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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)

ADOPTION OF SHARE AWARD SCHEME

The Board of the Company is pleased to announce that it has approved the adoption of the Share Award Scheme on 30 May 2012. The purpose of the Share Award Scheme is to supplement the Plan in relation to the operation of the SARs granted or to be granted under the Plan and to reduce the Company's exposure to the appreciation of the price of the Shares with regards to its payment obligations under the SARs. Pursuant to the terms of the Share Award Scheme, the Company will grant to the Selected Grantees such number of Awarded Shares as is equal to the number of outstanding notional Shares to which the SARs of the Selected Grantees relates. The Awarded Shares will be held on trust by a trustee, who is an independent third party, appointed by the Company for the benefit of the Selected Grantees pending the exercise of the SARs. Unless a SAR is exercised during the Black-out Period, upon exercise of the SARs by the Selected Grantees, the trustee will sell the Awarded Shares to which the SARs so exercised relates and pay the Selected Grantees part of the proceeds of the sale in satisfaction of the Company's payment obligation in relation to the SARs under the Plan and the award agreements. If a Selected Grantee exercises a SAR in compliance with the relevant law and regulations during the Black-out Period, the Company may first pay the Selected Grantee the relevant amount the Selected Grantee is entitled under the SAR, and as soon as practicable after the expiry of the Black-out Period, instruct the trustee to sell the relevant Award Shares and pay such amount to the Company.

The Share Award Scheme does not constitute a share option scheme or an arrangement analogous to a share option scheme for the purpose of Chapter 17 of the Listing Rules.

INTRODUCTION

Reference is made to the Prospectus under the section headed "Stock Incentive Plan — Stock Appreciation Rights" in Appendix VII of the Prospectus. As disclosed therein, the Company adopted the Plan on 20 November 2009, and pursuant to the Plan, the Company entered into award agreements with its senior management and employees and granted them

SARs pertaining to 46,600,713 notional Shares to which the SARs relate, and SARs pertaining to 44,415,798 notional Shares have yet to be exercised as of the date of this announcement. Pursuant to the Plan, the Company may grant further SARs from time to time.

In accordance with the provisions of the Plan and the award agreement, when a participant exercises the SARs, the Company will pay such participant an amount in cash determined by multiplying (i) the excess of the fair market value of a Share on the date of exercise over the grant price by (ii) the number of notional Shares to which the SARs relate as stated in the participant's notice of exercise.

In order to supplement the Plan and reduce the Company's exposure to the appreciation of the price of the Shares with regards to its payment obligations under the SARs, the Company adopted the Share Award Scheme. Pursuant to the terms of the Share Award Scheme, the Company will grant to the Selected Grantees such number of Awarded Shares as is equal to the number of outstanding notional Shares to which the SARs of the Selected Grantees relates. The Awarded Shares will be held on trust by a trustee appointed by the Company for the benefit of the Selected Grantees pending the exercise of the SARs. Unless a SAR is exercised during the Black-out Period, upon exercise of the SARs by the Selected Grantees, the trustee will sell the Awarded Shares to which the SARs so exercised relates and pay the Selected Grantees the sum owed by the Company to the Selected Grantees in relation to the SARs under the Plan and the award agreements. If a Selected Grantee exercises a SAR in compliance with the relevant law and regulations during the Black-out Period, the Company may first pay the Selected Grantee the relevant amount the Selected Grantee is entitled under the SAR, and as soon as practicable after the expiry of the Black-out Period, instruct the trustee to sell the relevant Award Shares and pay such amount to the Company.

For the avoidance of doubt, the grant of Award Shares to the Selected Grantees will not entitle the Selected Grantees to any right or interest in any Shares. The Award Shares will only be sold in the market for the purposes of satisfying the Company's payment obligation in relation to the SARs under the Plan and the award agreements.

A summary of the principal terms of the Share Award Scheme is set out below.

PRINCIPAL TERMS OF THE SHARE AWARD SCHEME

Eligibility

Under the Share Award Scheme, all the participants in the Plan holding outstanding SARs may be selected by the Board for participation in the Share Award Scheme as the Selected Grantees. Save as aforesaid, no persons shall be entitled to participate in the Share Award Scheme. Under the Plan, an eligible participant include any employee, non-employee director or consultant of the Company or any subsidiary or affiliate of the Company, and any prospective employee and consultant who has accepted an offer of employment or consultancy from the Company or any subsidiary or affiliate of the Company.

Grant of Awards and Acquisition of Shares by the Trustee

The Company shall determine the number of Awarded Shares for the Selected Grantees, which shall be equal to the number of outstanding notional Shares to which the SARs of the Selected Grantees relate, and shall inform the trustee and the Selected Grantees accordingly. The Company shall instruct a broker to purchase the Awarded Shares and settle payment for the Awarded Shares directly and cause the broker to deliver the Awarded Shares to the trustee, or pay to the trustee the required funding for the purchase of the Awarded Shares. The Company shall procure that the trustee will have all the Awarded Shares held in its custody within ten (10) days prior to the vesting date of the relevant SARs.

