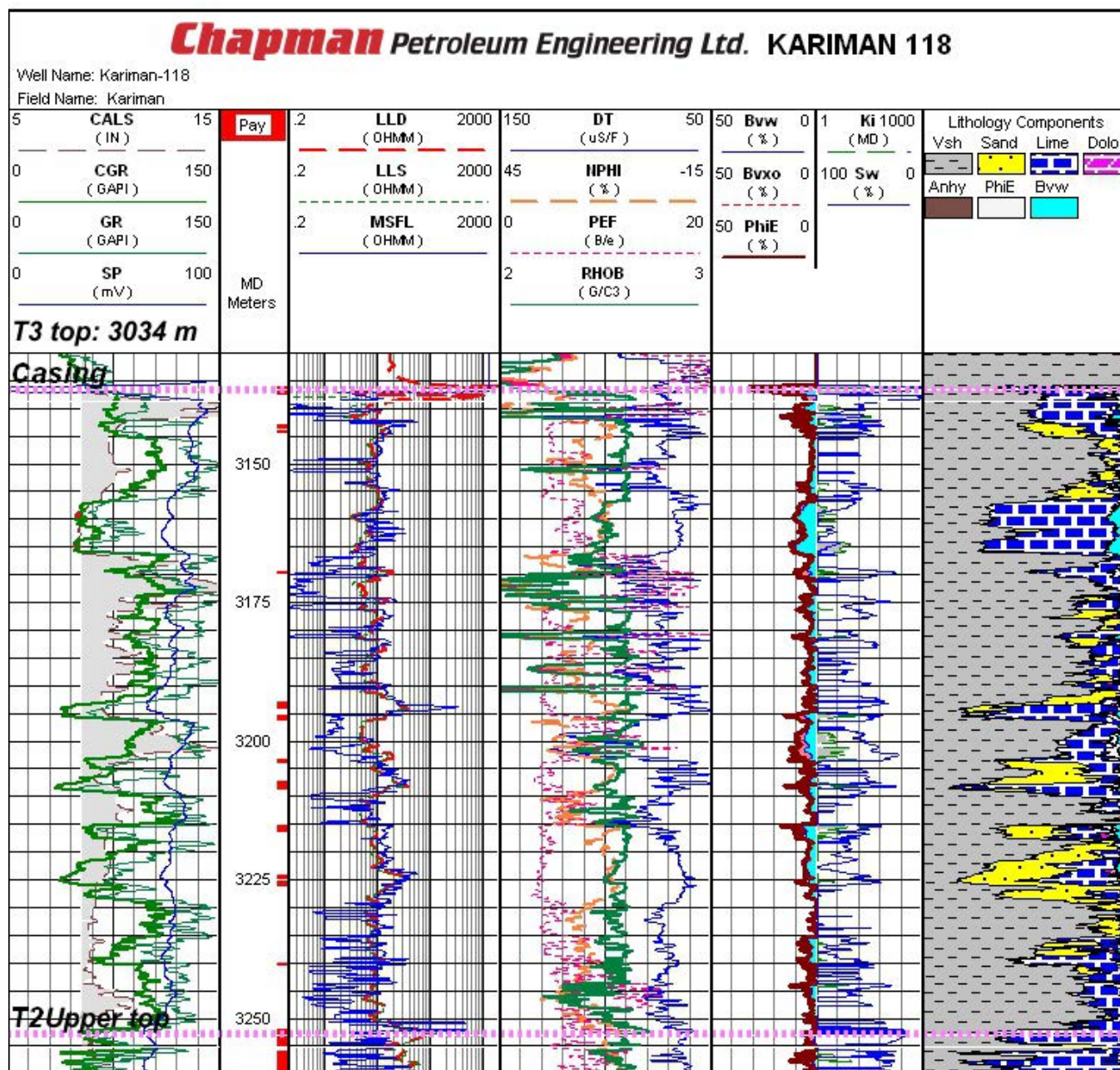
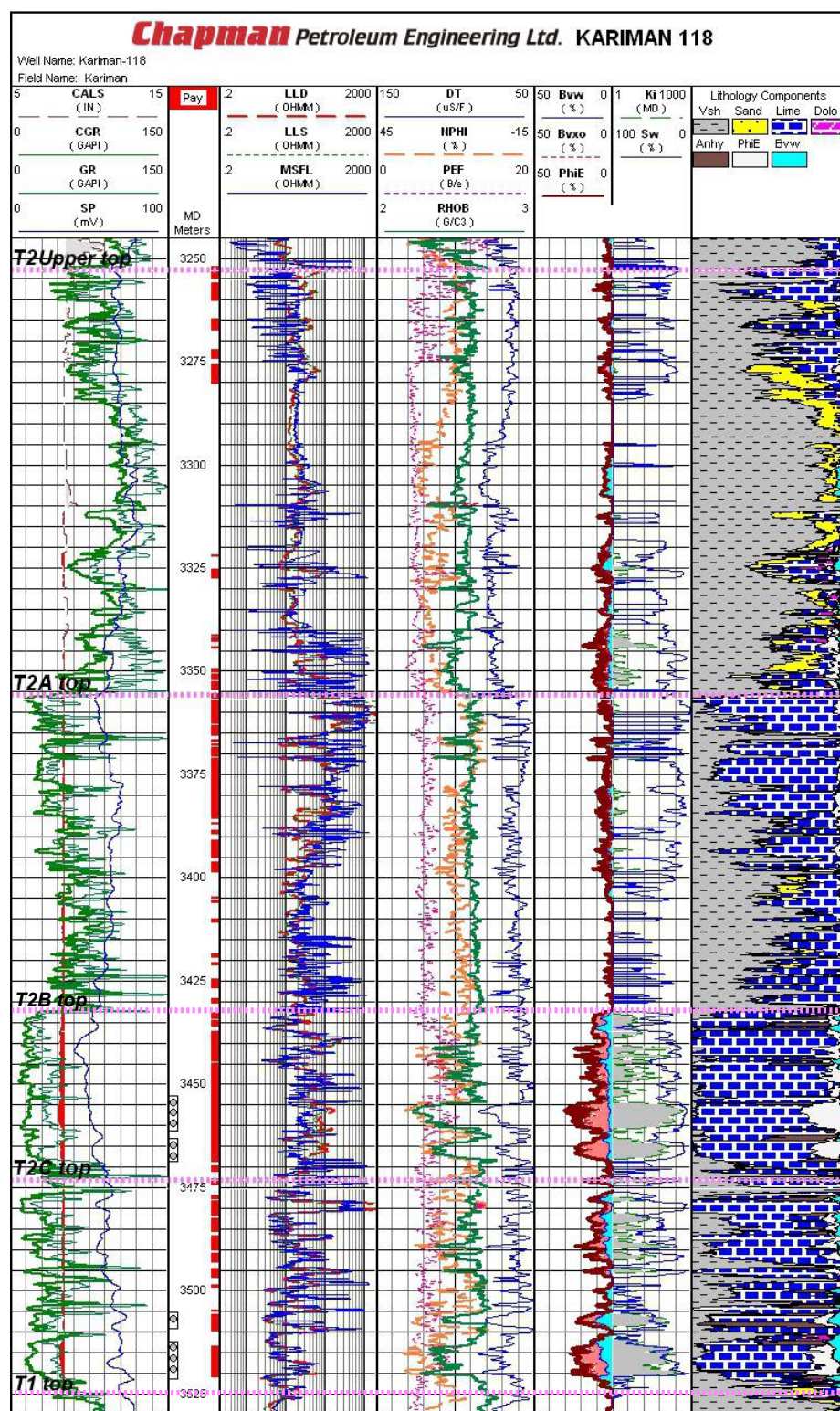




