



**Pakistan Petroleum Limited**

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Our reference: SAA/CS/SE-0557

Your reference:

Date: 26<sup>th</sup> October 2017

Pakistan Stock Exchange Limited  
Stock Exchange Building  
Stock Exchange Road  
Karachi

Attention: Mr. Muhammad Ghufraan  
Deputy General Manager

Dear Sirs,

**Re: Settlement with Asia Resources Oil Limited (AROL)**

The Board of Directors of the Company in January 2017 approved proposed settlement agreements (“**Settlement Agreements**”) with Asia Resources Oil Limited (AROL) which, inter alia, provided for the withdrawal of a Civil Suit No. 530/2016 (Civil Suit) filed by AROL in the High Court of Sindh at Karachi and the payment by AROL to the Company of all outstanding cash calls along with late payment surcharge in respect of Gambat South, Naushahro Firoz and Kotri North blocks.

Settlement Agreements were accordingly executed on 17<sup>th</sup> March 2017 between the Company and AROL in respect of Naushahro Firoz and Kotri North blocks. A tri-partite Settlement Agreement was executed in respect of the Gambat South block between the Company, AROL and Government Holdings (Private) Limited (GHPL). Subsequently a joint compromise application was filed by the Company, GHPL and AROL in the Civil Suit and on 10<sup>th</sup> May 2017 the Civil Suit was decreed in terms of the Settlement Agreements. AROL also withdrew the Civil Suit unconditionally against the other defendants and thus the Civil Suit was disposed of on 10<sup>th</sup> May 2017.

Pursuant to the Settlement Agreements a sum of USD 54,800,000 (United States Dollars Fifty Four Million Eight Hundred Thousand) were paid by AROL to the Company in respect of the Gambat South and Kotri North blocks in lieu of its outstanding liabilities (including the final settlement amount and current cash calls). Consequently, AROL’s outstanding liabilities in respect of the Gambat South and Kotri North blocks have been discharged. AROL did not pay the settlement amount in respect of the Naushahro Firoz block and in accordance with the terms of the Settlement Agreement in respect of Naushahro Firoz, AROL’s 10% working interest therein would stand irrevocably forfeited in favour of the Company.

Yours truly,

**Shahana Ahmed Ali**  
Company Secretary

Copy: Director / Head of Department  
Surveillance, Supervision and Enforcement Department  
Securities and Exchange Commission of Pakistan  
NIC Building, 63 Jinnah Avenue, Blue Area  
Islamabad

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