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MIE HOLDINGS CORPORATION

MI 能源控股有限公司

(Incorporated in the Caymans Islands with limited liability)

(Stock code: 1555)

ANNOUNCEMENT OIL AND GAS RESERVES AND RESOURCES AT YEAREND 2013

The Company is pleased to announce that our independent consultants have completed a review of our oil and gas reserves and resources as of yearend 2013. 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 and resources are forward-looking estimates subject to change and revision.

The following reserve/resource consultants issued reports covering in total all of our oil and gas properties: Ryder Scott Company, Chapman Petroleum Engineering Ltd., Gaffney, Cline & Associates and RISC Operations Pty Ltd. We have combined and consolidated data from these reports to present reserves and resources including our wholly-owned subsidiaries, 100% of subsidiaries we consolidate, and our net portion of entitlements in joint ventures (using equity accounting method under IFRS) by country and petroleum basin.

The Company is pleased to announce that the results of the reserves and resources review for yearend 2013 are quite positive, with significant additions as compared to yearend 2012, as detailed below and in the accompanying tables. Highlights of the results include:

1. Based on the yearend 2013 reserves estimates reviewed by the independent consultants, the net present value, before income tax and discounted at 10%, of the Company’s Proved + Probable (“2P”) oil and gas reserves is approximately US\$3.5 billion.

2. The Company's total Proved ("1P") oil and gas reserves increased 33.7% to 83.22 million barrels of oil equivalents ("BOE", where 1 BOE = 6,000 cubic feet gas), while total Proved + Probable ("2P") oil and gas reserves increased 34.3% to 192.60 million BOE, total Proved + Probable + Possible ("3P") oil and gas reserves increased 29.2% to 290.60 million BOE.
3. The Company's reserves comprise of mostly oil. At yearend 2013 on a BOE basis, our reserves were 65%, 65% and 63% oil for 1P, 2P and 3P, respectively.
4. The Company's 1P, 2P and 3P gas reserves at yearend 2013 were 174 billion cubic feet ("BCF") (or 4.9 billion cubic meters, "BCM", where 1 cubic meter = 35.315 cubic feet), 399 BCF (11.3 BCM) and 640 BCF (18.1 BCM), respectively, which correspond to 29 million BOE, 66 million BOE and 107 million BOE, respectively. Gas has become a significant part of our reserves and of the Company's value. The Company's gas reserves increased by 109 BCF (3.1 BCM), 221 BCF (6.3 BCM) and 303 BCF (8.6 BCM) for 1P, 2P and 3P, respectively. With these increases, the Company's 1P, 2P and 3P gas reserves increased by 169%, 125% and 90% respectively. The increases are attributable in large part to increases of 101 BCF (2.9 BCM), 205 BCF (5.8 BCM) and 292 BCF (8.3 BCM) for 1P, 2P and 3P, respectively in our Sino Gas & Energy Limited ("Sino Gas & Energy") properties in China's Ordos Basin.
5. The Company's 1P oil reserves increased 5% to 54.18 million barrels, while 2P oil reserves increased 11% to 126.11 million barrels and 3P oil reserves increased 9% to 184.00 million barrels respectively. New drilling at the Emir-Oil properties in Kazakhstan contributed significantly to increases in 1P, 2P and 3P oil reserves by 6.4 million barrels (+24%), 13.2 million barrels (+18%) and 15.6 million barrels (+14%), respectively.

During 2013, the Company produced 5.36 million barrels net of oil and 1.9 BCF (0.05464 BCM) net of gas. Based on these production rates and yearend 2013 reserves, for proved reserves our reserve life indices for oil and gas are 10 years and 90 years, respectively; and for 2P reserves the corresponding indices are 24 years and 207 years. The reserve replacement ratio measures the amount of proved reserves added to a company's reserve base during the year relative to the amount of oil and gas produced. During 2013 we added 20.96 million BOE and produced 5.69 million BOE, for a reserve replacement ratio of 3.7, indicating significant additional potential in our reserve base.

The Prospective and Contingent Resources of the Company at yearend 2013 are summarized in Table 2. Our net, un-risked, best-estimate Prospective Resources are 46.7 million barrels of oil and 1,064.7 BCF (30.1 BCM) of gas, which corresponds to overall oil and gas un-risked, best-estimate Prospective Resources of 224 million BOE. Our mid-case, 2C, Contingent Resources are 168 million barrels of oil and 886 BCF (25.1 BCM) of gas, which corresponds to overall oil and gas 2C Contingent Resources of 316 million BOE. For oil these resources are mostly in three northeast China oilfields and Emir-Oil, and for gas they are predominately in Sino Gas & Energy Ordos Basin properties. These resources provide continued reserve growth potential for future years.

