

PRESS RELEASE

FOR IMMEDIATE RELEASE

REACH ENERGY BERHAD LAYS OUT PLANS FOR NEXT GROWTH PHASE AT 4th AGM

KUALA LUMPUR, 29 June 2017 – Reach Energy Berhad (“Reach Energy” or the “Company”) (“5256”), an Oil and Gas Exploration and Production (“E&P”) company listed on the Main Market of Bursa Malaysia Securities Berhad, held its 4th Annual General Meeting (“AGM”) at the Sime Darby Convention Centre. The Company today announced the results of the election of some members of the Board of Directors and transact other businesses that require shareholders’ approval.

During the AGM, shareholders passed 7 ordinary resolutions which included, amongst others, the re-election of Ir. Shahul Hamid bin Mohd Ismail, Tan Sri Dr. Azmil Khalili bin Dato’ Khalid, Tan Siew Chaing and re-appointment of Izlan bin Izhab as Directors of the Company.

In its filing with Bursa Malaysia dated 29th May 2017, Reach Energy announced that it had recorded a revenue of RM44.63 million in its first quarter of Financial Year Ended 31st December 2017 (“Q1 FY2017”). The revenue was derived entirely from the sales of crude oil and gas. Speaking at a Press Conference after the AGM, Ir. Shahul Hamid, Chief Executive Officer of Reach Energy Berhad said, “Our objectives for 2017 is very clear. We will continue to maintain a robust balance sheet while maximising our existing operational efficiency to establish a solid foundation of strong cash flow. Hence, our attention and resources are focused on developing our oil and gas producing asset, Emir-Oil, to capitalise its full potential.”

In a recent research report by Maybank Investment Bank, Malaysia’s Oil and Gas (O&G) 1Q17 results are in line and the industry is expected to pick up momentum in 2Q17.

To date, Emir-Oil has 14 producing wells and in 2016, produced an average of 3,301 barrels of oil per day (BOPD) and 5.6 million standard cubic feet of gas per day (MSCFD). The Company looks to increase production to between 4,000 BOPD and 5,000 BOPD by the end of 2017. In line with this, Reach Energy will continue to play a proactive role towards the development of Emir-Oil fields especially in the optimisation of near-term production growth through existing successful field development plans and application of new technologies.

“We anticipate that oil price dynamics will continue to remain uncertain and volatile. However, as most projections including the World Bank’s indicates that oil price is on the path to recovery, we believe that our investment in Kazakhstan’s O&G industry will prove beneficial to our shareholders in the long run as we look at how the country’s exports will likely increase in the near future following the commencement of production at Kashagan field and expansions at Tengiz and Karachaganak fields,” added Ir. Shahul Hamid during his closing remarks at the press conference.

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About Reach Energy Berhad

Reach Energy Berhad (“Reach Energy” or the “Company”) is currently listed on the Main Market of Bursa Malaysia Securities Berhad as an Exploration and Production company in the Oil and Gas Industry under “Industrial Products”. In November 2016, the Company completed the purchase of a 60% stake in Palaeontol B.V., an investment holding company and is the sole interest holder of Emir-Oil LLP which holds the entire subsoil use rights (100% working interest) in the Emir-Oil Concession Block. Reach Energy is managed by a group of both local and international experts with proven track records and global networks in the industry. They are comprised of technical specialists with many years of practical experience, encompassing the entire upstream sector of the Oil and Gas industry. Reach Energy is also a Shariah-compliant company.

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For further media enquiries, please contact:

Martin Lim
Tel: +603 2166 9737 / +6014 6615000
Email: martin.lim@jlpw.com.my

Effie Hanan
Tel: +603 2166 9736 / +6012 591 3314
Email: effie.hanan@jlpw.com.my

Nurdina Ashikin
Tel: +603 6412 3000
Email: investors@reachenergy.com.my

Forward-Looking Statements

The statement included in this press release, other than statements of historical facts, are forward-looking statements. Forward-looking statement generally can be identified by the use of forward-looking terminology such as “may,” “will,” “expect,” “intend,” “estimate,” “anticipate,” “plan,” “seek,” or “believe.” These forward-looking statements, which are subject to risks, uncertainties, and assumptions, may include projections of our future financial performance based on our growth strategies and anticipated trends in our business. These statements are only predictions based on our current expectations about future event. There are important factors that could cause our actual results, level of activity, performance, or achievements to differ materially from the results, level of activity, performance or achievements expressed or implied by the forward-looking statement, including, but not limited to our ability to win additional business. Although we believe the expectations reflected in the forward- looking statements are reasonable, we cannot guarantee future result, level of activity, performance, or achievements. You should not rely upon forward- looking statements as predictions of future events. These forward-looking statements apply only as of the date of this press release; as such, they should not be unduly relied upon as circumstances change. Except as required by law, we are not obligated, and we undertake no obligation, to release publicly any revisions to these forward-looking statements that might reflect events or circumstances occurring after the date of this release or those that might reflect the occurrence of unanticipated events.