortisation	326 378	(17 767)	36 447	9 856
Interest and dividends, net	2 819	2 234	871	764
Foreign exchange differences	12 435	2 546	2 760	719
Gain/ (loss) from investing activities	23 268	(11 218)	(17 130)	9 467
(Increase)/ decrease in receivables	(897)	62	(17)	9
(Increase)/ decrease in inventories	1 834	(15 201)	332	(18 657)
Increase/ (decrease) in payables except loans and borrowings	1 338	(4 834)	890	(3 757)
Change in accruals and prepayments	138 868	(3 082)	10 822	11 610
Change in provisions	(656)	(1 235)	(270)	(1 094)
Income tax paid	6 232	2 159	4 519	583
Other, including	(161)	(9)	(30)	(16)
result of discontinued operations (before write-off and tax)	141 298	10 811	33 700	10 228
valuation (discount) of liabilities under share purchase transactions	(2 018)	(2 072)	0	(756)
impairment of oil&gas investments	0	0	0	(1 148)
acquisition cost of right to use financing	30 699	0	0	0
share-based payment	31 640	0	2 000	0
other	80 705	12 009	31 430	12 009
other	272	874	270	123
Net cash flows from operating activities	(20 627)	(45 767)	(3 934)	(29 965)
Cash flows from investing activities				
Proceeds from sale of property, plant and equipment and intangible assets	44	0	6	0
Purchase of property, plant and equipment and intangible assets	(135)	(3 283)	(108)	(92)
Expenditure on exploration for and evaluation of mineral resources	(10 628)	(50 978)	(6 154)	(3 179)
Capitalised costs of external financing	(8 097)	(13 717)	(6 118)	(2 786)
Acquisition of a subsidiary and jointly-controlled entity, net of cash acquired	0	(27 811)	0	2 467
Interest received	4	349	2	0
Repayment of loans granted	5	13	1	4
Loans granted	(195)	(54 111)	0	(4 312)
Long-term deposits	0	0	0	118
Other	0	(1 445)	0	(5)
Net cash flows from investing activities	(19 002)	(150 983)	(12 371)	(7 785)
Cash flows from financing activities				
Proceeds from share capital increase	53 403	103 880	40 111	24 000
Costs relating to share issue	(6 707)	(6 582)	(4 457)	(3 260)
Payment of finance lease liabilities	(203)	(43)	(70)	(14)
Proceeds from loans and borrowings	0	71 525	0	0
Repayment of loans and borrowings	(667)	(5 138)	(227)	(1 514)
Interest paid	(14 223)	(1 996)	(9 469)	(779)
Other	(252)	42	(35)	544
Net cash flows from financing activities	31 351	161 688	25 853	18 977
Net increase/ (decrease) in cash and cash equivalents	(8 278)	(35 062)	9 548	(18 773)
Cash and cash equivalents at the beginning of the period	(1 623)	23 480	(19 449)	7 189
Cash, cash equivalents at the end of the period	(9 901)	(11 582)	(9 901)	(11 584)
including restricted use cash	11 232	6 311	11 232	6 311

CONSOLIDATED QUARTERLY REPORT OF PETROLINVEST GROUP FOR 3rd QUARTER 2009
 ENDED ON 30 SEPTEMBER 2009
 CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS OF PETROLINVEST S.A. GROUP

CONDENSED INTERIM CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Issued capital	Foreign exchange differences on translation of foreign operations	Other capital, including	Attributable to equity holders of the parent					Retained earnings/ Accumulated (losses)	Total	Minority interest	Total equity
				From profit appropriation	From share premium	Unregistered share capital increase	Revaluation of assets and liabilities	Other reserves				
				PLN '000	PLN '000	PLN '000	PLN '000	PLN '000				
As at 1 January 2009	63 481	39 670	633 096	15 441	473 930	153 590	(21 874)	12 009	(344 977)	391 270	14 399	405 669
Exchange differences on translation of foreign operations	0	(204 761)	0	0	0	0	0	0	0	(204 761)	7 079	(197 682)
Revaluation of assets and liabilities	0	0	0	0	0	0	0	0	0	0	0	0
Loss for the period	0	0	0	0	0	0	0	0	(323 351)	(323 351)	(21 394)	(344 745)
Total comprehensive income for the period	0	(204 761)	0	0	0	0	0	0	(323 351)	(528 112)	(14 315)	(542 427)
Issue of share capital	98 693	0	173 270	0	316 340	(143 070)	0	0	0	271 963	0	271 963
Issue of share capital / share based payments	0	0	80 705	0	0	0	0	80 705	0	80 705	0	80 705
Warrant issue	0	0	29 640	0	0	0	0	29 640	0	29 640	0	29 640
Transaction costs	0	0	(6 827)	0	(6 827)	0	0	0	0	(6 827)	0	(6 827)
As at 30 September 2009	162 174	(165 091)	909 884	15 441	783 443	10 520	(21 874)	122 354	(668 328)	238 639	84	238 723
As at 1 January 2008	58 730	(59 864)	391 133	15 441	375 692	0	0	0	(29 123)	360 876	488	361 364
Total comprehensive income for the period	0	(80 943)	0	0	0	0	0	0	(31 297)	(112 240)	(368)	(112 608)
Issue of share capital	2 905	0	100 975	0	76 975	24 000	0	0	0	103 880	0	103 880
Warrant issue / share based payments	0	0	12 009	0	0	0	0	12 009	0	12 009	0	12 009
Transaction costs	0	0	(864)	0	(864)	0	0	0	0	(864)	0	(864)
As at 30 September 2009	61 635	(140 807)	503 253	15 441	451 803	24 000	0	12 009	(60 420)	363 661	120	363 781
As at 1 January 2008	58 730	(59 864)	391 133	15 441	375 692	0	0	0	(29 123)	360 876	488	361 364
Total comprehensive income for the period	0	99 534	(21 874)	0	0	0	(21 874)	0	(305 194)	(227 534)	(618)	(228 152)
Issue of share capital	4 751	0	252 720	0	99 130	153 590	0	0	0	257 471	0	257 471
Warrant issue / share based payments	0	0	12 009	0	0	0	0	12 009	0	12 009	0	12 009
Transaction costs	0	0	(892)	0	(892)	0	0	0	0	(892)	0	(892)
Subscription of shares and stocks in subsidiaries	0	0	0	0	0	0	0	0	(10 660)	(10 660)	14 529	3 869
As at 31 December 2008	63 481	39 670	633 096	15 441	473 930	153 590	(21 874)	12 009	(344 977)	391 270	14 399	405 669

NOTES TO CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

1) Segment information

Operating businesses are organised and managed separately according to the nature of the products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets. Transfer prices between business segments are set on an arm's length basis in a manner similar to transactions with third parties.

No operating segments have been aggregated to form the above reportable operating segments.

Management monitors the operating results of business units separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on operating profit or loss which in certain respects is measured differently from operating profit or loss reported in the consolidated financial statements. Group financing (including finance costs and finance income) and income taxes are managed on a Group basis and are not allocated to operating segments.

With respect to financial statements prepared for reporting periods beginning on 1 January 2009, IFRS 8 Operating Segments replaced IAS 14 Segment Reporting. According to IFRS 8, segment reporting is based on information prepared for internal management decisions.

The following tables present a breakdown of revenues and profits (losses) and assets for the 9-month period ended on 30 September 2009 and 30 September 2008 by operating segments.

<i>for 9 months ended 30 September 2009 (PLN '000)</i>	<i>LPG</i>	<i>Prospecting and extraction</i>	<i>Unallocated</i>	<i>Total operations</i>
Revenue				
Third party	55 146	0	0	55 146
Inter-segment	0	0	0	0
Total segment revenue	55 146	0	0	55 146
Results				
Segment profit/ loss before tax	(4 741)	(24 175)	(315 829)	(344 745)
Assets				
Segment assets	53 484	1 004 984	36 652	1 095 120
<i>for 9 months ended 30 September 2008 (PLN '000)</i>	<i>LPG</i>	<i>Prospecting and extraction</i>	<i>Unallocated</i>	<i>Total operations</i>
Revenue				
Third party	171 882	0	0	171 882
Inter-segment	0	0	0	0
Total segment revenue	171 882	0	0	171 882
Results				
Segment profit/ loss before tax	(914)	(36 710)	6 193	(31 431)
Assets as at 31 December 2008				
Segment assets	57 735	1 301 151	29 428	1 388 314

2) Employee benefits

	<i>for 9 months</i>		<i>for 3 months</i>	
	<i>ended 30 September</i>		<i>ended 30 September</i>	
	<i>2009</i>	<i>2008</i>	<i>2009</i>	<i>2008</i>
	<i>PLN '000</i>	<i>PLN '000</i>	<i>PLN '000</i>	<i>PLN '000</i>
Wages and salaries	12 633	14 870	3 664	4 883
Share Incentive Programme	80 705	12 009	31 430	12 009
Social security costs	1 705	1 274	507	349
Other	181	137	79	0
	0	0	0	0
	95 224	28 290	35 680	17 241

On 13 January 2009, the Management Board of PETROLINVEST S.A. resolved to increase the Company's share capital by PLN 5,992,120 via the issuance of 599,212 ordinary series K registered shares, each of a nominal value of PLN 10.

Series K Shares were offered in a private placement to the Company's executives, employees and associates, as well as the executives, key employees and associates of the companies of PETROLINVEST Group. The offering of the Company's ordinary registered series K shares was effected on 6 February 2009. 599,212 Series K Shares were subscribed for in the Offering at an issue price of PLN 10 each. All payments towards Series K Shares had been made. The Company received gross proceeds of PLN 5,992,120 as a result of the Offering.

In compliance with IFRS 2, the Company is required to measure the fair value of the shares granted. The measurement to fair value was performed as at the subscription offer date. The excess of fair value over nominal value of the shares paid up by eligible persons was PLN 21.2 million and was taken to the Group's payroll expenses for Q1 2009. The cost will not impact the Group's cash flows. The management board members' share in the excess of fair value over nominal value was PLN 8.1m in the case of Paweł Gricuk and PLN 0.4m in the case of Marcin Balicki. The remaining PLN 12.7m was attributable to employees and associates of the companies of PETROLINVEST Group.

On 28 January 2009, the Management Board resolved to increase the Company's share capital by PLN 4,500,000 via the issuance of 450,000 ordinary series M bearer shares, each of a nominal value of PLN 10; the resolution was amended on 2 March 2009 so that it now envisages an increase by up to PLN 7,300,000 via the issuance of up to 730,000 ordinary series M bearer shares.

The issue price of Series M Shares was set at PLN 10. Series M Shares were offered in a private placement to the Company Supervisory Board Members, the Company's employees and associates, as well as the executives, employees and associates of the companies of its capital group not included in the incentive programme connected with the issue of series K shares. The goal of the issue of Series M Shares is to implement the incentive programme for the Supervisory Board members and associates of the Company.

