



Extraordinary announcement of the Board of Directors

The Board of Directors of Genesis Energy Investment Plc. passed resolutions related to the subsidiary structure of the group. In order to rationalize the company structure and the activities and also to decrease the operational costs the Board of Directors made resolutions on selling the total shareholding in Pólus Kincs Zrt. and the merger of the following subsidiaries:

- merger of Rudaferrox Kft with Pólus Ferroclean Kft
- merger of CEEMC Zrt, Ferroflock & Ferrobloc Zrt and Atombeton Kft with Rudagipsz-Mix Zrt

After the above reorganization Genesis Energy will possess four subsidiaries, active in mining, processing and other related activities:

- RK Bányászati Kft.: to organize and carry out geological explorations, to have the exploration reports audited according to JORC standards, to acquire mining licenses and carry out mining activity;
- Pólus Ferroclean Kft.: to process and sell minerals and mineral products deriving from the refuse piles of the previous mining activities and from the mining pits to be opened in the future;
- Rudagipsz-Mix Zrt.: to develop, manufacture and sell products for the construction and building industry as well as to provide research and development services for the other members of the group;
- Pólus Szikla Kft.: to manage and operate assets;

The Board of Directors approved the capitalization of the loans provided by related parties in Pólus Szikla Kft. in the amount of HUF 370 Million. In order to



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maintain the 100% ownership and control of the holding, the Board of Directors decided to repurchase the newly emitted stakes of the Pólus Szikla Kft. in exchange for the know-how which are not intended to use in the near future.

Budapest, 22 December 2010