MIRACH ENERGY LIMITED
(Incorporated in the Republic of Singapore)
(Company Registration No.: 200305397E)

CLARIFICATION OF THE HOLDING ANNOUNCEMENT DATED 28 FEBRUARY 2019

*Unless otherwise defined, all terms used herein shall bear the same meaning as in Mirach Energy Limited's (the "**Company**") announcement dated 28 February 2019.*

The Board of Directors (the "**Directors**") of Mirach Energy Limited (the "**Company**", and together with its subsidiaries, the "**Group**") refers to the previous announcements released on 28 August 2017, 31 August 2017 ("**31 August Announcement**") and 1 December 2017 (collectively, the "**Extension of Time Announcements**") in relation to the grant of extension of time to meet the financial exit criteria by the Singapore Exchange Securities Trading Limited ("**SGX-ST**") as well as the Company's announcement dated 28 February 2019 ("**28 February Announcement**").

The Directors would like to clarify that the consultation with the SGX-ST referred to in the 28 February Announcement relates to the seeking of a further extension of time until 5 June 2020 ("**New Extension Deadline**") to exit the financial Watch-List following the release of the unaudited full year financial statements for the year ended 31 December 2018 on 25 February 2019.

The reasons for seeking the further extension of time from the SGX-ST are:

(a) the Company has streamlined its the existing Oil & Gas business segment and operations, thereby has eliminated losses and financial inefficiencies as well as improved cash flow for the Group. In addition, the Company has also diversified and expanded into new businesses and has successfully acquired new revenue streams;

(b) the Group has also undertook three (3) placement exercises to fund general working capital and the new business activities;

(c) given the encouraging transformation of the Group through, *inter alia*, streamlining its Oil & Gas business segment and the diversification into new businesses, the Group has reported a consolidated pre-tax profit (excluding exceptional or non-recurrent income and extraordinary items) of US$766,000 (approximately S$1,035,000) for the financial year ended 31 December 2018 as compared to a pre-tax loss position of US$9,605,000 (approximately S$12,976,000). Shareholders of the Company (the "**Shareholders**") are to note that the Group's consolidated pre-tax profit (including exceptional or non-recurrent income and extraordinary items) is US$2,042,000 (approximately S$2,759,000);

(d) the Company has shown improving market capitalisation and increasing share price since 31 August 2017 when SGX-ST granted the Company an extension to meet the Financial Criteria Exit Requirements (as defined below), where (1) closing share price of the Company has since increased from S$0.04 (being the closing share price as at 31 August 2017) to S$0.139 (being the latest closing share price at the time of submission as at 22 February 2019) and is close to achieving the minimum trading price of S$0.20; and (2) the market capitalisation of the Company has increased from approximately S$4,760,489 (being the market capitalization as at 31 August 2017) to approximately S$28,224,412 (based on the closing price and the total issued ordinary shares of the Company at the time of submission as at 22 February 2019);

(e) the Company intends to explore and pursue business opportunities to further enhance the financial performance and improve shareholders' value and will as and when required undertake further fund-raising exercises to fund business opportunities when identified which will in turn improve investors' confidence, thereby improving the Company's share price and its market capitalisation;

(f) the Company believes that sufficient time should be given for the Company to the New Extension Deadline of 5 June 2020 so as to continue with its efforts to transform the Group as well as to materialise the various actions described above, so as to further improve its future prospects, financial performance and shareholders' value which will in turn, enhance investors' confidence, the share price and market capitalisation of the Company;

(g) the Company is close to satisfying the requirements as stated under Listing Rule 1314 (the "**Financial Criteria Exit Requirements**"):

(i) the Company has recorded a consolidated pre-tax profit of US$766,000 (approximately S$1,035,000) for the financial year ended 31 December 2018; and

(ii) based on the market capitalisation of the Company on 22 February 2019 of approximately S$28,224,412, the Company is close to meeting the S$40 million market capitalisation requirement;

(h) further and in view of the Company's continuing efforts to transform the Group, it will be in the interests of the Shareholders and the Company for the Company's shares to continue to be publicly listed and traded on the Main Board of the SGX-ST; and

(i) for the reasons stated above, it will be in the interests of the Shareholders and the Company to apply for a further extension of time to the New Extension Deadline from the SGX-ST.

The Company wishes to emphasise that there is no certainty or assurance that the Company will be granted a further extension of time to exit the Financial Watch-list. If, and when, there are any material developments which warrant disclosure, the Company will, in compliance with applicable rules, make further announcements as appropriate.

Shareholders and potential investors are advised to exercise caution when dealing in the shares of the Company. Shareholders and potential investors are advised to read all further announcements by the Company carefully and to consult their stockbrokers, bank managers, solicitors or other professional advisers if they have any doubt about the actions they should take.

By Order of the Board

Mr Chan Shut Li, William
Executive Chairman and Chief Executive Officer

4 March 2019