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

(I) VERY SUBSTANTIAL ACQUISITION IN RELATION TO THE PROPOSED ACQUISITION OF ALL THE PARTNERSHIP INTERESTS OF CQ ENERGY CANADA PARTNERSHIP (II) MAJOR DISPOSAL IN RELATION TO THE DEEMED DISPOSAL OF 36.4% EQUITY INTEREST IN A WHOLLY-OWNED SUBSIDIARY AND (III) RESUMPTION OF TRADING

THE PROPOSED PURCHASE OF THE PARTNERSHIP

The Board is pleased to announce that on May 31, 2017 Calgary time (before the Stock Exchange trading hours on June 1, 2017 Hong Kong time), the Purchaser, a wholly owned subsidiary of the Company, and the Company executed the PSA dated as of May 31, 2017, in escrow, with the Vendors pursuant to which the Purchaser has conditionally agreed to acquire and the Vendors have conditionally agreed to sell the Partnership Interests, representing all the partnership interests in the Target Company, at a Consideration of C$722,000,000 (equivalent to approximately HK$4,117,336,800) (subject to adjustments in accordance with the PSA). For the purpose of amending the date and time for the escrow release under the PSA, the parties to the PSA entered into the Amending Agreement on June 8, 2017 (Calgary time). The PSA was released from escrow and delivered to the parties on the Document Escrow Release Time.

The Purchaser is a Canadian corporation within the meaning of the Income Tax Act (Canada). The Consideration will be funded through a combination of the Group's internal resources, debt or equity financing and proceeds raised from the Convertible Preferred Shares issued by the Purchaser. After Closing, the Target Company will be indirectly controlled by the Company and its financial information will be consolidated into the Group.

On or prior to the Document Escrow Release Time, the Purchaser has paid a C$70,000,000 (equivalent to approximately HK$404,908,000) Deposit into an escrow account held by the Escrow Agent pursuant to the Escrow Agreement. The remaining balance of the Consideration calculated in accordance with the PSA will be paid upon Closing.

THE SUBSCRIPTION

In order to facilitate the Acquisition, each of the Subscribers and the Purchaser entered into the Subscription Agreement on May 31, 2017 (Calgary time) in respect of the issue of: (i) an aggregate of 296,000,000 Common Shares to Maple Marathon, and (ii) the Convertible Preferred Shares in the aggregate principal amount of C$204,000,000 (equivalent to approximately HK$1,180,017,600), convertible into Common Shares on the basis of 0.83 Common Shares for every one Convertible Preferred Share, to Gastown and Mercuria Energy Netherlands.

Upon full conversion of the Convertible Preferred Shares at the Conversion Ratio, a total of 169,320,000 Conversion Shares will be issued, representing approximately 36.4% of the issued share capital of the Purchaser as enlarged by the issue of the Conversion Shares. Upon full conversion of the Convertible Preferred Shares, the Purchaser will remain to be a subsidiary of the Company, but the Company's equity interest in the Purchaser will be reduced to approximately 63.6%.

IMPLICATIONS UNDER THE LISTING RULES

As certain applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) in respect of the Acquisition contemplated under the PSA exceed 100%, the Acquisition constitutes a very substantial acquisition for the Company under Chapter 14 of the Listing Rules and therefore the Company is subject to reporting, announcement and Shareholders' approval requirements.

The issue of Conversion Shares to the Subscriber upon conversion of the Convertible Preferred Shares will be deemed to be a disposal of interest in the Purchaser by the Company under the Listing Rules. As one or more of the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) in respect of the Deemed Disposal exceed 25% but are less than 75%, the Subscription constitutes a major disposal for the Company under the Listing Rules and therefore the Company is subject to reporting, announcement and Shareholders' approval requirements.

GENERAL

An EGM will be convened and held for the Shareholders to consider and, if appropriate, approve, among others, the PSA and the Transactions contemplated thereunder and the major transaction regarding the Deemed Disposal. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholder is required to abstain from voting on the relevant resolutions to approve the PSA and Transactions contemplated thereunder.

A circular containing, amongst others, (i) further details of the PSA, the Subscription Agreement and the Transactions contemplated thereunder and the major transaction regarding the Deemed Disposal; (ii) a competent person's report and a valuation report in respect of the oil and gas reserves of the Target Company, both in compliance with the requirements of Chapter 18 of the Listing Rules; (iii) the notice of the EGM; and (iv) other information as required under the Listing Rules is expected to be despatched to the Shareholders on or before August 10, 2017, as additional time is required by the Company for the preparation of certain information for inclusion in the circular.

Closing of the Acquisition is conditional upon the satisfaction of the Conditions Precedent set out in the PSA. The Acquisition may or may not proceed. Shareholders and potential investors of the Company should exercise caution when they deal or contemplate dealing in the Shares and other securities of the Company.

RESUMPTION OF TRADING

At the request of the Company, trading in the Shares on the Stock Exchange was halted with effect from 9:00 a.m. on June 1, 2017 pending release of this announcement. The Company has applied to the Stock Exchange for resumption of trading in the Shares on the Stock Exchange with effect from 9:00 a.m. on June 9, 2017.

INTRODUCTION

The Board is pleased to announce that on May 31, 2017 Calgary time (before the Stock Exchange trading hours on June 1, 2017 Hong Kong time), the Purchaser, a wholly owned subsidiary of the Group, and the Company executed the PSA dated as of May 31, 2017, in escrow, with the Vendors pursuant to which the Purchaser has conditionally agreed to acquire and the Vendors have conditionally agreed to sell the Partnership Interests, representing all the partnership interests in the Target Company, at a Consideration of C$722,000,000 (equivalent to approximately HK$4,117,336,800) (subject to adjustments in accordance with the PSA). For the purpose of amending the date and time for the escrow release under the PSA, the parties to the PSA entered into an amending agreement (the "**Amending Agreement**") on June 8, 2017 (Calgary time). The PSA was released from escrow and delivered to the parties on the Document Escrow Release Time.

The Purchaser is a Canadian corporation within the meaning of the Income Tax Act (Canada). The Consideration will be funded through a combination of the Group's internal resources, debt or equity financing and proceeds raised from the Convertible Preferred Shares issued by the Purchaser. After Closing, the Target Company will be indirectly controlled by the Company and its financial information will be consolidated into the Group.

In order to facilitate the Acquisition, each of the Subscribers and the Purchaser entered into the Subscription Agreement on May 31, 2017 in respect of the issue of: (i) an aggregate of 296,000,000 Common Shares to Maple Marathon, and (ii) the Convertible Preferred Shares in the aggregate principal amount of C$204,000,000 (equivalent to approximately HK$1,180,017,600), convertible into Common Shares on the basis of 0.83 Common Shares for every one Convertible Preferred Share, to Gastown and Mercuria Energy Netherlands.

Upon full Conversion of the Convertible Preferred Shares at the Conversion Price, a total of 169,320,000 Conversion Shares will be issued, representing approximately 36.4% of the issued share capital of the Purchaser as enlarged by the issue of the Conversion Shares. Upon full conversion of the Convertible Preferred Shares, the Purchaser will remain to be a subsidiary of the Company, but Company's equity interest in the Purchaser will be reduced to approximately 63.6%.

PSA

The principal terms of the PSA are as follows:

Date

May 31, 2017

Parties

(a) the Vendors

(b) the Purchaser

(c) the Company

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Vendors and their respective ultimate beneficial owners are third parties independent of the Company and its Connected Persons.

Subject Matter

The Purchaser has conditionally agreed to acquire and the Vendors have conditionally agreed to sell the Partnership Interests, representing all the partnership interests in the Target Company.

Pursuant to and subject to the terms and conditions of the PSA, if Closing occurs, the economic risks and benefits of the Acquired Entities as from the Effective Date (excluding, however, the Excluded Assets) will be for the account of the Purchaser. The economic risks, with certain limited exceptions, associated with employees and environmental matters will be borne by the Purchaser regardless of whether they arose before or after the Effective Date.