The pricing assumptions used in determining yearend Reserves and Resources are listed in Table 3. Prices are based on 2013 averages or, in the case of Sino Gas & Energy, for which we have no current sales, on prices in the area.

The Company is very pleased with its overall reserves additions, and particularly with the oil reserves added from new drilling in Kazakhstan and gas reserves added from new drilling in our Sino Gas & Energy Ordos Basin properties. Our new reserves and resources additions will provide for significant future growth and diversification. The Company believes that our China oil base properties will continue to produce well and provide stable cash flows for a number of years. We will continue to optimize the production and reserves of these base properties by monitoring and developing its horizontal well program and applying water injection, network fracturing and other new technologies.

Table 1 — The Company Net Reserves

Thousands of Barrels for Oil Millions of SCF for Gas		2012			2013			Change 2013–2012			BOE % Change
		Oil	Gas	BOE (Note 1)	Oil	Gas	BOE	Oil	Gas	BOE	
PROVED											
China											
China Oil Properties (Note 2)	Songliao/Jiayi/ Huanghua	23,455	—	23,455	20,409	—	20,409	(3,046)	—	(3,046)	-13.0%
China Gas Property (Note 3)	Ordos	—	33,150	5,525	—	134,069	22,345	—	100,919	16,820	304.4%
	China Subtotal	23,455	33,150	28,980	20,409	134,069	42,754	(3,046)	100,919	13,774	47.5%
Kazakhstan — Emir-Oil	Mangistau	26,111	28,478	30,857	32,497	37,541	38,754	6,386	9,063	7,897	25.6%
USA											
Condor	Niobrara	1,762	2,924	2,249	1,271	2,637	1,711	(491)	(287)	(538)	-23.9%
White Hawk (Note 4)	Eagleford	139	202	172	—	—	—	(139)	(202)	(172)	-100.0%
	USA Subtotal	1,901	3,126	2,421	1,271	2,637	1,711	(629)	(488)	(711)	-29.3%
Total Proved		<u>51,467</u>	<u>64,754</u>	<u>62,259</u>	<u>54,177</u>	<u>174,247</u>	<u>83,219</u>	<u>2,711</u>	<u>109,494</u>	<u>20,960</u>	<u>33.7%</u>
2P: PROVED + PROBABLE											
China											
China Oil Properties (Note 2)	Songliao/Jiayi/ Huanghua	36,154	—	36,154	35,998	—	35,998	(156)	—	(156)	-0.4%
China Gas Property (Note 3)	Ordos	—	97,410	16,235	—	302,582	50,430	—	205,172	34,195	210.6%
	China Subtotal	36,154	97,410	52,389	35,998	302,582	86,428	(156)	205,172	34,039	65.0%
Kazakhstan — Emir-Oil	Mangistau	74,212	73,967	86,540	87,374	90,416	102,443	13,162	16,449	15,904	18.4%
USA											
Condor	Niobrara	3,360	5,576	4,290	2,735	5,674	3,680	(626)	98	(609)	-14.2%
White Hawk (Note 4)	Eagleford	153	224	191	—	—	—	(153)	(224)	(191)	-100.0%
	USA Subtotal	<u>3,513</u>	<u>5,800</u>	<u>4,480</u>	<u>2,735</u>	<u>5,674</u>	<u>3,680</u>	<u>(779)</u>	<u>(126)</u>	<u>(800)</u>	<u>-17.9%</u>
Total 2P		<u>113,879</u>	<u>177,177</u>	<u>143,409</u>	<u>126,107</u>	<u>398,672</u>	<u>192,552</u>	<u>12,227</u>	<u>221,495</u>	<u>49,143</u>	<u>34.3%</u>

