



PAKISTAN REFINERY LTD.

March 01, 2019

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

Dear Sir,

Subject: Material Information - Refinery Upgrade Project

In continuation to our various earlier communications accompanying Company's financial statements, the Company has been exploring the option of conversion of the Refinery into a "deep conversion refinery" along with achieving compliance with the Government of Pakistan's requirement to produce EURO II standard diesel, herein referred to as "Refinery Upgrade Project". For this purpose, a "Detailed Feasibility Study" was carried out through renowned international consultants, which entailed evaluation of different technological variants, technical and financial viability to carry-out the "Refinery Upgrade Project".

The Board of Directors of the Company, after thorough deliberations have decided to implement this Refinery Upgrade Project with an approximate investment of US \$ one billion, and for this purpose, the Board has decided to invite 'expression of interest' from world renowned engineering contractors for appointment as Front End Engineering Design (FEED) and Engineering, Procurement and Construction (EPC) contractor for the Refinery Upgrade Project. Thereafter competitive bids will be invited from the pre-qualified FEED and EPC contractors. The above estimate of investment is a broad number and more reliable estimate of amount of investment will be confirmed after completion of FEED, followed by the financial close of the Refinery Upgrade Project and EPC execution. The Board considers that this project will significantly improve Company's profitability besides providing significant foreign exchange savings for the country.

Sincerely,

Mustafa Saleemi
Company Secretary

Cc: Director – Surveillance, Supervision & Enforcement Department- SECP, Islamabad.