

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 22 January 2009.*

The board of directors ("**Directors**") of the Company refers to the Company's announcement on 22 January 2009. The Directors wish to announce that the Securities Industry Council (the "**SIC**") has on 16 February 2009 granted a waiver of the requirement for Mr. William Chan and any parties acting in concert with him to make a general offer under Rule 14 of the Singapore Code on Take-overs and Mergers (the "**Code**") for the remaining Shares not owned or controlled by them in the event that pursuant to the Rights Issue, Mr. William Chan and any parties acting in concert with him acquire Shares⁽¹⁾ resulting in their shareholding interest carrying 30% or more of the voting rights of the Company (the "**SIC Waiver**").

The SIC Waiver is subject to the following conditions:

- (a) a majority of the independent holders of voting rights of the Company (the "**Independent Shareholders**") present and voting at a general meeting (the "**EGM**") held before the Rights Issue, approving by way of a poll, a resolution to waive their rights to receive a general offer from Mr. William Chan and parties acting in concert with him (the "**Whitewash Resolution**");
- (b) the Whitewash Resolution being set out as a separate resolution from the other resolutions to be considered at the EGM;
- (c) Mr. William Chan and any parties acting in concert with him, as well as parties not independent of him, abstaining from voting on the Whitewash Resolution;
- (d) Mr. William Chan and any parties acting in concert with him did not purchase and are not to purchase any Shares:
 - (i) during the period between the announcement of the Rights Issue and the date on which Independent Shareholders' approval is obtained for the Whitewash Resolution; and
 - (ii) in the 6 months prior to the announcement of the Rights Issue, but subsequent to negotiations, discussions or the reaching of understandings or agreements with the Directors in relation to the Rights Issue;
- (e) the Company appointing an independent financial adviser (the "**IFA**") to advise the Independent Shareholders on the Whitewash Resolution;
- (f) the Company setting out clearly in the circular to Shareholders (the "**Circular**"):

⁽¹⁾ As a result of subscribing for Rights Shares, including any additional Rights Shares in excess of the Relevant Undertaken Shares, in the event that he applies for such additional Rights Shares.

- (i) details of the Rights Issue;
- (ii) the dilution effect of the Rights Issue to existing holders of voting rights in the event that:
 - (a) only Mr. William Chan subscribes for the Relevant Undertaken Shares; and
 - (b) Mr. William Chan subscribes for additional Rights Shares in excess of the Relevant Undertaken Shares;
- (iii) the number and percentage of voting rights in the Company as well as the number of instruments convertible into, rights to subscribe for and options in respect of Shares (if any) held by Mr. William Chan and any parties acting in concert with him as at the latest practicable date prior to the issue of the Circular;
- (iv) the number and percentage of voting rights to be issued to Mr. William Chan and any parties acting in concert with him pursuant to the Rights Issue;
- (v) specific and prominent reference to the fact that the Rights Issue could result in Mr. William Chan and any parties acting in concert with him holding Shares carrying over 49.0% of the voting rights of the Company based on its enlarged issued share capital, and that Mr. William Chan and any parties acting in concert with him will be free to acquire further Shares without incurring any obligation under Rule 14 of the Code to make a general offer for the Company; and
- (vi) that Independent Shareholders, by voting for the Whitewash Resolution, are waiving their rights to a Mandatory Offer from Mr. William Chan and any parties acting in concert with him at the highest price paid by Mr. William Chan and any parties acting in concert with him for Shares in the six months preceding the commencement of the Rights Issue;
- (g) the Circular stating that the SIC Waiver is subject to the conditions set out in paragraphs (a) to (f) above;
- (h) Mr. William Chan obtaining the SIC's approval in advance for those parts of the Circular that refer to the Whitewash Resolution; and
- (i) to rely on the Whitewash Resolution, the acquisition of the Relevant Undertaken Shares and the additional Rights Shares in excess of the Relevant Undertaken Shares (in the event that Mr. William Chan applies for such additional Rights Shares) by Mr. William Chan must be completed within three months of the approval of the Whitewash Resolution.

DMG & Partners Securities Pte Ltd has been appointed as 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.

Further details on the above as well as the IFA's letter to the Directors who are independent for the purposes of making recommendations on the Whitewash Resolution, will be set out in the Circular.

By Order of the Board

Lotus Isabella Lim Mei Hua
18 February 2009