The Acquired Entities own a diverse base of producing, resource and infrastructure assets located throughout Alberta, Saskatchewan, Manitoba, Ontario and British Columbia in Canada. The portfolio includes midstream infrastructure assets in active areas including Ferrier (North business unit), Hanlan (Hanlan-Robb business unit), Carrot Creek (North business unit) and Wildcat Hills (Foothills business unit). Currently, the Target Company owns 11 major facilities in these areas including three sweet and eight sour plants.

A summary of the principal businesses and the assets of the Target Company is set out in the section headed "Information of the Target Company" of this Announcement.

Consideration

The Consideration is C$722,000,000 (equivalent to approximately HK$4,117,336,800) ("**Base Purchase Price**"), which is subject to adjustments in accordance with the PSA in respect of capital contributions made by the Vendors to the Target Company after the Effective Time but prior to the Closing Date, distributions made by the Target Company to the Vendors after the Effective Time but prior to the Closing Date and adjustments for taxable income of the Target Company and its subsidiaries.

The Consideration was determined after arm's length negotiations between the Purchaser and the Vendors after taking into consideration by the Company, among other things, the following factors, including without limitation, historical and future cash flows (EBITDA and netback) analysis, acreage (developed and undeveloped), proved developed producing reserves, proved reserves, proved plus probable reserves and the NPV of such reserves, value of the assets, production rate and the asset retirement obligations of the Acquired Entities. In view of the above, the Directors consider that the Consideration (including the applicable adjustments) is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

The Consideration after adjustments in accordance with the PSA, will be funded through a combination of the Group's internal resources, debt or equity financing and proceeds to be raised from the Convertible Preferred Shares issued by the Purchaser as follows:

(a) C$170,000,000 in Convertible Preferred Shares from CCGRF;

(b) C$34,000,000 in Convertible Preferred Shares from Mercuria; and

(c) C$296,000,000 in Common Shares from the Group.

The Purchaser will draw upto C$250,000,000 from the Senior Secured Revolving Credit Facility to be provided by a syndicate of Canadian banks. The Senior Secured Revolving Credit Facility will rank senior to all securities of the Purchaser.

Payment of the Deposit

On or prior to the Document Escrow Release Time, the Purchaser has paid a C$70,000,000 (equivalent to approximately HK$404,908,000) Deposit into an escrow account held by the Escrow Agent pursuant to the Escrow Agreement. The remaining balance of the Consideration, as adjusted in accordance with the PSA will be paid upon Closing.

If Closing does not occur due to: (i) the Purchaser Default; or (ii) the Shareholders' Approvals (as defined below) or the Stock Exchange's Approval (as defined below) required under the PSA not being obtained or maintained, in each case prior to the Closing Date, the PSA shall be terminated and the Deposit plus any interest earned thereon shall, subject to the final resolution of any dispute with respect to a purported Purchaser Default (if applicable), be paid by the Escrow Agent to Vendors in accordance with the terms of the Escrow Agreement and shall be retained by Vendors as liquidated damages, to compensate Vendors for expenses incurred in connection with the Acquisition and the delay or permanent impairment caused to Vendors' efforts to sell the Partnership Interests. The forfeiture of the Deposit will be borne by the Group.

If the Investment Canada Act Clearance has not been obtained prior to the Outside Date or, if it has been obtained prior to the Outside Date, is not in force at the Closing Time and the PSA has been terminated by Vendors or Purchaser, as the case may be, pursuant to the PSA, and:

(i) if Purchaser complied with its obligations under the PSA, then 50% of the Deposit plus any interest earned thereon shall be paid by the Escrow Agent to Purchaser and the other 50% of the Deposit plus any interest earned thereon shall be paid by the Escrow Agent to Vendors, in each case in accordance with the terms of the Escrow Agreement and such amount paid to Vendors shall be retained by Vendors as liquidated damages, to compensate Vendors for expenses incurred in connection with the Acquisition and the delay or permanent impairment caused to Vendors' efforts to sell the Partnership Interests;

(ii) if Purchaser failed to comply with its obligations under the PSA, then the Deposit plus any interest earned thereon shall be paid by the Escrow Agent to Vendors in accordance with the terms of the Escrow Agreement and shall be retained by Vendors as liquidated damages, to compensate Vendors for expenses incurred in connection with the Acquisition and the delay or permanent impairment caused to Vendors' efforts to sell the Partnership Interests; or

(iii) if there is any amendment to the Investment Canada Act or its regulations which comes into effect during the Interim Period which prevents such Investment Canada Act Clearance from being granted to Purchaser, then the Deposit plus any interest earned thereon shall be paid by the Escrow Agent to Purchaser in accordance with the terms of the Escrow Agreement.

If all of the Vendor's Conditions as set out below are satisfied and Closing does not occur due to Vendors' refusal to sell and transfer the Partnership Interests to Purchaser and the PSA is terminated by Purchaser pursuant to the terms thereof, then Vendors will pay (i) to the Purchaser a break fee of C$70,000,000.00) (the "**Break Fee**"); and (ii) the Deposit plus any interest earned thereon shall be paid to Purchaser in accordance with the terms of the

Escrow Agreement. The return of the Deposit and the payment of the Break Fee to Purchaser shall be considered as liquidated damages, to compensate Purchaser for expenses incurred in connection with the Acquisition and the delay or failure to complete the Acquisition.

If Closing does not occur for any reason other than due to the circumstances described above, and the PSA has been terminated pursuant to the terms thereof, the Deposit plus any interest earned thereon shall be paid to Purchaser in accordance with the terms of the Escrow Agreement and the Parties shall be released from all of their obligations under the PSA.

Purchaser's Conditions

The obligation of Purchaser to purchase the Partnership Interests pursuant to the PSA is subject to the following conditions, which are for the exclusive benefit of Purchaser and, save and except for the conditions (a) and (b) as set below, may be waived in whole or in part by Purchaser by written notice to Vendors:

(a) Competition Act Approval: The Competition Act Approval shall have been obtained, and as at the Closing Time is in force;

(b) Investment Canada Act Approval: The Investment Canada Act Clearance shall have been obtained, and as at the Closing Time is in force;

(c) Representations and Warranties: Vendors' representations and warranties in the PSA shall be true in all material respects when made and as of the Closing Time (except for representations and warranties made as of a specified date, the accuracy of which shall be determined as of that specified date) provided, however, that the Purchaser shall not be entitled to terminate the PSA by reason of a Qualifying Misrepresentation being untrue (and this condition shall be deemed to be satisfied) unless the negative impact thereof, together with the negative impact of all other Qualifying Misrepresentations, on the aggregate value of the Partnership Interests and the Aggregate Tangible Repairs Cost (as defined below) exceeds, in aggregate, 5% of the Base Purchase Price;

(d) Compliance with Covenants: Vendors shall have performed or complied in all material respects with all of their obligations, covenants and agreements contained in the PSA to be performed or complied with by Vendors at or before Closing;

(e) Physical Damage to Tangibles: The cost to the Acquired Entities to repair any physical damage suffered by the Tangibles during the Interim Period, excluding ordinary course wear and tear and any physical damage that would be covered under a policy of insurance held by Vendors, the Acquired Entities or any of their Affiliates (the "**Aggregate Tangibles Repair Cost**"), together with the negative impact of all Qualifying Misrepresentations on the aggregate value of the Partnership Interests, does not exceed 5% of the Base Purchase Price;

(f) No Action or Proceeding: At the Closing Time, no Claim shall be pending before any Government Authority (excluding Claims, if any, (i) involving a former co-investor or member of the Purchaser consortium or any of its Related Parties, (ii) involving the shareholders of Purchaser or the Company, or (iii) arising in connection with the

Shareholders Approval of the Company, the Stock Exchange's Listing Approvals or the Listing Rules) seeking to restrain or prohibit the Acquisition or to obtain material damages or other relief from Purchaser in connection with the consummation of the Acquisition; and

(g) MIE Shareholders' Approval and Stock Exchange's Approvals: the Company shall have received: (i) the approval of the Acquisition from the Shareholders at a general meeting of such Shareholders in accordance with the requirements of the Listing Rules (the "**Shareholders' Approval**); and (ii) to the extent required, such consents, waivers, permissions and approvals in relation to the Acquisition from the Stock Exchange (the "**Stock Exchange's Approval**"); and as at the Closing Time the approvals stated in this sub-clause are in force.

