



**PRESS RELEASE  
FOR IMMEDIATE RELEASE**

**PROPOSED QUALIFYING ACQUISITION RECEIVES THE  
SECURITIES COMMISSION MALAYSIA'S APPROVAL**

**Reach Energy a step closer to become a full-fledged independent upstream  
oil and gas company in Malaysia**

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**KUALA LUMPUR, 25<sup>th</sup> AUGUST 2016** - Reach Energy Berhad ("Reach Energy" or "the Company"), Malaysia's fourth and largest Special Purpose Acquisition Company ("SPAC") has received the approval of the Securities Commission Malaysia ("SC") for its proposed qualifying acquisition ("Proposed QA").

On 5<sup>th</sup> March 2016, Reach Energy announced that it is proposing to acquire 60% equity interest in Palaeontol B.V., a wholly owned subsidiary of Palaeontol Cooperatief U.A., and 60% of the shareholder loans from the Hong Kong Stock Exchange listed MIE Holdings Corporation, for a total purchase consideration of USD154.9 million, subject to certain adjustments.

Palaeontol B.V. is the holding company of Emir-Oil LLP ("Emir-Oil") which owns oil and gas ("O&G") producing fields, development fields and exploration prospects in an extensive 850.3 sq km contract block in the Republic of Kazakhstan ("Kazakhstan"). According to RPS Energy Consultants Limited ("RPS"), the indicative gross proved plus probable ("2P") reserves are 72.1 Million Stock Tank Barrels ("MMstb") of oil and 102.4 Billion Standard Cubic Feet ("Bscf") of gas.

The Proposed QA will provide an opportunity for Reach Energy to accomplish its strategy of investing in and operating a balanced portfolio of O&G fields covering the wider spectrum of upstream O&G production, development and exploration activities.

Having secured the approval of the SC for the Proposed QA, Reach Energy will need to complete the Proposed QA by calling for an extraordinary general meeting at a date to be determined to seek shareholders' approval for the Proposed QA.

“The proposed acquisition of Emir-Oil in Kazakhstan is an attractive investment as it contains a balanced portfolio of production, development and exploration fields. These fields will bring immediate recurring revenues to the company and contribute positively to its cash flow, particularly with the expected improving oil prices in the medium to long term. We are confident that this acquisition will bring immense value to our shareholders and other stakeholders alike,” commented by Ir. Shahul Hamid bin Mohd Ismail, the MD of Reach Energy.

Hong Leong Investment Bank and Maybank Investment Bank are Joint Principal Advisers whilst BNP Paribas is the International Financial Adviser for Reach Energy.

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### **About Reach Energy Berhad**

Reach Energy was incorporated in Malaysia under the Companies Act, 1965 as a private limited company on 7 February 2013 under the name of Reach Energy Sdn Bhd. On 2 August 2013, the company converted into a public company under the name of Reach Energy Berhad. On 15 August 2014, Reach Energy, the largest SPAC in terms of IPO proceeds raised, successfully accomplished its initial public offering (IPO) with both its shares and warrants officially commencing trading on the Main Market of Bursa Malaysia Securities Berhad. Of the RM750 million raised, 94.75% or RM710.62 million was placed in an Islamic trust or escrow account for which Amanah Raya Trustees Berhad is the custodian until it is used to pay for its Qualifying Acquisition (QA). Reach Energy’s securities (shares and warrants) have been classified as Shariah-compliant securities.

### **For further media inquiries please contact:**

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