On 16 March 2009, the EGM passed the resolution regarding allocation of ordinary series M bearer shares to members of the Company's Supervisory Board.

The offering of the Company's ordinary series M bearer shares was effected on 16 April 2009. 730,000 Series M Shares were subscribed for in the Offering at an issue price of PLN 10 each. The Company received gross proceeds of PLN 7,300,000 as a result of the Offering.

In compliance with IFRS 2, the Company is required to measure the fair value of the shares granted. The measurement to fair value was performed as at the subscription date. The excess of fair value over nominal value of the shares paid up by eligible persons was PLN 28 million, and it was taken to the Group's payroll expenses for Q2 2009. The cost will not impact the Group's cash flows.

On 17 July 2009, the Management Board of the Company adopted a resolution regarding free-of-charge issue of no more than 1,052,000 registered subscription warrants to the exclusion of pre-emptive rights of the existing shareholders in order to grant the rights to purchase shares in the Company. The subscription warrants were offered for subscription through private placement by members of Company authorities or an entity designated by such person and related to a member of Company authorities, and employees and associates of the Company as well as members of authorities, employees and associates of the companies in its group.

On 7 September 2009, the Management Board resolved to increase the Company's share capital by an amount not higher than PLN 10,520,000 via the issuance of no more than 1,052,000 ordinary series N bearer shares, each of a nominal value of PLN 10, to the exclusion of pre-emptive rights of the existing shareholders. The issue price of the shares was set as PLN 10. The goal of the share capital increase is to execute the rights of holders of registered subscription warrants. The issue of the Series N Shares is an element of the incentive programme for top management. The Series N Shares will participate in dividends starting from 1 January 2009.

The offering of the series N shares was effected on 9 September 2009. 1,052,000 Series N Shares were subscribed for in the Offering. The Company received gross proceeds of PLN 10,520,000 as a result of the Offering.

CONSOLIDATED QUARTERLY REPORT OF PETROLINVEST GROUP FOR 3rd QUARTER 2009
ENDED ON 30 SEPTEMBER 2009
CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS OF PETROLINVEST S.A. GROUP

In compliance with IFRS 2, the Company is required to measure the fair value of the shares granted. The measurement to fair value was performed as at the offering end date. The excess of fair value over nominal value of the shares paid up by eligible persons was PLN 31.4 million, and it was taken to the Group's payroll expenses for Q3 2009. The cost will not impact the Group's cash flows.

3) Finance income

	<i>for 9 months</i>		<i>for 3 months</i>	
	<i>ended 30 September</i>		<i>ended 30 September</i>	
	<i>2009</i>	<i>2008</i>	<i>2009</i>	<i>2008</i>
	<i>PLN '000</i>	<i>PLN '000</i>	<i>PLN '000</i>	<i>PLN '000</i>
Bank interest receivable	788	1 805	314	115
Loans granted to other parties	5 477	4 114	1 565	2 035
Foreign exchange differences	0	12 266	17 283	0
Other	0	645	376	645
	6 265	18 830	19 538	2 795

4) Finance costs

	<i>for 9 months</i>		<i>for 3 months</i>	
	<i>ended 30 September</i>		<i>ended 30 September</i>	
	<i>2009</i>	<i>2008</i>	<i>2009</i>	<i>2008</i>
	<i>unaudited</i>	<i>unaudited</i>	<i>unaudited</i>	<i>unaudited</i>
	<i>PLN '000</i>	<i>PLN '000</i>	<i>PLN '000</i>	<i>PLN '000</i>
Interest on bank loans and overdrafts	17 885	6 616	4 318	2 739
Lenders fees	253	538	35	38
Acquisition cost of right to use financing	31 640	0	0	0
Valuation (discount) of future liabilities	22 135	4 515	7 788	1 233
Foreign exchange differences	63 755	0	0	23 486
Finance costs under finance leases	26	43	7	14
Other	145	187	0	91
	135 839	11 899	12 148	27 601

On 29 April 2009, the Company entered into an agreement with GEM Global Yield Fund Limited under which a PLN 200 million financing was made available to the Company through an equity line of credit. The Company may decide when to use the equity line of credit at its own discretion, depending on its current capital requirements, and use each tranche of the financing as needed. The Company is not obliged to use the full amount of the equity line of credit. In exchange for the right to use the committed equity line of credit, the Company agreed to pay to GEM a remuneration (fee) of PLN 2m and to issue subscription warrants convertible into 1.3 million Company shares in total for PLN 60 per share.

In compliance with IFRS, the Company was required to make an assessment of the fair value of the warrants issued to GEM. The cost of warrant issue calculated using the Black-Scholes model was PLN 29.6m. IFRS does not allow to treat the right to use the equity line of credit acquired by the Company as the cost of capital; hence, the full cost was taken to the Group's finance costs for the second quarter 2009. The cost of PLN 29.6m pertaining to warrant issue will not impact the Group's cash flows.

5) Other operating expenses

On 14 May 2009, the Company signed three agreements with Prokom Investments S.A., Osiedle Wilanowskie Spółka z ograniczoną odpowiedzialnością and Agro Jazowa S.A. setting forth the terms on which those companies make their assets available to the Company as collateral for the credit facility extended under the agreement dated 21 March 2007 by the consortium of PKO Bank Polska S.A. and Bank Gospodarstwa Krajowego. The fee is calculated as 6.5% of the value of the collateral from the moment it is established to the moment it is released. The discounted fee calculated under the agreements referred to above to 30 September 2009 was PLN 80.8m, of which PLN 78.6m was taken to other operating expenses and PLN 2.2m was taken to the Company's finance costs. The fees payable to Prokom Investments S.A., Osiedle Wilanowskie Spółka z ograniczoną odpowiedzialnością and Agro Jazowa S.A. are convertible into equity. Management believes that the conversion will take place, and so those costs will not entail a cash outflow. The total value of collateral established under the agreement as at 30 September 2009 was PLN 601.6m, while the average value of collateral during the term of the agreement effectively in use as at 30 September 2009 was PLN 753.7m.

6) Impairment of oil&gas investments

Due to the current crisis on financial markets, difficulties in getting access to financing and delays in increasing the Company's share capital, PETROLINVEST S.A. has limited financial resources that may prove insufficient for full and complete delivery of investment programs on all concessions held by the companies in which PETROLINVEST owns shares or stocks. Taking into account the stage of advancement of prospecting work, the size of prospective resources, results of the drillings already completed, the stability and attractiveness of the tax and regulatory environments for prospecting and production activities in Russia and Kazakhstan, the assessment of prospective resources drawn up by McDaniel&Associates Consultants Ltd. (Independent Competent Person), and after discussions with advisors to the Company, the Management Board decided that PETROLINVEST'S focus should be around continuing the work in Kazakhstan, with a particular focus on the concessions of OTG and Emba Jug Nieft.

According to the Independent Competent Person's report, the value of prospective resources on the concession of COMPANY PROFIT was estimated at USD 5,213 thousand, which according to the Management Board—given the geological and economic conditions of COMPANY PROFIT concession, the independent nature of the valuation and conservative assumptions underlying the valuation—may be treated as fair value at the current stage of the project. Therefore, the Management Board of PETROLINVEST decided to take steps to sell its stake in COMPANY PROFIT. The Management Board will attempt to obtain the maximum possible price for its stake in COMPANY PROFIT; however, Management believes that the fair value determined by the Independent Competent Person at USD 5,213 thousand is currently the best estimate of the realisable selling price.

It is possible that PETROLINVEST S.A. will continue to finance partly the work and/or activities of COMPANY PROFIT to the extent that they will allow to maintain the concession until the stake in the company is sold or access to financial resources is provided, allowing all the planned investment projects to be completed, even if that means that the expected NPV of the project does not fully cover the expenditures incurred to date. The ongoing prospecting work may translate into higher prospective resources or a reclassification of prospective resources to the proven category, which in both cases may lead to a reassessment of the fair value of the net assets associated with the project delivered by COMPANY PROFIT.

With a view to the above, the Management Board decided—based on the assessment of the fair value—to write down the assets associated with PROFIT to an amount not higher than USD 5,213 thousand and decided that in the second half of 2009 it will take steps to sell the shares in PROFIT and as a consequence classified them as assets held for sale. The decision resulted in a one-off impairment loss on the assets and liabilities associated with the project of PLN 30.7m.

	30.06.2009	30.06.2009	30.06.2009
	<i>before impairment</i>	<i>impairment loss</i>	<i>after impairment</i>
	<i>(PLN '000)</i>		
Non-current assets, including	50 694	(35 452)	15 242
Goodwill	19 501	(19 501)	0
Expenditure on exploration for and evaluation of resources	14 391	0	14 391
Non-current receivables	396	0	396
Property, plant and equipment and intangible assets	124	0	124
Deferred tax	1 014	(683)	331
Loans granted	15 268	(15 268)	0
Current assets	676	(493)	183
Total Assets	51 370	(35 945)	15 425
Liabilities, including	7 306	(5 246)	2 060
Non-current liabilities	5 246	(5 246)	0
Current liabilities	2 060	0	2 060
Total liabilities	7 306	(5 246)	2 060
Net assets on consolidation	44 064	(30 699)	13 365

7) Discontinued operations

In 2008, with respect to the concessions of the Russian companies as the least prospective, the Management Board decided to discontinue exploration on the territory of the Russian Federation and to begin working towards selling those assets. On 25 June 2009, the Company signed agreements with Ms. Tatiana Pilipienko, Mr. Sergey Dokuchaev, and Mr. Aidar Mardanshin (the "Buyers") (the "Agreements") committing the Company to dispose in favour of the Buyers of the following:

- an aggregate of 59.999% of the shares in OOO Siewiergeofizyka headquartered in Ukhta, Komi Republic, Russian Federation ("Siewiergeofizyka") ("Siewiergeofizyka Shares"), including 24.999% of the shares in Siewiergeofizyka in favour of Ms. Tatiana Pilipienko, 10% of the shares in Siewiergeofizyka in favour of Mr. Sergey Dokuchaev, and 25% of the shares in Siewiergeofizyka in favour of Mr. Aidar Mardanshin;
- an aggregate of 59.99% of the shares in OOO Nieftiegeoserwis headquartered in Ukhta, Komi Republic, Russian Federation ("Nieftiegeoserwis") ("Nieftiegeoserwis Shares"), including 24.99% of the shares in Nieftiegeoserwis in favour of Ms. Tatiana Pilipienko, 10% of the shares in Nieftiegeoserwis in favour of Mr. Sergey Dokuchaev, and 25% of the shares in Nieftiegeoserwis in favour of Mr. Aidar Mardanshin; and

CONSOLIDATED QUARTERLY REPORT OF PETROLINVEST GROUP FOR 3rd QUARTER 2009
ENDED ON 30 SEPTEMBER 2009
CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS OF PETROLINVEST S.A. GROUP

- an aggregate of 59% shares in ZAO Pechora-Petroleum headquartered in Ukhta, Komi Republic, Russian Federation ("Pechora-Petroleum") ("Pechora-Petroleum Shares"), including 24.50% of the shares in Pechora-Petroleum in favour of Ms. Tatiana Pilipienko, 9.75% of the shares in Pechora-Petroleum in favour of Mr. Sergey Dokuchaev, and 24.75% of the shares in Pechora-Petroleum in favour of Mr. Aidar Mardanshin.

