

## EXTRAORDINARY INFORMATION

Budapest, 25 September 2014

### Heat supply agreement made by PannErgy subsidiary with GYŐR-SZOL Ltd

**PannErgy Plc hereby advises the actors of the capital market that today a 15-year heat supply agreement has been made between its subsidiary, Arrabona Geothermal Ltd and GYŐR-SZOL Győr Public Services and Assets Management Ltd (GYŐR-SZOL Ltd). Pursuant to the agreement, the Company as the heat supplier will provide geothermal heat to GYŐR-SZOL Ltd.**

In order to sell the heat capacities of the Geothermal System of Győr, a heat supply agreement for fifteen years has been made by and between Arrabona Geothermal Ltd, a PannErgy subsidiary and Győr Public Services and Assets Management Ltd. Within the meaning of the agreement and on the basis of the preliminary information provided, the planned volume of geothermal heat supply will be 180,000 GJ a year. Heat supply has been anticipated to commence in the heating season of 2015–2016, and until then PannErgy has undertaken to set up the geothermal system, including the drilling of a pair of wells for production and reinjection, the installation of the mechanical engineering systems for the provision of services and the laying of the pre-insulated lines needed for the transmission of heat from the point of drilling to GYŐR-SZOL Plc's reception point.

Arrabona Geothermal Ltd will partly implement the project from the HUF 1 billion non-repayable grant awarded under the European Union grant scheme no. KEOP-2012-4.10.0/B.

"The heat supply agreement that has now been concluded for the utilization of geothermal potentials is a clear indication that local governments – in this particular case Győr City of County Rank – have acted in due time to become prepared for the moderation of their exposure to the consumption of environmentally polluting fossil energies. The heat supply to be realized in the framework of the investment called the Geothermal Project of Győr offers an environmentally friendly solution for the recipient, GYŐR-SZOL Ltd by utilizing modern, renewable energy. A specific aspect of this cooperation is the partial replacement of natural gas, which is exposed to price fluctuations in the global markets, thus following the environmental friendly energy policy of the City of Győr, which targets the use of renewable energies." – **said Péter Tóth, PannErgy Plc's Chief Executive Officer, member of the Board of Directors.**

***PannErgy Plc.***

