

POLISH FINANCIAL SUPERVISION AUTHORITY**Current Report No.****23****/****2016**

Date:

May 13th 2016

Abbreviated issuer name

FAMUR S.A.

Subject

Contract for Kyrgayskaya Mine – increase of contract price

Legal basis

Art. 56.1.2 of the Public Offering Act – Current and periodic information

Text of the report:

Further to Current Report No. 50/2015 on the supply to the Kyrgayskaya Mine in Russia of a section of a powered roof support, a longwall shearer, a complete armoured face conveyor and beam stage loader together with a mobile boot end, as well as the training and supervision of assembly, and work related to the machinery start-up and placement in service, the Management Board of FAMUR S.A. announces that on May 12th 2016 an agreement was signed between the parties to the contract of November 9th 2015.

Pursuant to the newly executed agreement, the contract price was increased from EUR 18,738,530.00 to EUR 20,760,000.00 and the parties to the contract were changed, so that the contract is now made directly by and between FAMUR S.A.'s subsidiary and Shakhtoupravleniye Taldinskoye-Kyrgayskoe, a joint-stock company of Russia.

The contract of November 9th 2015 did not meet the criterion of a significant agreement within the meaning of the Regulation of the Minister of Finance of February 19th 2009 on current and periodic information (...) However, as a result of the agreement, the contract price was changed and now exceeds 10% of the FAMUR Group's consolidated revenue for the most recent four quarters, and as such meets the criterion of a significant agreement.

Given the above, the Company's Management Board publishes the information on the contract supplementing the information contained in Current Report No. 50/2015.

Following the execution of the agreement, the total contract price (VAT exclusive) is EUR 20,760,000.00, i.e. PLN 91,914,900.00, calculated at the mid rate quoted by the National Bank of Poland for May 12th 2016, which was the effective date of the contract. Delivery under the contract is to be made by July 15th 2016.

The parties agreed on the following payment terms:

- 30% of the contract price payable in two instalments. The first instalment is to be paid within 10 banking days from the contract date, while the second instalment is to be paid within 7 banking days from the date of payment of the first instalment;

- 70% of the contract price is to be covered by an 'at sight' documentary letter of credit;

If the buyer fails to meet the payment terms, the Company will have the right to delay delivery of the equipment for a period corresponding to the delay in payment, without any penalty being charged to the Company by the buyer for such delayed delivery. The parties agreed on the following contractual penalties:

- If the delivery deadline is not met, the buyer will be entitled to request in writing that the supplier pay a penalty of 0.03% of the equipment value for each day of delay.

- If the buyer fails to make a timely payment for the delivered equipment, the supplier will be entitled to charge interest for the delay at the rate of 0.03% of the late payment amount for each day of delay.

The contract becomes effective on the day on which it is signed by both parties. The contract may be terminated early by the Company if the advance payment is not made within the specified deadline (condition subsequent).

Other terms and conditions of the contract do not differ materially from the terms and conditions commonly applied in contracts of such type. Total revenue of the Company's Group for the last four financial quarters, which is the criterion based on which the contract is considered a significant agreement, is PLN 800,976 thousand.

FAMUR Spółka Akcyjna		(full issuer name)	
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SIGNATURES OF AUTHORISED REPRESENTATIVES

Date	Full name	Position	Signature
May 13th 2016	Beata Zawiszowska	Vice President of the Management Board	
May 13th 2016	Zdzisław Szypuła	Vice President of the Management Board	