



Chenab
LIMITED

Ref.No.CL/0695/10

Dated: 19-04-2010

www.chenabgroup.com

Mr. Basir Shamsie,
SEVP- Group Head, Treasury, Markets, FI,
JS Bank Limited,
Shaheen Commercial Complex,
Dr. Ziauddin Ahmed Road,
Karachi.

Dear Sir,

SUBJECT: CONVERSION OF PREFERENCE SHARES

This is in furtherance to our earlier letter dated April 16, 2010 and in response to your letter dated April 19, 2010 bearing number JSB-CL/04/2010.

We have now obtained the legal opinion on the subject. According to the opinion and in accordance with Section 2.3(xi) of the Prospectus, your 8,895,762 preference shares shall be converted at Rs.6.36 which is 75% of the market value of the Ordinary Shares (*prevailing at the date of Event of Default*) which is the lower of (i) 75% of the book value of the Ordinary Shares; or (ii) 75% of the market value of the Ordinary Shares then prevailing; or (iii) the face value of the Ordinary Shares. The date of Event of Default is April 8, 2010 in accordance with the Prospectus.

You are kindly asked to lodge the certificates of 8,895,762 Preference Shares at our Company Secretary's office by April 30, 2010.

Thanking you.

Yours faithfully,
for CHENAB LIMITED.


(MUHAMMAD ARSHAD)
COMPANY SECRETARY

CC TO:-

- (1) The Commissioner, SMD – SECP, Islamabad.
- (2) The Managing Director, Karachi Stock Exchange, Karachi.
- (3) The General Manager, Karachi Stock Exchange, Karachi.
- (4) The Director, BSD, State Bank of Pakistan, Karachi.