MIE HOLDINGS CORPORATION

**ADEK BLOCK
OIL WELL LOG ANALYSIS
MANGISTAU OBLAST, KAZAKHSTAN
KARIMAN 118
UPPER TRIASSIC T3**

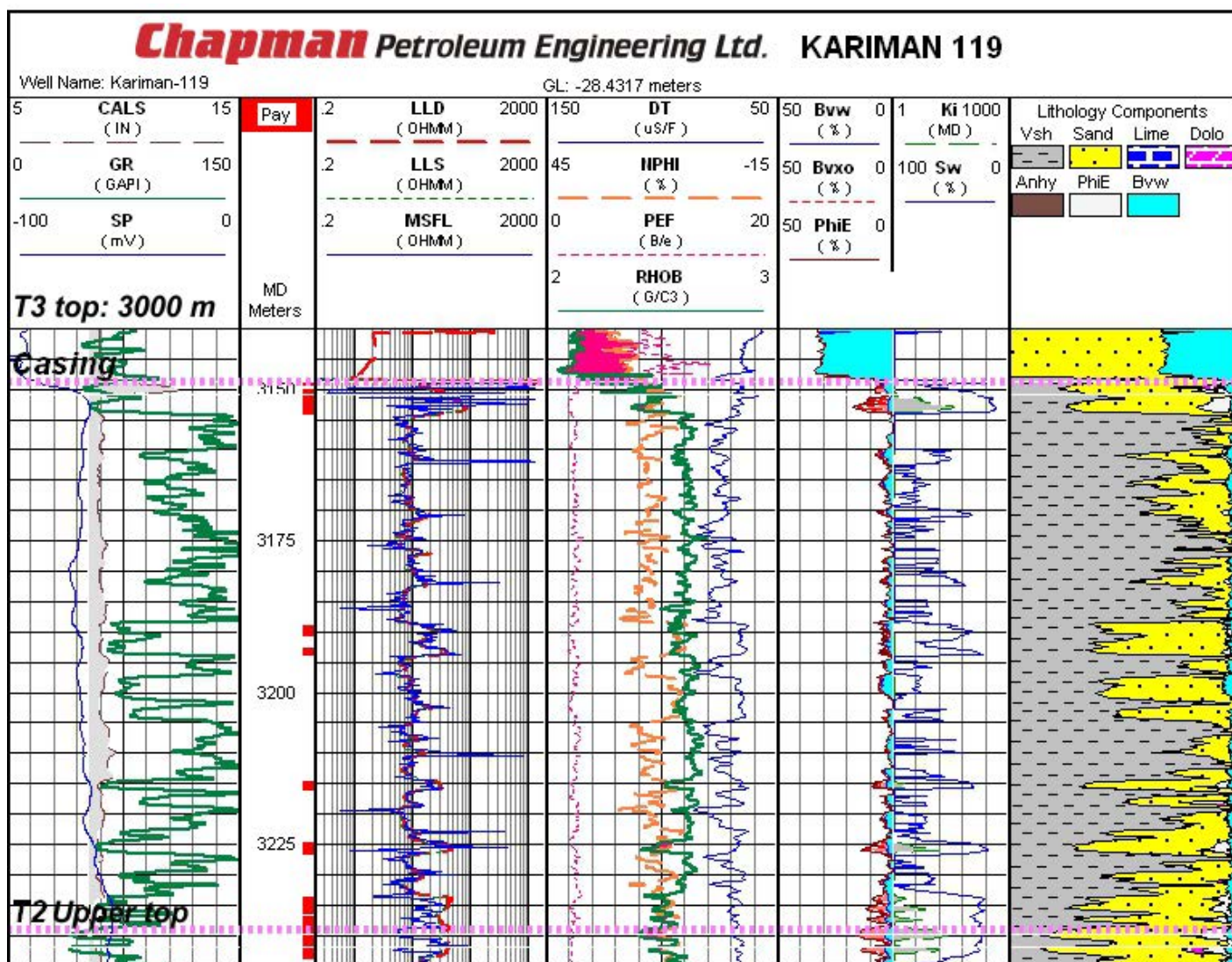
JAN. 2016 JOB No. 6144 FIGURE No. 2y

**MIE HOLDINGS CORPORATION**

**ADEK BLOCK
OIL WELL LOG ANALYSIS**
MANGISTAU OBLAST, KAZAKHSTAN
KARIMAN 118
MIDDLE TRIASSIC T2

JAN. 2016

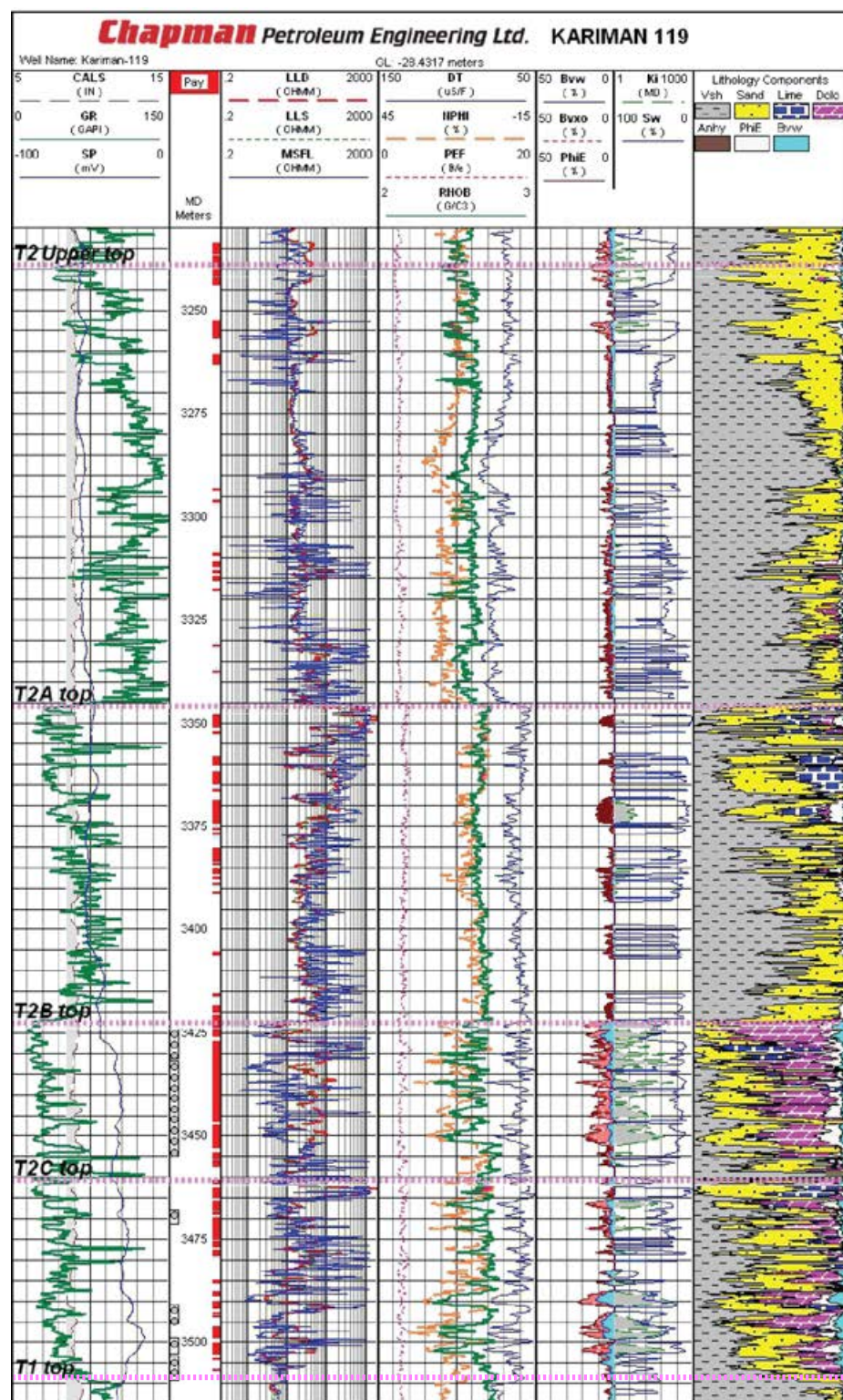
JOB No. 6144 FIGURE No. 2z



MIE HOLDINGS CORPORATION

**ADEK BLOCK
OIL WELL LOG ANALYSIS
MANGISTAU OBLAST, KAZAKHSTAN
KARIMAN 119
UPPER TRIASSIC T3**

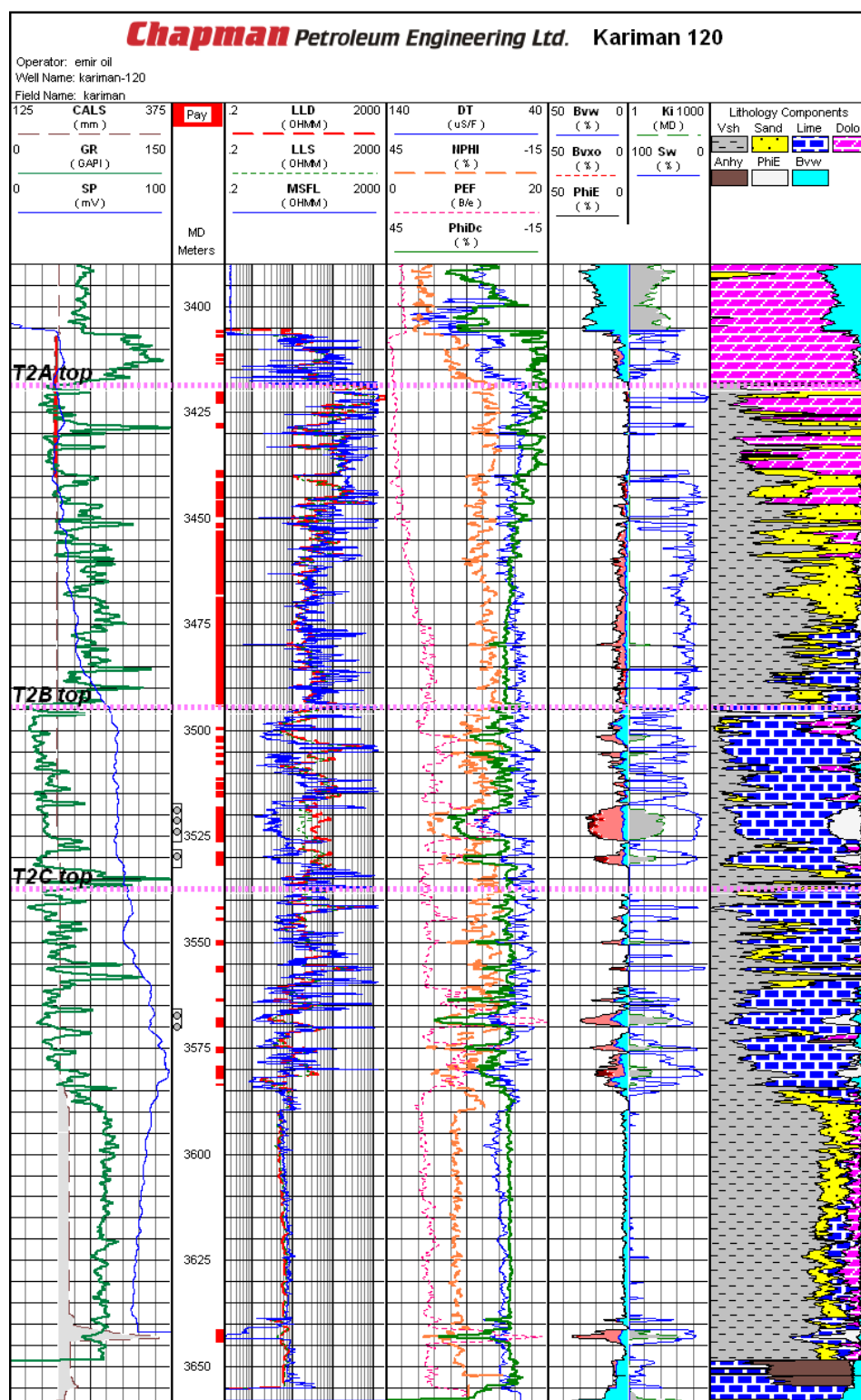
JAN. 2016 JOB No. 6144 FIGURE No. 2aa



MIE HOLDINGS CORPORATION

**ADEK BLOCK
OIL WELL LOG ANALYSIS
MANGISTAU OBLAST, KAZAKHSTAN
KARIMAN 119
MIDDLE TRIASSIC T2**

JAN. 2016 JOB No. 6144 FIGURE No. 2ab

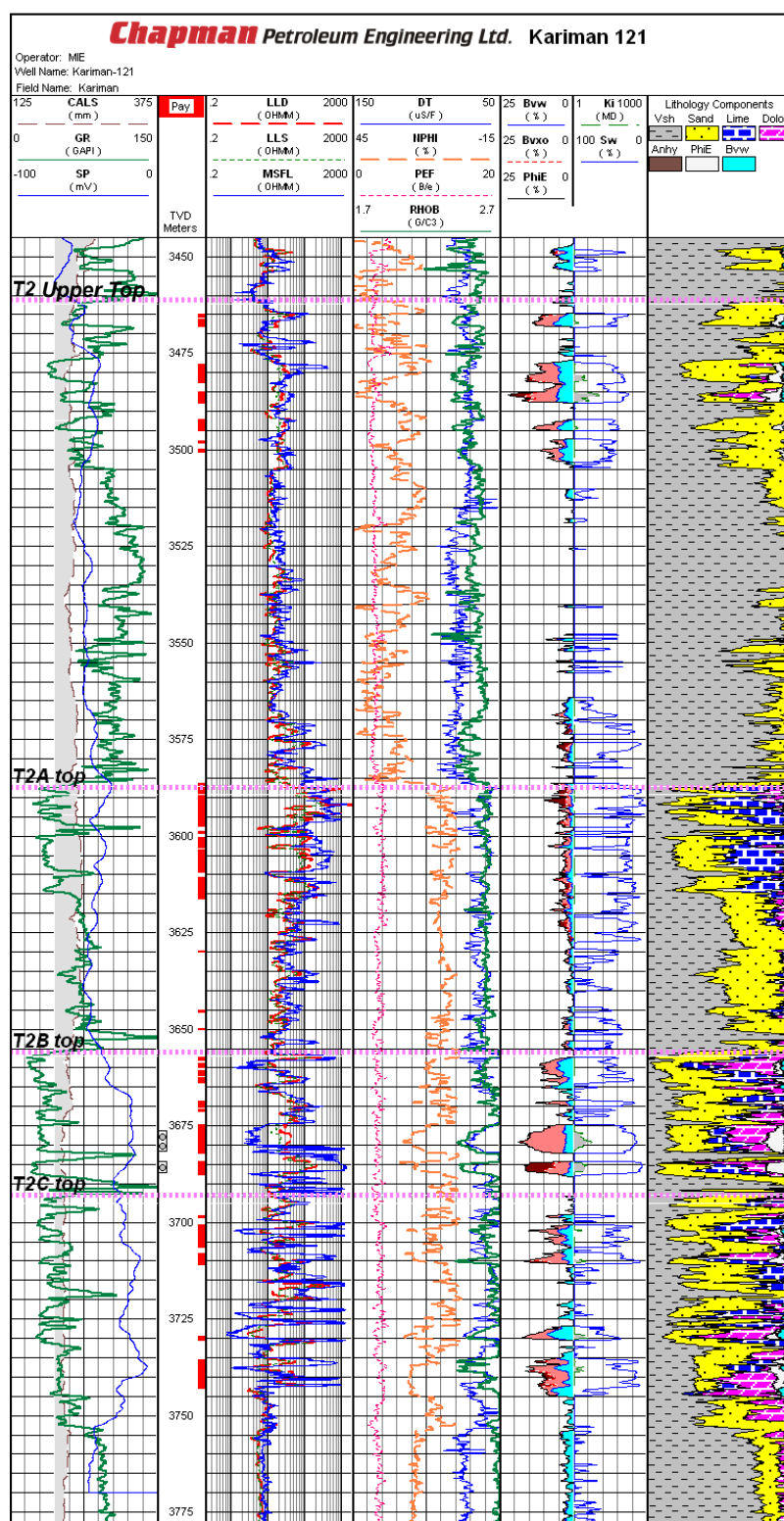


MIE HOLDINGS CORPORATION

**ADEK BLOCK
OIL WELL LOG ANALYSIS
MANGISTAU OBLAST, KAZAKHSTAN
KARIMAN 120
MIDDLE TRIASSIC T2**

JAN. 2016

JOB No. 6144 FIGURE No. 2ac



MIE HOLDINGS CORPORATION

ADEK BLOCK
OIL WELL LOG ANALYSIS
 MANGISTAU OBLAST, KAZAKHSTAN
KARIMAN 121
 MIDDLE TRIASSIC T2

JAN. 2016

JOB No. 6144 FIGURE No. 2ad

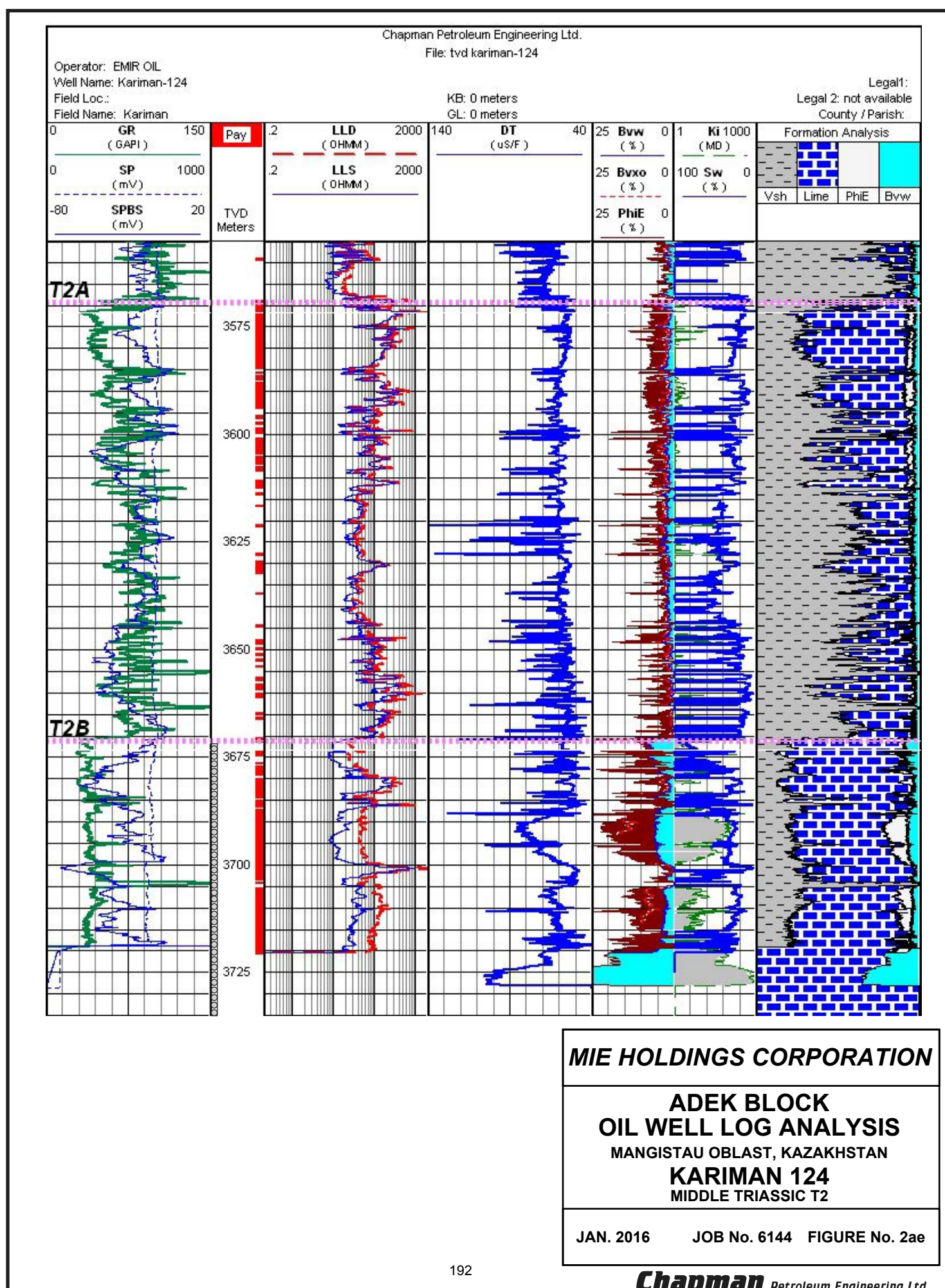


Table 2

Summary of Gross Reserves
January 1, 2018

MIE Holdings Corporation

Kariman, Republic of Kazakhstan

Description		Current or Initial Rate STB/d	API Gravity (Deg)	EUR (MSTB)	Cumulative Production (MSTB)	Gross Reserves (MSTB)	Contract Reserves * (MSTB)	Reference
LIGHT & MEDIUM OIL								
Proved								
Proved Developed Producing								
Kariman-3ST2	Middle Triassic T2B	36	36	167	136	51	51	Decline - Figure 3c, Table 2a
Kariman-5	Upper Triassic T3 & Middle Triassic T2 Upper	203	36	362	181	181	181	Decline - Figure 3e, Tables 2b & 2c
Kariman-6ST3	Middle Triassic T2B & T2C	239	36	960	424	537	537	Decline - Figure 3e, Tables 2d & 2e
Kariman-8	Middle Triassic T2B	321	36	1,232	625	607	607	Decline - Figure 3h, Table 2f
Kariman-11ST1	Middle Triassic T2B & T2C	208	36	1,106	516	590	590	Decline - Figure 3e, Tables 2g & 2h
Kariman-12	Middle Triassic T2B & T2C	274	36	712	190	522	522	Decline - Figure 3e, Tables 2i & 2j
Kariman-113	Middle Triassic T2B	739	36	2,261	671	1,589	1,571	Decline - Figure 3i, Table 2k
Kariman-116	Middle Triassic T2C	164	36	513	105	407	407	Decline - Figure 3n, Table 2l
Total Proved Developed Producing		2,184		7,332	2,848	4,485	4,466	
Proved Developed Non-Producing								
Kariman-1ST2	Upper Triassic T3 & Middle Triassic T2B & T2C	300	36	958	217	741	713	Tables 2m, 2n & 2o
Kariman-2	Middle Triassic T2 Upper, T2B & T2C	400	36	2,393	1,552	840	840	Tables 2p, 2q & 2r
Kariman-3ST2	Upper Triassic T3	100	36	128	2	126	126	Table 2s
