

Company Name : **REACH ENERGY BERHAD**  
Stock Name : **REACH**  
Date Announced : **24 October 2018**  
Type : **General Announcement**  
Subject : **Others**  
Description : **Reach Energy Berhad (“REB” or “the Company”)  
- Results of Yessen-3 Exploration Well (Y-3)**

Reach Energy Berhad is pleased to announce the positive results of the Yessen-3 (Y-3) exploration well in its Emir Oil Concession Block onshore Kazakhstan.

The well penetrated the Mid-Triassic carbonate reservoirs, with a total depth (True Vertical Depth Subsea, TVDSS) of 3615.6 m. The Y-3 well has been safely and successfully completed as budgeted.

Preliminary log evaluation indicated up to 34 meters of oil-bearing reservoir. Two out of three intervals have been perforated and tested, flowing oil and gas. Future work in the near term includes perforating the remaining untested interval to confirm positive log evaluation.

Additional work is being undertaken to establish the full potential of this discovery and integrate the newly obtained geological data and understanding with the Block- wide data gathered to date. The results of this well indicate a larger hydrocarbon accumulation on the Yessen structure. The success of Y-3 well represents a continuation of 100% success rate in oil discoveries in the Yessen Field, as previous exploration wells in the vicinity (i.e. Yessen-1 and Yessen-2) have also discovered oil. The positive results of the aforementioned wells underline the Company’s confidence in obtaining a Commercial Production License for the Yessen Field as early as 2019.

Ir. Shahul Hamid bin Mohd Ismail, CEO of Reach Energy Berhad commented:

“The results of the Y-3 test production are encouraging in terms of the full block potential of Emir-Oil. This discovery highlights the vast exploration upsides that the Emir-Oil Concession Block has, and we look forward to further exploration successes such as this with our upcoming exploration wells in the near term. We expect this development to have a positive impact to our reserves, which is due to be updated early next year by our reserves auditor, Gaffney, Cline and Associates (GCA).”

This announcement is dated 24 October 2018.