The aggregate purchase price of Siewiergeofizyka Shares was set at USD 1,800, provided however that if, while the Buyers are in the possession of Siewiergeofizyka Shares, C1 or C2 hydrocarbons are discovered on the Vysovskye Concession and are placed in the national resources register, each of the Buyers will be obliged to pay in favour of the Company an additional compensation of USD 2 for each ton of C1 hydrocarbons placed in the national resources register and USD 1 for each ton of C2 hydrocarbons placed in the national resources register; however, the aggregate amount of such additional compensation will not exceed USD 6,000,000 per Buyer.

The aggregate purchase price of Nieftiegeoserwis Shares was set at USD 180, provided however that if, while the Buyers are in the possession of Nieftiegeoserwis Shares, C1 or C2 hydrocarbons are discovered on the Yermalovskye Concession or the Yuzhno-Nyertsovskye Concession and are placed in the national resources register, each of the Buyers will be obliged to pay in favour of the Company an additional compensation of USD 2 for each ton of C1 hydrocarbons placed in the national resources register and USD 1 for each ton of C2 hydrocarbons placed in the national resources register; however, the aggregate amount of such additional compensation will not exceed USD 6,000,000 per Buyer.

The aggregate purchase price of Pechora-Petroleum Shares was set at USD 360, provided however that if, as a result of the first two drillings on the Porozhskye Concession and the Vyerkhnye-Pechorskyye Concession, hydrocarbons are discovered that reach confirmed commercial flow rates of 10 tons per day, each of the Buyers will be obliged to pay USD 2,000,000 in favour of the Company.

Subject to consent from the Company's financing banks, the Company undertook with respect to the Buyers to cancel the indebtedness of Siewiergeofizyka, Nieftiegeoserwis and Pechora-Petroleum due to the Company.

The financial results of the Russian companies for the 9-month period ended 30 September 2009 and 30 September 2008 are as follows:

	<i>for 9 months</i>	
	<i>ended 30 September</i>	
	<i>2009</i>	<i>2008</i>
	<i>PLN '000</i>	<i>PLN '000</i>
Revenue	108	41
Expenses	(2 184)	(2 091)
Net finance income/ costs	59	(22)
Profit (loss) before tax	(2 017)	(2 072)
Loss on re-measurement to fair value - write-down	(5 743)	0
Loss before tax from discontinued operations	(7 760)	(2 072)
Income tax expense	0	4 469
Loss for the period from discontinued operations	(7 760)	(6 541)

8) Income tax

	<i>for 9 months</i>		<i>for 3 months</i>	
	<i>ended 30 September</i>		<i>ended 30 September</i>	
	<i>2009</i>	<i>2008</i>	<i>2009</i>	<i>2008</i>
	<i>PLN '000</i>	<i>PLN '000</i>	<i>PLN '000</i>	<i>PLN '000</i>
<i>Current income tax</i>				
Current income tax charge	161	9	30	2
<i>Deferred income tax</i>				
Relating to origination and reversal of temporary differences	(10 181)	(3 119)	(1 031)	(8 985)
Income tax expense reported in the income statement	(10 020)	(3 110)	(1 001)	(8 983)

CONSOLIDATED QUARTERLY REPORT OF PETROLINVEST GROUP FOR 3rd QUARTER 2009
ENDED ON 30 SEPTEMBER 2009
CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS OF PETROLINVEST S.A. GROUP

9) Earnings per share

The following reflects the income and share data used in the basic and diluted earnings per share computations.

	<i>for 9 months ended 30 September</i>		<i>for 3 months ended 30 September</i>	
	2009	2008	2009	2008
Net profit/ loss attributable to equity holders of the parent (in PLN '000), including	(323 351)	(31 297)	(40 239)	(34 329)
from continuing operations	(315 591)	(24 756)	(40 239)	(30 791)
from discontinued operations	(7 760)	(6 541)	0	(3 538)
Weighted average number of shares for basic earnings per share computations	11 787 948	6 057 464	14 454 448	6 163 476
Number of diluting potential ordinary shares	772 213	89 376	772 213	89 376
Earnings (loss) per share in PLN	(27.43)	(5.17)	(2.78)	(5.57)
Earnings (loss) from continuing operations per share in PLN	(26.77)	(4.09)	(2.78)	(5.00)
Diluted earnings (loss) per share in PLN	(25.74)	(5.09)	(2.64)	(5.49)
Diluted earnings (loss) from continuing operations per share in PLN	(25.13)	(4.03)	(2.64)	(4.92)

There are diluting instruments existing as at the date of these condensed interim consolidated financial statements.

Following the resolutions passed on 29 April 2008 by the Extraordinary General Shareholders' Meeting regarding the implementation of the Incentive Programme and the Resolution passed by the Supervisory Board on 18 June 2008 implementing the Rules and Regulations of the Incentive Programme – the Management Board Members (who held the position as at the grant date) were granted the right to subscribe for in aggregate not more than 264,285 subscription warrants convertible into the Company series E shares.

In July 2008, all eligible persons submitted their declarations of acceptance of the offer and acquisition of subscription Warrants. The rights conferred by the Warrants to subscribe for shares may be realised from the day of issuance of the Warrants, i.e. from 29 July 2008, to 30 April 2011.

On 17 July 2009, the Management Board of the Company adopted a resolution regarding free-of-charge issue of no more than 1,052,000 registered subscription warrants to the exclusion of pre-emptive rights of the existing shareholders in order to grant the rights to purchase shares in the Company. The subscription warrants were offered for subscription through private placement by members of Company authorities or an entity designated by such person and related to a member of Company authorities, and employees and associates of the Company as well as members of authorities, employees and associates of the companies in its group.

On 7 September 2009, the Management Board resolved to increase the Company's share capital by an amount not higher than PLN 10,520,000 via the issuance of no more than 1,052,000 ordinary series N bearer shares, each of a nominal value of PLN 10, to the exclusion of pre-emptive rights of the existing shareholders. The issue price of the shares was set as PLN 10. The goal of the share capital increase is to execute the rights of holders of registered subscription warrants. The issue of the Series N Shares is an element of the incentive programme for top management. The Series N Shares will participate in dividends starting from 1 January 2009.

The offering of the series N shares was effected on 9 September 2009. 1,052,000 Series N Shares were subscribed for in the Offering.

On 2 October 2009, the District Court registered the increase of the share capital via the issuance of series N shares to PLN 172,694,000, and on 16 November 2009 the series N shares were introduced to public trading.

	current share price	instrument execution price	number of instruments issued	number of instruments issued at fair value	number of diluting potential ordinary shares
series E - warrants	39.00	227	264 285	1 538 274	0
series N shares	37.60	10.00	1 052 000	279 787	772 213
			1 316 285	1 818 061	772 213

10) Cash and cash equivalents

For the purposes of the interim condensed cash flow statement, cash and cash equivalents comprise the following:

	<i>30 September 2009</i>	<i>30 June 2009</i>	<i>31 December 2008</i>
	<i>PLN '000</i>	<i>PLN '000</i>	<i>PLN '000</i>
Cash at bank and on hand	18 994	13 319	23 790
Revolving credit facility	(28 895)	(32 768)	(25 413)
Cash and cash equivalents in the cash flow statement	(9 901)	(19 449)	(1 623)

11) Property, plant and equipment and expenditure on exploration for and evaluation of mineral resources

The value of capitalised borrowing costs relating to expenditure on exploration for and evaluation of mineral resources in the 9-month period ended 30 September 2009 was PLN 15.1m.

In the 9-month period ended 30 September 2009, the Group incurred expenditure on exploration for and evaluation of resources totalling PLN 50.9m (in the 9-month period ended 30 September 2008 PLN 91.5m). As at 30 September 2009, liabilities relating to expenditures on exploration for and evaluation of resources totalled PLN 90m (as at 31 December 2008 PLN 92.8m).

A detailed description of the concessions for exploration and production of crude oil and gas (hydrocarbons) owned by the subsidiaries and jointly-controlled entities and the related investment obligations is provided in notes 15 and 32.1 to the consolidated financial statements for the year ended 31 December 2008.

On 14 September 2009, the Company was informed that TOO OilTechnoGroup had signed an annex to the OTG Contract no. 993 for hydrocarbon exploration and production with the Ministry of Energy and Natural Resources of the Republic of Kazakhstan.

In compliance with the decision of the Ministry of Energy and Natural Resources of the Republic of Kazakhstan, the receipt of which was the subject of the current report mentioned above, the annex prolongs the exploration period of the Contract to 18 March 2011 and commits TOO OilTechnoGroup to spend USD 23,000 thousand in capital expenditure in the extended prospecting period.

On 10 November 2009, the Ministry of Energy and Mineral Resources of the Republic of Kazakhstan—in response to EmbaJugNieft's application for extension of the prospecting period of the Zhubantam-Zhusalisay Contract no. 976—decided to prolong the prospecting period by another 2 years to 29 June 2011. The provisions of the decision will be incorporated in the form of an annex to the Zhubantam-Zhusalisay Contract no. 976 dated 29 September 2002. The annex is expected to be signed in the second half of 2009.

In the 9-month period ended 30 September 2009, the Group purchased property, plant and equipment worth PLN 135 thousand (in the 9-month period ended 30 September 2008: PLN 3.3m).

In the 9-month period ended 30 September 2009, the Group sold property, plant and equipment with a net value of PLN 44 thousand and incurred a net loss on sale of PLN 8 thousand (in the 9-month period ended 30 September 2008, the Company sold property, plant and equipment with a net value of PLN 71 thousand and incurred a net loss on sale of PLN 32 thousand).

12) Other financial assets

	<i>30 September 2009</i>	<i>30 June 2009</i>	<i>31 December 2008</i>
	<i>PLN '000</i>	<i>PLN '000</i>	<i>PLN '000</i>
Loans granted and loan discounts	127 015	137 546	139 781
Total other financial assets, including	127 015	137 546	139 781
non-current	76 536	83 739	92 350
current	50 479	53 807	47 431

13) Goodwill

	<i>30 September 2009</i>	<i>30 June 2009</i>	<i>31 December 2008</i>
	<i>PLN '000</i>	<i>PLN '000</i>	<i>PLN '000</i>
Occidental Resources, Inc.	279 393	317 992	438 425
TOO EmbaJugNieft	59 249	66 216	75 696
TOO Company Profit	0	0	22 293
Total carrying amount	338 642	384 208	536 414

In compliance with IFRS, goodwill at acquisition date is measured in the functional currency of the acquired company and subsequently measured at the exchange rate of Polish zloty to such functional currency prevailing on a given balance sheet date. Foreign exchange differences arising on the measurement are taken to equity as exchange differences on translation of foreign operations.