Kariman-4	Middle Triassic T2 Upper, T2B & T2C	450	36	1,530	680	850	850	Tables 2t, 2u & 2v
Kariman-5	Middle Triassic T2B & T2C	400	36	654	47	607	607	Tables 2w & 2x
Kariman-6ST3	Upper Triassic T3 & Middle Triassic T2 Upper	500	36	999	0	999	921	Table 2y & 2z
Kariman-7	Middle Triassic T2B & T2C	200	36	1,101	567	535	535	Table 2aa & 2ab
Kariman-8	Middle Triassic T2C	100	36	275	0	275	275	Table 2ac
Kariman-10	Upper Triassic T3, Middle Triassic T2 Upper, T2B & T2C	200	36	913	441	472	472	Tables 2ad, 2ae, 2af & 2ag
Kariman-11ST1	Middle Triassic T2 Upper	40	36	20	0	20	20	Table 2ah
Kariman-12	Upper Triassic T3	700	36	1,310	0	1,310	1,263	Table 2ai
Kariman-13	Middle Triassic T2C	300	36	1,138	2	1,135	1,005	Table 2aj
Kariman-114	Middle Triassic T2B & T2C	300	36	662	98	564	564	Table 2ak & 2al
Kariman-116	Upper Triassic T3 & Middle Triassic T2B	300	36	647	0	647	636	Table 2am & 2an
Kariman-118	Middle Triassic T2 Upper, T2B & T2C	350	36	832	336	496	496	Tables 2ao, 2ap & 2aq
Kariman-119	Middle Triassic T2 Upper, T2B & T2C	350	36	875	283	592	592	Tables 2ar, 2as & 2at
Kariman-120	Middle Triassic T2B & T2C	100	36	316	124	192	192	Table 2au & 2av
Kariman-121	Middle Triassic T2 Upper, T2B & T2C	200	36	444	8	436	436	Tables 2aw, 2ax & 2ay
Kariman-123	Middle Triassic T2 Upper, T2B & T2C	450	36	1,143	0	1,143	1,066	Tables 2az, 2ba & 2bb
Kariman-124	Middle Triassic T2B	500	36	1,615	94	1,521	1,362	Table 2bc
Total Proved Developed Non-Producing		6,240		17,852	4,452	13,500	12,970	
Total Proved Developed		8,424		25,284	7,299	17,984	17,436	
Proved Undeveloped								
Kariman-6	Middle Triassic T2C	45	36	194	161	33	33	Table 2bd
Location 1	Middle Triassic T2 Upper, T2B & T2C	600	36	835	0	835	835	Tables 2be, 2bf & 2bg
Location 2	Middle Triassic T2 Upper, T2B & T2C	600	36	835	0	835	835	Tables 2bh, 2bi & 2bj
Location 3	Middle Triassic T2 Upper, T2B & T2C	600	36	960	0	960	960	Tables 2bk, 2bl & 2bm
Total Proved Undeveloped		1,845		2,825	161	2,664	2,664	
Total Proved		10,269		28,109	7,460	20,649	20,100	
Probable								
Probable Developed Producing								
Kariman-3ST2	Middle Triassic T2B	0 (incr.)	36	55	0	55	55	Table 2a
Kariman-5	Upper Triassic T3 & Middle Triassic T2 Upper	0 (incr.)	37	280	0	280	280	Tables 2b & 2c
Kariman-6ST3	Middle Triassic T2B & T2C	0 (incr.)	36	429	0	429	429	Tables 2d & 2e
Kariman-8	Middle Triassic T2B	0 (incr.)	36	404	0	404	404	Table 2f
Kariman-11ST1	Middle Triassic T2B & T2C	0 (incr.)	36	142	0	142	142	Tables 2g & 2h
Kariman-12	Middle Triassic T2B & T2C	0 (incr.)	36	800	0	800	800	Tables 2i & 2j
Kariman-113	Middle Triassic T2B	0 (incr.)	36	720	0	720	738	Table 2k
Kariman-116	Middle Triassic T2C	0 (incr.)	36	13	0	13	13	Table 2l
Total Probable Developed Producing		0		2,842	0	2,842	2,861	

