



Pakistan Petroleum Limited

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Our reference: SAA/CS/PSX-0501

Your reference:

Date: 23rd December 2019

Pakistan Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road
Karachi

Attention: Ms. Asmaa Saleem Malik
Deputy General Manager

Dear Sirs,

**Re: Discovery of Hydrocarbons from Exploration Well Margand X-1 - Margand
Exploration License**

We are pleased to disclose that the Company has made a hydrocarbon discovery in the first exploratory well, Margand X-1, in Margand Block (2866-4), that is operated by Company which holds 100% working interest there in.

The well was spud on 30th June 2019 to a measured depth of 4,500 meters inside Chiltan Limestone. Based on the wireline logs, Modular Dynamics Testing was done which proved the presence of hydrocarbons. Accordingly, a Drill Stem Test was done in the Chiltan Limestone, during which the well flowed a maximum 10.7 million cubic feet per day of gas at 64/64 inches choke size at a flowing well head pressure of ~516 pounds per square inch with 132 barrels per day liquid. The nature of the liquid is being investigated. However, the well has the potential to flow at higher rates after an acid stimulation job.

This is the first gas discovery in the Kalat Plateau and it has opened a new sub-basin for further hydrocarbon exploration. The discovery of the well is the result of the Company's aggressive strategy of exploration of the frontier basins in order to open new avenues for hydrocarbon exploration and production in the province of Balochistan. The discovery will add to the Company's hydrocarbon reserves and will contribute in reducing the gap between the supply and demand of oil and gas in the country through exploitation of indigenous resources.

The foregoing information may kindly be disseminated to your members.

Yours truly,

Shahana Ahmed Ali
Company Secretary

Copy by facsimile and courier:

Director / Head of Department
Surveillance, Supervision and Enforcement Department
Securities and Exchange Commission of Pakistan, Islamabad.

(saa/cs/ppl/psx/231219)