



FAZAL TEXTILE MILLS LTD.

Head Office: 6-A Muhammad Ali Housing Society, Abdul Aziz Haji Hashim Tabba Street, Karachi-75350, Pakistan.
Tel: (92-21) 35205479-80 Fax: (92-21) 34382436 E-mail: export@fazaltextile.com Web: www.fazaltextile.com



Dated: May 10, 2014

The General Manager
Karachi Stock Exchange Limited,
Stock Exchange Building,
Stock Exchange Road,
Karachi

The General Manager
Lahore Stock Exchange Limited
19, Khayaban-e_Aiwan-Iqbal
Lahore

The Managing Director
Islamabad Stock Exchange Limited
ISE Towers, 55-B, Jinnah Avenue
Islamabad

Subject: Material Information

Dear Sir,

In accordance with Section 15D of the Securities and Exchange Ordinance, 1969 and Clause (xx) of the Listing Regulations No. 35 of the Code of Corporate Governance we hereby convey the following:

On May 10, 2014, the Board of Directors of Fazal Textile Mills Limited (hereinafter referred to as the "**Company**") passed a resolution by circulation authorizing the Company to explore the viability of a potential merger between the textile unit / business of the Company with and into Gadoon Textile Mills Limited and in this respect enter into discussions with the concerned parties. For this purpose the Company has also been authorized to appoint advisors and consultants for evaluating the feasibility, including due diligence and valuation, for consideration by the Company.