The Purchaser and the Company acknowledge that the Shareholders' Approval and the Stock Exchange's Approval in the Purchaser's condition (g) are not waivable. The Purchaser and the Company will comply with the requirements under the Listing Rules by obtaining the Shareholders' Approval and the Stock Exchange's Approval.

Vendors' Conditions

The obligation of Vendors to sell the Partnership Interests to Purchaser pursuant to the PSA is subject to the following conditions, which are for the exclusive benefit of Vendors and, save and except for the conditions (a) and (b) as set below, may be waived in whole or in part by Vendors by written notice to Purchaser:

(a) Competition Act Approval: The Competition Act Approval shall have been obtained, and as at the Closing Time is in force;

(b) Investment Canada Act Approval: The Investment Canada Act Clearance shall have been obtained, and as at the Closing Time is in force;

(c) Representations and Warranties: The representations and warranties of Purchaser in the PSA shall be true in all material respects when made and as of the Closing Time;

(d) Compliance with Covenants: Purchaser shall have performed or complied in all material respects with all of its obligations, covenants and agreements contained in this Agreement to be performed or complied with by Purchaser at or before Closing; and

(e) No Action or Proceeding: At the Closing Time, no Claim shall be pending before any Government Authority seeking to restrain or prohibit the Acquisition or to obtain material damages or other relief from Vendors in connection with the consummation of the Acquisition.

Closing

Closing will take place at the Closing Time provided all the Conditions Precedent to the PSA have been satisfied (or, if applicable, waived by the parties to the PSA).

Upon Closing, the Target Company will be indirectly controlled by the Company and its financial information will be consolidated into the Group.

Termination of the PSA

Either party may terminate the PSA by mutual written consent or if the Closing Date has not occurred by the Outside Date; provided that the right to terminate the PSA under the terms thereof shall not be available to a party whose failure to fulfill any obligation under the PSA has caused or resulted in the failure of the Closing Date to occur on or before the Outside Date.

If a condition in the Purchaser's conditions or the Vendors' conditions set out above has not been satisfied on or before the applicable date for satisfaction thereof and that condition has not been waived in writing, or deemed to be waived, by the party for whose benefit that condition has been included therein, that party may terminate the PSA by written notice to the other party, provided that, a party shall not be permitted to exercise or purport to exercise any right of termination if the event or circumstances giving rise to that right is due to a default by that party.

In the event of the termination of the PSA aforesaid, save for the defaults that occurred before the time at which that termination occurs where the defaulting party shall remain liable, the parties to the PSA shall be released from all of their further obligations under the PSA.

THE SUBSCRIPTION AGREEMENT

Date

May 31, 2017

Parties

(i) the Purchaser

(ii) the Subscribers

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, each of Gastown and Mercuria Energy Netherlands and their respective ultimate beneficial owners are third parties independent of the Company and its Connected Persons.

Subject Matter

The Purchaser will issue (a) 170,000,000 Convertible Preferred Shares to Gastown at a price of C$1.00 per share for aggregate proceeds of C$170,000,000; (b) issue 34,000,000 Convertible Preferred Shares to Mercuria Energy Netherlands at a price of C$1.00 per share for aggregate proceeds of C$34,000,000; (c) issue 296,000,000 Common Shares to Maple Marathon at a price of C$1.00 per share for aggregate proceeds of C$296,000,000.

On the terms and subject to the conditions set out in the Subscription Agreement, the subscription of the relevant Convertible Preferred Shares by each of Gastown and Mercuria Energy Netherlands, and subscription of the Common Shares by Maple Marathon shall be irrevocable.

Closing of the subscription of the relevant Convertible Preferred Shares by each of Gastown and Mercuria Energy Netherlands will take place two business days prior to the Closing Date or such other date as the parties may agree. The subscription of the Common Shares by Maple Marathon will take place in two tranches, the first tranche, representing 70,000,000 Common Shares for an aggregate purchase price of C$70,000,000 shall be completed upon signing of the Subscription Agreement or as the parties may agree and the second tranche, representing 226,000,000 Common Shares for an aggregate purchase price of C$226,000,000 shall be completed on the Closing Date or as the parties may agree.

Maple Marathon shall fund its subscription under the Subscription Agreement through a combination of the Group's internal resources, debt or equity financing.

Conditions precedent to the Subscription

Closing of the Subscription shall be conditional upon:

(a) each sale of shares shall be exempt from the prospectus requirements of the Securities Act (Alberta) and the regulations, rules, policies and orders made thereunder and the securities legislation of any other jurisdiction applicable to the sale of the shares or upon the issuance of such rulings, orders, consents or approvals as may be required to permit the sale without the requirement of filing a prospectus;

(b) at or prior to the closing of the subscription by Gastown or Mercuria Energy Netherlands, (i) the articles of the Purchaser be amended to create the Convertible Preferred Shares in the capital of the Purchaser setting out the rights, privileges and restrictions as agreed between the parties and (ii) the shareholders agreement in the agreed form be entered into between the Purchaser, Gastown, Mercuria Energy Netherlands and Maple Marathon; and

(c) the PSA shall be in full force and effect and unamended (except for any amendments which have been consented to by Gastown, Mercuria Energy Netherlands and Maple Marathon).

Special rights and restrictions attached to the Common Shares and Convertible Preferred Shares

The Common shares shall have attached thereto the following special rights and restrictions:

(a) The holders of the Common shares shall be entitled to one vote in respect of each Common Share held, at any annual or special general meeting of the shareholders of the Purchaser.

(b) Holders of the Common Shares shall, in the absolute discretion of the directors, be entitled to receive dividends, as and when declared by the directors, out of moneys of the Purchaser properly applicable to the payment of dividends in such amounts and payable in such manner as the board of directors may from time to time determine.

(c) In the event of the liquidation, dissolution or winding up of the Purchaser or other distribution of assets of the Purchaser among its shareholders for the purpose of winding up its affairs or upon a reduction of capital, after payment has been made to the holders of the Convertible Preferred Shares of the amount to which they are entitled, the holders of the Common Shares shall be entitled to share equally, share for share, in the remaining property and assets of the Purchaser.

The Convertible Preferred Shares shall confer on the holders thereof and shall be subject to the following rights, restrictions, privileges and conditions:

(a) The holders of the Convertible Preferred Shares shall be entitled to one vote in respect of each Convertible Preferred Shares held, at any annual or special general meeting of the shareholders of the Purchaser.

(b) The holders of the Convertible Preferred Shares, in priority to the holders of the Common Shares and all other shares ranking junior to the Convertible Preferred Shares shall be entitled to receive and the Purchaser shall pay thereon, as and when declared by the board of directors of the Purchaser out of the assets of the Purchaser properly applicable to the payment of dividends, fixed preferential cumulative dividends of C$0.08 per share per annum. If on any dividend payment date the dividend payable on such date is not paid in full on all the Convertible Preferred Shares then issued and outstanding, the fixed preferential cumulative dividends payable on such Convertible Preferred Shares shall increase to C$0.16 per share per annum and such increased dividend, or the unpaid part thereof, shall be paid at a subsequent date or dates in priority to dividends on the Common shares and any other shares ranking junior to the Convertible Preferred Shares, and upon payment of such dividend the fixed preferential cumulative dividends payable on the Convertible Preferred shares shall again decrease to C$0.08 per share per annum.

(c) Except with the consent in writing of the holders of all the Convertible Preferred Shares outstanding, no dividend shall at any time be declared and paid on or set apart for payment on the Common Shares or on any other shares ranking junior to the Convertible Preferred Shares in any financial year unless and until the accrued preferential cumulative dividends on all the Convertible Preferred Shares outstanding have been declared and paid or set apart for payment.