The Management Board of PETROLINVEST decided, based on the assessment of the fair value, to write down the assets associated with PROFIT to an amount not higher than USD 5,213 thousand and to classify them as assets held for sale. The decision resulted in a one-off impairment loss on the assets and liabilities associated with the project of PLN 30.7m, including PLN 19.5m in goodwill (carrying amount as at 30 June 2009). More information regarding fair value measurement of PROFIT is provided in note 9.5.

As at the balance sheet date, the Group decided that apart from the above, there were no other indications of impairment of goodwill and that all the assumptions adopted for impairment testing at the end of 2008 (described in the consolidated financial statements for the year ended 31 December 2008, note 20) remained valid as at the balance sheet date 30 September 2009.

14) Equity

As at 30 September 2009, the Company's share capital was PLN 162.2m and was divided into 16,217,400 shares, each of a nominal value of PLN 10.

The Company's share capital ownership structure as at the balance sheet date was as follows:

	Number of shares	Number of votes	Nominal value of shares	Interest in share capital
PROKOM INVESTMENTS S.A.	7 413 679	7 413 679	74 136 790	45.71%
Ryszard Krauze	3 586	3 586	35 860	0.02%
Other shareholders	8 800 135	8 800 135	88 001 350	54.27%
TOTAL	16 217 400	16 217 400	162 174 000	100.00%

The Company's share capital ownership structure as at 31 December 2008 was as follows:

	Number of shares	Number of votes	Nominal value of shares	Interest in share capital
PROKOM INVESTMENTS S.A.	2 487 144	2 487 144	24 871 440	40.35%
NIHONSWI AG	1 581 640	1 581 640	15 816 400	25.66%
Transcontinental Fund Limited	792 900	792 900	7 929 000	12.86%
Ryszard Krauze	162 410	162 410	1 624 100	2.64%
Other shareholders	1 139 382	1 139 382	11 393 820	18.49%
TOTAL	6 163 476	6 163 476	61 634 760	100.00%

On 17 September 2008, the Management Board resolved to convene an Extraordinary General Meeting for 24 October 2008 in order to increase the share capital by PLN 45,129,500 via the issuance of series G, H, I, and J shares.

The goal of the issue was to execute the investment agreements pertaining to the acquisition of shares/stocks in TOO EMBA YUG NIEFT, Occidental Resources Inc., and Caspian Services Inc.

On 24 October 2008, the EGM of PETROLINVEST S.A. passed the following resolutions on share capital increases of the Company via:

- the issuance of up to 3,310,573 series G shares
- the issuance of up to 772,315 series H shares
- the issuance of up to 412,221 series I shares, and
- the issuance of up to 17,841 series J shares.

The Series G Shares were offered in a private placement and subscribed for by the then shareholders of Occidental Resources Inc. and the series H Shares were offered in a private placement and subscribed for by the then shareholders of TOO EMBA JUG NIEFT and Capital Vario CR. S.A.

As the series G Shares had not been covered on time by three out of eleven eligible entities, and the series H Shares by the first eligible entity and, partly, the second eligible entity, the Management Board decided to resister the Series G Shares and Series H Shares without the Shares dedicated to those entities.

On 12 March 2009, the District Court for Gdańsk-Północ of Gdańsk, VIII Economic Department of the National Court Register, in a secret ballot registered the share capital increase of the Company effected by way of:

- an issue of 2,613,163 ordinary series G bearer shares, each of a nominal value of PLN 10, and
- an issue of 447,942 ordinary series H bearer shares, each of a nominal value of PLN 10.

As the resolutions connected with the issue of the series I and J shares had not been filed with the register court within six months from adoption, the issues of the Series I Shares and Series J Shares were not successful.

On 13 January 2009, the Management Board of PETROLINVEST S.A. resolved to increase the Company's share capital by PLN 5,992,120 via the issuance of 599,212 ordinary series K registered shares, each of a nominal value of PLN 10.

In the Company's best interest and subject to consent from the Company's Supervisory Board, the pre-emptive rights of the existing shareholders to the Series K Shares were fully and completely excluded. The Management Board decided that the Series K Shares will be offered in a private placement to the Company's executives, employees and associates, as well as the executives, key employees and associates of the companies of PETROLINVEST Group. The offering of the Company's ordinary series K registered shares was effected on 6 February 2009. 599,212 Series K Shares were subscribed for in the Offering at an issue price of PLN 10 each. All payments towards the Series K Shares had been made. The Company received gross proceeds of PLN 5,992,120 as a result of the Offering. On 16 February 2009, the District Court for Gdańsk-Północ of Gdańsk, VIII Economic Department of the National Court Register, in a secret ballot registered the share capital increase of the Company via the issuance of 599,212 series K shares.

On 13 January 2009, the Company signed an agreement with PROKOM INVESTMENTS S.A. pertaining to:

- a) conditional acquisition by the Company from PROKOM of accounts receivable
- b) replacing the Call option
- c) expanding the scope of the Call option to all accounts receivable by PROKOM from the Company.

A detailed description of the agreement is provided in note—Related Party Transactions.

As provided in the agreement, PROKOM has the right to demand that the Company transfer to PROKOM (on one or many occasions) such a number of Company shares that is the quotient of the value of PROKOM'S accounts receivable (or a portion thereof) with accrued interest and the average closing price of one Company share at the WSE in the three months preceding the date on which PROKOM makes the demand.

On 28 January 2009, pursuant to the provisions of the agreement dated 13 January 2009, the Company received from PROKOM Investments S.A.:

- a) a request to transfer to PROKOM a number of shares that corresponds to the quotient of (i) the aggregate amount of all accounts receivable by PROKOM from the Company as specified in the Agreement with accrued interest, and (ii) the average closing price of one Company share at the WSE in the three months preceding 28 January 2009; and
- b) a call to offer to PROKOM, within five days from 28 January 2009, to subscribe for 2,100,000 ordinary bearer Petrolinvest shares at an issue price of PLN 45.9387 per share, that is for a total consideration of PLN 96,471,270.00.

A detailed description of the representation is provided in note—Related Party Transactions.

On 28 January 2009, the Management Board resolved to increase the Company's share capital by PLN 21,000,000 via the issuance of 2,100,000 ordinary series L bearer shares, each of a nominal value of PLN 10.

The Series L Shares were offered in a private placement to PROKOM Investments S.A. The Series L Shares will participate in dividends starting from 1 January 2008. The Series L Shares may be paid for only by cash contributions.

The offering of the Company's ordinary series L bearer shares was effected on 9 February 2009. PROKOM Investments S.A. subscribed for 2,100,000 Series L Shares in the Offering at an issue price of PLN 45.9387 each.

Furthermore, on 9 February 2009 the Company concluded a netting agreement with PROKOM Investments S.A. under which the Parties netted the outstanding account receivable by the Company under the share subscription agreement for the Series L Shares totalling PLN 96,471,270.00. A detailed description of the agreement is provided in note—Related Party Transactions.

As a result of the netting, the cash contribution due by the Subscriber to the Company in connection with the subscription by the Subscriber for 2,100,000 Series L Shares was fully covered.

On 16 February 2009, the District Court for Gdańsk-Północ of Gdańsk, VIII Economic Department of the National Court Register, in a secret ballot registered the share capital increase of the Company effected via the issuance of series L shares.

On 28 January 2009, the Management Board resolved to increase the Company's share capital by PLN 4,500,000 via the issuance of 450,000 ordinary series M bearer shares, each of a nominal value of PLN 10; the resolution was amended on 2 March 2009 so that it now envisages an increase by up to PLN 7,300,000 via the issuance of up to 730,000 ordinary series M bearer shares.

In the Company's best interest, and subject to consent from the Company's Supervisory Board, the pre-emptive rights of the existing shareholders to the Series M Shares were fully and completely excluded. Furthermore, subject to consent from the Chairman of the Company's Supervisory Board, the issue price of the Series M Shares was set at PLN 10. The issue price of the Series M Shares was determined taking into account the conditions prevailing on securities markets and the goals of the issue of the Series M Shares.

The Series M Shares were offered in a private placement to the Company Supervisory Board Members, the Company's employees and associates, as well as the executives, employees and associates of the companies of its capital group not included in the incentive programme connected with the issue of the series K shares. The goal of the issue of the Series M Shares is to implement the incentive programme for the Supervisory Board members and associates of the Company.

Payments for the Series M Shares were made in full before the date on which the share capital increase was filed with a register court, in the timeframe specified in the subscription agreement for the Series M Shares. The Series M Shares will participate in dividends starting from 1 January 2008. The Series M Shares may be paid for only by cash contributions.

The Management Board applied to have the Series M Shares admitted and introduced to regulated trading. As a result, the Series M Shares will be dematerialised. Moreover, the Management Board will enter into an appropriate agreement with the National Depository For Securities (KDPW S.A.).

On 16 March 2009, the EGM passed the resolution regarding allocation of ordinary series M bearer shares to members of the Company's Supervisory Board.

The offering of the Company's ordinary series M bearer shares was effected on 16 April 2009. 730,000 Series M Shares were subscribed for in the Offering at an issue price of PLN 10 each. The Company received gross proceeds of PLN 7,300,000 as a result of the Offering.

On 5 May 2009, the District Court for Gdańsk-Północ of Gdańsk, VIII Economic Department of the National Court Register, in a secret ballot registered the share capital increase of the Company via the issuance of 730,000 ordinary series M shares.

On 17 July 2009, the Management Board of the Company adopted a resolution regarding free-of-charge issue of no more than 1,052,000 registered subscription warrants to the exclusion of pre-emptive rights of the existing shareholders in order to grant the rights to purchase shares in the Company. The subscription warrants were offered for subscription through private placement by members of Company authorities or an entity designated by such person and related to a member of Company authorities, and employees and associates of the Company as well as members of authorities, employees and associates of the companies in its group.

On 7 September 2009, the Management Board resolved to increase the Company's share capital by an amount not higher than PLN 10,520,000 via the issuance of no more than 1,052,000 ordinary series N bearer shares, each of a nominal value of PLN 10, to the exclusion of pre-emptive rights of the existing shareholders. The issue price of the shares was set as PLN 10. The goal of the share capital increase is to execute the rights of holders of registered subscription warrants. The issue of the Series N Shares is an element of the incentive programme for top management. The Series N Shares will participate in dividends starting from 1 January 2009.

The offering of the series N shares was effected on 9 September 2009. 1,052,000 Series N Shares were subscribed for in the Offering. The Company received gross proceeds of PLN 10,520,000 as a result of the Offering.

