MIE HOLDINGS CORPORATION
MI 能 源 控 股 有 限 公 司
(Incorporated in the Cayman Islands with limited liability)
(Stock Code: 1555)

ANNOUNCEMENT
OIL AND GAS RESERVES AT YEAR END 2017

MIE Holdings Corporation (the "Company", together with the subsidiaries, the "Group") is pleased to announce that our independent consultants have completed a review of our oil and gas reserves as of yearend 2017. These reviews were performed in accordance with the standards set in the SPE/WPC/AAPG/SPEE Petroleum Resources Management System ("SPE-PRMS"), as prepared by the Oil and Gas Reserves Committee of the Society of Petroleum Engineers (SPE); reviewed and jointly sponsored by the World Petroleum Council (WPC), the American Association of Petroleum Geologists (AAPG); and the Society of Petroleum Evaluation Engineers (SPEE). By their very nature reserves are forward-looking estimates subject to change and revision.

The following reserve consultants issued reports covering 100% of the Group's oil and gas reserves: Ryder Scott Company, Sproule Associates Limited, Gaffney, Cline & Associates Limited and GLJ Petroleum Consultants Limited. We have combined and consolidated data from these reports to present the net reserves including our wholly-owned subsidiaries, and our net portion of entitlements in associates (using equity accounting method under IFRS) by country and petroleum basin.

The Group's net reserves evaluation for 2017 year-end shows a significant increase over 2016, primarily driven by the acquisition of CQ Energy Canada Partnership ("CQ", subsequently dissolved by operation of law due to having one partner being the Group's subsidiary, Canlin Energy Corporation or "Canlin"). Highlights of the Group's 2017 year-end reserves are as follows:

1. Overall, the Group's total net Proved ("1P") oil, gas and natural gas liquid ("NGL") reserves increased by 593% to 256 million barrels of oil equivalents ("BOE", where 1 BOE = 6,000 cubic feet gas), total net Proved + Probable ("2P") oil, gas and NGL reserves increased by 431% to 399 million BOE, and total net Proved + Probable + Possible ("3P") oil, gas and NGL reserves increased by 361% to 431 million BOE[1]. The increases in these reserve categories were mainly contributed by the gas and NGL reserves of Canlin properties in the Western Canada Basin.

2. The Group's net 1P oil reserves for 2017 increased by 9% to 31.0 million barrels, while 2P net oil reserves slightly decreased by 2% to 60.0 million barrels and 3P net oil reserves increased by 11% to 86.0 million barrels respectively, reflecting the combined impact of the production of Daan project and the divestment of Moliqing Project in Jilin Province, China, the revision on Emir-Oil's reserves for 2017 year-end in Kazakhstan and the acquisition of CQ in Canada in 3Q 2017.

3. Canlin's 1P and 2P reserves are 226 million BOE and 335 million BOE respectively for the yearend of 2017 and these reserves represent 88% and 84% of the Group's net 1P and 2P reserves on BOE basis, of which approximately 90% is natural gas and the balance crude oil and NGL. Canlin's highly proved and prolific reserve, long life assets and vast undeveloped lands provide great growth potential for the Group.

4. Based on the 2017 year-end reserves estimates reviewed by independent consultants, the Group's 2P net present value, before tax and discounted at 10% ("NPV10") is approximately US$1.965 billion, which represents 123% increase from the reported 2016 year-end 2P NPV10 value of US$881 million.

The Table below outlines Group's reserves as at December 31, 2017.

[1] In normal practice, Canada exploration & production companies do not prepare or disclose Possible reserves and Canlin and Journey follow the same approach. Accordingly, the Group's total 3P reserves only include the 2P reserves of Canlin and Journey

Table 1 The Group Net Reserves

Mbbl Thousand Barrels
MMcf Million Cubic Feet
Mboe Thousand Barrels of Oil Equivalent

