



**PRESS RELEASE**

FOR IMMEDIATE RELEASE

**REACH ENERGY BERHAD SUCCESSFUL IN BID TO ACQUIRE  
PALAEONTOL B.V.**

*Company to graduate into a full-fledged Exploration and Production enterprise*

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**KUALA LUMPUR, 16 NOVEMBER 2016** – Reach Energy Berhad (“Reach Energy” or the “Company”) (Stock code: “5256”), an oil and gas (“O&G”) Special Purpose Acquisition Company (“SPAC”), today held an Adjourned Extraordinary General Meeting (“EGM”) at the Sime Darby Convention Centre (SDCC) to consider the resolutions requiring its shareholders’ approval.

At the Adjourned EGM, its shareholders passed two resolutions, one of which is the special resolution to acquire 60% equity interest in Palaeontol B.V. (a wholly-owned subsidiary of Palaeontol Cooperatief U.A. which in turn is an indirect wholly-owned subsidiary of MIE Holdings Corporation which is listed on the Main Board of the Stock Exchange of Hong Kong Limited) for a total cash consideration of USD154.9 million, subject to adjustments (“Proposed Acquisition”). Palaeontol B.V. is an investment holding company and is the sole interest holder of Emir-Oil LLP (“Emir-Oil”) which holds the entire subsoil use rights in the Emir-Oil Concession Block located in the Mangystau Oblast in the southwestern region of the Republic of Kazakhstan.

The Company garnered its shareholders’ approval by way of a majority in number of the shareholders representing more than 75% in value, which is the last condition precedent for the tripartite conditional sale and purchase agreement for the Proposed Acquisition, which will allow it to graduate to become a full-fledged Exploration and Production (“E&P”) enterprise listed on the Main Market of Bursa Malaysia Securities Berhad. After completion

of the Proposed Acquisition, the Company will be able to have majority ownership and management control of Palaeontol B.V.

Speaking at the Adjourned EGM, Ir. Shahul Hamid bin Mohd Ismail, Chief Executive Officer and Managing Director of Reach Energy Berhad said, “On behalf of the Company, I am truly delighted and thankful to have the shareholders’ support and approval for the Proposed Acquisition. I hope that our success will open more eyes and be the catalyst for more E&P companies to list here on the local bourse.”

“The acquisition will assist Reach Energy to accomplish our 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,” he added.

Shareholders also passed the ordinary resolution for the proposed placement of new ordinary shares of RM0.01 each in Reach Energy to raise gross proceeds of up to RM180 million. The proceeds raised will be mainly used to settle the remaining completion amount and partial payment of the deferred consideration in relation to the Proposed Acquisition.

The acquisition of Palaeontol B.V. is expected to immediately contribute positively to the revenue of the Company.

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#### **About Reach Energy Berhad**

Reach Energy Berhad (“Reach Energy” or the “Company”) is a Special Purpose Acquisition Company (“SPAC”) that focuses on Development and Production assets in the Oil and Gas Industry for its Qualifying Acquisition. Reach Energy is managed by a group of both local and international experts with a proven track record 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 with a vision to establish the company as an independent Malaysia-based E&P company with global operations. Reach Energy is also a Shariah compliant company.

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Issued by: JLPW Communications on behalf of **Reach Energy Berhad**:

Date: 16 November 2016

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### **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.