On 31 July 2009, the Extraordinary General Meeting adopted a resolution on a conditional share capital increase by no more than PLN 12,000,000 through the issue of no more than 1,200,000 ordinary series P bearer shares, each of a nominal value of PLN 10, subject to the exclusion of pre-emptive rights, and regarding the issue of 1,200,000 registered subscription warrants carrying the right to subscribe for the series P shares, subject to the exclusion of pre-emptive rights. 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 a hundred of those entities.

The issue price of the Series P Shares will be established by the Management Board by reference to the stock exchange price of the Company shares at the time of the issue and the expected demand for the Series P Shares among investors.

The objective of the conditional increase of the share capital through the issue of the Series P Shares and the issue of the Subscription Warrants carrying the right to subscribe for the Series P Shares is to obtain funds to finance the Company's activities in the area of prospecting and production of hydrocarbons in Kazakhstan and to sustain the Company's liquidity needs connected with decreasing its indebtedness.

On 19 October 2009, in execution of the provisions of the above-mentioned resolution of the EGM, the Management Board decided to issue 300,000 registered series A subscription warrants to GEM Global Yield Limited. On the same day, GEM filed a statement of acquisition of 300,000 ordinary series P bearer shares. As a result of the series P issue carried out in execution of the rights attached to series A subscription warrants, the Company received gross proceeds of PLN 10,521,000.

On 31 July 2009, the Management Board of the Company passed a resolution regarding the issue of warrants convertible into Company shares and—as a result of the exercise of those shares—a resolution regarding an increase of the share capital of the Company by PLN 27,789,910 through the issue of 2,778,991 ordinary series Q bearer shares, each of a nominal value of PLN 10 and an issue price of PLN 46.0114, to the exclusion of pre-emptive rights of the existing shareholders. The resolution was taken in connection with the call for share offering made by PROKOM Investments S.A. The Series Q Shares will participate in dividends starting from 1 January 2009.

The offering of the series Q shares was effected on 3 August 2009. PROKOM Investments S.A. subscribed for 2,778,991 Series Q Shares in the Offering at an issue price of PLN 46.0114 per share. The contribution due to the Company for the shares subscribed for by Prokom Investments S.A. was made by netting the PLN 127,865,266.50 outstanding account receivable by the Company under the share subscription agreement with specified outstanding accounts payable by the Company to Prokom Investments S.A. under loans and trade payables.

On 31 July 2009, the Management Board of the Company passed a resolution regarding the issue of warrants convertible into shares and—as a result of the exercise of those shares—a resolution regarding an increase of the share capital of the Company by PLN 6,000,000 through the issue of 600,000 ordinary series R bearer shares, each of a nominal value of PLN 10 and an issue price of PLN 39.69, to the exclusion of pre-emptive rights of the existing shareholders. The resolution was taken in connection with the performance of the agreement concluded with GEM Global Fund on 29 April 2009 as part of the first drawdown from the agreement. The Series R Shares will participate in dividends starting from 1 January 2009.

The offering of the series R shares was effected on 31 July 2009. 600,000 series R shares were subscribed for in the Offering at an issue price of PLN 39.69 per share. The Company received gross proceeds of PLN 23,814,000 as a result of the Offering.

On 19 August 2009, the District Court for Gdańsk-Północ of Gdańsk, VIII Economic Department of the National Court Register, in a secret ballot registered the increase of the Company's share capital through an issue of series Q and R shares.

The Company's share capital structure as at 30 September 2009 was as follows:

Series	Number of shares	Type of shares	Nominal value	Total nominal value
Series A	5 286 000	bearer	10	52 860 000
Series B	528 600	bearer	10	5 286 000
Series C	58 402	bearer	10	584 020
Series D	290 474	bearer	10	2 904 740
Series F	184 616	bearer	10	1 846 160
Series G	2 613 163	bearer	10	26 131 630
Series H	447 942	bearer	10	4 479 420
Series K	599 212	bearer	10	5 992 120
Series L	2 100 000	bearer	10	21 000 000
Series M	730 000	bearer	10	7 300 000
Series Q	2 778 991	bearer	10	27 789 910
Series R	600 000	bearer	10	6 000 000
Total share capital	16 217 400			162 174 000

15) Interest-bearing loans and borrowings

The following events related to interest-bearing loans and borrowings extended to PETROLINVEST Group took place in the 9-month period ended 30 September 2009.

Powszechna Kasa Oszczędności Bank Polski S.A.

On 18 March 2009, the Company and PKO BP, acting as the Facility Agent, entered into a pledge agreement over the shares of Occidental Resources Inc. ("ORI"). The Pledge Agreement was concluded in execution of the obligation provided for in the pledge agreement concluded with PKO BP on 30 December 2008. The Pledge Agreement established a pledge over 75,947,519 ORI shares.

The nominal value of each ORI share is USD 0.001. The Pledged ORI Shares are the Company's long-term equity investment. The Company owns shares representing 88.10% of ORI share capital and carrying 88.10% of the votes at the company's general meeting. The nominal value of the Pledged ORI Shares is USD 75,947.52 and they represent a 38.10% stake in ORI share capital (together with the pledge resulting from the agreement of 30 December 2008 the values are USD 175,613.91 and 88.10%, respectively). The Pledge Agreement was concluded in order to secure receivables due under the Credit Facility Agreement dated 21 March 2007 concluded between the Company, PKO BP and Bank Gospodarstwa Krajowego. The receivables that have been secured comprise all amounts due, including the principal amount, interest and other lending costs that the Company agreed to pay under the Credit Facility Agreement. The current principal amount of the facility under the Credit Facility Agreement is USD 100,184,412.75 and PLN 2,183,100.

The book value of the Pledged ORI Shares entered in the Company's books of account is PLN 135,623 thousand (together with the agreement of 30 December 2008 it is PLN 546,102 thousand).

On 30 March 2009 the Company concluded:

- a) with the bank Powszechna Kasa Oszczędności Bank Polski S.A. and Bank Gospodarstwa Krajowego Bank Państwowy – an annex to the credit facility agreement dated 21 March 2007 concluded with those banks (the "Consortium") and
- b) with PKO BP acting as the facility agent – agreements for the transfer of rights under loan agreements extended by the Company to companies of PETROLINVEST Group with a book value of USD 72,678,500 including interest to collateralise the Credit Facility Agreement (the "Rights" and "Transfer Agreements").

The Annex to the credit facility agreement was concluded in order to regulate the mutual rights and obligations of the parties to the credit facility agreement in connection with an earlier decline in value of a portion of the credit facility collateral portfolio, of which the Company informed the public in the Consolidated Quarterly Report for Q4 2008, and also in connection with additional collateral being provided by the Company on 30 December 2008 and 18 March 2009 in the form of a pledge over 88.1% of the shares in Occidental Resources, Inc. owned by the Company.

On the terms set out in the annex to the credit facility agreement, the Consortium confirmed that it did not recognise the decline in value of the portion of the collateral portfolio below the level required by the credit facility agreement as an event of default. Also, the Company provided additional collateral in the form of a transfer as collateral of receivables totalling USD 72,678,500 from loans extended by the Company pursuant to Transfer Agreements and committed to provide

further collateral in the future, including a pledge over the Company's shares and stocks and transfer as collateral of USD 56,136,000 loan receivables with accrued interest.

On 29 September 2009, the Company received a consent from PKO BP S.A., acting as the Facility Agent for the facility extended to the Company under the credit facility agreement dated 21 March 2007 as amended, for the Company to carry out activities resulting from the agreements concluded on 25 June 2009 with Ms. Tatiana Pilipienko, Mr. Sergey Dokuchaev, and Mr. Aidar Mardanshin in respect of disposing of shares/stocks of the companies in the Russian Federation. As a result of this consent being given, the conditions precedent of the sale agreements pertaining to the following shares had been met:

- an aggregate of 59.999% of the shares in OOO Siewiergeofizyka headquartered in Ukhta, Komi Republic, Russian Federation ("Siewiergeofizyka") ("Siewiergeofizyka Shares"), including 24.999% of the shares in Siewiergeofizyka in favour of Ms. Tatiana Pilipienko, 10% of the shares in Siewiergeofizyka in favour of Mr. Sergey Dokuchaev, and 25% of the shares in Siewiergeofizyka in favour of Mr. Aidar Mardanshin;
- an aggregate of 59.99% of the shares in OOO Nieftiegeoserwis headquartered in Ukhta, Komi Republic, Russian Federation ("Nieftiegeoserwis") ("Nieftiegeoserwis Shares"), including 24.99% of the shares in Nieftiegeoserwis in favour of Ms. Tatiana Pilipienko, 10% of the shares in Nieftiegeoserwis in favour of Mr. Sergey Dokuchaev, and 25% of the shares in Nieftiegeoserwis in favour of Mr. Aidar Mardanshin; and
- an aggregate of 59% shares in ZAO Pechora-Petroleum headquartered in Ukhta, Komi Republic, Russian Federation ("Pechora-Petroleum") ("Pechora-Petroleum Shares"), including 24.50% of the shares in Pechora-Petroleum in favour of Ms. Tatiana Pilipienko, 9.75% of the shares in Pechora-Petroleum in favour of Mr. Sergey Dokuchaev, and 24.75% of the shares in Pechora-Petroleum in favour of Mr. Aidar Mardanshin.

At the same time, in connection with the receipt of the consent referred to above, the Company provided additional collateral to PKO BP S.A. and Bank Gospodarstwa Krajowego for the credit facility agreement dated 21 March 2007 in the form of a transfer of accounts receivable for the premiums payable to PETROLINVEST S.A. under the Sale Agreements. The aggregate maximum value of the premiums that the Buyers will be obliged to pay to the Company if certain conditions regarding the discovery of hydrocarbons are met is USD 42 million.

PROKOM Investments S.A.

A detailed description of agreements and transactions with Prokom Investments S.A. is provided in note—Related Party Transactions.

Fortis Bank Polska S.A.

On 16 June 2009, the Company entered into an annex to the overdraft facility agreement under which the overdraft limit was set at PLN 7,000 thousand. The facility was made available to 16 December 2009. Interest is determined based on WIBOR.

BRE Bank S.A.

On 10 June 2009, the Company entered into an Overdraft Facility Agreement with BRE Bank Spółka Akcyjna, renewing the available financing of PLN 20,000 thousand. The financing was granted for a period to 29 January 2010 and envisages partial repayments starting from August 2009. Interest is determined based on WIBOR.

Bank Pekao S.A.

On 28 September 2009, the Company entered into an annex to the overdraft facility agreement with Bank Pekao S.A., renewing the committed PLN 6,000 thousand financing. The facility was made available to 31 January 2010. Interest is determined based on WIBOR.

