

ANNOUNCEMENT

MIRACH ENERGY LIMITED

(Incorporated in the Republic of Singapore on 11 June 2003)
(Company Registration No. 200305397E)

PROPOSED RENOUNCEABLE NON-UNDERWRITTEN RIGHTS ISSUE OF UP TO 887,581,257 NEW ORDINARY SHARES IN THE CAPITAL OF THE COMPANY (THE "RIGHTS SHARES") AT AN ISSUE PRICE OF S\$0.022 FOR EACH RIGHTS SHARE, ON THE BASIS OF THREE (3) RIGHTS SHARES FOR EVERY ONE (1) EXISTING ORDINARY SHARE IN THE CAPITAL OF THE COMPANY, HELD BY SHAREHOLDERS OF THE COMPANY AS AT THE BOOKS CLOSURE DATE, FRACTIONAL ENTITLEMENTS TO BE DISREGARDED

*Where capitalised terms are used in this announcement and not otherwise defined, such capitalised terms shall bear the same meanings as ascribed to them in the announcements made by Mirach Energy Limited (the "**Company**") on 29 December 2008 and 19 January 2009.*

Further to the announcements made by the Company on 29 December 2008 and 19 January 2009, the Company wishes to announce that Mr. Chan Shut Li William ("**Mr. William Chan**") has, on 21 January 2009, undertaken to subscribe and pay for his provisional allotment of Rights Shares under the Rights Issue. As at the date of this announcement, Mr. William Chan, a substantial shareholder and Director of the Company, has a direct interest of 46,424,183 Shares representing approximately 15.96% of the issued share capital of the Company (the "**Relevant Shareholding**"). Subject to the Whitewash Waiver (as defined below), Mr. William Chan has undertaken to the Company (the "**Undertaking**") that, among others,:-

- (i) he will not transfer, dispose of or otherwise reduce the Relevant Shareholding as at the date of the Undertaking to the last day of the period during which the Register of Shareholders and the Share Transfer Books of the Company will be closed to determine the entitlements of the shareholders of the Company (the "**Shareholders**") to Rights Shares under the Rights Issue (the "**Books Closure Date**"); and
- (ii) he will subscribe and pay for his provisional allotment of 139,272,549 Rights Shares (the "**Relevant Undertaken Shares**") in full under the Rights Issue.

Upon the completion of the Rights Issue, Mr. William Chan will have a direct interest of 185,696,732 Shares, representing approximately 43.16%⁽¹⁾ of the issued share capital of the Company (in the event that none of the other shareholders subscribe for Rights Shares and Mr. William Chan subscribes for the Relevant Undertaken Shares).

Whitewash Waiver

The Company will apply to the Securities Industry Council (the "**SIC**") for a waiver (the "**Whitewash Waiver**") of the obligation for Mr. William Chan and any parties acting in concert with him to make a general mandatory offer under Rule 14 of the Singapore Code on Take-overs and Mergers, in the event that pursuant to the Rights Issue, Mr. William Chan and any parties acting in concert with him acquire additional Shares resulting in their shareholding interest carrying 30% or more of the voting rights of the Company. The waiver from the SIC will be subject to, *inter alia*, the approval from Shareholders independent of Mr. William Chan (the "**Independent Shareholders**") to waive the

⁽¹⁾ Based on the issued share capital of the Company prior to the Rights Issue assuming that (i) none of the 4,900,000 vested share options issued pursuant to the Mirach Energy Employee Share Option Scheme are exercised by the Books Closure Date, and (ii) Mr. William Chan does not subscribe for additional Rights Shares in excess of his provisional allotment under the Rights Issue, and as adjusted for the issue of the Rights Shares.

obligation for Mr. William Chan and any parties acting in concert with him to make a general mandatory offer for all the remaining Shares not owned or controlled by them (the "**Whitewash Resolution**"). An appropriate announcement on the outcome of such application will be made in due course and further details will be set out in the circular to Shareholders.

DMG & Partners Securities Pte Ltd has been appointed the independent financial adviser (the "**IFA**") to advise the Independent Directors on whether the Whitewash Resolution, when considered in the context of the Rights Issue, is on normal commercial terms and is not prejudicial to the interests of the Independent Shareholders.

By Order of the Board

Lotus Isabella Lim Mei Hua
22 January 2009