



Dost Steels Limited

January 31, 2014

The Managing Director,
Karachi Stock Exchange Limited
Karachi Stock Exchange Road,
Karachi

MATERIAL INFORMATION - ACCEPTANCE OF RESTRUCTURING AND REHABILITATION PROPOSAL BY THE LENDERS OF THE COMPANY

Dear Sir,

The Directors of Dost Steel Limited are pleased to announce that forty three percent (43%) of its lenders has agreed to the recently submitted restructuring proposal for the current outstanding debt of the Company. The Board of Directors expects that the acceptance by the required majority of the Lenders shall be received in near future. The proposed Restructuring and Rehabilitation proposal once implemented will enable the Company to Start its commercial operations.

The Board of Directors of the Company has also approved the following resolution:


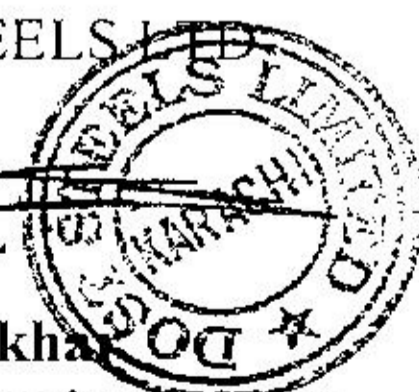
"RESOLVED THAT subject to the Legal, Regulatory and Shareholder's approvals the Directors has agreed to the proposed underwriting proposal, of Crescent Star Insurance Company Limited at a rate of Rupees four and fifty paise (Rs 4.50) per share for Sixty Six million six hundred and sixty six thousand six hundred and sixty seven (66,666,667) shares (i.e. at a discount of Rs5.50 per share) for the proposed Right Issue as part of the Restructuring and Rehabilitation proposal submitted to the Lenders of the Company which is under the process of approval."

The Board of Directors shall consider the proposed Right Issue for approval once the above mentioned Restructuring and Rehabilitation proposal is approved by the required majority of the Lenders.

Thank you.

Yours truly,

DOST STEELS LTD

Jamal Iftakhar
Chief Executive Officer