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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)

CANCELLATION AND GRANT OF SHARE OPTIONS GRANT OF STOCK APPRECIATION RIGHTS

The Company announces that:

- (a) Vested Options in respect of 65,358,066 Shares were cancelled with effect from March 21, 2014; and
- (b) New Options in respect of 97,280,000 Shares were granted to the New Grantees on March 21, 2014, subject to the acceptance by the New Grantees; and
- (c) New SARs in respect of 3,000,000 notional Shares were granted to the SAR Grantee on March 21, 2014, subject to the acceptance by the SAR Grantee.

The cancellation of Vested Options in respect of 65,358,066 Shares and the grant of New Options in respect of 97,280,000 Shares resulted in an additional 31,921,934 Shares to be issued, representing approximately 1.14% of the then enlarged issued share capital of the Company, assuming all of the outstanding options under the Plan and the Scheme are being vested and exercised.

CANCELLATION OF VESTED OPTIONS

Reference is made to the announcement of MIE Holdings Corporation (the “**Company**”) dated September 21, 2011 in relation to the grant of share options.

On September 20, 2011, the Company granted, pursuant to the share option scheme adopted by the Company on November 27, 2010 (the “**Scheme**”), share options to 22 eligible participants comprising Mr. Zhang Ruilin and Mr. Zhao Jiangwei, current directors and substantial shareholders of the Company, Mr. Forrest Dietrich and Mr. Allen Mak, former directors of the Company, and certain employees of the Company, entitling the holders to subscribe for an aggregate of 112,048,000 ordinary shares of the Company of US\$0.001

each (the “**Shares**”) at the exercise price of HK\$2.254 per Share. The share options granted to certain of the Company’s employees entitling the holders to subscribe for an aggregate of 4,841,200 Shares subsequently lapsed pursuant to the terms of the Scheme and the relevant option agreements. As at March 21, 2014, options in respect of 71,268,464 Shares have vested but not exercised (the “**Vested Options**”) and options in respect of 35,938,336 have not vested (the “**Unvested Options**”).

Since February 2013, the exercise price of the Vested Options has been higher than the prevailing market price of the Shares. As a result, the Vested Options could no longer serve as an effective incentive for the holders of the Vested Options (the “**Existing Optionholders**”). In view of this, the board of directors of the Company (the “**Board**”) and the remuneration committee of the Company (the “**Remuneration Committee**”) have resolved to offer to the Existing Optionholders a cash consideration of HK\$0.20 per Share in respect of the cancellation of Vested Options, subject to the Existing Optionholders consenting to such cancellation and as a result, options in respect of 65,358,066 Shares out of the Vested Options were cancelled with effect from March 21, 2014. The Unvested Options and uncancelled Vested Options (including 1,564,666 Vested Options held by Mr. Zhang Ruilin, an executive director of the Company and 1,564,666 Vested Options held by Mr. Zhao Jiangwei, an executive director of the Company) subsist in accordance with the terms of the Scheme.

GRANT OF NEW OPTIONS

The Company further announces, pursuant to Rule 17.06A of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the “**Listing Rules**”), that the Board and the Remuneration Committee have approved the offer of new share options (the “**New Options**”) pursuant to the Scheme to 151 eligible participants comprising certain directors, substantial shareholders and employees of the Company (including certain Existing Optionholders) (collectively, the “**New Grantees**”, and each a “**New Grantee**”) to subscribe for an aggregate of 97,280,000 Shares, subject to the acceptance of the New Options by the New Grantees. Details of the New Options are set out as follows:

Date of grant : March 21, 2014 (the “**Date of Grant**”)

Exercise price of the New Options : HK\$1.40 per Share

(which represents the higher of (i) the closing price of HK\$1.40 per Share as stated in the daily quotations sheet issued by The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) on the Date of Grant; (ii) the average closing price of HK\$1.34 per Share as stated in the daily quotations sheets issued by the Stock Exchange for the five business days immediately preceding the Date of Grant; and (iii) the nominal value of the Shares, which is US\$0.001 per Share.)