	2016				2017				Change 2016–2017				
	Oil (Mbbl)	NGL (Mbbl)	Gas (MMcf)	Total *(Note 1)* (Mboe)	Oil (Mbbl)	NGL (Mbbl)	Gas (MMcf)	Total *(Note 1)* (Mboe)	Oil (Mbbl)	NGL (Mbbl)	Gas (MMcf)	Total *(Note 1)* (Mboe)	Total % Change
1P: PROVED													
China Oil Properties	10,552	—	62	10,562	8,475	—	—	8,475	(2,077)	—	(62)	(2,087)	-20%
Canada-Canlin & Journey	5,138	730	32,323	11,255	14,922	14,355	1,249,986	237,608	9,783	13,625	1,217,663	226,353	2,011%
Kazakhstan-Emir-Oil	12,611	—	14,373	15,007	7,540	856	8,708	9,847	(5,071)	856	(5,665)	(5,160)	-34%
US-Condor	116	—	93	132	47	—	7	48	(69)	—	(86)	(84)	-64%
Total 1P	28,417	730	46,851	36,956	30,983	15,211	1,258,701	255,978	2,565	14,481	1,211,850	219,022	593%
2P: PROVED + PROBABLE													
China Oil Properties	18,893	—	187	18,924	12,489	—	—	12,489	(6,404)	—	(187)	(6,435)	-34%
Canada-Canlin & Journey	9,092	994	46,635	17,860	22,477	21,282	1,860,006	353,759	13,385	20,287	1,813,371	335,899	1,881%
Kazakhstan-Emir-Oil	32,457	—	29,773	37,419	24,984	2,588	28,880	32,385	(7,473)	2,588	(893)	(5,034)	-13%
US-Condor	664	—	1,169	859	71	—	9	72	(593)	—	(1,160)	(787)	-92%
Total 2P	61,106	994	77,765	75,061	60,021	23,870	1,888,895	398,706	1,086	22,875	1,811,131	323,644	431%
3P: PROVED + PROBABLE + POSSIBLE													
China Oil Properties	26,487	—	352	26,546	17,281	—	—	17,281	(9,206)	—	(352)	(9,265)	-35%
Canada-Canlin & Jounrey *(Note 2)*	9,092	994	46,635	17,860	22,477	21,282	1,860,006	353,759	13,385	20,287	1,813,371	335,899	1,881%
Kazakhstan-Emir-Oil	40,454	—	37,381	46,684	46,252	4,660	54,548	60,003	5,798	4,660	17,167	13,319	29%
US-Condor	1,832	—	3,477	2,412	100	—	16	103	(1,732)	—	(3,461)	(2,309)	-96%
Total 3P	77,865	994	87,844	93,501	86,110	25,942	1,914,570	431,146	8,245	24,947	1,826,725	337,644	361%

Note 1: 1 BOE = 6,000 SCF

Note 2: The Possible Reserves are not disclosed by Canlin and Journey

The table below outlines the price assumptions used to determine 2017 year-end reserves. Oil and gas prices are based on price projections published by Sproule for China oil properties, Canlin and Condor, oil and gas price projections published by Gaffney, Cline & Associates for Emir-Oil and the average price projections published by the GLJ Petroleum Consultants Ltd., Sproule Associates Ltd. and McDaniel & Associates Consultants Ltd. for Journey.

Table 2 Prices Used in Reserves and Resources Determination at Yearend 2017

China China Oil Properties	Songliao	Escalated price profile based on price projections published by Sproule for WTI Crude. An average differential for January to November of 2017 between WTI Cushing Spot and Daqing of -$2.16 was used. The differential is assumed to remain constant in the future.
Kazakhstan Emir-Oil	Mangistau	Export oil at escalated price profile based on price projections published by GCA for Brent Crude which has been estimated to be $51.31/Stock Tank Barrel in 2018. Domestic oil price is estimated to be $13.67/Stock Tank Barrel in 2018. Domestic gas price $0.62/MSCF has been utilized for solution gas sales and assumed to be constant throughout the report.
USA Condor	Niobrara	Escalated price profile based on price projections published by Sproule. Appropriate oil and gas price offsets were determined by examining Condor's current oil and gas sales contracts and comparing them to historical prices Condor has actually received. The realized price is estimated to be $51.85/Stock Tank Barrel in 2018.
Canada Journey	Western Canadian	Forecast pricing used is the average of the published price forecasts for GLJ Petroleum Consultants Ltd., Sproule Associates Ltd. and McDaniel & Associates Consultants Ltd. as at January 1, 2018. It is estimated to be $57.5/Stock Tank Barrel WTI Cushing Oklahoma in 2018.
Canada Canlin	Western Canadian	Escalated price profile based on price projections published by Sproule. Canadian Light Sweet Crude 40º API oil price is estimated to be 65.44 $Cdn/bbl in 2018. Alberta AECO-C Spot gas price is estimated to be 2.85 $Cdn/MMbtu in 2018.

Notice about risk and uncertainty inherent in reserve and resource forecasting

Based on reserve and resource definitions in SPE/PRMS standards, these estimates include various levels of risk and uncertainty, and are based on continuation of existing economic conditions regarding pricing, costs, legal and regulatory framework. In addition, even with the same data and conditions, different professional experts will estimate different numbers for reserves and resources based on their experience and interpretation of the data they review, and may categorize them differently. The Group employs qualified independent third party professionals to determine these numbers in accordance with existing standards and industry practice; however, we have limited or no control over many of the factors affecting reserve and resource results. Actual future results will differ from the estimates presented herein.

By Order of the Board
MIE Holdings Corporation
Mr. Zhang Ruilin
Chairman

Hong Kong, 22 March 2018

As at the date of this announcement, the Board comprises (1) the executive directors namely Mr. Zhang Ruilin and Mr. Zhao Jiangwei; (2) the non-executive directors namely Ms. Xie Na and Mr. Jiao Qisen; and (3) the independent non-executive directors namely Mr. Mei Jianping, Mr. Jeffrey Willard Miller and Mr. Guo Yanjun.