Bank CenterCredit JSC

On 30 June 2009, OilTechnoGroup signed annexes to the arrangement dated 13 April 2006 with Bank CenterCredit JSC regarding the granting of a credit line facility of USD 37.8m and annexes to loan agreements concluded as part of the arrangement. The current terms and conditions of the financing are as follows:

- The loan shall be repaid in monthly instalments. The final repayment date is 5 April 2012.
- Interest on the loan accrues at 19.6% p.a. (effective interest rate).

Caplan Ventures Inc

On 19 November 2008, OilTechnoGroup entered into a loan agreement with Caplan Ventures Inc totalling KZT 360 million. Interest is 17% p.a. The loan matured on 20 March 2009. Pursuant to an annex dated 19 March 2009, the maturity date was extended to 20 June 2009 and the loan was converted to USD. The outstanding amount is equivalent to USD 3m (PLN 9.5m). Talks are in progress to determine a new repayment date.

CONSOLIDATED QUARTERLY REPORT OF PETROLINVEST GROUP FOR 3rd QUARTER 2009
ENDED ON 30 SEPTEMBER 2009
CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS OF PETROLINVEST S.A. GROUP

16) Receivables

	<i>30 September 2009</i>	<i>30 June 2009</i>	<i>31 December 2008</i>
	<i>unaudited</i>	<i>unaudited</i>	<i>audited</i>
	<i>PLN '000</i>	<i>PLN '000</i>	<i>PLN '000</i>
Trade receivables	5 372	5 864	8 200
Receivables from public authorities	7	95	167
Receivables from employees	56	25	136
Other receivables	5	8	17
Current receivables	5 440	5 992	8 520
Receivables from public authorities	21 048	22 255	20 880
Other receivables	0	0	252
Non-current receivables	21 048	22 255	21 132

17) Trade and other payables and other current liabilities

	<i>30 September 2009</i>	<i>30 June 2009</i>	<i>31 December 2008</i>
	<i>PLN '000</i>	<i>PLN '000</i>	<i>PLN '000</i>
Trade liabilities	12 230	14 524	9 682
Liabilities to public authorities	2 682	2 352	4 221
Liabilities related to expenditure for exploration for and evaluation of resources	88 984	95 255	92 804
Concession and share option liabilities	10 448	11 531	7 404
Other liabilities	3 167	3 271	2 404
Current liabilities	117 511	126 933	116 515
Collateral-related liabilities	75 991	70 128	0
Concession and share option liabilities	151 417	161 156	144 036
Non-current liabilities	227 408	231 284	144 036
	344 919	358 217	260 551

Non-current liabilities of PLN 76m as at 30 September 2009 comprise discounted liabilities resulting from the fee due for providing assets as collateral for the credit facility. On 14 May 2009, the Company signed three agreements with PROKOM Investments S.A., Osiedle Wilanowskie Spółka z ograniczoną odpowiedzialnością, and Agro Jazowa S.A. setting forth the terms on which those companies make their assets available to the Company as collateral for the credit facility extended under the agreement dated 21 March 2007 by the consortium of PKO Bank Polska S.A. and Bank Gospodarstwa Krajowego. Management believes that those liabilities will be converted to equity and so will not entail any cash outflow.

18) Prepayments and accruals

Current prepayments and accruals on the assets' side comprise:

	<i>30 September 2009</i>	<i>30 June 2009</i>	<i>31 December 2008</i>
	<i>PLN '000</i>	<i>PLN '000</i>	<i>PLN '000</i>
Capital raising expenses	7 624	6 655	9 745
Gas cylinders expensed over time	171	195	170
Other	350	416	844
	8 145	7 266	10 759

CONSOLIDATED QUARTERLY REPORT OF PETROLINVEST GROUP FOR 3rd QUARTER 2009
ENDED ON 30 SEPTEMBER 2009
CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS OF PETROLINVEST S.A. GROUP

19) Related party transactions

The table below sets forth aggregate amounts of transactions concluded by the Company with related entities in the 9-month period ended 30 September 2009 and 2008 and balances of receivables and liabilities as at 30 September 2009 and 31 December 2008.

Related party		<i>Sales to related parties</i>	<i>Purchases from related parties</i>	<i>Receivables from related parties</i>	<i>Liabilities to related parties</i>
		PLN '000	PLN '000	PLN '000	PLN '000
Ryszard Krauze	2009	0	0	50	386
	2008	0	0	50	374
Prokom Investments	2009	0	72 586	0	72 784
	2008	0	1 578	0	220 648
UAB Petrolinvest Mockavos Perpyla Sp. z o.o.	2009	0	342	1 187	0
	2008	0	229	1 122	39
TPG GAZ S.A.	2009	1	0	385	0
	2008	2	0	165	0
OOO NK Siewiergeofizyka	2009	0	0	0	0
	2008	0	0	0	0
OOO Niefiegeosenwis	2009	0	0	0	0
	2008	0	0	0	0
ZAO Pechora Petroleum	2009	0	0	0	0
	2008	0	0	0	0
Occidental Resources, Inc.	2009	0	0	89 956	0
	2008	0	0	52 648	0
TOO Profit Company	2009	0	0	0	0
	2008	0	0	28 489	0
TOO EmbaJugNieft	2009	0	0	117 958	0
	2008	0	0	116 659	0

The agreements discussed below are agreements pertaining to transactions within the Group as well as transactions with related parties of the Group companies.

Agreements concluded between the Company and Occidental Resources, Inc.

In the period from 1 January 2009 to the date of this Report, the Company concluded two agreements with Occidental Resources, Inc. The agreements were regarding a loan granted by the Company for a total amount of USD 20,000 thousand. Up until the date of this Report, USD 13,382 thousand has been made available by the Company (USD 10,232 thousand was made available as at 30 September). The loan dated becomes payable on or before 30 November 2009, and the loan dated 30 September 2009 becomes payable on or before 30 September 2010. Interest accruing on the loans was agreed at 18% p.a. In order to secure the above-mentioned receivable, the Company entered into two guarantee agreements with OTG as the guarantor for a total of USD 30,000 thousand.

Additionally, two annexes to the loan agreement dated 23 July 2008 were signed in the period, which increased the loan amount from USD 11,461 thousand to USD 12,041 thousand. All funds have been advanced. Other terms and conditions of the agreement dated 23 July 2008 remained unchanged.

Agreements concluded between the Company and PETROLINVEST GAZ S.A.

In the period from 1 January 2009 to the date of this Report, the Company concluded five loan agreements with PETROLINVEST GAZ S.A. totalling PLN 255 thousand. Up until the date of this Report, PLN 225 thousand has been made available by the Company (PLN 210 thousand up to 30 September 2009). The loans become payable on 31 December 2009, except for one loan agreement for PLN 20 thousand, which matures on 30 September 2009. Interest was agreed at 5% p.a. In the reporting period, the repayment periods of six loans totalling PLN 265 thousand, which originally matured on 30 June 2009, were extended to 31 December 2009.

Agreements concluded between the Company and Petrolinvest Mockavos Perpyla

In the period from 1 January 2009 to the date of this Report, the repayment period of the EURO 350 thousand loan, which originally matured on 30 June 2009, was extended to 31 December 2009. Interest accruing on the loans is based on LIBOR plus a margin of 1.6%.

Agreements concluded between the Company and Prokom Investments S.A.

On 13 January 2009, the Company signed an agreement with Prokom Investments S.A. regarding:

- a) conditional acquisition by the Company of accounts receivable from PROKOM,
- b) replacing the Call option available to PROKOM under loan agreements extended in 2006-2008 to finance acquisitions of oil prospecting and extraction companies in Kazakhstan and Russia, as well as the prospecting works carried out by those companies, with the Call option granted under the Agreement,
- c) expanding the scope of the Call option to all accounts receivable by PROKOM from the Company.

The Agreement envisages that PROKOM shall transfer to the Company:

- a) accounts receivable under the loan agreement concluded on 14 January 2008 between PROKOM and Capital Energy S.A.; the transfer shall entitle PROKOM to a PLN 44,634 thousand account receivable from the Company, reflecting interest accrued as at 30 September 2008; and
- b) rights and obligations under the share sale agreement of 20 December 2007 concluded between PROKOM and Mars International Worldwide Inc. pertaining to indirect acquisition of shares in BMB Munai, one of the companies of Capital Energy S.A. group; the transfer entitles PROKOM to a PLN 20,250 thousand account receivable from the Company;

additionally, if the transfer of the accounts receivable and rights specified above (or any other collateral established in connection with the above-mentioned loan agreement) should require any consent or permit from any administrative authorities, corporate authorities, or third parties, the Company and PROKOM agreed to co-operate in good faith to obtain such consents or permits as quickly as possible. Specifically, until the consent of the consortium agent bank is granted, the transfer of the accounts receivable and rights specified above is effectively only a commitment.

Furthermore, the parties confirmed in the Agreement that apart from the accounts receivable described above:

- a) the aggregate value of trade accounts receivable by PROKOM from the Company which arose in the course of regular business activities of both companies, with accrued interest, is PLN 2,101 thousand as at 13 January 2009 (as per the correction made in the annex dated 28 January 2009); and
- b) the aggregate value of accounts receivable by PROKOM from the Company under the loans extended by PROKOM, with accrued interest, is PLN 218,923 thousand as at 13 January 2009.

As at 13 January 2009, the aggregate balance of the above-listed accounts receivable by PROKOM from the Company, including the accounts receivable transferred on condition, was PLN 285,908 thousand; with the reservation that the interest accrued on the Capital Energy S.A. account receivable was calculated as of 30 September 2008.

As provided in the agreement, PROKOM has the right to demand that the Company transfer to PROKOM (on one or many occasions) such a number of Company shares that is the quotient of the value of PROKOM'S accounts receivable (or a portion thereof) with accrued interest and the average closing price of one Company share at the WSE in the three months preceding the date on which PROKOM makes the demand. The Company will be obliged to transfer to PROKOM, or issue and offer to PROKOM, the shares specified in such a demand within five days from the date of the request, however not later than within three years from 13 January 2009. The Company may also fulfil this obligation by taking a resolution on a share capital increase in the Company—within the limits of the authorised capital as envisaged in Par. 11 of the Company's Statutes—through the issuance of Company shares that will be offered exclusively to PROKOM, excluding the pre-emptive rights of the remaining shareholders.

PROKOM will be obliged to cover the shares subscribed for (pay for the shares acquired) in the manner described above—with a financial contribution (in cash) which shall be made (which shall be paid) by netting outstanding accounts receivable by the Company from PROKOM under a given share subscription (sale) agreement and accounts receivable by PROKOM from the Company.

The provisions of the Agreement described above—referring to PROKOM'S rights—replace, in respect of the loan agreements concluded between PROKOM and the Company, the Call Option granted to PROKOM which was the subject of current report no. 34/2008 released on 6 June 2008.