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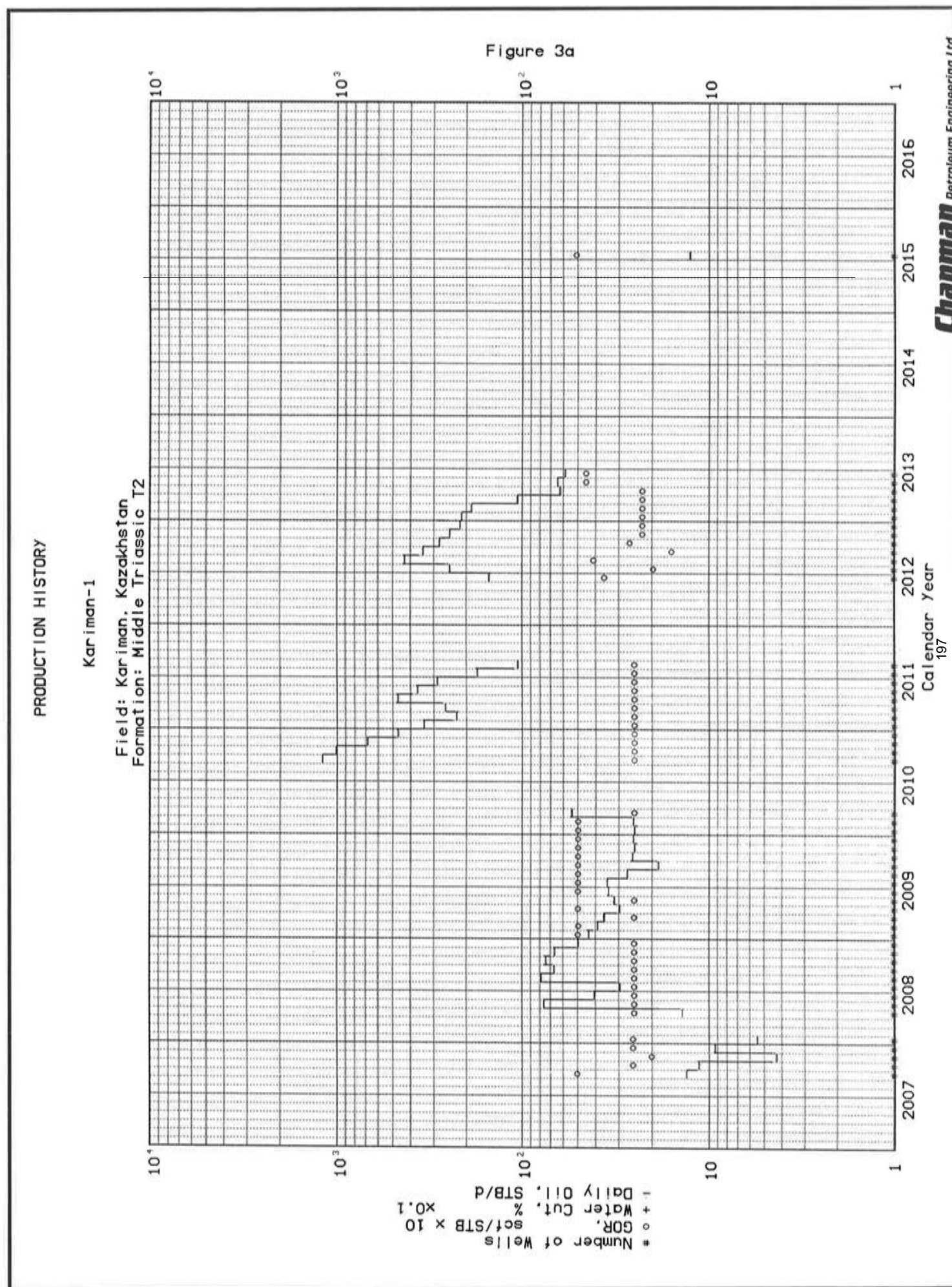
Table 2									
Summary of Gross Reserves									
January 1, 2018									
MIE Holdings Corporation									
Kariman, Republic of Kazakhstan									
Description		Current or Initial Rate STB/d		API Gravity (Deg)	EUR (MSTB)	Cumulative Production (MSTB)	Gross Reserves (MSTB)	Contract Reserves * (MSTB)	Reference
Probable Developed Non-Producing									
Kariman-1ST2	Upper Triassic T3 & Middle Triassic T2B & T2C	450	(Incr.)	36	818	0	818	846	Tables 2m, 2n & 2o
Kariman-2	Middle Triassic T2 Upper & T2C	50	(Incr.)	36	33	0	33	33	Tables 2p, 2q & 2r
Kariman-3ST2	Upper Triassic T3	50	(Incr.)	36	64	0	64	64	Table 2s
Kariman-4	Middle Triassic T2 Upper, T2B & T2C	150	(Incr.)	36	292	0	292	292	Tables 2t, 2u & 2v
Kariman-5	Middle Triassic T2B & T2C	200	(Incr.)	36	517	0	517	517	Tables 2w & 2x
Kariman-6ST3	Upper Triassic T3 & Middle Triassic T2 Upper	200	(Incr.)	36	500	0	500	576	Table 2y & 2z
Kariman-7	Middle Triassic T2B & T2C	200	(Incr.)	36	597	0	597	597	Table 2aa & 2ab
Kariman-8	Middle Triassic T2C	100	(Incr.)	36	234	0	234	234	Table 2ac
Kariman-10	Upper Triassic T3, Middle Triassic T2 Upper, T2B & T2C	200	(Incr.)	36	396	0	396	396	Tables 2ad, 2ae, 2af & 2ag
Kariman-11ST1	Middle Triassic T2 Upper	20	(Incr.)	36	4	0	4	4	Table 2ah
Kariman-12	Upper Triassic T3	300	(Incr.)	36	655	0	655	701	Table 2ai
Kariman-13	Middle Triassic T2C	200	(Incr.)	36	660	0	660	699	Table 2aj
Kariman-114	Middle Triassic T2B & T2C	150	(Incr.)	36	325	0	325	325	Table 2ak & 2al
Kariman-116	Upper Triassic T3 & Middle Triassic T2B	100	(Incr.)	36	302	0	302	313	Table 2am & 2an
Kariman-118	Middle Triassic T2 Upper, T2B & T2C	600	(Incr.)	36	1,151	0	1,151	1,151	Tables 2ao, 2ap & 2aq
Kariman-119	Middle Triassic T2 Upper, T2B & T2C	300	(Incr.)	36	852	0	852	852	Tables 2ar, 2as & 2at
Kariman-120	Middle Triassic T2B & T2C	200	(Incr.)	36	418	0	418	418	Table 2au & 2av
Kariman-121	Middle Triassic T2 Upper, T2B & T2C	100	(Incr.)	36	251	0	251	251	Tables 2aw, 2ax & 2ay
Kariman-123	Middle Triassic T2 Upper, T2B & T2C	20	(Incr.)	36	571	0	571	648	Tables 2az, 2ba & 2bb
Kariman-124	Middle Triassic T2B	400	(Incr.)	36	813	0	813	971	Table 2bc
Kariman-1ST2	Middle Triassic T2 Upper & T2A	250		36	556	0	556	556	Tables 2bn & 2bo
Kariman-2	Middle Triassic T2A	200		36	297	0	297	297	Table 2bp
Kariman-3ST2	Middle Triassic T2A	100		36	193	0	193	193	Table 2bq
Kariman-4	Middle Triassic T2A	150		36	305	0	305	305	Table 2br
Kariman-5	Middle Triassic T2A	75		36	145	0	145	145	Table 2bs
Kariman-6ST3	Middle Triassic T2A	300		36	935	0	935	935	Table 2bt
Kariman-7	Middle Triassic T2 Upper & T2A	300		36	843	0	843	843	Tables 2bu & 2bv
Kariman-8	Middle Triassic T2A	150		36	387	0	387	387	Table 2bw
Kariman-10	Middle Triassic T2A	200		36	410	0	410	410	Table 2bx
Kariman-11ST1	Middle Triassic T2A	150		36	339	0	339	339	Table 2by
Kariman-12	Middle Triassic T2 Upper & T2A	400		36	909	0	909	909	Tables 2bz & 2ca
Kariman-13	Middle Triassic T2A & T2B	1,000		36	2,067	0	2,067	2,067	Tables 2cb & 2cc
Kariman-113	Middle Triassic T2A	200		36	458	0	458	458	Table 2cd
Kariman-114	Middle Triassic T2A	45		36	32	0	32	32	Table 2ce
Kariman-116	Middle Triassic T2A	50		36	129	0	129	129	Table 2cf
Kariman-117	Middle Triassic T2A, T2B & T2C	600		36	1,177	0	1,177	1,177	Tables 2cg, 2ch & 2ci
Kariman-118	Upper Triassic T3 & Middle Triassic T2A	150		36	373	0	373	373	Tables 2cj & 2ck
Kariman-119	Upper Triassic T3 & Middle Triassic T2A	200		36	510	0	510	510	Tables 2cl & 2cm
Kariman-120	Middle Triassic T2A	200		36	405	0	405	405	Table 2cn
Kariman-121	Middle Triassic T2A	75		36	138	0	138	138	Table 2co
Kariman-123	Middle Triassic T2A	75		36	204	0	204	204	Table 2cp
Kariman-124	Middle Triassic T2A	800		36	1,963	0	1,963	1,963	Table 2cq
Total Probable Developed Non-Producing		9,660			21,935	0	21,935	22,484	
Total Probable Developed		9,660			24,777	0	24,777	25,325	
Probable Undeveloped									
Kariman-8	Middle Triassic T2C	50	(Incr.)	36	97	0	97	97	Table 2bd
Location 1	Middle Triassic T2 Upper, T2B & T2C	150	(Incr.)	36	197	0	197	197	Tables 2ba, 2bf & 2bg
Location 2	Middle Triassic T2 Upper, T2B & T2C	150	(Incr.)	36	197	0	197	197	Tables 2bh, 2bi & 2bj
Location 3	Middle Triassic T2 Upper, T2B & T2C	150	(Incr.)	36	240	0	240	240	Tables 2bk, 2bl & 2bm
Location 1	Upper Triassic T3 & Middle Triassic T2A	100		36	171	0	171	171	Tables 2cr & 2cs
Location 2	Upper Triassic T3 & Middle Triassic T2A	100		36	171	0	171	171	Tables 2ct & 2cu
Location 3	Middle Triassic T2A	150		36	204	0	204	204	Table 2cv
Location 5	Middle Triassic T2 Upper, T2B & T2C	300		36	836	0	836	836	Tables 2cw, 2cx & 2cy
Location 6	Middle Triassic T2 Upper, T2B & T2C	300		36	836	0	836	836	Tables 2cz, 2da & 2db
Location 8	Middle Triassic T2B	800		36	1,710	0	1,710	1,710	Table 2dc
Total Probable Undeveloped		2,250			4,658	0	4,658	4,658	
Total Probable		11,910			29,435	0	29,435	29,983	
Total Proved Plus Probable		22,179			57,543	7,460	60,083	60,083	
Possible									
Kariman-117	Middle Triassic T2A, T2B & T2C	300	(Incr.)	36	561	0	561	561	Tables 2og, 2oh & 2oi
Kariman-113	Middle Triassic T2 Upper	150		36	285	0	285	285	Table 2dj
Location 5	Upper Triassic T3 & Middle Triassic T2A	100		36	171	0	171	171	Tables 2de & 2df
Location 6	Upper Triassic T3 & Middle Triassic T2A	100		36	171	0	171	171	Tables 2dg & 2dh
Location 8	Middle Triassic T2A	250		36	500	0	500	500	Table 2di
Total Possible		900			1,687	0	1,687	1,687	
Total Proved Plus Probable Plus Possible		23,079			59,231	7,460	61,771	61,771	

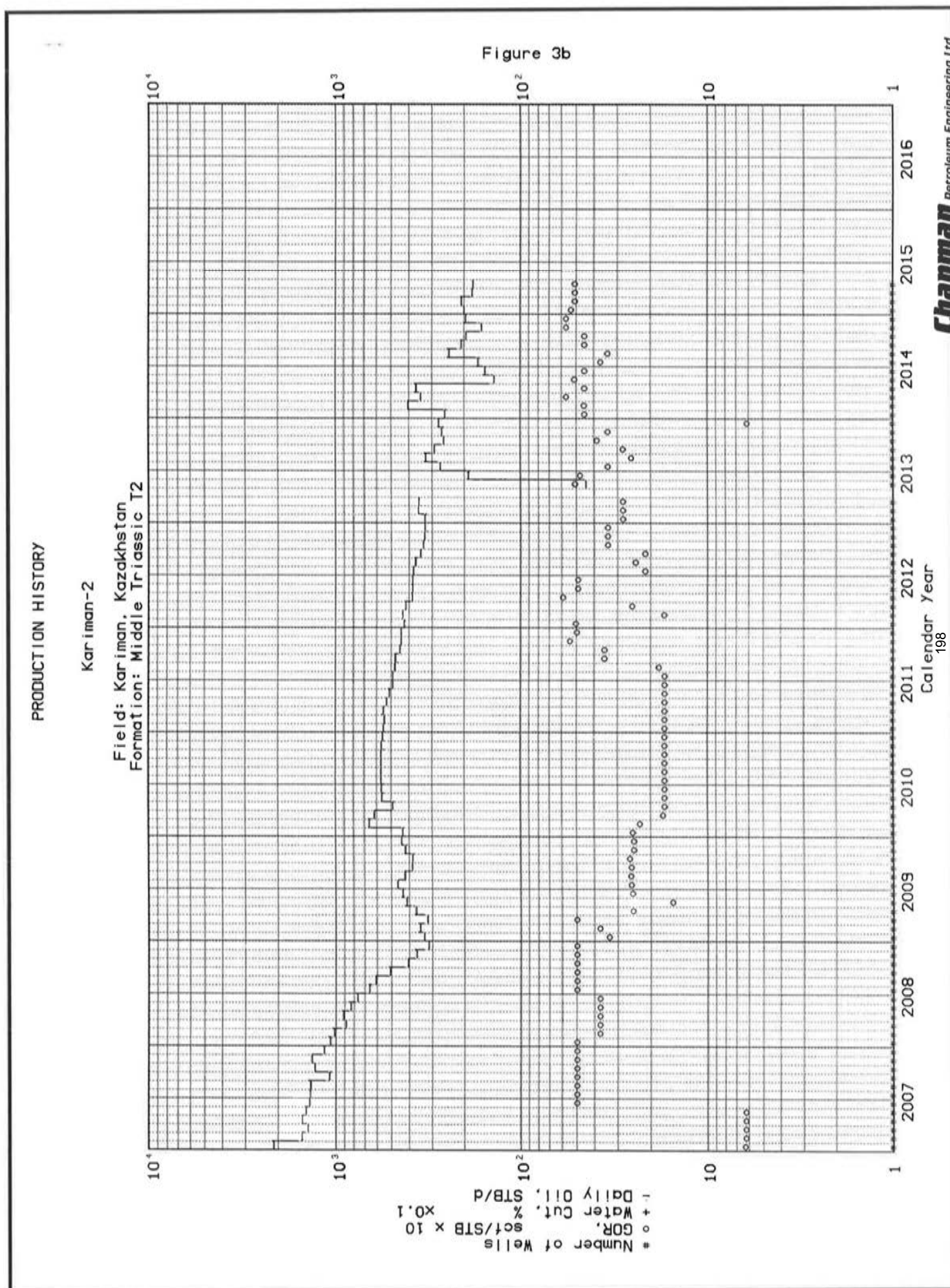
Note: * Reserves recoverable within the Term of the existing Production Contract.

