



REACH ENERGY BERHAD
(Company No. 1034400-D)
(Incorporated in Malaysia)

NOTICE OF THIRD ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the Third Annual General Meeting of the Company will be held at Tournament Room, Ground Floor, West Lobby, Kuala Lumpur Golf and Country Club, 10, Jalan 1/70D, Bukit Kiara, 60000 Kuala Lumpur, Malaysia, on Tuesday, 26 April 2016 at 10.00 a.m. for the following purposes:-

AGENDA

AS ORDINARY BUSINESS

- To receive the Audited Financial Statements for the financial period ended 31 December 2015 together with the Directors' and Auditors' Reports thereon.
- To approve the proposed payment of Directors' fees totaling RM83,340 in respect of the financial period from 1 August 2015 to 31 December 2015.
- To approve the proposed payment of Directors' fees totaling RM200,000 in respect of the financial year ending 31 December 2016, to be made payable quarterly.
- To re-elect Mr Aonghus Joseph O'Carroll, who retires by rotation pursuant to Article 70 of the Company's Articles of Association.
- To consider and if thought fit, to pass the following resolution in accordance with Section 129(6) of the Companies Act, 1965:-

"THAT pursuant to Section 129(6) of the Companies Act, 1965, Encik Izlan bin Izhab, who is seventy years of age, be and is hereby re-appointed as Director of the Company and to hold office until the conclusion of the next Annual General Meeting of the Company."

- To appoint Auditors and to authorise the Directors to fix their remuneration.

Notice of Nomination of Messrs PricewaterhouseCoopers (AF: 1146) as the new Auditors of the Company, and of the intention to propose the following ordinary resolution, a copy of which is annexed hereto, has been received by the Company:-

"THAT Messrs PricewaterhouseCoopers (AF: 1146) be and are hereby appointed as Auditors of the Company in place of the retiring Auditors, Messrs KPMG, and to hold office until the conclusion of the next Annual General Meeting at a remuneration to be determined by the Directors."

AS SPECIAL BUSINESS

- To consider and if thought fit, to pass the following Ordinary Resolution:-

Authority for Directors to issue and allot shares in the Company pursuant to Section 132D of the Companies Act, 1965

"THAT subject always to the Companies Act, 1965, the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the Company's Articles of Association and the approvals of the relevant government and/or regulatory authorities, the Directors be and are hereby empowered pursuant to Section 132D of the Companies Act, 1965 to issue and allot new shares in the Company at any time at such price, upon such terms and conditions, for such purposes and to such person(s) whomsoever as the Directors may in their absolute discretion deem fit and expedient in the interest of the Company, provided that the aggregate number of shares to be issued pursuant to this resolution does not exceed 10% of the total issued share capital of the Company for the time being.

AND THAT the Directors be and are also empowered to obtain the approval from Bursa Malaysia Securities Berhad for the listing of and quotation for the additional shares so issued and that such authority shall continue to be in force until the conclusion of the next Annual General Meeting of the Company."

ANY OTHER BUSINESS

- To transact any other business for which due notice shall have been given.

BY ORDER OF THE BOARD

CHEN BEE LING (MAICSA 7046517)
TAN LAI HONG (MAICSA 7057707)
Company Secretaries

Selangor Darul Ehsan
Date : 4 April 2016

*Please refer to Explanatory
Note to the Agenda*

Ordinary Resolution 1

Ordinary Resolution 2

Ordinary Resolution 3

Ordinary Resolution 4

Ordinary Resolution 5

Ordinary Resolution 6

Notes:

- In regard of deposited securities, only members whose names appears in the Record of Depositors as at 20 April 2016 shall be eligible to attend the Meeting and to speak and vote thereat.
- A member of the Company who is entitled to attend and vote at the Meeting shall be entitled to appoint any person as his/her proxy to attend and vote in his/her stead. There shall be no restriction as to the qualification of the proxy. A proxy may but need not be a member of the Company and the provision of Section 149(1)(b) of the Companies Act, 1965 need not be complied with. A proxy appointed to attend and vote at the Meeting shall have the same rights as the member to speak at the Meeting.
- A member of the Company may appoint not more than two (2) proxies to attend the Meeting. Where a member appoints two (2) proxies, he/she shall specify the proportion of his/her shareholdings to be represented by each proxy.
- The instrument appointing a proxy shall be in writing (in the common or usual form) under the hands of the member or of his/her attorney duly authorised in writing or if the member is a corporation, either under its common seal or under the hand of an officer or attorney duly authorised. If the instrument appointing a proxy is executed by an officer or attorney duly authorised in writing, supporting documents are to be produced on the day of the Annual General Meeting for verification by the Company Secretary.
- Where a member of the Company is an authorised nominee as defined under the Securities Industry (Central Depositories) Act 1991, it may appoint not more than two (2) proxies in respect of each securities account it holds with ordinary shares of the Company standing to the credit of the said securities account to attend and vote at the Meeting.
- Where a member of the Company is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one securities account ("omnibus account"), such Exempt Authorised Nominee may appoint multiple proxies in respect of each omnibus account it holds. The appointment of multiple proxies shall be invalid unless the authorised nominee or exempt authorised nominee specifies the proportion of its shareholdings to be represented by each proxy it has appointed.
- To be valid, the Form of Proxy must be completed, signed and deposited at the Share Registrar's office at Level 6, Symphony House, Pusat Dagangan Dana 1, Jalan PJU 1A/46, 47301 Petaling Jaya, Selangor Darul Ehsan not less than forty-eight (48) hours before the time set for holding the Meeting or adjourned meeting.

Explanatory Notes to the Agenda:

Item 1 of the Agenda

This item of the Agenda is meant for discussion only as the provision of Section 169(1) of the Companies Act, 1965 does not require a formal approval of the shareholders for the Audited Financial Statements. Hence, this item of the Agenda is not put forward for voting.

Item 7 of the Agenda

Authority for Directors to issue and allot shares in the Company pursuant to Section 132D of the Companies Act, 1965

The proposed Ordinary Resolution 6 is to empower the Directors to issue and allot shares in the Company up to an aggregate amount not exceeding 10% of the total issued share capital of the Company for such purposes as they consider would be in the interest of the Company, such as investment(s), acquisition of asset(s) or working capital. This authority, unless revoked or varied at a general meeting, will expire at the conclusion of the next Annual General Meeting of the Company.

STATEMENT ACCOMPANYING NOTICE OF ANNUAL GENERAL MEETING

Authority for Directors to issue and allot shares in the Company pursuant to Section 132D of the Companies Act, 1965

This is a new mandate to be obtained from the shareholders of the Company and if passed, will empower the Directors of the Company to issue and allot shares up to an aggregate amount not exceeding 10% of the issued share capital of the Company for the time being for such purposes as the Directors consider would be in the best interest of the Company.

This authority unless revoked or varied by the Company at a general meeting will expire at the next Annual General Meeting.

This mandate would provide flexibility to the Company for any possible fund raising exercise, including but not limited to further placing of shares, for purpose of funding future investment projects, working capital and/or acquisitions. This authority is to avoid any delay and cost involved in convening a general meeting to approve such issuance of shares.