



MIRACH ENERGY LIMITED
Company Registration No. 200305397E

**MIRACH ENERGY SIGNED OPERATIONS COOPERATION AGREEMENT
WITH PERTAMINA FOR PETROLEUM PRODUCTION OPERATIONS IN THE
WIRIAGAR OPERATING AREA**

1. Introduction

Mirach Energy (“Mirach” or “Company”) is pleased to announce that its wholly owned subsidiary has signed an Operations Cooperation Agreement (“KSO Agreement”) with Indonesia’s national oil company, PT Pertamina EP (“Pertamina”), for the rights to operate on a contract area known as the Wiriagar Operating Area (“Wiriagar”). This KSO Agreement is signed via a newly established Indonesian company, Petroenergy Utama Wiriagar (“Petroenergy”). Mirach group and its Indonesian partner, PT Remaja Bangun Kencana each hold a 50% stake in Petroenergy.

2. Wiriagar Operating Area

Wiriagar is located at a distance of 4.6 square kilometres to the Kamundan Block in Papua, in which Mirach has an Operations Cooperation Agreement with Pertamina (Figure 1). It was discovered in 1981 with 11.86 MMBL oil-in-place and proven oil reserves of 3.86 MMBL. The field had three production wells drilled with an initial daily production of 3,000 barrels. Before Pertamina closed the field, production from the three wells were 150 barrels per day.

Wiriagar covers 5.15 square kilometers and is situated at the onshore area of the Bintuni Basin, in the bird’s head area of Papua, Eastern Indonesia. It is

surrounded by a British Petroleum's concession area at Tangguh Wiriagar and is at a distance of about 6 kilometres to China National Oil and Gas Exploration and Development Corporation's (CNODC) oil and gas field. Given that Wiriagar was in production in the past, most of the production infrastructure has been established in the area, including a jetty, workers lodging area and storage tanks. These can be shared by the Kamundan Block in their exploration and production activities.

3. Scope and Duration of Agreement

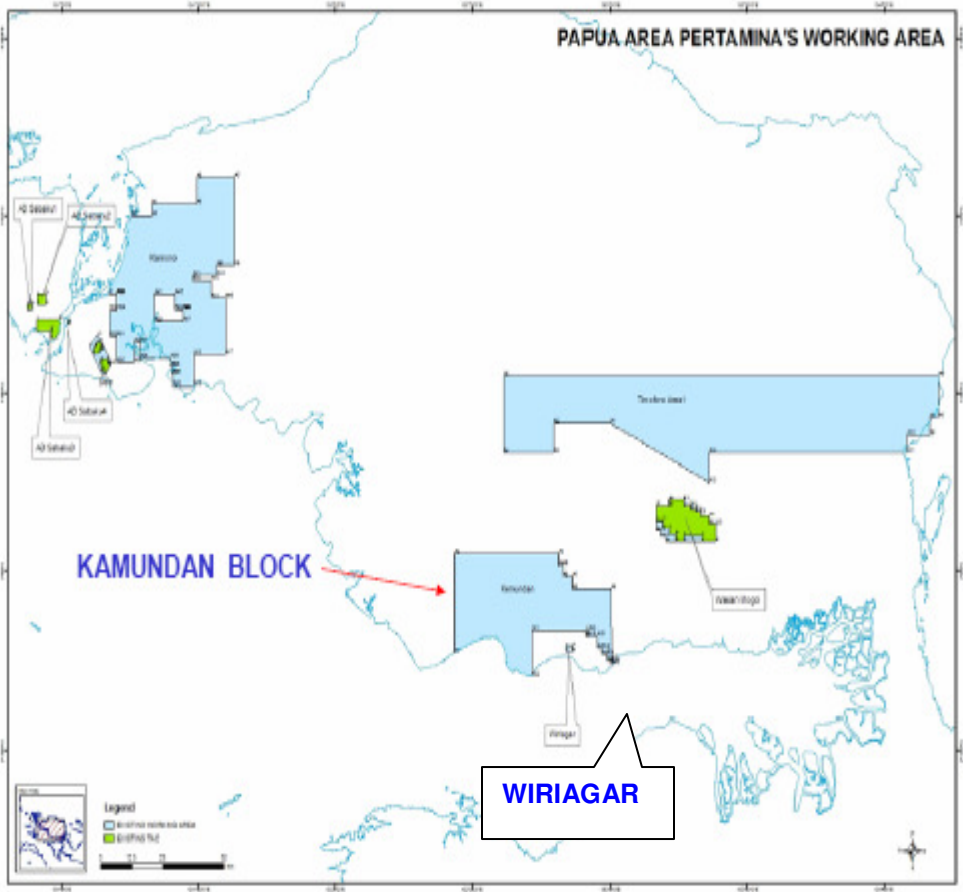
The KSO Agreement holds fifteen years duration, whereby Petroenergy will provide all the financial and technical skills to carry out petroleum production activities and subsequently enhance production rate activities.

4. Financial effect

Under the KSO Agreement, Petroenergy has budgeted approximately US\$2.2 million in working capital commitment for the first year. The initial period of operations in the area will involve the reopening of old wells that had been shut off and other related well works.

As at the date of this announcement, none of the directors or substantial shareholders is related to the PT Remaja Bangun Kencana or owns any interests in Petroenergy.

FIGURE 1:
Wiriagar and Kamundan Contract Areas in Papua, East Indonesia



Submitted by Mr William Chan, Executive Chairman & CEO

14 September 2009