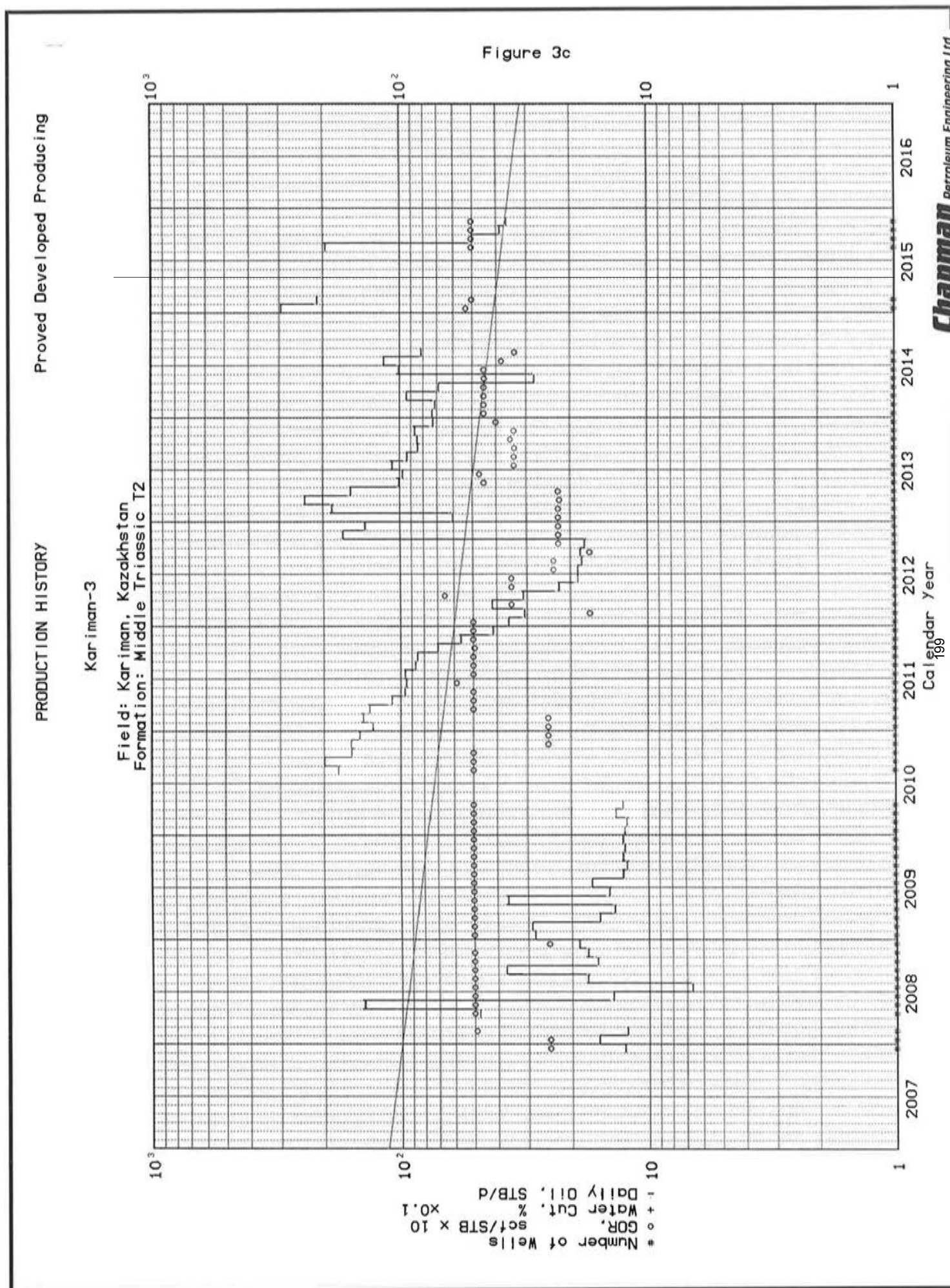
Table 2 Cont.							
Summary of Gross Reserves							
January 1, 2018							
MIE Holdings Corporation							
Karimn, Republic of Kazakhstan							
Description		EUR (raw) (MMscf)	Cumulative Production (MMscf)	Gross Reserves (raw) (MMscf)	Gross Reserves (sales) (MMscf)	Contract Reserves (sales)* (MMscf)	Reference
SOLUTION GAS							
<u>Proved</u>							
<u>Proved Developed Producing</u>							
Kariman-3ST2	Middle Triassic T2B	72	53	20	18	18	GOR=388 scf/STB
Kariman-5	Upper Triassic T3 & Middle Triassic T2 Upper	201	100	100	93	93	GOR=554 scf/STB
Kariman-6ST3	Middle Triassic T2B & T2C	340	150	190	177	177	GOR=354 scf/STB
Kariman-8	Middle Triassic T2B	471	239	232	216	216	GOR=382 scf/STB
Kariman-11ST1	Middle Triassic T2B & T2C	457	213	244	227	227	GOR=413 scf/STB
Kariman-12	Middle Triassic T2B & T2C	309	82	227	211	211	GOR=434 scf/STB
Kariman-113	Middle Triassic T2B	1,090	324	766	713	704	GOR=482 scf/STB
Kariman-119	Middle Triassic T2C	248	31	195	182	182	GOR=480 scf/STB
Total Proved Develop Producing		3,185	1,211	1,974	1,836	1,827	
<u>Proved Developed Non-Producing</u>							
Kariman-1ST2	Upper Triassic T3 & Middle Triassic T2B & T2C	251	57	194	181	174	GOR=282 scf/STB
Kariman-2	Middle Triassic T2 Upper, T2B & T2C	766	497	269	250	250	GOR=320 scf/STB
Kariman-3ST2	Upper Triassic T3	50	1	49	45	45	GOR=388 scf/STB
Kariman-4	Middle Triassic T2 Upper, T2B & T2C	753	335	418	369	369	GOR=492 scf/STB
Kariman-5	Middle Triassic T2B & T2C	362	26	337	313	313	GOR=554 scf/STB
Kariman-6ST3	Upper Triassic T3 & Middle Triassic T2 Upper	354	0	354	329	303	GOR=354 scf/STB
Kariman-7	Middle Triassic T2B & T2C	355	183	172	160	160	GOR=322 scf/STB
Kariman-8	Middle Triassic T2C	105	0	105	98	98	GOR=382 scf/STB
Kariman-10	Upper Triassic T3, Middle Triassic T2 Upper, T2B & T2C	383	185	198	184	184	GOR=420 scf/STB
Kariman-11ST1	Middle Triassic T2 Upper	8	0	8	7	7	GOR=413 scf/STB
Kariman-12	Upper Triassic T3	568	0	568	529	510	GOR=434 scf/STB
Kariman-13	Middle Triassic T2C	379	1	378	352	311	GOR=333 scf/STB
Kariman-114	Middle Triassic T2B & T2C	286	43	245	228	228	GOR=435 scf/STB
Kariman-116	Upper Triassic T3 & Middle Triassic T2B	310	0	310	288	284	GOR=480 scf/STB
Kariman-118	Middle Triassic T2 Upper, T2B & T2C	328	132	196	182	182	GOR=394 scf/STB
Kariman-119	Middle Triassic T2 Upper, T2B & T2C	385	118	247	230	230	GOR=417 scf/STB
Kariman-120	Middle Triassic T2B & T2C	143	56	87	81	81	GOR=452 scf/STB
Kariman-121	Middle Triassic T2 Upper, T2B & T2C	195	4	191	178	178	GOR=438 scf/STB
Kariman-123	Middle Triassic T2 Upper, T2B & T2C	562	0	562	523	486	GOR=492 scf/STB
Kariman-124	Middle Triassic T2B	853	50	803	747	659	GOR=528 scf/STB
Total Proved Developed Non-Producing		7,377	1,886	5,691	5,293	5,083	
Total Proved Developed		10,562	2,897	7,665	7,129	6,910	
<u>Proved Undeveloped</u>							
Kariman-6	Middle Triassic T2C	69	57	12	11	11	GOR=354 scf/STB
Location 1	Middle Triassic T2 Upper, T2B & T2C	420	0	420	391	391	GOR=503 scf/STB
Location 2	Middle Triassic T2 Upper, T2B & T2C	363	0	363	337	337	GOR=434 scf/STB
Location 3	Middle Triassic T2 Upper, T2B & T2C	417	0	417	388	388	GOR=434 scf/STB
Total Proved Undeveloped		1,268	57	1,211	1,126	1,126	
Total Proved		11,830	2,954	8,876	8,255	8,037	
<u>Probable</u>							
<u>Probable Developed Producing</u>							
Kariman-3ST2	Middle Triassic T2B	21	0	21	20	20	GOR=388 scf/STB
Kariman-5	Upper Triassic T3 & Middle Triassic T2 Upper	155	0	155	144	144	GOR=554 scf/STB
Kariman-6ST3	Middle Triassic T2B & T2C	152	0	152	141	141	GOR=354 scf/STB
Kariman-8	Middle Triassic T2B	154	0	154	144	144	GOR=382 scf/STB
Kariman-11ST1	Middle Triassic T2B & T2C	59	0	59	55	55	GOR=413 scf/STB
Kariman-12	Middle Triassic T2B & T2C	347	0	347	323	323	GOR=434 scf/STB
Kariman-113	Middle Triassic T2B	347	0	347	323	331	GOR=482 scf/STB
Kariman-116	Middle Triassic T2C	6	0	6	8	6	GOR=480 scf/STB
Total Probable Developed Producing		1,242	0	1,242	1,155	1,163	

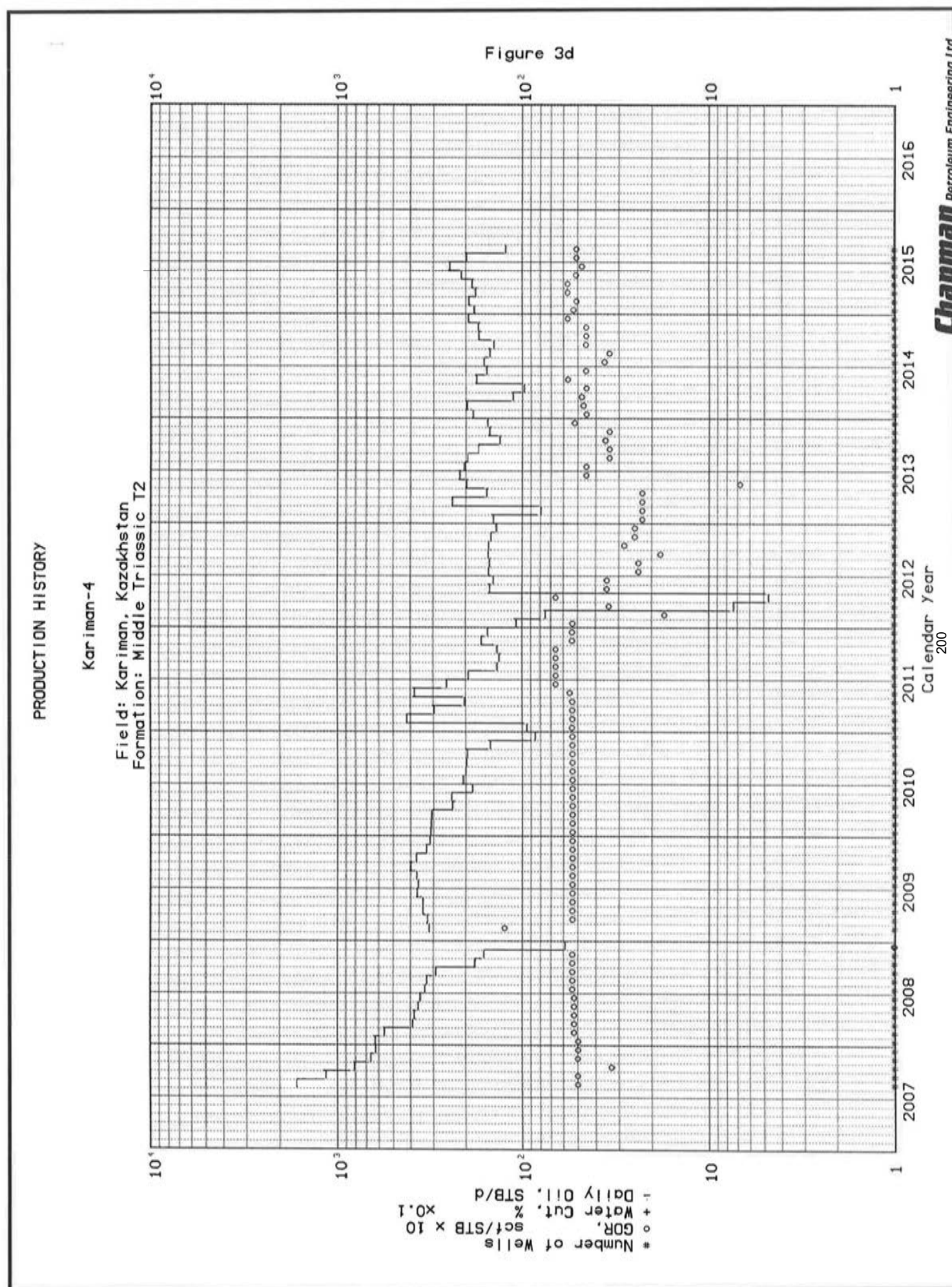
Table 2 Cont.						
Summary of Gross Reserves January 1, 2018						
MIE Holdings Corporation						
Kariman, Republic of Kazakhstan						
Description	EUR (raw) (MMscf)	Cumulative Production (MMscf)	Gross Reserves (raw) (MMscf)	Gross Reserves (sales) (MMscf)	Contract Reserves (sales)* (MMscf)	Reference
Probable Developed Non-Producing						
Kariman-1ST2	Upper Triassic T3 & Middle Triassic T2B & T2C	214	0	214	199	206 GOR=262 scf/STB
Kariman-2	Middle Triassic T2 Upper & T2C	10	0	10	10	10 GOR=320 scf/STB
Kariman-3ST2	Upper Triassic T3	25	0	25	23	23 GOR=388 scf/STB
Kariman-4	Middle Triassic T2 Upper, T2B & T2C	143	0	143	133	133 GOR=492 scf/STB
Kariman-5	Middle Triassic T2B & T2C	266	0	266	266	266 GOR=554 scf/STB
Kariman-6ST3	Upper Triassic T3 & Middle Triassic T2 Upper	177	0	177	164	160 GOR=354 scf/STB
Kariman-7	Middle Triassic T2B & T2C	192	0	192	179	179 GOR=322 scf/STB
Kariman-8	Middle Triassic T2C	89	0	89	83	83 GOR=382 scf/STB
Kariman-10	Upper Triassic T3, Middle Triassic T2 Upper, T2B & T2C	166	0	166	155	155 GOR=420 scf/STB
Kariman-11ST1	Middle Triassic T2 Upper	2	0	2	1	1 GOR=413 scf/STB
Kariman-12	Upper Triassic T3	284	0	284	264	283 GOR=434 scf/STB
Kariman-13	Middle Triassic T2C	189	0	189	176	217 GOR=333 scf/STB
Kariman-114	Middle Triassic T2B & T2C	141	0	141	131	131 GOR=435 scf/STB
Kariman-116	Upper Triassic T3 & Middle Triassic T2B	145	0	145	135	139 GOR=480 scf/STB
Kariman-118	Middle Triassic T2 Upper, T2B & T2C	454	0	454	422	422 GOR=394 scf/STB
Kariman-119	Middle Triassic T2 Upper, T2B & T2C	355	0	355	330	330 GOR=417 scf/STB
Kariman-120	Middle Triassic T2B & T2C	189	0	189	176	176 GOR=452 scf/STB
Kariman-121	Middle Triassic T2 Upper, T2B & T2C	110	0	110	102	102 GOR=436 scf/STB
Kariman-123	Middle Triassic T2 Upper, T2B & T2C	261	0	261	261	297 GOR=482 scf/STB
Kariman-124	Middle Triassic T2B	429	0	429	399	477 GOR=528 scf/STB
Kariman-15T2	Middle Triassic T2 Upper & T2A	146	0	146	135	135 GOR=262 scf/STB
Kariman-2	Middle Triassic T2A	95	0	95	86	88 GOR=320 scf/STB
Kariman-3ST2	Middle Triassic T2A	75	0	75	70	70 GOR=388 scf/STB
Kariman-4	Middle Triassic T2A	150	0	150	140	140 GOR=492 scf/STB
Kariman-5	Middle Triassic T2A	80	0	80	75	75 GOR=584 scf/STB
Kariman-6ST3	Middle Triassic T2A	331	0	331	308	308 GOR=354 scf/STB
Kariman-7	Middle Triassic T2 Upper & T2A	207	0	207	193	193 GOR=322 scf/STB
Kariman-8	Middle Triassic T2A	148	0	148	138	138 GOR=382 scf/STB
Kariman-10	Middle Triassic T2A	172	0	172	160	160 GOR=420 scf/STB
Kariman-11ST1	Middle Triassic T2A	140	0	140	130	130 GOR=413 scf/STB
Kariman-12	Middle Triassic T2 Upper & T2A	395	0	395	367	367 GOR=434 scf/STB
Kariman-13	Middle Triassic T2A & T2B	686	0	686	640	640 GOR=333 scf/STB
Kariman-113	Middle Triassic T2A	221	0	221	205	205 GOR=482 scf/STB
Kariman-114	Middle Triassic T2A	14	0	14	13	13 GOR=435 scf/STB
Kariman-116	Middle Triassic T2A	62	0	62	58	58 GOR=480 scf/STB
Kariman-117	Middle Triassic T2A, T2B & T2C	438	0	438	407	407 GOR=372 scf/STB
Kariman-118	Upper Triassic T3 & Middle Triassic T2A	147	0	147	136	136 GOR=394 scf/STB
Kariman-119	Upper Triassic T3 & Middle Triassic T2A	212	0	212	198	198 GOR=417 scf/STB
Kariman-120	Middle Triassic T2A	183	0	183	170	170 GOR=452 scf/STB
Kariman-121	Middle Triassic T2A	60	0	60	56	56 GOR=438 scf/STB
Kariman-123	Middle Triassic T2A	100	0	100	93	93 GOR=482 scf/STB
Kariman-124	Middle Triassic T2A	1,037	0	1,037	964	964 GOR=528 scf/STB
Total Probable Developed Non-Producing		8,985	0	8,985	8,356	8,566
Total Probable Developed		10,228	0	10,228	9,511	9,729
Probable Undeveloped						
Kariman-6	Middle Triassic T2C	34	0	34	32	32 GOR=354 scf/STB
Location 1	Middle Triassic T2 Upper, T2B & T2C	99	0	99	92	92 GOR=503 scf/STB
Location 2	Middle Triassic T2 Upper, T2B & T2C	85	0	85	79	79 GOR=434 scf/STB
Location 3	Middle Triassic T2 Upper, T2B & T2C	104	0	104	97	97 GOR=434 scf/STB
Location 1	Upper Triassic T3 & Middle Triassic T2A	86	0	86	80	80 GOR=503 scf/STB
Location 2	Upper Triassic T3 & Middle Triassic T2A	74	0	74	69	69 GOR=434 scf/STB
Location 3	Middle Triassic T2A	88	0	88	82	82 GOR=434 scf/STB
Location 5	Middle Triassic T2 Upper, T2B & T2C	268	0	268	267	267 GOR=344 scf/STB
Location 6	Middle Triassic T2 Upper, T2B & T2C	463	0	463	431	431 GOR=554 scf/STB
Location 8	Middle Triassic T2B	664	0	664	617	617 GOR=388 scf/STB
Total Probable Undeveloped		1,685	0	1,685	1,546	1,546
Total Probable		12,212	0	12,212	11,357	11,875
Total Proved Plus Probable		24,042	2,954	21,088	19,812	19,612
Possible						
Kariman-117	Middle Triassic T2A, T2B & T2C	209	0	209	194	194 GOR=372 scf/STB
Kariman-113	Middle Triassic T2 Upper	137	0	137	128	128 GOR=482 scf/STB
Location 5	Upper Triassic T3 & Middle Triassic T2A	59	0	59	55	55 GOR=344 scf/STB
Location 6	Upper Triassic T3 & Middle Triassic T2A	95	0	95	88	88 GOR=554 scf/STB
Location 8	Middle Triassic T2A	194	0	194	180	180 GOR=388 scf/STB
Total Possible		693	0	693	645	645
Total Proved Plus Probable Plus Possible		24,735	2,954	21,782	20,257	20,257