On 28 January 2009, pursuant to the provisions of the agreement dated 13 January 2009, the Company received from PROKOM Investments S.A.:

- a) a request to transfer to PROKOM a number of shares that corresponds to the quotient of (i) the aggregate amount of all accounts receivable by PROKOM from the Company as specified in the Agreement with accrued interest, the value of which as of 13 January 2009 was made public in current report no. 4/2009 published by the Company on 14 January 2009, and (ii) the average closing price of one Company share at the WSE in the three months preceding 28 January 2009, i.e. Petrolinvest share price quote of PLN 45.9387; and
- b) a call to offer to PROKOM, within five days from 28 January 2009, to subscribe for 2,100,000 ordinary bearer Petrolinvest shares at an issue price of PLN 45.9387 per share, that is for a total consideration of PLN 96,471 thousand.

In the statement delivered to the Company, PROKOM indicated that the aggregate amount of the accounts receivable which served as the basis for calculating the number of shares participating in the call comprised:

- a) all trade accounts receivable by PROKOM from the Company which arose in the course of regular business activities of both companies, with interest accrued thereon as at 13 January 2009, which amount to PLN 2,101 thousand; and
- b) a fraction of accounts receivable by PROKOM from the Company under the loans extended by PROKOM, comprised of a principal amount following from the loan agreement concluded on 2 October 2006 of up to PLN 92,371 thousand and interest accrued thereon—following from the same loan agreement—of up to PLN 2,000 thousand.

On 28 January 2009, the Company Management Board resolved to increase the Company's share capital by PLN 21,000 thousand via the issuance of 2,100,000 ordinary series L bearer shares, each of a nominal value of PLN 10.

On 16 February 2009, the District Court for Gdańsk-Północ of Gdańsk, VIII Economic Department of the National Court Register, in a secret ballot registered the share capital increase of the Company effected by way of an issue of 2,100,000 ordinary series L bearer shares, each of a nominal value of PLN 10.

On 9 February 2009, the Company concluded a netting agreement with Prokom Investments S.A. (the "Netting Agreement") under which the Parties netted an outstanding account receivable by the Company under the share subscription agreement for Series L Shares totalling PLN 96,471 thousand with: (i) an outstanding account payable in connection with the performance by the Company of its obligation to repay the principal amount of the loan due under the agreement dated 2 October 2006 concluded between the Subscriber and the Company (the "Loan Agreement") of up to PLN 92,371 thousand, (ii) an outstanding account payable in connection with the performance by the Company of its obligation to repay interest accrued under the Loan Agreement of up to PLN 2,000 thousand, and (iii) an outstanding trade account payable which arose in the course of regular business activity of the Company and Prokom Investments S.A., with interest accrued thereon, amounting to PLN 2,101 thousand, all payable to PROKOM.

On 20 March 2009, the Company concluded an agreement with its dominant shareholder, PROKOM Investments S.A. headquartered in Gdynia, which sets out the terms and conditions for cooperation in seeking financing for the Company. In the Agreement, PROKOM committed to take appropriate actions to obtain a PLN 150 million financing for the Company's operations, while the Company committed to accept the Financing obtained by PROKOM under the Agreement. The Financing will be provided on the basis of loan agreements or other agreements of similar nature, on an arm's length basis, or as a direct equity investment into Petrolinvest shares, with the reservation that the loans or similar agreements will be uncollateralized and subordinated to the Company's bank debt, unless otherwise agreed by the parties. The Financing will be provided to the Company by PROKOM, or another entity appointed by PROKOM (PROKOM or another entity appointed by PROKOM henceforth referred to as the "Financing Entity"), based on agreements which should stipulate the authority of the Financing Entity to file a conversion request for an outstanding amount of the Financing, with accrued interest and other costs resulting from the Financing documents, to be converted, whether fully or partially, into Petrolinvest equity (the "Request").

If the Financing Entity should have the intention to make a direct equity investment into Petrolinvest shares, the Request will apply accordingly to an issue of Petrolinvest shares on terms stipulated in the Agreement.

The Request will be irrevocable and may be made by the Financing Entity at any date set by the Financing Entity or at the date stipulated in the Financing document. Subscription and payment for the shares in execution of the Request will be made within two months from the date of the Request. If the share issue is not made from the authorised capital, the deadline for subscription and payment for the shares in execution of the Request will be four months from the date of the Request.

Once the Request is made, the Company is committed to take all actions necessary to increase the share capital through the issue of new Petrolinvest shares ("New Shares") within the timeframe specified in the Request in exchange for a cash contribution, at an issue price per New Share equal to an average close price of the Company's shares at the Warsaw Stock Exchange ("WSE") from 180 quoting days preceding the date of the Request, or—if the Financing Entity shall decide so—at an issue price per New Share equal to the close price of the Company's shares at the WSE from the day preceding the date of the Request, in each case reflecting the effects of possible distribution of the shares.

New Shares will first be issued within the scope of the authorised capital, and the Company is obliged to provide such a level of authorised capital that allows for an issue of New Shares to be effected within its limits.

If a Request is made for full or partial conversion of the outstanding amount of the Financing, New Shares shall be paid for by way of contractual netting of accounts receivable by the Financing Entity and accounts receivable by the Company under the New Share issue.

If, in execution of the Agreement, PROKOM should obtain financing from another Financing Entity, other than PROKOM, then PROKOM shall be entitled to remuneration from the Company equal to 2% (net) of the value of the Financing so obtained.

The Agreement provides that the Financing should be obtained by 31 December 2010.

The Agreement was concluded at arm's length.

On 14 May, the Company signed three agreements with PROKOM Investments S.A., Osiedle Wilanowskie Spółka z ograniczoną odpowiedzialnością and Agro Jazowa S.A. setting forth the terms on which those companies make their assets available to the Company to use as security for the credit facility extended under the agreement dated 21 March 2007 by the consortium of PKO Bank Polska S.A. and Bank Gospodarstwa Krajowego.

On 14 May 2009, the Company received a demand for the transfer of Company shares under the above-mentioned agreements for an aggregate of PLN 89,836 thousand at a price of 44.9312 per share.

On 31 July 2009, the Company received from PROKOM:

1. a request to transfer to PROKOM a number of shares that corresponds to the quotient of (i) the aggregate amount of interest payable on Accounts Receivable from the Loans extended by PROKOM accrued from 28 January 2009 to 30 July 2009 and (ii) the average closing price of one Company share on the WSE in the last 3 months preceding the date of placing the request, i.e. Petrolinvest share price quote of PLN 49.4060, and
2. a call to offer to PROKOM, within five days from 31 July 2009, to take up 2,778,991 ordinary bearer Petrolinvest shares for a total of 127,865 thousand at a weighted average issue price of PLN 46.0114 per share.

In the statement delivered to the Company PROKOM indicated that the aggregate amount of the accounts receivable, which served as the basis for calculating the number of shares participating in the call comprised:

- (i) all accounts receivable by Prokom Investments S.A. from the Company under the Loans extended by PROKOM together with interest accrued to 28 January 2009, totalling PLN 124,976 thousand, which comprise the principal amount of PLN 107,600 thousand and interest of PLN 17,377 thousand;

- (ii) interest on trade accounts receivable by Prokom Investments S.A. from the Company which arose in the course of regular business activities of both companies accrued for the period from 13 January 2009 to 28 January 2009 totalling PLN 9.7 thousand,
- (iii) interest payable on Accounts Receivable from the Loans defined in appendix no. 1 to the agreement dated 13 January 2009 accrued for the period from 28 January 2009 to 30 July 2009 totalling PLN 2,879 thousand.

On 31 July 2009, in connection with the call for a share offer placed by Prokom Investments S.A., the Management Board passed a resolution regarding the issue of warrants convertible into shares and—as a result of the exercise of the warrants—a resolution regarding an increase of the share capital of the Company by PLN 27,790 thousand through the issue of 2,778,991 ordinary series Q bearer shares each of a nominal value of PLN 10 and an issue price of PLN 46.0114 (subject to consent from the Chairman of the Supervisory Board).

The offering of the Company's ordinary series Q bearer shares was effected on 3 August 2009. PROKOM Investments S.A. took up 2,778,991 Series Q Shares in the Offering at an issue price of PLN 46.0114 per share.

On 3 August 2009, the Company concluded a netting agreement with Prokom Investments S.A. under which the Parties netted an outstanding account receivable by the Company under the share subscription agreement for Series Q Shares totalling PLN 127,865 thousand with outstanding accounts payable stipulated by Prokom Investments S.A. in the statement delivered to the Company on 31 July 2009. As a result of the netting, the cash contribution due to the Company in connection with the take-up by PROKOM Investments of 2,778,991 Series Q Shares was fully covered.

Agreements concluded by and between TOO EMBA JUG NIEFT and TOO Company Profit

In the period from 1 January 2009 to the date of this Report, EMBA JUG NIEFT and TOO Company Profit entered into four financial support agreements totalling KZT 11,002 thousand. The loans become payable within one year from the date on which funds become available. Financial support agreements are non-interest bearing.

CONDENSED INTERIM FINANCIAL STATEMENTS OF PETROLINVEST S.A.

CONDENSED INTERIM FINANCIAL STATEMENTS OF PETROLINVEST S.A.

The condensed interim Financial Statements of PETROLINVEST S.A. contain combined data, being the sum of the financial statements of the unit and its branch.

CONDENSED INTERIM INCOME STATEMENT

	<i>for 9 months</i>		<i>for 3 months</i>	
	<i>ended 30 September</i>		<i>ended 30 September</i>	
	<i>2009</i>	<i>2008</i>	<i>2009</i>	<i>2008</i>
	<i>PLN '000</i>	<i>PLN '000</i>	<i>PLN '000</i>	<i>PLN '000</i>
Continuing operations				
Sale of goods	54 639	170 743	21 162	89 860
Rendering of services	507	187	191	63
Revenue	55 146	170 930	21 353	89 923
Value of goods and materials sold	42 265	154 636	17 634	80 321
Materials and energy	1 593	2 431	518	847
Employee benefits	86 156	22 215	33 396	15 523
Depreciation and amortisation	1 905	1 646	627	544
External services	16 561	10 596	3 752	3 964
Taxes and charges	639	670	214	184
Other expenses	809	2 869	170	504
Operating expenses	149 928	195 063	56 311	101 887
Gross profit/ (loss)	(94 782)	(24 133)	(34 958)	(11 964)
Other operating income	275	1 378	163	178
Other operating expenses	78 878	219	7 840	15
Finance income	18 576	22 206	5 727	11 146
Finance costs	49 388	17 965	6 941	5 454
Impairment of oil&gas investments	46 646	0	(7)	0
Profit/ (loss) before tax	(250 843)	(18 733)	(43 842)	(6 109)
Income tax expense	(1 681)	(490)	0	133
Net profit/ (loss) for the period from continuing operations	(249 162)	(18 243)	(43 842)	(6 242)
Net profit/ (loss) for the period	(249 162)	(18 243)	(43 842)	(6 242)
Weighted average number of issued shares for basic earnings per share computations	11 787 948	6 057 464	14 454 448	6 163 476
Number of diluting potential ordinary shares	772 213	89 376	772 213	89 376
Earnings (loss) per share in PLN	(21.14)	(3.01)	(3.03)	(1.01)
Diluted earnings (loss) per share in PLN	(19.84)	(2.97)	(2.88)	(1.00)

CONDENSED INTERIM FINANCIAL STATEMENTS OF PETROLINVEST S.A.