Vesting

Awarded Shares held by the trustee and which are referable to a Selected Grantee shall vest to that Selected Grantee in accordance with the same vesting schedule and subject to the same vesting conditions as those of the SARs as set forth in the Plan and the relevant award agreement of the Selected Grantee.

Rights of Selected Grantee before Vesting

For the avoidance of doubt, (i) a Selected Grantee shall in no circumstances be entitled to the delivery of the Awarded Shares to him or her but shall only have a contingent interest in part of the net proceeds of the sale of the Awarded Shares which are referable to him or her; (ii) a Selected Grantee shall have no rights in the related income deriving from or arising out of the Award Shares; (iii) a Selected Grantee may not exercise any voting rights in respect of the Award Shares, (iv) a Selected Grantee shall have no rights in the fractional share arising out of consolidation of Shares (such Shares shall be deemed as Returned Shares for the purposes of the Share Award Scheme).

Lapse of an Award

In the event that a SAR or any portion thereof becomes lapsed or not exercisable in accordance with the terms of the Plan and the relevant award agreement, the relevant part of an Award to which the SAR or the relevant portion thereof relates shall lapse and terminate and unless the Board otherwise agrees, the relevant Awarded Shares shall, if not already vested, not vest on the relevant vesting date and, if already vested, be forfeited immediately and the Selected Grantee or the legal personal representatives of the Selected Grantee (as the case may be) shall have no claims against the Company or the trustee.

Black-out Period

No Award shall be granted, no payment shall be made to the trustee and no instructions to acquire or dispose of Shares shall be given to the trustee under the Share Award Scheme where any Director is in possession of unpublished price sensitive information in relation to the Company or where dealings by Directors are prohibited under any code or requirement of the Listing Rules and all applicable laws from time to time, which includes, in particular, that no Awards shall be granted within the period commencing one month immediately preceding the earlier of:

- (i) the date of the Board meeting (as such date is first notified to the Stock Exchange in accordance with the Listing Rules) for the approval of the Company’s interim or annual results; and
- (ii) the deadline for the Company to publish its interim or annual results announcement under the Listing Rules,

and ending on the date of the results announcement.

Duration and Termination

Subject to any early termination as may be determined by the Board, the Share Award Scheme shall be valid and effective for a term commencing on the day the Share Award Scheme was adopted and approved by the Board and expiring on the date when all the SARs are exercised, terminated or expire.

Grant of Awarded Shares

The Board will, as soon as reasonably practicable, grant to each participate holding SAR the same number of Awarded Shares as the number of notional Shares to which the SAR of such participate relates, subject to such participate accepting the grant of such Awarded Shares in a grant letter. For the purposes of clarification, no participate holding SAR is a Connected Person of the Company or an Associate of a Connected Person.

Grant to Connected Person(s)

In respect of any proposed Award to a Selected Grantee who a Connected Person of the Company or any of his Associates, such Award must be: (i) approved by all independent non-executive Directors; and (ii) in compliance with all other requirements of Chapter 14A of the Listing Rules applicable to such Award from time to time.

Other Information

The Share Award Scheme does not constitute a share option scheme or an arrangement analogous to a share option scheme for the purpose of Chapter 17 of the Listing Rules.

DEFINITIONS

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

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| “Associate” | shall have the meaning ascribed to it in the Listing Rules |
| “Award” | an award of Share(s) by the Board to a Selected Grantee |
| “Awarded Shares” | the Shares awarded by the Board pursuant to the Share Award Scheme to a Selected Grantee |
| “Black-out Period” | the period as set forth in the section headed “Black-out Period” of this announcement |

“Board”	the board of directors of the Company
“Connected Person”	shall have the meaning ascribed to it in the Listing Rules
“Directors”	the directors of the Company
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Plan”	the stock incentive compensation plan adopted by the Company on 20 November 2009
“Returned Shares”	such Awarded Shares which are not vested and/or forfeited in accordance with the terms of the Share Award Scheme
“SAR”	share appreciation right(s) granted or to be granted pursuant to the Plan
“Selected Grantee”	eligible individual(s) selected by the Board for participation in the Share Award Scheme who is holding outstanding SARs
“Share(s)”	Ordinary share(s) of nominal value of US\$0.001 each in the capital of the Company
“Share Award Scheme”	the share award scheme adopted by the Board on 30 May 2012, as modified, amended or supplemented from time to time
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

By Order of the Board
Zhang Ruilin
Chairman

Hong Kong, 30 May 2012

As at the date of this announcement, the Board comprises (1) the executive directors namely Mr Zhang Ruilin, Mr Zhao Jiangwei, Mr Forrest Lee Dietrich and Mr Allen Mak; (2) the non-executive director namely Mr Wang Sing (Mr Law Cheuk Kin, Stephen 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.