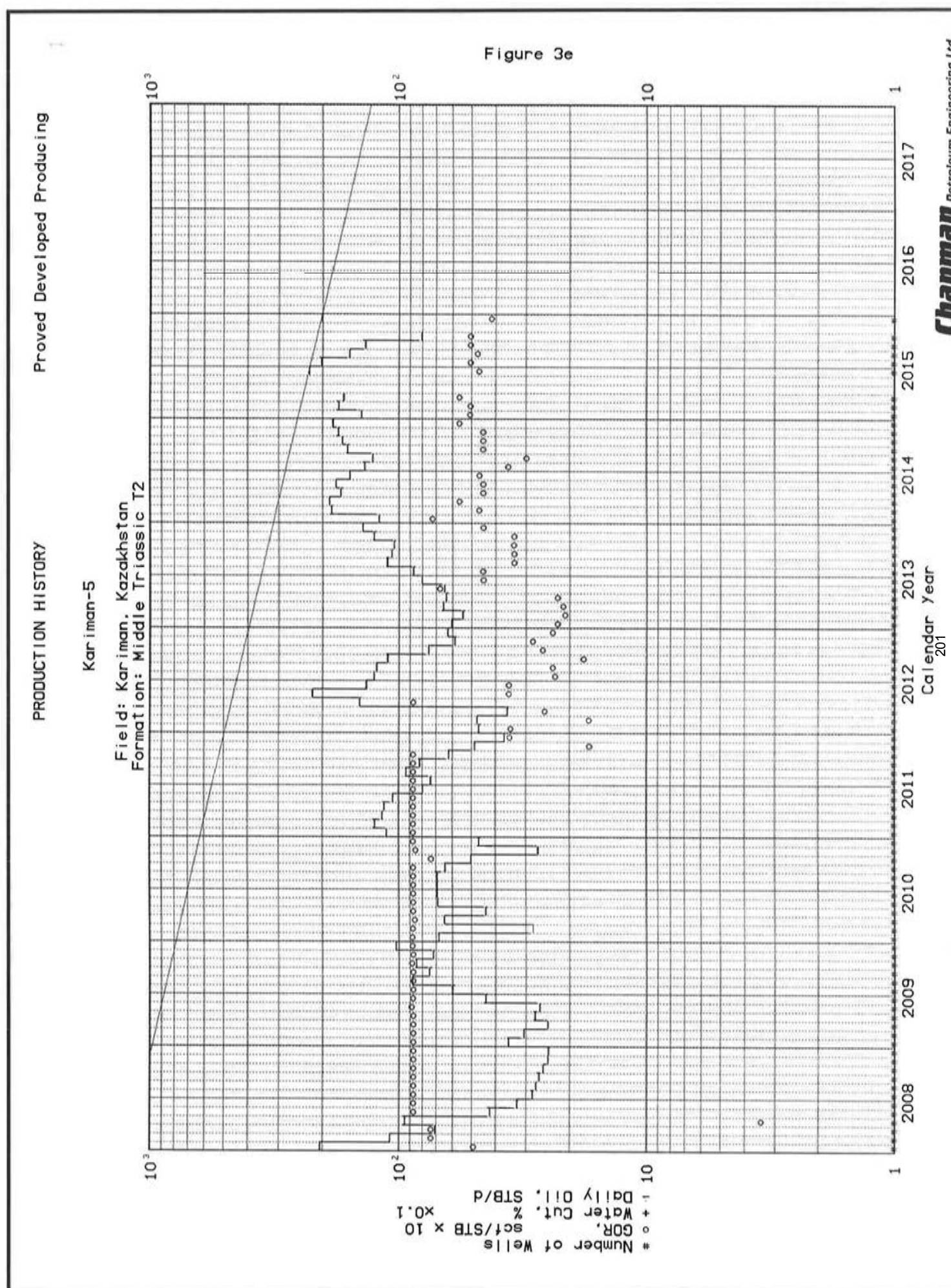
Note: * Reserves recoverable within the Term of the existing Production Contract.

