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MIE HOLDINGS CORPORATION

MI 能源控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1555)

DISCLOSEABLE TRANSACTION PROVISION OF LOAN

PROVISION OF LOAN

On 16 December 2016, the Company (as the lender), entered into the Loan Agreement with the Borrower, pursuant to which the Company agreed to grant a loan of US\$30 million to the Borrower for a term of six months.

LISTING RULES IMPLICATIONS

As one or more of the applicable percentage ratios in respect of the Loan is 5% or more but is less than 25%, the Loan constitutes a discloseable transaction for the Company and is subject to the reporting, announcement requirement under Chapter 14 of the Listing Rules.

THE LOAN AGREEMENT

Date:	16 December 2016
Parties to the Loan Agreement:	(i) the Company (as the lender); (ii) the Borrower; and (iii) G-O Scale Capital Management Co, LLC.
Loan amount:	US\$30 million
Term of the Loan:	Six months
Interest:	9% per annum

- Purpose:** For use as working capital.
- Transfer of funds:** The Company shall transfer the Loan amount to an intermediary account held by G-O Scale Capital Management Co, LLC within two business days of the date of the Loan Agreement. G-O Scale Capital Management Co, LLC shall transfer the Loan amount to a designated account of the Borrower upon receipt of the funds.
- Repayment:** The Borrower shall repay the Loan and the interest accrued in full in one lump sum on the due date of the Loan, being six months after the date of receipt of the Loan amount by G-O Scale Capital Management Co, LLC.
- Security:** Share pledge over 50% of the shareholding in Boston-Power Battery (Hong Kong) Company Limited, an indirect wholly-owned subsidiary of the Borrower.
- Borrower's undertaking:** The Borrower undertakes to ensure that the Company shall obtain a stock purchase warrant upon completion of the transfer of the entire Loan amount, the salient terms of which are as follows:
- (i) the Company may exercise the stock purchase warrant any time within a year of the date of the Loan Agreement, to purchase from the Borrower, shares of the Borrower;
 - (ii) no payment of cash is required in relation to the exercise of the stock purchase warrant; and
 - (iii) the Company may purchase shares of the Borrower up to an amount equivalent to 5% shareholding of the Borrower after Series CC funding.

FUNDING OF THE LOAN

The Loan under the Loan Agreement is funded by the Group's internal resources.

INFORMATION ON THE BORROWER AND G-O SCALE CAPITAL MANAGEMENT CO, LLC

The Borrower is incorporated pursuant to the laws of the United States of America and is a global company with research and development and engineering centers of excellence in Westborough, Massachusetts and Beijing, China as well as production facilities in both China and Taiwan. It is a developer and manufacturer of next generation lithium-ion battery and pack technologies.

G-O Scale Capital Management Co, LLC is a limited liability company incorporated pursuant to the laws of the United States of America and is the management company for GO Scale Capital, an investment fund under the GSR Capital family of funds.

To the best of the Directors' knowledge, information and belief, having made all reasonable enquiries, the Borrower and G-O Scale Capital Management Co, LLC and their respective ultimate beneficial owners are third parties independent of the Company and connected persons of the Company.

INFORMATION ON THE GROUP

The Group is an independent oil and gas group engaged in the exploration and production of oil and gas in China, Kazakhstan and USA. The Group operates the Daan, and Moliqing oilfields in the Songliao under various separate production sharing contracts with PetroChina, the largest oil company in China. The Group also holds 40% interest of 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.

REASON FOR AND BENEFITS OF ENTERING INTO THE LOAN AGREEMENT

The Loan is a short term investment for the Group which has good risk return profile. Further, it creates the opportunity for the Group to gain exposure to the high growth renewable energy sector. China's battery market is the fastest growing electric vehicle battery market in the world and is expected to become the largest electric vehicle battery market in the world. The investment also allows the Company to forge ties with leading investment firms such as GSR Ventures.

The terms of the Loan Agreement are negotiated on an arm's length basis between the Company and the Borrower. Having considered the interest income to be generated from the Loan and the Loan's short-term nature, the Board is of the view that the entering into the Loan Agreement by the Company is in the interest of the Group and the Shareholders as a whole.

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DEFINITIONS

In this announcement, unless the context otherwise requires, the following expressions have the following meanings:

“Board”	the board of Directors
“Borrower”	Boston-Power, Inc., incorporated pursuant to the laws of the United States of America and an independent third party of the Group
“China”	the People’s Republic of China
“Company”	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
“Directors”	the directors of the Company
“Group”	the Company and its subsidiaries
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Loan”	the loan in the principal amount of US\$30 million advanced pursuant to the Loan Agreement
“Loan Agreement”	the loan agreement dated 16 December 2016 entered into between the Company, the Borrower and G-O Scale Capital Management Co, LLC in respect of the provision of the Loan
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Shareholders”	the holders of the shares of the Company

“US\$” US dollars, the lawful currency of the United States of America

“%” per cent

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

Hong Kong, 19 December 2016

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.