



Current Report: 71/2016

Date: 2016-08-31

Name of the Issuer: FERRUM S.A.

Title: Information on the letter received from Węglokoks S.A.

Legal basis: Art. 17 item 1 MAR – inside information

Content of the Report:

With reference to the current report no. 71/2015 on conclusion of the framework agreement with WĘGLOKOKS S.A. (Agreement), and in connection with Mr. Krzysztof Mikuła's resignation from the position of the Supervisory Board Member at FERRUM S.A., which was communicated in the current report no. 67/2016, the Management Board of FERRUM S.A. (Issuer, Company) informs that on 31st August 2016 the Company received a letter from WĘGLOKOKS S.A. (WĘGLOKOKS) informing that WĘGLOKOKS aimed to exercise the right, which it is entitled to under the Agreement, to appoint a person to the Issuer's Supervisory Board. Such a person shall be designated as soon as possible.

Moreover, WĘGLOKOKS informed the Company that as of the day the letter was drafted WĘGLOKOKS was not interested in buying the Company shares thus the previously considered method of its capital commitment regarding the Company was abandoned and presently WĘGLOKOKS does not have any clearly defined plans as for the possible equity relationship between the companies referred to hereinabove.

At the same time the Issuer explains that WĘGLOKOKS capital commitment in the Company previously considered by the parties provided for the increase of the Company equity by way of the rights issuance. The scenario presented above, following decision of one of the shareholders, was not approved by the Annual General Meeting of Shareholders (AGM) convened on 15th June 2016. Since that day, the Company has been taking actions aimed at implementing the scenario that would allow for achievement of the targets referred to in the AGM petition.

SIGNATURES OF PERSONS REPRESENTING THE COMPANY

Date	Position	First name and surname
2016-08-31	President of the Management Board	Konrad Mitterski
2016-08-31	Holder of a Commercial Power of Attorney	Barbara Sterkowicz