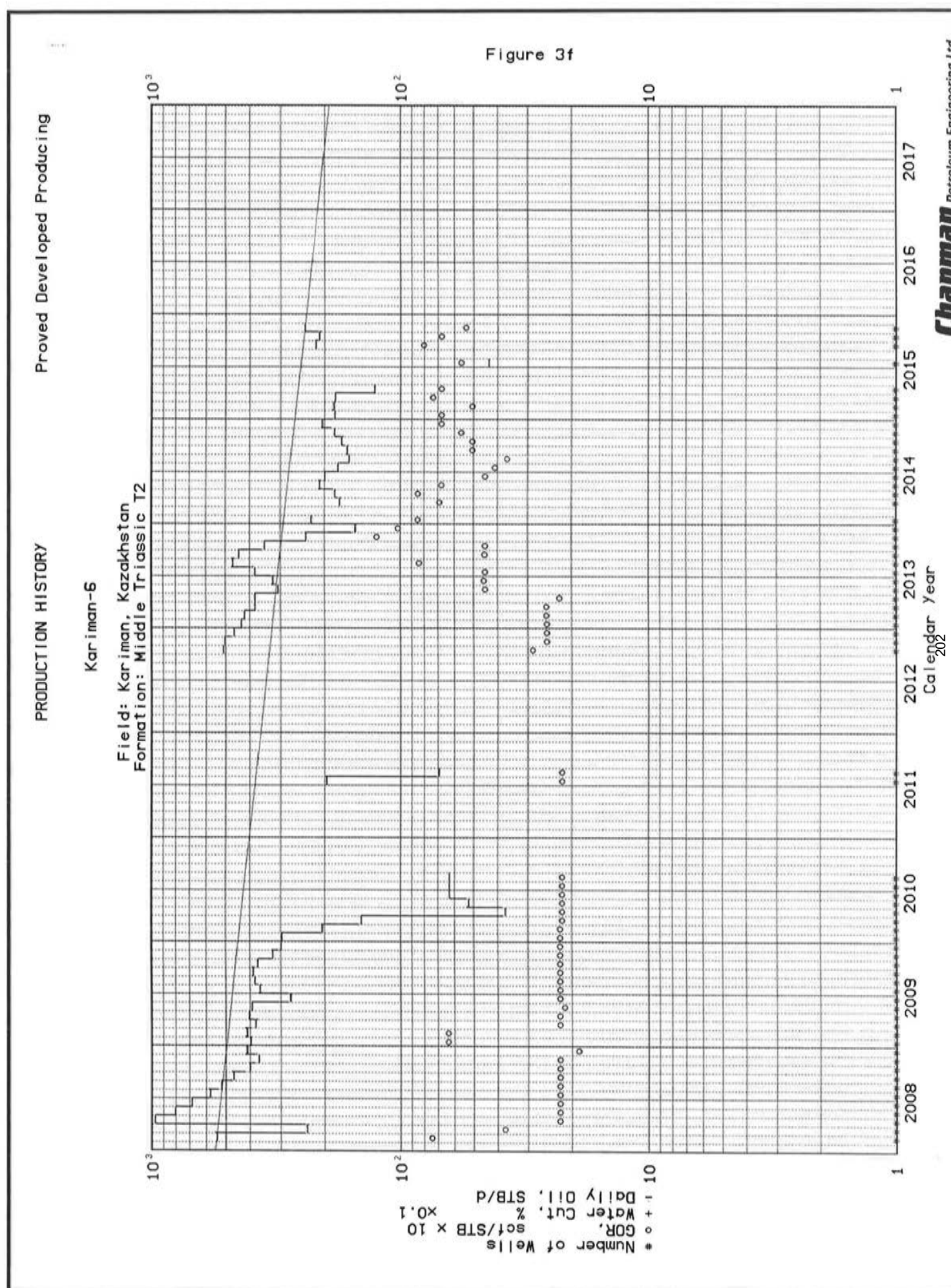


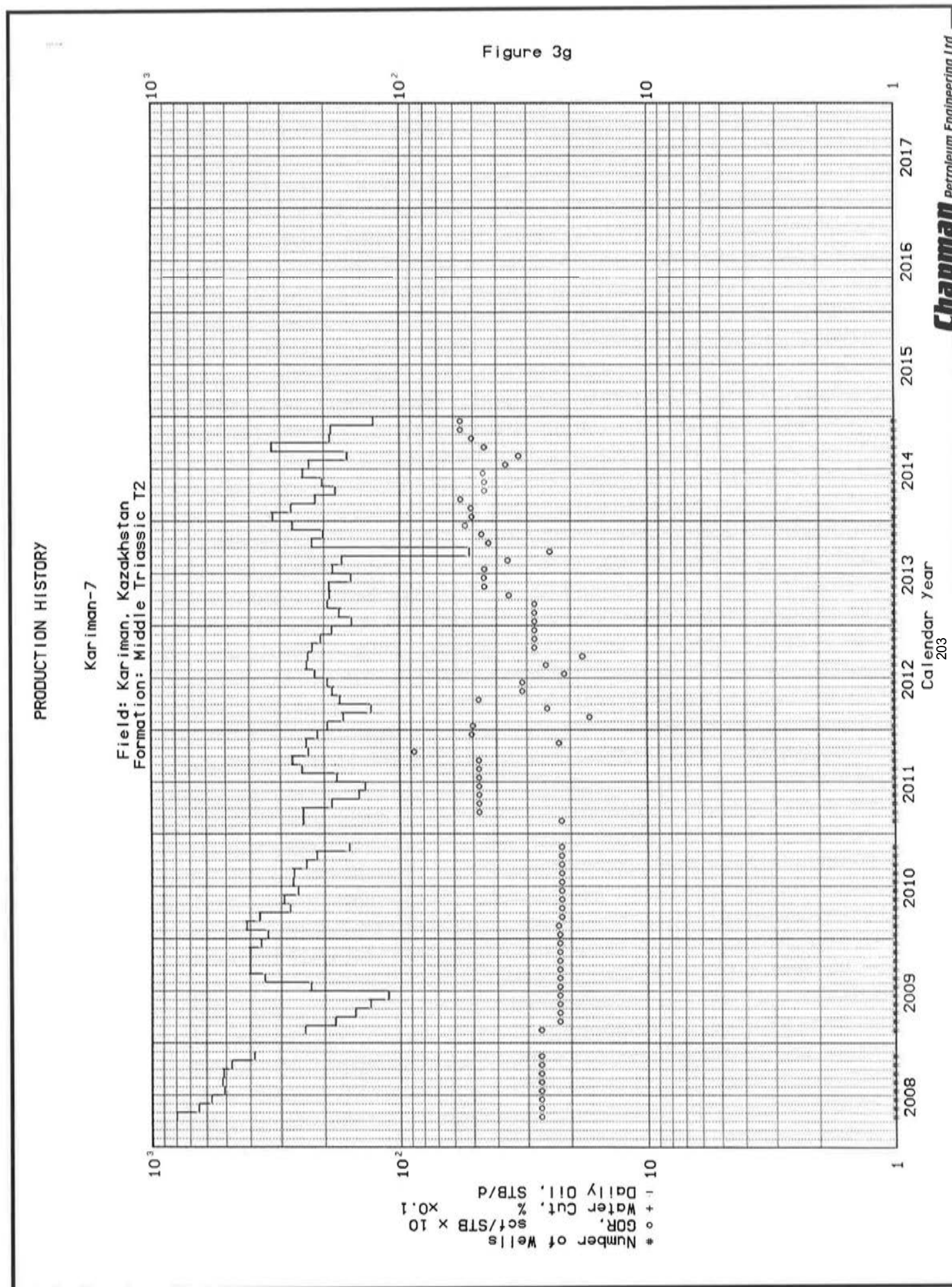


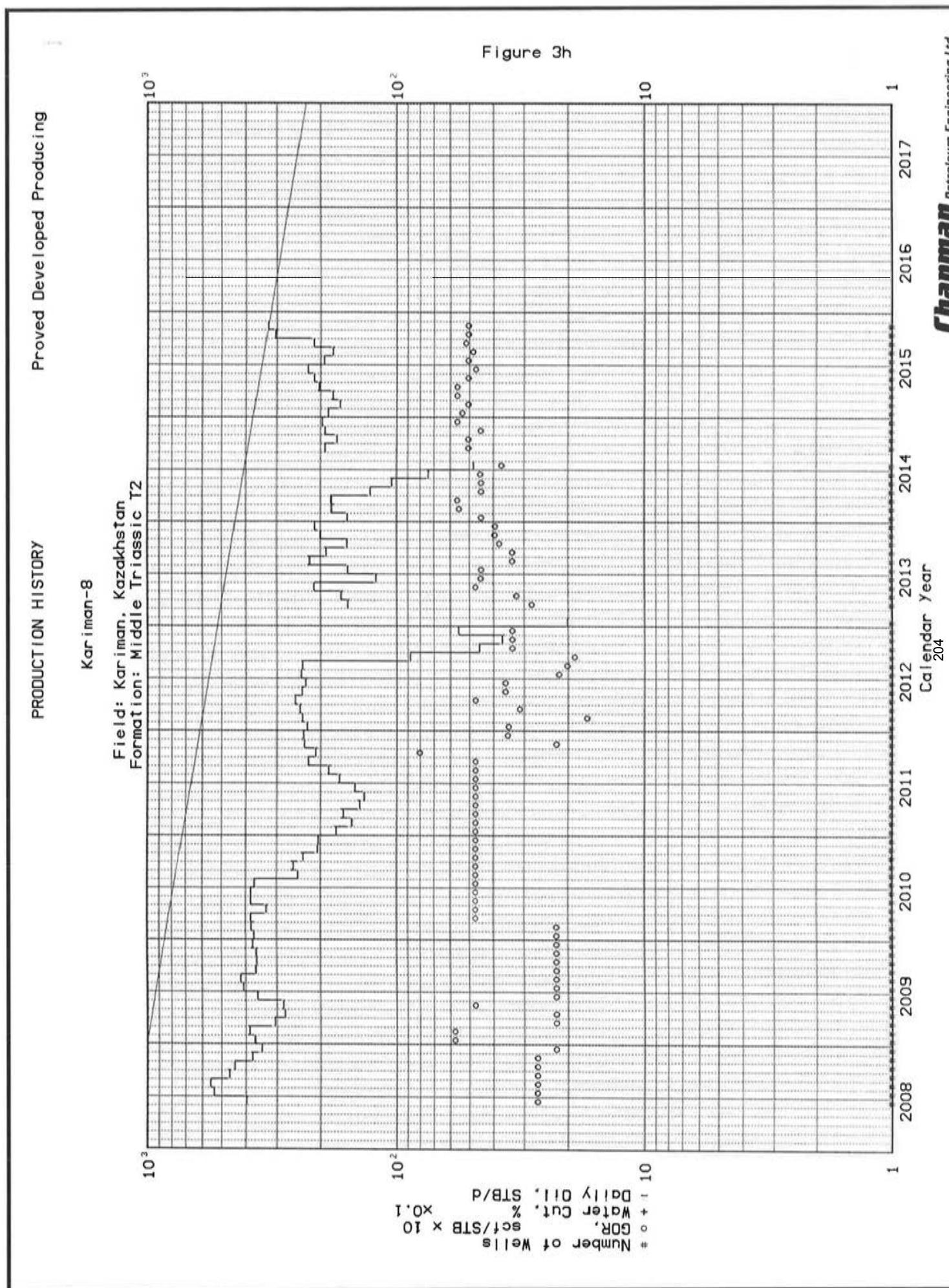


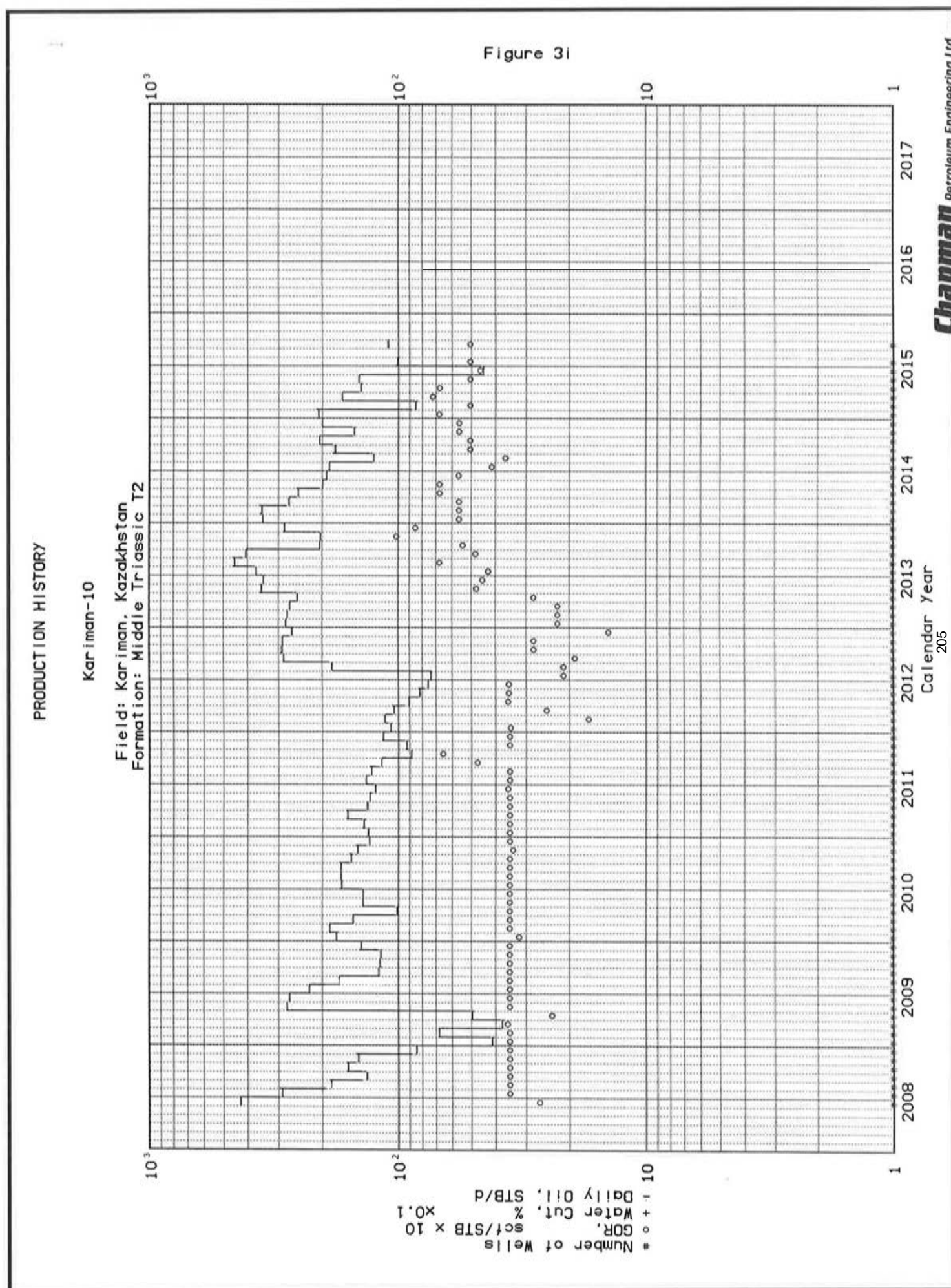