(d) In the event that aggregate dividends are declared and paid on the Common Shares in an amount in excess of C$0.08 per Common Share per annum, the holders of the Convertible Preferred Shares shall be entitled to receive and the Purchaser shall pay thereon, as and when declared by the board of directors of the Purchaser out of the assets of the Purchaser properly applicable to the payment of dividends, a special dividend, in excess of the fixed preferential cumulative dividends hereinbefore provided, in an amount per Convertible Preferred share equal to the aggregate per share per annum dividends declared and paid to holders of Common Shares less the per share per annum fixed preferential cumulative dividends declared and paid to the holders of Convertible Preferred Shares hereinbefore provided.

(e) In the event of the liquidation, dissolution or winding up of the Purchaser or other distribution of assets of the Purchaser among its shareholders for the purpose of winding up its affairs, the holders of the Convertible Preferred Shares shall be entitled to receive for each such share held: (i) C$1.00 per share, plus (ii) all unpaid dividends which shall have accrued thereon, before any amount shall be paid or any property or assets of the Purchaser distributed to the holders of the Common Shares or shares ranking junior to the Convertible Preferred Shares and upon payment of the amount so payable to them, the Convertible Preferred Shares shall not be entitled to share in any further distribution of the property or assets of the Purchaser.

(f) Subject to the right of a holder to convert its Convertible Preferred Shares into Common Shares, from the first date of issue of the Convertible Preferred Shares to the date that is four years from the first date of issue of the Convertible Preferred Shares, the Purchaser may upon giving notice, redeem at any time the whole or from time to time any part of the then outstanding Convertible Preferred shares on payment of (i) C$1.00 for each Convertible Preferred Share to be redeemed, plus (ii) all unpaid dividends which shall have accrued thereon, plus (iii) an amount equal to the amount of dividends that would have accrued on such Convertible Preferred Share from the date on which redemption is to take place of such Convertible Preferred Share to the date that is five years from the first date of issue of such Convertible Preferred share at a rate of C$0.04 per share per annum (the whole constituting and being referred to herein as the "**Redemption Amount**").

(g) Irrespective of whether the event of closing of the Acquisition is completed or not completed, Gastown will be entitled to receive a one-time standby fee in the amount of 4.0% of its C$170,000,000 investment amount ("**Standby Fee**"). In the event that the closing of the Acquisition is completed, the Standby Fee will be paid to Gastown on October 1, 2018 together with the first dividend payment. In the event that the closing of the Acquisition is not completed, the Standby Fee will be paid to Gastown by no later than December 31, 2017.

(h) Each issued Convertible Preferred share may at any time prior to a Redemption Date be converted, at the option of the holder, into 0.83 Common Shares.

(i) All Common Shares resulting from any conversion of issued and fully paid Convertible Preferred Shares into Common Shares shall be deemed to be fully paid and non-assessable.

(j) None of the Common Shares or the Convertible Preferred Shares shall be subdivided, consolidated, reclassified or otherwise changed unless contemporaneously therewith the other said class of shares is sub-divided, consolidated, reclassified or otherwise changed in the same proportion and in the same manner.

(k) In the event that the Purchaser sells or disposes (a "**Disposition**") of any of its assets or property, other than (i) sales or dispositions of inventory or worn out, obsolete or surplus equipment in the ordinary course of business, (ii) sales, dispositions, non-renewals and exchange of properties in the ordinary course of business, (iii) sales or dispositions between subsidiaries of the Purchaser or between the Purchaser and its subsidiaries, or (iv) sales or dispositions with the consent in writing of the holders of all Convertible Preferred Shares outstanding, it shall, as soon as practicable, by notice in writing (a "**Disposition Notice**"), advise the holders of Convertible Preferred Shares of such Disposition and the amount of proceeds (the "**Net Proceeds**") in cash, cheques or other cash equivalent financial instruments received by the Purchaser from such Disposition, net of: (A) the direct costs relating to such Disposition, (B) sale, use or other transaction taxes paid or payable as a result thereof including income taxes, (C) amounts required to be applied to repay principal, interest and prepayment premiums and penalties on any indebtedness secured by an encumbrance on the property which is the subject of such Disposition, and (D) amounts required to be paid to the Purchaser's lenders pursuant to its Senior Secured Revolving Credit Facility in respect of such Disposition. Following receipt of a Disposition Notice, a holder of Convertible Preferred Shares shall be entitled to require the Purchaser to redeem all or any of the Convertible Preferred Shares held by such holder from the Net Proceeds of the Disposition by tendering to the Purchaser at its registered office within 30 days following receipt of a Disposition Notice a share certificate or certificates representing the Convertible Preferred Shares which the holder desires to have the Purchaser redeem together with a request (a "**Retraction Request**") in writing specifying (i) that the holder desires to have the shares represented by such certificate or certificates redeemed by the Purchaser and, if part only of the shares represented by such certificate or certificates is to be redeemed, the number thereof so to be redeemed and (ii) the business day (herein referred to as the "**Retraction Date**") on which the holder desires to have the Purchaser redeem such Convertible Preferred Shares. The Retraction Date shall be not less than 30 days (or such shorter period to which the Purchaser may consent) after the day on which the request in writing is given to the Purchaser. Upon receipt of a share certificate or certificates representing the Convertible Preferred Shares which the holder desires to have the Purchaser redeem together with such a request the Purchaser shall on the Retraction Date redeem such Convertible Preferred Shares by paying to such holder (i) C$1.00 for each such Convertible Preferred Share being redeemed, plus (ii) all unpaid dividends which have accrued thereon (the whole constituting and being herein referred to as the "**Retraction Amount**"). Notwithstanding the foregoing, in respect of a Retraction Request or Retraction Requests for a particular Disposition, in no event shall the Purchaser be required to pay an aggregate Retraction Amount to holders of Convertible Preferred shares in excess of the Net Proceeds of such Disposition.

SHAREHOLDING STRUCTURE OF THE PURCHASER

Upon full Conversion of the Convertible Preferred Shares at the Conversion Ratio, a total of 169,320,000 Common Shares will be issued, representing approximately 36.4% of the issued share capital of the Purchaser as enlarged by the issue of the Common Shares. Upon full Conversion, the Purchaser will remain to be a subsidiary of the Company, but Company's equity interest in the Purchaser will be reduced to approximately 63.6%.

The following table sets out the shareholding structure of the Purchaser (i) as at the date of this announcement; (ii) immediately upon the issue of the Convertible Preferred Shares; (iii) immediately upon the issue of the second tranche of Common Shares to Maple Marathon; and (iv) immediately upon full Conversion of the Convertible Preferred Shares, assuming that there is no other change in the issued shares of the Purchaser from the date of this announcement (for illustration purposes only).

Shareholders of the Purchaser	As at the date of this announcement		
	Number of Common Shares	*Number of Convertible Preferred Shares*	*Approx. % of the total issued Common Shares*
Maple Marathon	70,000,100	—	100
Gastown	—	—	—
Mercuria Energy Netherlands	—	—	—
Total	70,000,100	—	100

Shareholders of the Purchaser	Immediately after the issue of the second tranche of the Common Shares to Maple Marathon on Closing Date		
	Number of Common Shares	*Number of Convertible Preferred Shares*	*Approx. % of the total Issued Common Shares*
Maple Marathon	296,000,100	—	100
Gastown	—	170,000,000	—
Mercuria Energy Netherlands	—	34,000,000	—
Total	296,000,100	204,000,000	100

Shareholders of the Purchaser	Immediately upon completion of full Conversion (convertible into Common Shares on the basis of 0.83 Common Shares for every one Convertible Preferred Share)		
	Number of Common Shares	*Number of Convertible Preferred Shares*	*Approx. % of the total Issued Common Shares*
Maple Marathon	296,000,100	—	63.6
Gastown	141,100,000	—	30.3
Mercuria Energy Netherlands	28,220,000	—	6.1
Total	465,320,100	—	100

BOARD OF DIRECTOR OF THE PURCHASER

Immediately after Closing until the date Gastown completes the conversion of all of its Convertible Preferred Shares into Common Shares (the "**Conversion Date**") the board of directors of the Purchaser shall consist of up to five (5) directors, to be nominated in manner set out below. From the Conversion Date, the board of directors of the Purchaser shall consist of up to seven (7) directors, to be nominated in manner set out below.

