

PIONEER CEMENT LIMITED

(Shares Department)

66 - Garden Block, New Garden Town, Lahore.

Tel: 042-5831462-63 Fax: 042-5831462

Website: www.pioneercement.com

Email: shares@pioneercement.com

PCL/SHR

20 August, 2007

The Secretary,

- | | | |
|----|--|---------------------------------|
| 1. | Karachi Stock Exchange (G) Ltd.
Stock Exchange Building,
KARACHI-74000 | Fax: 021-2437560
021-2415763 |
| 2. | Lahore Stock Exchange (G) Ltd.
19, Khayaban-e-Aiwan-e-Iqbal,
LAHORE-54000 | Fax: 111-441-441 |
| 3. | Islamabad Stock Exchange (G) Ltd.
Stock Exchange Building,
ISLAMABAD. | Fax: 051-2275044 |
| 4. | Securities and Exchange Commission of Pakistan
7th Floor, NIC Building, Jinnah Avenue, Blue Area,
ISLAMABAD. | Fax: 051-9218590 |

Dear Sir,

ANNOUNCEMENT

ISSUE OF RIGHT SHARES

We have to inform you that the Board of Directors of the Company in their meeting held on 20 August, 2007 approved issue of 29, 717,575 Right Shares in ratio of 17.5 ordinary shares for every 100 ordinary shares held (17.5%) on premium of Rs.2/- per share in addition to face value of Rs.10/- per share, i.e. @ Rs.12/- per share.

The auditors' certificate regarding premium as required under Rule 5(iv) of the Companies (Issue of Capital) Rules, 1996 is attached.

The financial projections for 3 years as signed by all the directors attending the meeting are also enclosed.

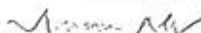
CLOSURE OF SHARE TRANSFER BOOKS

The Share Transfer Books of the Company shall remain closed from 15 September, 2007 to 22 September, 2007 (both days inclusive) for the purpose of determining the entitlement of right shares. Share transfer received up to close of business on 14 September, 2007 shall entitle the transferees to the offer of right shares.

Yours truly,

C. C. ~~101~~

K.S.E. Web - Site



SYED ANWAR ALI
Company Secretary