



**COAL ENERGY S.A.**

## 2011FY and July 2012FY production update

Current report no. 5/2011

Dated August 23, 2011

The Board of Directors of Coal Energy S.A. (the "Company") hereby provides update on coal production in 2011FY and in July 2012FY.

The financial year of Coal Energy S.A. commenced on the 1<sup>st</sup> July 2010 and ended on the 30<sup>th</sup> June 2011.

### Update on coal production 2011 FY

Production of coal increased by 180,6 % in 2011 FY compared to (the previous year) 2010FY. The organic growth in the total increase of production volumes comprised 89,4 % while acquisition of new mines (CwAL LE Novodzerzhynskaya Mine and CwAL LE Sh/U Chapaeva) accounted for 91,3 %.

Acquired CwAL LE Novodzerzhynskaya Mine and CwAL LE Sh/U Chapaeva mine coking coal and thermal coal accordingly.

*in tones*

	2011FY	2010FY	change,%	change in tones
<b>Mining output</b>	<b>1 060 620</b>	<b>446 704,9</b>	<b>+ 137,4%</b>	<b>+613 915</b>
Thermal coal	793 927	446 104,9	+ 78,0%	+347 822
Coking and dual-purpose coal	266 693	600	x 443	+266 093
<b>Waste dumps processing</b>				
Saleable coal	<b>567 974</b>	<b>133 600</b>	<b>+325,1%</b>	<b>+434 374</b>
<b>Total</b>	<b>1 628 594</b>	<b>580 304,9</b>	<b>+180,6%</b>	<b>+1 048 289</b>

### Update on coal production in July 2012 FY

Production of coal increased by 86,5% year- to - year and by 2% month-to-month

Production of coal recovery from waste dumps increased by 5,9% year-to-year and by 175,5% month-to-month.

*in tones*

	July 2012FY	July 2011FY	change % y-o-y	change in tones y-o-y	June 2011 FY	change % m-o-m	change in tones m-o-m
<b>Mining output</b>	<b>129 383</b>	<b>69 389</b>	<b>+86,5</b>	+59 994	<b>126 901</b>	<b>+2,0%</b>	+2 482
Thermal coal	108 172	54 789	+97,4	+53 383	106 978	+1,1%	+1 194
Coking and dual-purpose coal	21 211	14 600	+45,3	+6 611	19 923	+6,5%	+1 288
<b>Waste dumps processing</b>							
Saleable coal	<b>17 266</b>	<b>16 300</b>	<b>+5,9</b>	+966	<b>6 268</b>	<b>+175,5%</b>	+10 998
<b>Total</b>	<b>146 649</b>	<b>85 689</b>	<b>+71,1</b>	+60 960	<b>133 169</b>	<b>+10,1%</b>	+13 480

The July's increase in waste dumps processing volumes associated with completion of scheduled maintenance of beneficiation equipment which took place in June 2011.

Signatures of individuals authorized to represent the Company:

Viktor Nikolov

Legal grounds: Art.14 of the Luxembourg Law of 9 May 2006 on market abuse and Art. 56 of the Act of 29 July 2005 on the public offering.