For so long as the Company holds, or is deemed to hold, the requisite number of shares, the Company shall nominate directors of the Purchaser as follows:

(i) four (4) nominees designated by the Company will be directors immediately after Closing until the Conversion Date or five (5) nominees designated by the Company will be directors from the Conversion Date, if and only for so long as the Company holds at least 50% of the issued shares in the Purchaser;

(ii) three (3) nominees designated by the Company will be directors immediately after Closing until the Conversion Date or four (4) nominees designated by the Company will be directors from the Conversion Date, if and only for so long as the Company holds at least 40% and less than 50% of the issued shares in the Purchaser;

(iii) two (2) nominees designated by the Company will be directors immediately after Closing until the Conversion Date or two (2) nominees designated by the Company will be directors from the Conversion Date, if and only for so long as the Company holds at least 30% and less than 40% of the issued shares in the Purchaser;

(iv) one (1) nominee designated by the Company will be a director immediately after Closing until the Conversion Date or one (1) nominees designated by the Company will be directors from the Conversion Date, if and only for so long as the Company holds at least 20% and less than 30% of the issued shares in the Purchaser;

(v) no nominee designated by the Company will be a director immediately after Closing until the Conversion Date or no nominee designated by the Company will be directors from the Conversion Date, if and only for so long as the Company holds less than 20% of the issued shares in the Purchaser;

provided that, after Closing Date and for so long as the Company nominates more than one (1) director, the Company shall nominate the CEO to act as one of its nominee directors. In the event that the Company ceases to hold the requisite number of shares to nominate a director or directors, the Company's excess nominee director(s) shall forthwith resign. No nominee designated by the Company will be a director, if and only for so long as the Company holds less than 20% of the issued shares in the Purchaser.

Immediately after Closing until the Conversion Date and for so long as Gastown holds at least 20% of the issued shares in the Purchaser, Gastown shall nominate one (1) director and shall be entitled to appoint one (1) non-voting observer to attend all meeting of the board of directors. From the Conversion Date and for so long as Gastown holds at least 20% of the issued shares in the Purchaser, Gastown shall nominate two (2) directors. In the event that Gastown ceases to hold the requisite number of shares, Gastown's nominee director(s) shall forthwith resign.

INFORMATION ON THE TARGET

Target Company and its subsidiaries

The Target Company owns a diverse base of producing, resource and infrastructure portfolio located throughout the Western Canadian Sedimentary and Williston basins in Alberta, Saskatchewan, Manitoba, Ontario and British Columbia in Canada. The Target Company has a high working interest in all its key assets. Its portfolio also includes midstream infrastructure assets in active areas including Ferrier, Hanlan, Carrot Creek and Wildcat Hills. Currently, the Target Company has ownership in 11 major facilities including 3 sweet and 8 sour plants with net processing capacity of 630 MMcefe/d.

The Target Company has an average working interest (average percentage of ownership) of 67% in the relevant assets and properties in relation to its oil and gas reserves, which as of June 6, 2017 covered an area with gross land coverage of 3,492,600 acres (or net coverage of 2,200,814 acres).

To the best knowledge of the Company after due inquiry, the Target Company has acquired all necessary rights, permits, licences, leases and contracts which are required for operation of its oil and gas reserves, which will remain valid so long as the land is being used for production of oil or gas with an active working programme.

Production by Region (average for 2016)	**Oil and natural gas liquids**	**Gas**	**Total**
	(Bbl/d)	*(MMcf/d)*	*(boe/d)*
Peace River Arch	1,323	44.99	8,821
North	3,946	55.25	13,154
South	98	58.21	9,800
Hanlan Robb	1,000	54	10,000
Foothills	700	79.8	14,000
Total	7,067	292.25	55,775

Financial Information of the Target Company

Set out below is the financial information of the Target Company extracted from the audited financial statements of the Target Company for the year ended December 31, 2015 and the year ended December 31, 2016 prepared in accordance with IFRS:

	For the year ended December 31, 2016	For the year ended December 31, 2015
(C$'000)	*(audited)*	*(audited)*
Revenue	334,161	478,343
Royalties	(19,492)	(23,339)
Expenses	(362,647)	(1,140,885)
Net profit/(loss)	(47,978)	(685,881)

The net loss amounting to C$685.9 million recorded by the Target Company for 2015 was mainly due to non-cash items. Due to the declining commodity price environment in 2015, the Target Company wrote off C$539 million in relation to impairment of property, plant and equipment and goodwill. Additionally, significant capital expenditure was invested by the Vendors, resulting in depreciation and amortisation of approximately C$234.9 million.

Balance Sheet

	As at December 31, 2016	As at December 31, 2015
(C$'000)	*(audited)*	*(audited)*
Current Assets	109,012	137,857
Non-current Assets	1,725,842	1,879,160
Total Assets	1,834,854	2,017,017
Current Liabilities	127,894	191,091
Non-current Liabilities	992,133	1,071,318
Partners' Equity	842,721	945,699

As at December 31, 2016, the book value of the Target Company amounted to approximately C$843 million.

Cash flow Statement

(C$'000)	**For the year ended December 31, 2016** *(audited)*	**For the year ended December 31, 2015** *(audited)*
Cash flow from operating activities	95,589	113,073
Cash flow from investing activities	(35,432)	(144,089)
Cash flow from financing activities	(74,000)	19,000
Change in cash and cash equivalents	(13,843)	(12,016)

Information on the production and reserves of the Target Company

Based on the DeGolyer and MacNaughton's Reserve Report and the internal evaluation of the Target Company (effective as of December 31, 2016), the Target Company had proved reserves of approximately 229.5mmboe (89% gas) and proved and probable reserves of approximately 343.6mmboe (90% gas) and NPV10 economic value of such reserves before income tax are C$1.2 billion and C$2 billion respectively.

Below is a summary of the reserves of the Target Company based on DeGolyer and MacNaughton's Reserve Report (effective as of December 31, 2016) and the internal evaluation of the Target Company (effective as of December 31, 2016):

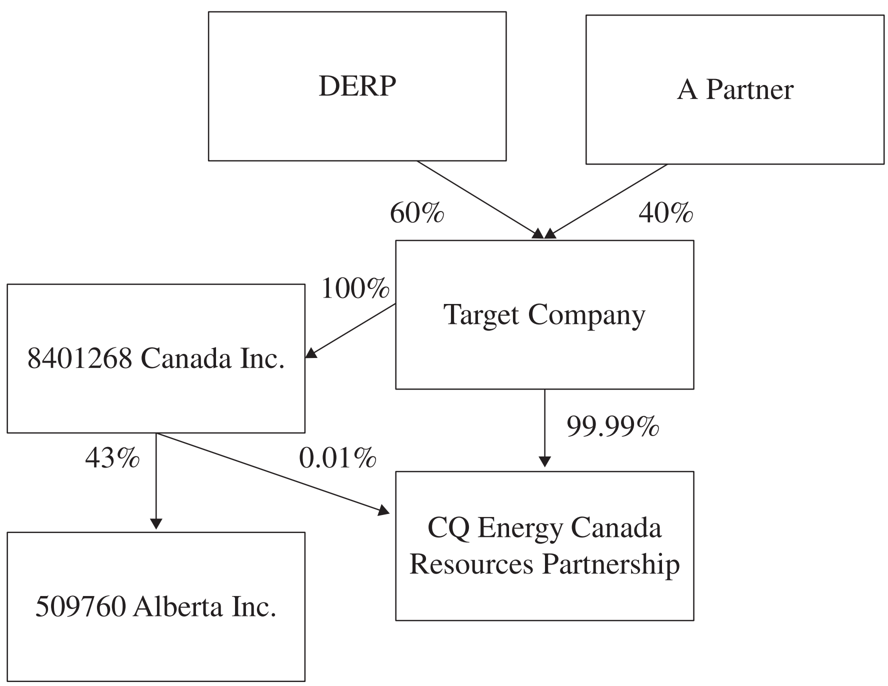
More than 95% reserves was calculated by DeGolyer and MacNaughton.