Closing price of the Shares on the Date of Grant	:	HK\$1.40 per Share
Number of Shares in respect of the New Options	:	97,280,000
Vesting	:	(1) New Options granted to New Grantees who are not Existing Optionholders will vest on each of the first, second and third anniversary of the Date of Grant (2) New Options granted to New Grantees who are also Existing Optionholders will vest on each of the second, third and fourth anniversary of the Date of Grant
Validity period of the New Options	:	10 years from the Date of Grant, subject to earlier termination as set forth in the Scheme

Among the New Options granted, options in respect of 8,280,000 Shares were granted to the directors and substantial shareholders of the Company and their associates (as defined in the Listing Rules), details of which are as follows:

Name of New Grantee	Capacity	Number of Shares in respect of New Options granted
Mr. Zhang Ruilin	Chairman, executive director and substantial shareholder	2,640,000
Mr. Zhao Jiangwei	Executive director and substantial shareholder	2,640,000
Mr. Andrew Sherwood Harper	Executive director	3,000,000

Save as disclosed above, no other New Grantees are directors, chief executive or substantial shareholders of the Company or their respective associates (as defined in the Listing Rules).

The grant of New Options to the directors and substantial shareholders of the Company disclosed above has been approved by the independent non-executive directors of the Company.

Immediately prior to March 21, 2014, the Company had outstanding options in respect of 127,334,186 Shares, in which options in respect of 20,127,386 Shares were granted pursuant to the Plan (as defined below) and options in respect of 107,206,800 Shares were granted pursuant to the Scheme, respectively, altogether representing approximately 4.59% of the enlarged issued share capital of the Company, assuming all of such outstanding options are being vested and exercised. The cancellation of Vested Options in respect of 65,358,066 Shares and the grant of New Options in respect of 97,280,000 Shares resulted in an additional 31,921,934 Shares to be issued, representing approximately 1.14% of the then enlarged issued share capital of the Company, assuming all of the outstanding options under the Plan and the Scheme are being vested and exercised.

Immediately after the cancellation and the grant, the Company will have outstanding options in respect of 159,256,120 Shares, representing approximately 5.67% of the then enlarged issued share capital of the Company, assuming all of the outstanding options under the Plan and the Scheme are being vested and exercised.

Grant of Stock Appreciation Rights

Reference is made to the prospectus of the Company dated December 1, 2010 (the “**Prospectus**”) and the stock incentive compensation plan adopted by the Board on November 20, 2009 (the “**Plan**”) disclosed in the Prospectus.

The Company announces that pursuant to the Plan, the Board and the Remuneration Committee have approved the offer of new stock appreciation rights (the “**New SARs**”) to Mr. Tao Tak Yin Dexter (the “**SAR Grantee**”), an executive director of the Company, relating to 3,000,000 notional Shares, subject to the acceptance of the New SARs by the SAR Grantee. Details of the New SARs are set out as follows:

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| Type of stock appreciation rights | : | Free standing stock appreciation rights |
| Grant | : | Grant date: March 21, 2014 (“ SAR Grant Date ”)

Grant price: HK\$1.40 for each notional Share (“ SAR Grant Price ”)

Aggregate number of notional Shares to which the New SARs relate: 3,000,000 |
| Vesting and Exercise | : | Exercise of the New SARs is subject to terms of the Plan and the stock appreciation rights award agreement (the “ Agreement ”). Beginning on each of the first, second or third anniversary of SAR Grant Date, the SAR Grantee may exercise the New SARs to receive a cash bonus payment calculated by reference to the increase in the Fair Market Value (as defined in the Plan) of the Shares as at the date of exercise above the SAR Grant Price until the New SARs terminate or expire |

Expiration Date : Ten years from the SAR Grant Date, subject to earlier termination as set forth in the Plan and the Agreement

The SAR Grant Price represents the closing price of HK\$1.40 per Share as stated in the daily quotations sheet issued by the Stock Exchange on the SAR Grant Date.

The stock appreciation rights under the Plan do not involve the issuance of new Shares and therefore do not fall within the regulation of Chapter 17 of the Listing Rules.

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

Hong Kong, March 24, 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.