CONDENSED INTERIM STATEMENT OF COMPREHENSIVE INCOME

	<i>for 9 months</i>		<i>for 3 months</i>	
	<i>ended 30 September</i>		<i>ended 30 September</i>	
	<i>2009</i>	<i>2008</i>	<i>2009</i>	<i>2008</i>
	<i>PLN '000</i>	<i>PLN '000</i>	<i>PLN '000</i>	<i>PLN '000</i>
Profit/ (loss) for the period	(249 162)	(18 243)	(43 842)	(6 242)
Other comprehensive income				
Available-for-sale financial assets	0	0	0	0
Cash flow hedges	0	0	0	0
Actuarial gains/(losses) on defined benefit pension plans	0	0	0	0
Income tax relating to components of other comprehensive income	0	0	0	0
Total net other comprehensive income	0	0	0	0
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	(249 162)	(18 243)	(43 842)	(6 242)

CONDENSED INTERIM FINANCIAL STATEMENTS OF PETROLINVEST S.A.

CONDENSED INTERIM BALANCE SHEET

	<u>30 September 2009</u>	<u>30 June 2008</u>	<u>31 December 2008</u>	<u>30 September 2008</u>
	<u>PLN '000</u>	<u>PLN '000</u>	<u>PLN '000</u>	<u>PLN '000</u>
ASSETS				
Non-current assets (long-term)				
Property, plant and equipment	45 247	45 745	46 979	47 152
Investment properties	2 616	2 616	2 616	2 567
Intangible assets	9	39	99	125
Other financial assets	186 834	204 115	218 002	201 742
Shares in subsidiaries and jointly-controlled entities	636 884	636 884	652 016	618 984
	<u>871 590</u>	<u>889 399</u>	<u>919 712</u>	<u>876 989</u>
Current assets (short-term)				
Inventories	2 093	3 012	2 826	12 824
Trade and other receivables	5 054	5 501	7 831	29 180
Prepayments and deferred costs	8 103	7 221	10 561	9 373
Current investments	149 565	131 013	106 616	145 978
Cash and cash equivalents	577	359	2 684	9 823
Income tax overpayment	35	35	35	35
	<u>165 427</u>	<u>147 141</u>	<u>130 553</u>	<u>207 213</u>
TOTAL ASSETS	<u>1 037 017</u>	<u>1 036 540</u>	<u>1 050 265</u>	<u>1 084 202</u>
EQUITY AND LIABILITIES				
Equity				
Issued capital	162 174	128 384	63 481	61 635
Other reserves	921 391	773 559	501 533	479 406
Unregistered share capital	10 520	0	153 590	24 000
Retained earnings	(517 423)	(473 581)	(268 261)	(50 489)
Total equity	<u>576 662</u>	<u>428 362</u>	<u>450 343</u>	<u>514 552</u>
Non-current liabilities				
Interest-bearing loans and borrowings	264 910	453 688	505 834	446 837
Non-current provisions	5 270	1 805	422	349
Deferred income tax liabilities	0	0	1 681	10 786
Finance lease liabilities	50	77	145	199
Other non-current liabilities	75 991	70 128	0	32 375
	<u>346 221</u>	<u>525 698</u>	<u>508 082</u>	<u>490 546</u>
Current liabilities				
Trade and other payables	19 222	15 696	13 496	25 447
Finance lease liabilities	149	185	228	227
Current portion of interest-bearing loans and borrowings	62 104	33 648	44 878	51 612
Current provisions	31 395	31 395	31 395	0
Accruals	1 264	1 556	1 843	1 818
	<u>114 134</u>	<u>82 480</u>	<u>91 840</u>	<u>79 104</u>
Total liabilities	<u>460 355</u>	<u>608 178</u>	<u>599 922</u>	<u>569 650</u>
TOTAL EQUITY AND LIABILITIES	<u>1 037 017</u>	<u>1 036 540</u>	<u>1 050 265</u>	<u>1 084 202</u>

CONDENSED INTERIM FINANCIAL STATEMENTS OF PETROLINVEST S.A.

CONDENSED INTERIM CASH FLOW STATEMENT

	<i>for 9 months</i>		<i>for 3 months</i>	
	<i>ended 30 September</i>		<i>ended 30 September</i>	
	<i>2009</i>	<i>2008</i>	<i>2009</i>	<i>2008</i>
	<i>PLN '000</i>	<i>PLN '000</i>	<i>PLN '000</i>	<i>PLN '000</i>
Cash flows from operating activities				
Profit/ (loss) before taxation	(250 843)	(18 733)	(43 842)	(6 109)
Adjustments for:	244 199	(1 742)	42 569	(5 214)
Depreciation and amortisation	1 905	1 646	627	544
Interest and dividends, net	(4 644)	6 149	(2 069)	1 456
Foreign exchange differences	1 860	(10 289)	2 295	(6 690)
Gain/ (loss) from investing activities	8	(62)	2	(9)
(Increase)/ decrease in receivables	2 778	(14 870)	447	(18 602)
(Increase)/ decrease in inventories	734	(4 955)	920	(4 360)
Increase/ (decrease) in payables except loans and borrowings	77 708	8 442	3 628	11 695
Change in prepayments and accruals	(241)	(1 612)	(205)	(1 116)
Change in provisions	4 848	13	3 466	2
Other, including	159 243	13 796	33 458	11 866
share-based payments	80 705	12 009	31 430	12 009
lending costs	252	540	35	38
discount of liabilities under share purchase transactions	0	1 247	0	(181)
acquisition cost of right to use financing	31 640	0	2 000	0
sale of financial assets	(7)	0	(7)	0
impairment of O&G assets	46 653	0	0	0
Net cash flows from operating activities	(6 644)	(20 475)	(1 273)	(11 323)
Cash flows from investing activities				
Proceeds from sale of property, plant and equipment and intangibles	44	39	6	26
Purchase of property, plant and equipment and intangibles	(135)	(3 283)	(108)	(614)
Sale of financial assets	7	0	0	0
Acquisition of subsidiary and jointly-controlled entity	0	(54 089)	0	(1 004)
Interest received	4	778	2	0
Repayment of loans granted	5	13	1	4
Loans granted	(34 626)	(111 535)	(26 657)	(25 636)
Other	0	0	0	1 445
Net cash flows from investing activities	(34 701)	(168 077)	(26 756)	(25 779)
Cash flows from financing activities				
Proceeds from share capital increase	53 403	103 880	40 111	24 000
Costs relating to share issue	(6 707)	(6 582)	(4 457)	(3 260)
Payment of finance lease liabilities	(174)	(169)	(63)	(60)
Proceeds from loans and borrowings	0	71 525	0	0
Repayment of loans and borrowings	(667)	(2 160)	(227)	(720)
Interest paid	(9 847)	(8 629)	(3 209)	(2 956)
Other	(252)	(540)	(35)	(38)
Net cash flows from financing activities	35 756	157 325	32 120	16 966
Net increase/ (decrease) in cash and cash equivalents	(5 589)	(31 227)	4 091	(20 136)
Cash and cash equivalents at the beginning of the period	(22 729)	6 764	(32 409)	(4 327)
Cash and cash equivalents at the end of the period	(28 318)	(24 463)	(28 318)	(24 463)
Including restricted use cash	0	0	0	0

CONSOLIDATED QUARTERLY REPORT OF PETROLINVEST GROUP FOR 3rd QUARTER 2009
ENDED ON 30 SEPTEMBER 2009

CONDENSED INTERIM FINANCIAL STATEMENTS OF PETROLINVEST S.A.

CONDENSED INTERIM STATEMENT OF CHANGES IN EQUITY

	<i>Issued capital</i>	<i>Other capital, including</i>	<i>Revaluation and other reserves</i>					<i>Retained earnings/ Accumulated (losses)</i>	<i>Total equity</i>
	<i>PLN '000</i>	<i>PLN '000</i>	<i>PLN '000</i>	<i>From share premium</i>	<i>Other capital</i>	<i>Unregistered share capital increase</i>	<i>Called up share capital</i>	<i>PLN '000</i>	<i>PLN '000</i>
As at 1 January 2009	63 481	655 123	15 593	473 931	12 009	153 590	0	(268 261)	450 343
Total comprehensive income for the period	0	0	0	0	0	0	0	(249 162)	(249 162)
Issue of share capital	98 693	173 270	0	316 340	0	(143 070)	0	0	271 963
Transaction costs	0	(6 827)	0	(6 827)	0	0	0	0	(6 827)
Warrant issue	0	29 640	0	0	29 640	0	0	0	29 640
Share-based payments	0	80 705	0	0	80 705	0	0	0	80 705
As at 30 September 2009	162 174	931 911	15 593	783 444	122 354	10 520	0	(517 423)	576 662
	<i>PLN '000</i>	<i>PLN '000</i>	<i>PLN '000</i>	<i>PLN '000</i>	<i>PLN '000</i>	<i>PLN '000</i>	<i>PLN '000</i>	<i>PLN '000</i>	<i>PLN '000</i>
As at 1 January 2008	58 730	391 286	15 593	375 693	0	0	0	(32 246)	417 770
Total comprehensive income for the period	0	0	0	0	0	0	0	(18 243)	(18 243)
Issue of share capital	2 905	100 975	0	76 975	0	24 000	0	0	103 880
Transaction costs	0	(864)	0	(864)	0	0	0	0	(864)
Warrant issue	0	12 009	0	0	12 009	0	0	0	12 009
As at 30 September 2008	61 635	503 406	15 593	451 804	12 009	24 000	0	(50 489)	514 552
	<i>PLN '000</i>	<i>PLN '000</i>	<i>PLN '000</i>	<i>PLN '000</i>	<i>PLN '000</i>	<i>PLN '000</i>	<i>PLN '000</i>	<i>PLN '000</i>	<i>PLN '000</i>
As at 1 January 2008	58 730	391 286	15 593	375 693	0	0	0	(32 246)	417 770
Total comprehensive income for the period	0	0	0	0	0	0	0	(236 015)	(236 015)
Issue of share capital	4 751	252 720	0	99 130	0	153 590	0	0	257 471
Transaction costs	0	(892)	0	(892)	0	0	0	0	(892)
Warrant issue	0	12 009	0	0	12 009	0	0	0	12 009
As at 31 December 2008	63 481	655 123	15 593	473 931	12 009	153 590	0	(268 261)	450 343