	Oil *(MBbl)*	**Natural gas liquids** *(MBbl)*	**Gas** *(MMcf)*	**Total** *(Mboe)*
Total Proved Developed Producing	9,779	7,238	804,889	151,165
Total Proved	13,188	11,023	1,231,642	229,485
Total Proved and Probable	18,483	16,598	1,851,188	343,612

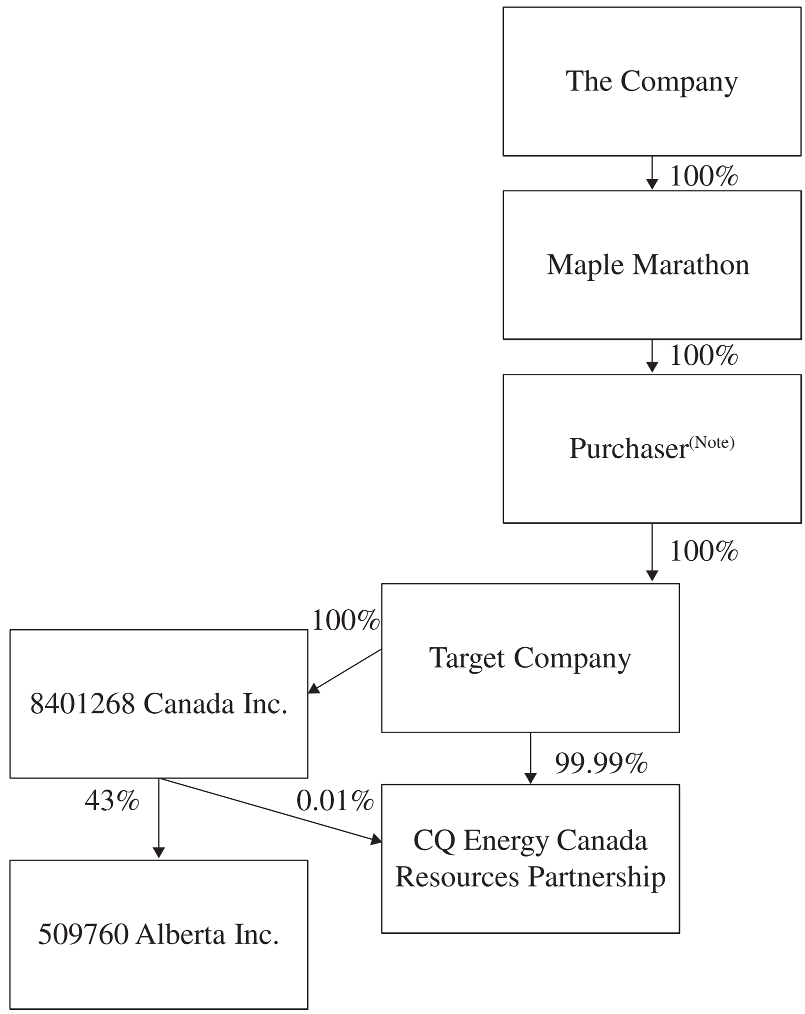
Below is a summary of the reserves of the Group based on its 2016 annual report (effective as of December 31, 2016).

The Group	**Oil** *(MBbl)*	**Natural gas liquids** *(MBbl)*	**Gas** *(MMcf)*	**Total** *(Mboe)*
Total Proved Developed Producing	15,766	0	29,371	20,661
Total Proved	29,147	0	46,851	36,956
Total Proved and Probable	62,101	0	77,764	75,061

The shareholding structure of the Target Company immediately prior to the signing of the PSA is set out below:



The shareholding structure of the Target Company immediately after closing is set out below:



Note: The Purchaser shall hold 99.9% interest in the Target Company and the remaining 0.01% interest in the Target shall be held by its nominee which will be a direct subsidiary of the Purchaser.

INFORMATION ON THE PARTIES

The Group

The Group is an independent oil and gas group engaged in the exploration and production of oil and gas in the PRC, Kazakhstan and the USA. The Group operates the Daan and Moliqing oilfields in the Songliao Basins under various separate production sharing contracts with PetroChina Company Limited, the largest oil company in the PRC. The Group also holds (through a joint venture) an exploration contract and four production contracts that allow the Group to conduct exploration and production activities in the Mangistau province in the southwestern region of Kazakhstan. In addition, the Group pursues other oil and gas exploration, development and production opportunities internationally, both independently and in partnership with other major and independent oil companies.

The Purchaser

Maple Felix Energy Corporation, a corporation established under the law of the Province of the British Columbia, Canada, the principal business of which is investment holding.

CCGRF

CCGRF is a private equity fund focused on the natural resource sectors in North America. The investment is consistent with CCGRF's investment mandate of investing into top tier natural resources assets with identified growth opportunities. CCGRF is a limited partnership existing under the laws of Cayman Islands. It is solely managed by MEC Advisory Limited.

Gastown

Gastown is a wholly-owned subsidiary of CCGRF and was established for the sole purpose to invest CCGRF's capital into the Convertible Preferred Shares. It is principally engaged in investment holding.

Mercuria

Mercuria is a privately held Swiss-based international commodity trading company and is one of the world's largest independent energy and commodity trading groups. The group is primarily focused on energy, and its activities range from sourcing, supplying, trading, and financing to investment, logistics storage and blending.

Mercuria Energy Netherlands

Mercuria Energy Netherlands is a wholly-owned subsidiary of Mercuria. It is based in Utrecht, Netherlands, and focuses on logistics, support of the Mercuria group, risk management, and operations coordination.

The Vendors

(a) DERP, a partnership having an office and carrying on business in the City of Calgary, in the Province of Alberta, whose principal business is oil and gas exploration and development. DERP is an indirect subsidiary of Centrica plc.

(b) A Partner, a body corporate incorporated under the laws of British Columbia, whose principal business is oil and gas exploration and development.

REASONS FOR AND BENEFITS OF THE ACQUISITION

As part of its strategy of rebuilding its asset portfolio and creating value for its investors, the Group constantly evaluates investment opportunities globally and is particularly drawn by Canada's vast oil and natural gas resources with an established energy sector in OECD jurisdiction.

The Directors (excluding the independent non-executive Directors) believe that the Target Company possesses natural gas resources producing low decline, long life asset base products and infrastructure. It has vast acreage of undeveloped land and has potential for growth. Furthermore, the Target Company's prolific assets have been able to generate positive EBITDA/netback under current oil and gas prices and the Target Company has the ability to self-finance its future capital expenditure via its own cashflows and financing capabilities. The acquisition will also allow the Group to widen its global footprint and develop a more balanced oil and gas business portfolio, expand its operational capabilities and elevate its profile and image as an international energy company. Upon Closing and consolidation of the Target Company as a controlled company of the Group, it is believed that the Acquisition will enhance the Group's financial performances and balance sheet.

As the Target Company is able to generate operating cash flow for the past years, the Company does not expect to inject additional capital into the Target Company. Moreover, given the size of the reserve, production, revenue and operating cash flow of the Target Company, it may obtain funding from banks directly if additional working capital is needed.

Based on the Base Purchase Price of approximately C$722,000,000 (equivalent to approximately HK$4,117,336,800), the Acquisition represents multiples of C$2.1/boe (EV/2P), being the Consideration divided by the total proved and probable reserves of the Target Company and C$12,944.9/boe/d (EV/Production), being the Consideration divided by the total daily production of the Target Company.

The Directors (excluding the independent non-executive Directors) are of the view that the terms of the PSA and the Transactions contemplated thereunder are fair and reasonable and are in the interest of the Company and the Shareholders as a whole.

THE LISTING RULES IMPLICATIONS

As certain applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) in respect of the Acquisition contemplated under the PSA exceed 100%, the Acquisition constitutes a very substantial acquisition for the Company under Chapter 14 of the Listing Rules and therefore the Acquisition is subject to reporting, announcement and Shareholders' approval requirements.

The issue of Conversion Shares to the Subscriber upon Conversion will be deemed to be a disposal of interest in the Purchaser by the Company under the Listing Rules. As one or more of the applicable percentage ratios (as defined in Rule 14.07 of the Listing Rules) in respect of the Deemed Disposal exceed 25% but are less than 75%, the Subscription constitutes a major disposal for the Company under the Listing Rules and therefore the Company is subject to reporting, announcement and Shareholders' approval requirements.

