



Pakistan Petroleum Limited

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Our reference: CS/PSX-0242

Your reference:

Date: 16th December 2022

Ms. Asmaa Saleem Malik
Chief Listing Officer
Listing Department
Pakistan Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road
Karachi

Dear Madam,

Re: Signing of Definitive Agreements - Reko Diq Project

In accordance with the Securities Act, 2015 and the Rule Book of the Pakistan Stock Exchange, and with reference to our earlier disclosure dated 31st October 2022, we are pleased to disclose that Pakistan Petroleum Limited (the "Company"), [together with Oil and Gas Development Company Limited and Government Holdings (Private) Limited, collectively the State-Owned Enterprises (the "SOEs")] has signed the Definitive Agreements with respect to the SOEs' participation in the Reconstituted Reko Diq Project ("Project").

Pursuant to the Definitive Agreements, the Company, alongside other SOEs, participated in the Project through a special purpose vehicle, jointly and equally owned by the SOEs, namely, Pakistan Minerals (Private) Limited (SOE SPV). As part of the transaction and implementation plan agreed under the Definitive Agreements, the SOE SPV, ultimately, acquired a 25% stake in the Project from an existing Project stakeholder ("First Stage Acquisition").

Consideration for the First Stage Acquisition was paid by each SOE in equal proportion on behalf of the SOE SPV. To this end, the SOEs utilized sums deposited in an interest-bearing, offshore, escrow account – such sums totaled USD 562.5 million in addition to accrued interest. Of such total sums, the Company's proportional share was USD 187.5 million in addition to the corresponding proportional accrued interest.

Following completion of the First Stage Acquisition, the SOE SPV's stake in the Project is restructured through a series of offshore holding companies – the SOE SPV's, and by extension, the SOEs' stake in the Project, however, remains unchanged at 25%.



Pakistan Petroleum Limited

The rights and obligations of the SOEs and the SOE SPV with respect to the Project and *inter se* the other Project participants are governed by the Definitive Agreements. These rights and obligations relate to, *inter alia*, management, reporting, funding, and governance.

The foregoing information may be disseminated to your members.

Yours truly,

A handwritten signature in blue ink, appearing to read 'Ali Jaffar', is written over the printed name.

Ali Jaffar
Company Secretary

Copy: Executive Director/HOD, Offsite-II Department, Supervision Division, SECP, Islamabad.