Thousands of Barrels for Oil Millions of SCF for Gas		2012			2013			Change 2013–2012			BOE % Change
		Oil	Gas	BOE (Note 1)	Oil	Gas	BOE	Oil	Gas	BOE	
3P: PROVED + PROBABLE + POSSIBLE											
China											
China Oil Properties (Note 2)	Songliao/Jiayi/ Huanghua	50,643	—	50,643	51,617	—	51,617	974	—	974	1.9%
China Gas Property (Note 3)	Ordos	—	207,060	34,510	—	499,321	83,220	—	292,261	48,710	141.1%
	China Subtotal	50,643	207,060	85,153	51,617	499,321	134,837	974	292,261	49,684	58.4%
Kazakhstan — Emir-Oil	Mangistau	112,988	121,974	133,317	128,547	132,653	150,656	15,559	10,679	17,339	13.0%
USA											
Condor	Niobrara	4,863	8,069	6,208	3,827	7,939	5,150	(1,037)	(130)	(1,058)	-17.0%
White Hawk (Note 4)	Eagleford	175	256	218	—	—	—	(175)	(256)	(218)	-100.0%
	USA Subtotal	5,039	8,325	6,426	3,827	7,939	5,150	(1,212)	(386)	(1,276)	-19.9%
Total 3P		<u>168,670</u>	<u>337,359</u>	<u>224,896</u>	<u>183,991</u>	<u>639,914</u>	<u>290,643</u>	<u>15,321</u>	<u>302,555</u>	<u>65,747</u>	<u>29.2%</u>

Note 1: BOE is based on conversion rate of 6,000 SCF per barrel.

Note 2: China Oil Properties include MI Energy (Daan, Miao3 and Moliqing PSCs) and Pan China Resources (Kongnan PSC).

Note 3: China Gas Property — This table includes 51% of SGE's entitlement under its two production sharing contracts in China's Ordos Basin.

Note 4: The Company's interest in White Hawk was sold in December 2013.

Table 2 — The Company Net Resources*Thousands of Barrels for Oil**Millions of SCF for Gas**BOE @ 6,000 SCF/Barrel*

Prospective Resources, Best Estimate, Unrisked		Oil	2013	
			Gas	BOE <i>(Note 1)</i>
China				
China Oil Properties <i>(Note 2)</i>	Songliao/Jiayi/Huanghua	20,990	—	20,990
China Gas Property <i>(Note 3)</i>	Ordos	—	1,064,740	177,457
	China Subtotal	20,990	1,064,740	198,447
Kazakhstan — Emir-Oil	Mangistau	25,708	—	25,708
USA — Condor	Niobrara	—	—	—
Total Best Est. Prospective Resources		<u>46,698</u>	<u>1,064,740</u>	<u>224,155</u>
Contingent Resources, 2C (mid case)				
China				
China Oil Properties <i>(Note 2)</i>	Songliao/Jiayi/Huanghua	8,456	—	8,456
China Gas Property <i>(Note 3)</i>	Ordos	—	884,406	147,401
	China Subtotal	8,456	884,406	155,857
Kazakhstan — Emir-Oil	Mangistau	158,879	—	158,879
USA — Condor	Niobrara	763	1,583	1,027
Total 2C Contingent Resources		<u>168,098</u>	<u>885,989</u>	<u>315,763</u>

Note 1: BOE is based on conversion rate of 6,000 SCF per barrel.*Note 2:* China Oil Properties include MI Energy (Daan, Miao3 and Moliqing PSCs) and Pan China Resources (Kongnan PSC).*Note 3:* China Gas Property — This table includes 51% of SGE's entitlement under its two production sharing contracts in China's Ordos Basin.

Table 3 — Prices Used in Reserves and Resources Determination at Yearend 2013

China

MI Energy	Songliao/Jiayi	Constant price of US\$104.16 per barrel (average of 2013), unescalated
Pan China Resources	Huanghua	Constant price of US\$105.11 per barrel (average of 2013), unescalated (Zhaozhou ORR US\$105.81)
Sino Gas & Energy	Ordos	Low, Medium and High gas prices of US\$7.40, US\$8.79 and US\$10.18 per MCF respectively (equivalent to 1.6, 1.9 and 2.2 RMB per cubic meter at 6.12 RMB/US\$), escalating at 3.75% per annum

Kazakhstan — Emir-Oil	Mangistau	2013 average, constant prices, unescalated: export oil at US\$87.90 per barrel (US\$108.57 Dated Brent price less US\$20.67 for marketing and transportation discount), domestic oil at US\$46.86 before 12% VAT per barrel and gas at US\$1.35 per MCF
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USA

Condor	Niobrara	Constant prices, unescalated: US\$88.31 per barrel, US\$5.72 per MCF
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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, etc. 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 Company 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 numbers. Actual future results will differ from the estimates presented herein.

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

Hong Kong, 13 March 2014

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. Tao Tak Yin Dexter; (2) the non-executive director namely Mr. Wang Sing (Mr. Hung Leung is alternate to Mr. Wang Sing) and; (3) the independent non-executive directors namely Mr. Mei Jianping, Mr. Jeffrey W. Miller and Mr. Cai Rucheng.