THE EGM

An EGM will be convened and held for the Shareholders to consider and, if appropriate, approve, among others, the PSA and the Transactions contemplated thereunder and the major transaction regarding the Deemed Disposal. To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, no Shareholder is required to abstain from voting on the relevant resolutions to approve the PSA and Transactions contemplated thereunder.

A circular containing, amongst others, (i) further details of the PSA, the Subscription Agreement and the Transactions contemplated thereunder and the major transaction regarding the Deemed Disposal; (ii) a competent person's report and a valuation report in respect of the oil and gas reserves of the Target Company, both in compliance with the requirements of Chapter 18 of the Listing Rules; (iii) the notice of the EGM; and (iv) other information as required under the Listing Rules is expected to be despatched to the Shareholders on or before August 10, 2017, as additional time is required by the Company for the preparation of certain information for inclusion in the circular.

Closing of the Acquisition is conditional upon the satisfaction of the Conditions Precedent set out in the PSA. The Acquisition may or may not proceed. Shareholders and potential investors of the Company should exercise caution when they deal or contemplate dealing in the Shares and other securities of the Company.

RESUMPTION OF TRADING

At the request of the Company, trading in the shares of the Company on the Stock Exchange was halted with effect from 9:00 a.m. on June 1, 2017 pending release of this announcement. The Company has applied to the Stock Exchange for resumption of trading in its shares on the Stock Exchange with effect from 9:00 a.m. on June 9, 2017.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the meanings set out below:

"509760"	509760 Alberta Ltd.
"8401268"	8401268 Canada Inc.
"A Partner"	an undisclosed body corporate holding as at the date hereof 40% of the Partnership Interests of the Target Company
"Acquired Entities"	collectively, the Target Company, CQR Partnership and 8401268
"Acquisition"	the proposed acquisition of the Partnership Interests by the Purchaser from the Vendors pursuant to the PSA
"Applicable Law"	means all applicable laws, statutes, rules, regulations, official directives and orders of Government Authorities (whether administrative, legislative, executive or otherwise), including judgments, orders and decrees of courts, commissions or bodies exercising similar functions
"Bbl/d"	barrels per day
"Board"	the board of Directors
"boe/d"	barrels of oil equivalent per day

"Business Day(s)"	a day other than a Saturday, a Sunday or a statutory holiday in Calgary, Alberta or Hong Kong
"C$" or "Canadian Dollar"	Canadian Dollars, the lawful currency of Canada
"CCGRF"	Can-China Global Resource Fund L.P., a limited partnership existing under the laws of Cayman Islands, and solely managed by MEC Advisory Limited
"Claim"	any claim, including any demand, lawsuit, proceeding, arbitration or any proceeding or investigation by a Government Authority
"Closing"	the transfer of the Partnership Interests to the Purchaser, the payment of the Purchase Price and the delivery of all items required to be delivered including, but without limitation, an acknowledgment executed by DEML that DEML resigns as operator of the Target Company effective as of the Closing Date pursuant to the terms of the PSA
"Closing Date"	means the date that is five (5) Business Days following the day on which the Investment Canada Act approval and Competition Act approval have been obtained by the Parties in accordance with the terms of the PSA), or such other date as may be agreed on in writing by the Parties
"Closing Time"	10:00 a.m. on the Closing Date, or such other time as may be agreed upon in writing by the Vendors and Purchaser on the Closing Date
"Common Share(s)"	the ordinary common share(s) in the share capital of the Purchaser
"Company", "MIE"	MIE Holdings Corporation (stock code: 1555), a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange
"Competition Act"	Competition Act, R.S.C. 1985, c. C-34, as amended

"Competition Act Approval"	the Commissioner of Competition appointed under the Competition Act or his designee. Has issued an advance ruling certificate pursuant to section 102 of the Competition Act in respect of the Acquisition on terms and conditions satisfactory to the Vendors and Purchaser acting reasonably; or the Commissioner has advised the Vendors and Purchaser that he does not intend to apply to the Competition Tribunal for an order under section 92 of the Competition Act in respect of the Acquisition and (ii) the requirement of the Parties to notify the Commissioner under Part IX pursuant to paragraph 113(c) of the Competition Act has been waived or the waiting period under Part IX has expired or been terminated
"Conditions Precedent"	the conditions to Closing under the PSA, being the Purchaser's conditions and the Vendors' conditions
"Connected Person(s)"	has the meaning ascribed to it under the Listing Rules
"Consideration"	the purchase price payable by the Purchaser to the Vendors in relation to the Acquisition pursuant to the PSA
"Conversion"	when the Subscriber(s) exercise(s) the conversion right of the Convertible Preferred Shares
"Conversion Ratio"	each 0.83 Common Shares for every one Convertible Preferred Share
"Conversion Share(s)"	the new Common Shares to be allotted and issued by the Purchaser upon exercise of the conversion rights attaching to the Convertible Preferred Shares
"Convertible Preferred Shares"	the Convertible Preferred Shares issued by the Purchaser to CCGRF and Mercuria pursuant to the Subscription Agreement
"CQR Partnership"	CQ Energy Canada Resources Partnership
"Deemed Disposal"	the deemed disposal of the Company's interest of 36.4% in the Purchaser as a result of the Conversion under Rule 14.29 of the Listing Rules
"DEML"	Direct Energy Marketing Limited

"DEML Downstream Business"	the downstream business and related businesses conducted by DEML and any of its Affiliates (excluding the Acquired Entities and 509760) consisting of: (i) natural gas and electricity sales/supply as well as energy management and services for commercial and industrial customers; (ii) natural gas and electricity sales/supply for residential customers; (iii) HVAC (heating, ventilation, air conditioning) installation and service, plumbing, water heaters, protection plans, building automation, facility maintenance, energy audits, energy management consulting, services for both residential and commercial/industrial customers; (iv) business management and operational counseling to independent home services contractors; (v) power generation and wind power purchase agreements; (vi) midstream gas storage (excluding Petroleum Substances for the account of CQR Partnership) and transportation (excluding Tangibles and any transportation service in the name of or for the account of CQR Partnership), commodity procurement (other than in the name of CQR Partnership) and proprietary trading, energy auctions and renewable energy credits; and (vii) all associated intellectual property related to any of the foregoing
"Deposit"	means the deposit in an amount equal to C$70,000,000 (equivalent to approximately HK$404,908,000)
"DERP"	Direct Energy Resources Partnership, a partnership having an office and carrying on business in the City of Calgary, in the Province of Alberta
"Directors"	the director(s) of the Company
"Distribution"	as applicable, a distribution of CQ Partnership cash or other property to DERP or A Partner ("**Partner**"), whether as a distribution of income or a return of capital to a Partner (but for certainty does not include payment to a Partner or an Affiliate for settlement of an intercompany account for goods or services or other cost reimbursement)
"Document Escrow Release Time"	5:30 p.m. on June 8, 2017 (Calgary time)
"EBITDA"	earnings before interest, taxes, exploration expenses, and all non-cash items including depletion and depreciation, unrealized gain/loss on derivatives, gain/loss on sale of assets, accretion and share based compensation
"Effective Date"	July 1, 2016

"Effective Time"	means 8:00 a.m. on the Effective Date
"EGM"	the extraordinary general meeting of the Company to be convened to consider, and if thought fit, approve, among other things, the Acquisition
"Environment"	means the atmosphere, the surface and sub-surface of the earth, groundwater and surface water and plants and animals; and "Environmental" means relating to or in respect of the Environment
"Escrow Agent"	Stikeman Elliott LLP
"Escrow Agreement"	the escrow agreement entered into between the Vendors, the Purchaser, Far East, the Company and the Escrow Agent on May 31, 2017 (Calgary time)
"Excluded Assets"	the right, title, estate and interest of Vendors or their Affiliates, or any of their predecessors, held at any time in respect of the following: (i) all tax pools, other than those tax pools of the Acquired Entities; (ii) software owned or leased by Vendors or their Affiliates, other than software owned or leased by the Acquired Entities; (iii) Restricted DEML Seismic Data; (iv) amounts paid or received prior to Closing, or payable or receivable as of Closing, by the Target Company resulting from the net settlement of the Suncor FSOA and related Suncor arrangements from the 2013 acquisition of CQR Partnership; (v) physical and electronic files, including email data, to the extent they relate to Centrica plc or A Partner or their respective Affiliates, other than the Acquired Entities; and (vi) assets related to the DEML Downstream Business, which are primarily held by partners (or their affiliates) of the Acquired Entities and not by the Acquired Entities and such assets are not required to conduct the business of the Acquired Entities
"Far East"	Far East Energy Limited, a limited liability company incorporated under the laws of Hong Kong and a substantial shareholder of the Company
"Gastown"	CCGRF Gastown Limited, a limited company existing under the laws of Hong Kong and a wholly-owned subsidiary of CCGRF

