



Pakistan Petroleum Limited

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Our reference: SAA/CS/SE-0601

Your reference:

Date: 5th September 2016

Pakistan Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road
Karachi

Attention: Mr. Muhammad Ghufraan
Deputy General Manager

Dear Sirs,

**Re: *Difference in Valuation of MND Exploration and Production Limited –
A company Acquired by Pakistan Petroleum Limited in 2013***

Pursuant to the Rules of the Pakistan Stock Exchange, particularly Rule 5.9.13(c) we wish to inform you that a reputable international consulting firm (the “**Consultant**”) was engaged on the instructions of the Board of Directors of Pakistan Petroleum Limited (PPL) for carrying out an independent valuation of the assets of MND Exploration and Production Limited (“**MND**”), a company wholly acquired by PPL in 2013 vide a sale and purchase agreement dated 30th August 2012 subsequent to approval of acquisition / transaction by the Economic Coordination Committee of the Government of Pakistan.

At the time of acquisition of MND by PPL, it held non-operated working interests in exploration and production assets in Pakistan and Yemen. The scope of work of the Consultant required it to consider the value of the assets as at the date of the acquisition and to base the valuation on data available to PPL at that time. The Consultant’s report has just been received by us and the Consultant has evaluated the assets of MND at a lesser value than PPL’s valuation as at the date of acquisition thereof. The report of the Consultant is being reviewed by the management of PPL to assess whether asset impairment is necessary as at 30th June 2016, that may range between PKR zero to four billion. The matter will also be placed before the next meeting of the Board of Directors of PPL.

The foregoing information may kindly be disseminated to your members.

Yours truly,

Shahana Ahmed Ali
Company Secretary



Copy: Director, Enforcement Department
Securities & Exchange Commission of Pakistan
Islamabad

(saa/cs/ppl/psx10-mh/050916)