



OIL & GAS DEVELOPMENT COMPANY LIMITED
(BOARD SECRETARIAT)

CS04-08 (PSX/LSE/SECP)
August 19, 2025

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

London Stock Exchange Plc.,
10 Paternoster Square,
London EC4M 7LS.
Tel: (44) 20 7334 8907

Subject: Increase in Committed Expenditure and Approval of Relevant Project Financing Agreements for the Reko Diq Project

Oil and Gas Development Company Limited (the Company) holds an 8.33% stake in the Reko Diq copper and gold project (the Project) which, when aggregated with the 8.33% stakes held by each of Pakistan Petroleum Limited and Government Holdings (Private) Limited, comprises a collective 25% interest in the Project that is owned by the three Pakistani State-Owned Enterprises (SOEs). The SOEs' interest in the project company, i.e., Reko Diq Mining Company (Private) Limited (RDMC), is held indirectly via Pakistan Minerals (Private) Limited. 25% of the shares in RDMC are held by the Government of Balochistan (15% on a fully funded basis, which is held indirectly through Balochistan Mineral Resources Limited, and 10% on a free carried basis which is held directly by the Government of Balochistan). The remaining 50% of the shares in RDMC are held (indirectly) by Barrick Mining Corporation (formerly Barrick Gold Corporation), which is the operator of the Project.

Based on the updated feasibility study of the Project, the Board of Directors of the Company, on 25th March 2025, approved the Company's pro-rata funding commitment, including project financing costs, of USD 627 million (subject to adjustment for actual financing costs and inflation). The Board also granted in-principle approval to obtain project financing. At the time of the Board's approval and after accounting for the project financing expected to be obtained by RDMC, the Company's expected shareholder contributions were equal to USD 349 million. These approvals were granted contingent upon necessary shareholders' and regulatory approvals.

Since the aforementioned approval, the negotiations with the lenders of the project financing have considerably advanced. Furthermore, the Phase 1 development cost of the Project has been revised, mainly on account of conservatism built in on the recommendation of the Independent Technical Consultant of the lenders with respect to the delay in commencement of production by six months to 2029 compared with the earlier plan of 2028 and other cost contingencies. Additionally, financing costs have been increased due to revision in pricing and the rise in the level of project financing to USD 3,500 million from the previous estimate of USD 3,000 million. The Project remains economically viable based on the revised assumptions. Accordingly, on 18th August 2025 the Board of Directors of the Company approved an increase in the Company's pro-rata funding commitment for Phase 1 of the Project, including project financing costs, to USD 715 million (subject to adjustment for actual financing costs and inflation). After accounting for the project financing expected to be obtained by RDMC, the Company's expected shareholder contributions equal USD 391 million.

In connection with the project financing to be obtained by RDMC, the Board of Directors has also approved execution of the following agreements by the Company, as well as other ancillary agreements and documents that may be necessary: (i) the SOE Completion Agreement; and (ii) the Transfer Restrictions Agreement. The SOE Completion Agreement provides for a collective guarantee, on a joint and several guarantee basis, from the SOEs of



their pro rata contributory share (which is equal to 27.7778%) of the secured debt obligation of RDMC under the project financing. The guarantee is to remain effective until the Project achieves financial completion, i.e., the date on which the Project satisfies certain criteria to demonstrate a requisite level of commercial operations. The Transfer Restrictions Agreement provides for, amongst other things, minimum shareholding requirements for the Project's sponsors (including each of the SOEs), before and after financial completion, until the project debt has been fully repaid.

The above-mentioned approvals are subject to shareholders' and regulatory approvals in accordance with law.

This disclosure is being made pursuant to Section 96 of the Securities Act, 2015 and Clause 5.6.1(a) of the Pakistan Stock Exchange Regulations, as it contains material and price-sensitive information. It is intended to ensure fair, timely, and transparent dissemination of such information in accordance with applicable laws and regulations among your members.

Yours sincerely,

(Wasim Ahmad)
Company Secretary

Copy to:

Executive Director/HOD,
Offsite-II Department, Supervision Division,
Securities & Exchange Commission of Pakistan, 63, NIC Building,
Jinnah Avenue, Blue Area,
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