"Government Authority"	any government, regulatory or administrative authority, government department, agency, commission, board or tribunal or court having jurisdiction on behalf of any nation, province or state or subdivision thereof or any municipality, district or subdivision thereof
"Group"	the Company and its subsidiaries
"HK$"	Hong Kong dollars, the lawful currency of Hong Kong
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"Interim Period"	the period from (and including) the date of the PSA to the Closing Time
"Investment Canada Act"	Investment Canada Act R.S.C., 1985 c.28 (1st Supp.), as amended
"Investment Canada Act Clearance"	(a) Purchaser shall not have received notice from a Governmental Authority under either section 25.2(1) or section 25.3(2) of the Investment Canada Act within the periods prescribed under the Investment Canada Act or if Purchaser has received such a notice, the Purchaser shall have subsequently received one of the following notices, as applicable: (i) under section 25.2(4)(a) of the Investment Canada Act indicating that no order for the review of the transactions contemplated by the PSA will be made under section 25.3(1) of the Investment Canada Act, (ii) under section 25.3(6)(b) of the Investment Canada Act indicating that no further action will be taken in respect of the Transaction, or (iii) under section 25.4(1) of the Investment Canada Act indicating that the Governor in Council authorises the Closing of the Acquisition, in each case on terms and conditions satisfactory to Purchaser, in its reasonable discretion; and, if applicable, (b) the Minister (within the meaning of the Investment Canada Act) has sent a notice to Purchaser under the Investment Canada Act stating, the Minister (within the meaning of the Investment Canada Act) is satisfied or is deemed to be satisfied that the Acquisition is likely to be of net benefit to Canada
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Maple Marathon"	Maple Marathon Investments Limited, a corporation incorporated under the laws of Hong Kong and a wholly-owned subsidiary of the Company
"MBbl"	thousands of barrels

"Mboe"	thousands of barrels of oil equivalent
"Mercuria"	Mercuria Energy Group Ltd., a privately held Swiss-based international commodity trading company
"Mercuria Energy Netherlands"	Mercuria Energy Netherlands BV, a wholly-owned subsidiary of Mercuria
"MMboe"	millions of barrels of oil equivalent
"MMcf"	millions of cubic feet
"MMcf/d"	millions of cubic feet per day
"NPV"	net present value of future net revenue
"OECD"	The Organisation for Economic Co-operation and Development
"Outside Date"	means September 30, 2017
"Partnership Interests"	100% of the interests of partner in the Target Company, being an undivided 60% interest in the Target Company held by DERP and an undivided 40% interest in the Target Company held by A Partner
"Person"	any individual or entity, including any partnership, body corporate, trust, unincorporated organization, union, government or Government Authority and any heir, executor, administrator or other legal representative of an individual
"Petroleum Substances"	means petroleum, natural gas and all related hydrocarbons (including liquid hydrocarbons) and all other mineral substances, whether liquid, solid or gaseous and whether hydrocarbon or not (including sulphur and hydrogen sulfide) produced in association with petroleum, natural gas or related hydrocarbons
"PSA"	the Partnership Interest Purchase and Sale Agreement dated May 31, 2017 entered into between the Vendors, the Purchaser and the Company in relation to the proposed purchase of the Partnership Interests, as amended by the Amending Agreement
"Purchaser" or "Maple Felix"	Maple Felix Energy Corporation, a company incorporated in British Columbia, Canada and a wholly-owned subsidiary of the Group

"Purchaser Default"	means a material breach of a representation or warranty made by the Purchaser in the PSA or a material breach by the Purchaser of a covenant or agreement in the PSA
"Qualifying Misrepresentations"	the negative impact of an untrue representation and warranty on the aggregate value of the Partnership Interests exceeds 0.75% of the Base Purchase Price
"Restricted DEML Seismic Data"	means Seismic Data held by DEML that is subject to transfer restrictions that prohibit its transfer
"Seismic Data"	means geological, geophysical, technical or seismic data or information, regardless of the form or medium on which it is displayed, together with 2D seismic lines, 3D seismic surveys, descriptions of experimental parameters and apparatus, seismograms, observer's reports, digital field tapes and stack tapes, prints and/or film copies of processed record sections, digital records of shot point location maps, bin maps, displays of geophysical cross sections, drilling reports and chainage notes and any data inferences, interpretations or analysis derived therefrom, including velocity information, amplitude information, isopach information and any other interpretive products not otherwise combined with any other data, as well as the results of any queries, reports, data processing, data mining and similar processes of any kind
"Senior Secured Revolving Credit Facility"	a senior secured revolving credit facility in an amount of C$250,000,000 to be provided by a syndicate of Canadian banks to the Purchaser
"Shareholder(s)"	holder(s) of the Shares
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Subscribers"	collectively, Gastown, Maple Marathon and Mercuria Energy Netherlands
"Subscription"	the proposed subscription of the Convertible Preferred Shares pursuant to the terms and conditions of the Subscription Agreement
"Subscription Agreement"	the subscription agreement dated May 31, 2017 entered into between the Purchaser and the Subscribers in relation to the Subscription

"Suncor FSOA"	the final statement of adjustments under the Suncor Energy Resources Partnership's ("**Suncor**") partnership interest and share purchase and sale agreement dated April 15, 2013 between Suncor Energy Inc. and the Target Company (as assignee of DERP and A Partner)
"Tangibles"	the entire right, title, estate and interest of CQR Partnership, its designated Affiliates and 509760 (whether absolute or contingent, legal or beneficial) in and to: the major facilities described in the PSA; and all tangible depreciable property and assets which are situate in, on or about the lands in the White Map Areas or appurtenant thereto and which are used or were used or are intended to be used by or on behalf of CQR Partnership, 509760 or the designated Affiliates in connection with: production, gathering, processing, measuring, making marketable, injection, removal, transmission, treatment or storage of Petroleum Substances or operations thereon or relative thereto; the Wells; or water or miscible fluids injection or removal operations including gas plants, camps, oil batteries, pipelines, buildings, structures, production equipment, fresh and produced water facilities, flowlines, gathering pipelines connections, gathering systems, meters, dehydrators, motors, compressors, treaters, scrubbers, separators, pumps, tanks, boilers and communication equipment (including SCADA equipment), roads, railspurs, railway sidings and generators
"Target Company"	CQ Energy Canada Partnership
"Third Parties"	any Person other than the parties to the PSA or their respective Affiliates
"Transactions"	the transactions contemplated under the PSA
"US$"	US Dollars, the lawful currency of the United States of America
"Vendor"	each of DERP and A Partner, and "Vendors" means, collectively, DERP and A Partner
"Wells"	the wells identified in schedule C to the PSA and all other wells which are located in the White Map Area or which are, may be or were used in connection with the petroleum and natural gas rights, including, producing, shut-in, suspended, abandoned, water source, injection or disposal wells

"White Map Areas"	all lands outlined on the plat(s) in the schedule A to the PSA as the White Map Areas and includes, as the context requires, the surface of those lands and the Petroleum Substances within those lands
"%"	per cent.

For the purpose of this announcement, the translation of C$ into Hong Kong dollars is based on the rate of C$1:HK$5.7844. This conversion rate is for the purpose of illustration only and does not constitute a representation that any amounts have been, could have been, or may be exchanged at the aforementioned or any other rates or at all.

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

Hong Kong, June 9, 2017

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