



The General Manager
Pakistan Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road
Karachi

1st March 2017

Dear Sirs,

Re: Material Information – Exact Position on Rumors

The Company would like to respond on a rumor circulated in certain sections of electronic media stating that the Company has lost arbitration case in U.K Court against MENA energy and has been ordered to pay USD 60 million.

In this regard, please note that the said rumor is incorrect. There is no arbitration case between MENA Energy and Hascol and no award for payment of any amount has been passed against Hascol. The figure of US\$60 million appears as a figment of someone's imagination.

The correct position is that Hascol is in litigation with MENA Energy DMCC before the High Court of Justice, Queens Bench, Commercial Court, London which is expected to be concluded at the end of January 2018. There are claims and counter-claims involved by MENA and Hascol regarding Fuel Oil and Gasoil cargoes. As of date no order has been passed against Hascol requiring payment of any amount of damages to MENA Energy DMCC. It is pertinent to point out that since the net amount of Claims and Counter-claims involved in the said litigation is approximately US\$7-8 Million the amount of US\$60 million is wrong.

We would also like to mention that Hascol is also involved in an Arbitration proceeding in London involving Lenkor Energy Trading Limited and IP Commodities DMCC in which proceedings Hascol is claiming a right to retain and forfeit as damages an amount of approximately US\$18 million held by Hascol. The legal counsel team of Hascol has advised that it has bright chances of succeeding in these Arbitration proceedings. The Arbitration case is fixed for trial in July 2017 and would conclude well before the MENA litigation hearings in January 2018.

The net position of the UK litigation involving MENA High Court Litigation and Lenkor Arbitration is that Hascol is not expected to be out of pocket for any amounts and instead Hascol would be expected to receive substantial amounts as damages..

Yours truly,

Zeeshan Ul Haq
Company Secretary

Copy to:
The Securities and Exchange Commission of Pakistan, Islamabad.

(zh/companysecretary/010317)

Ref: HASCOL/SEC/PSX/83

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