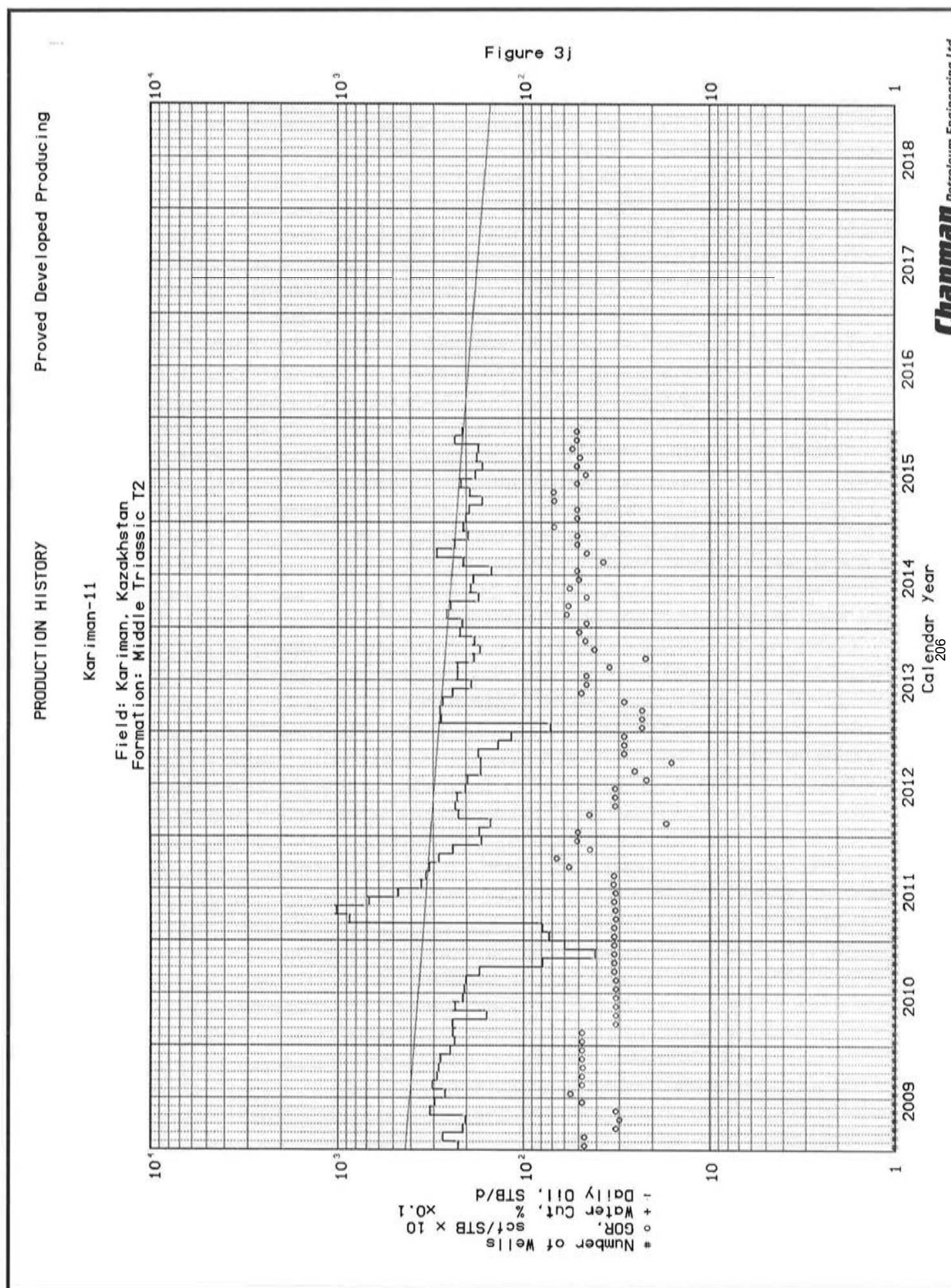


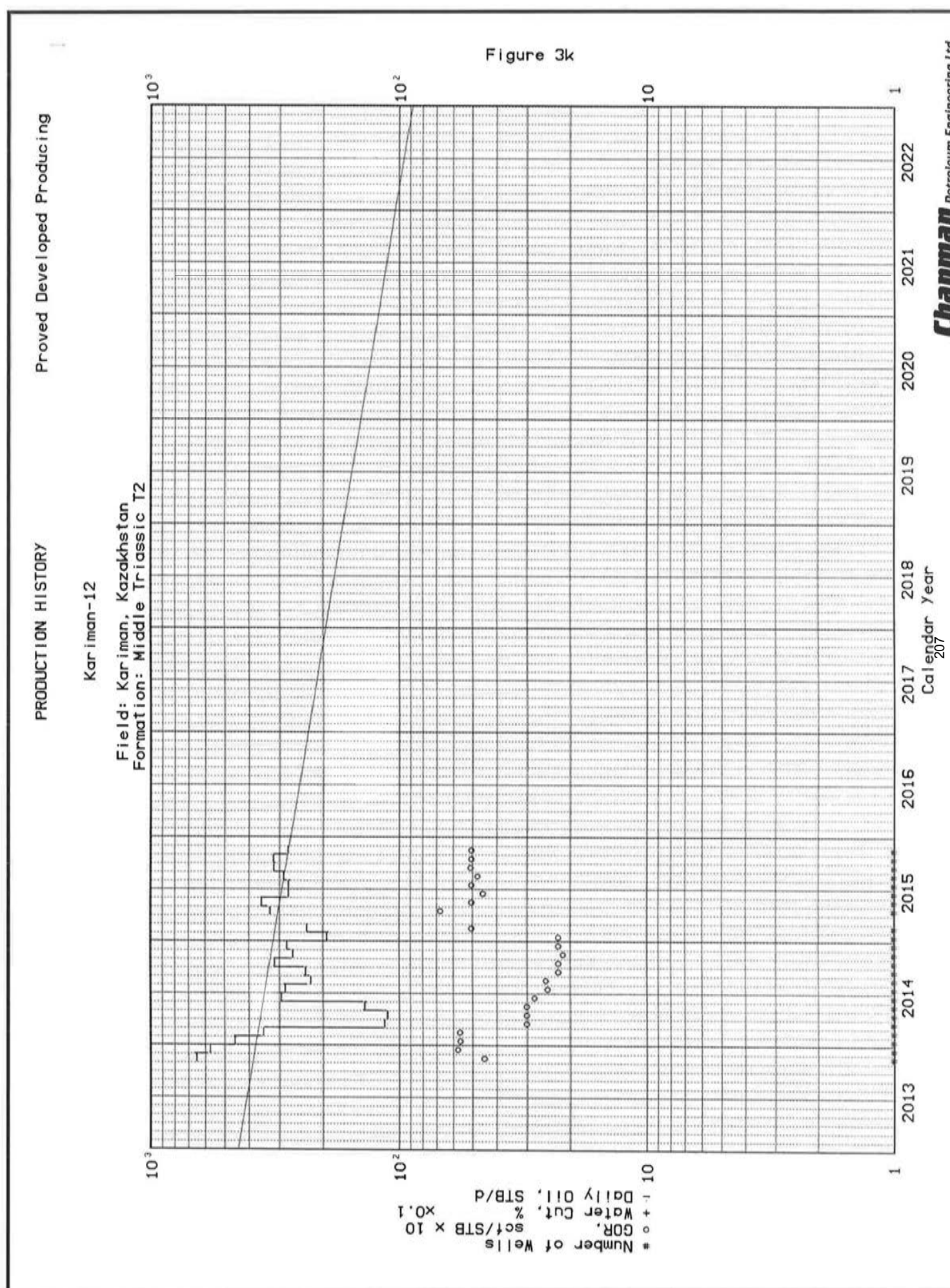


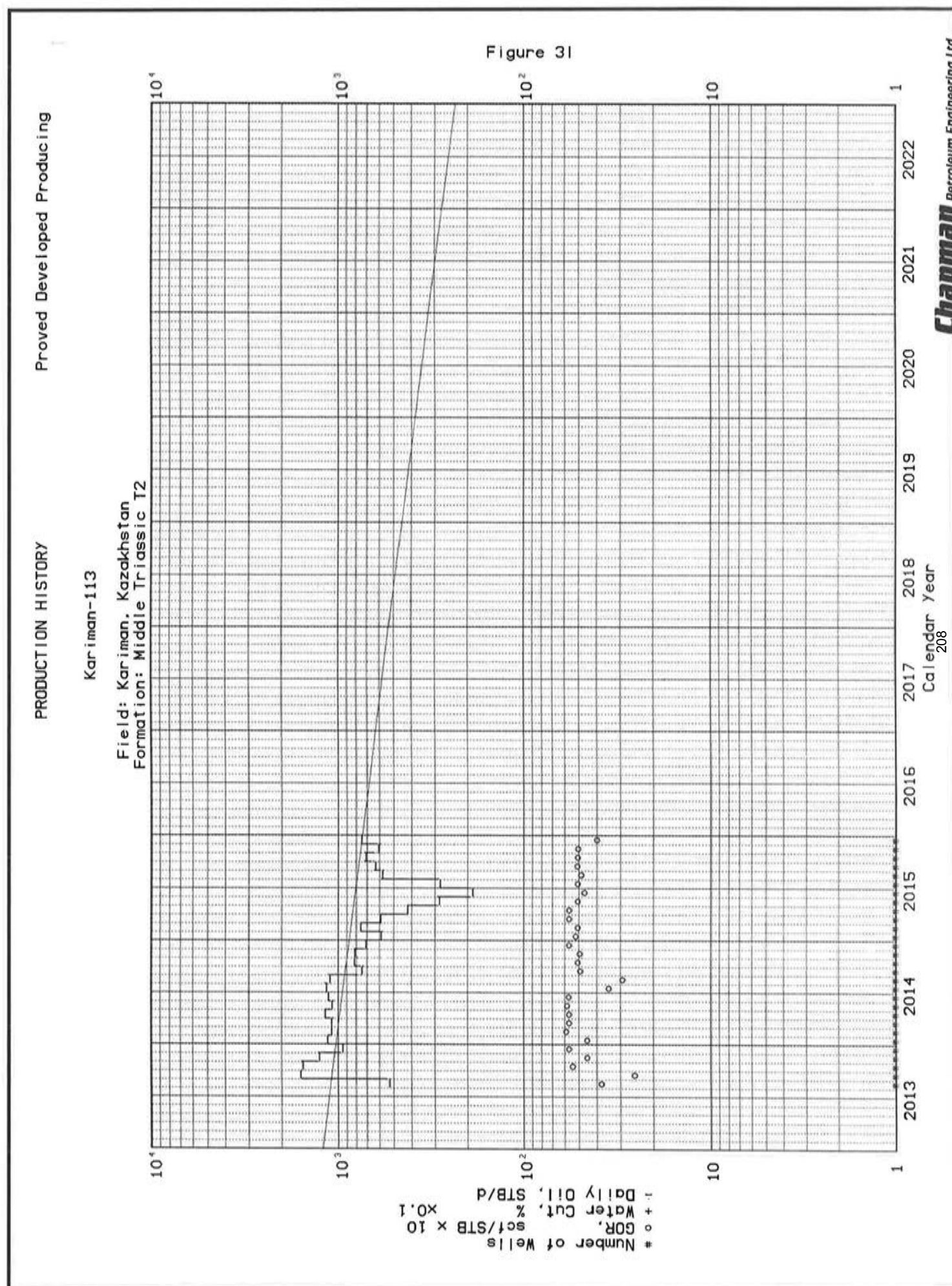


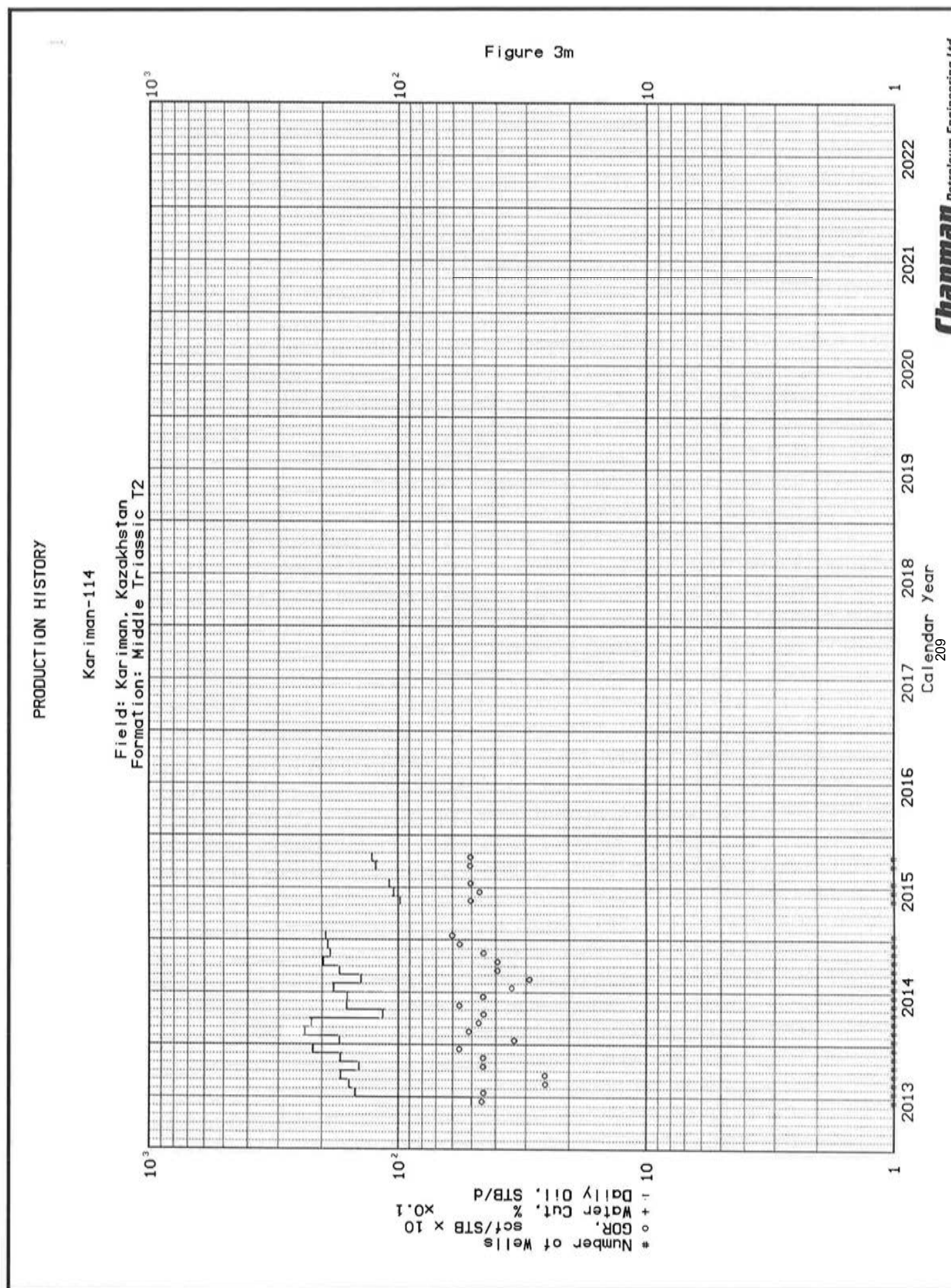


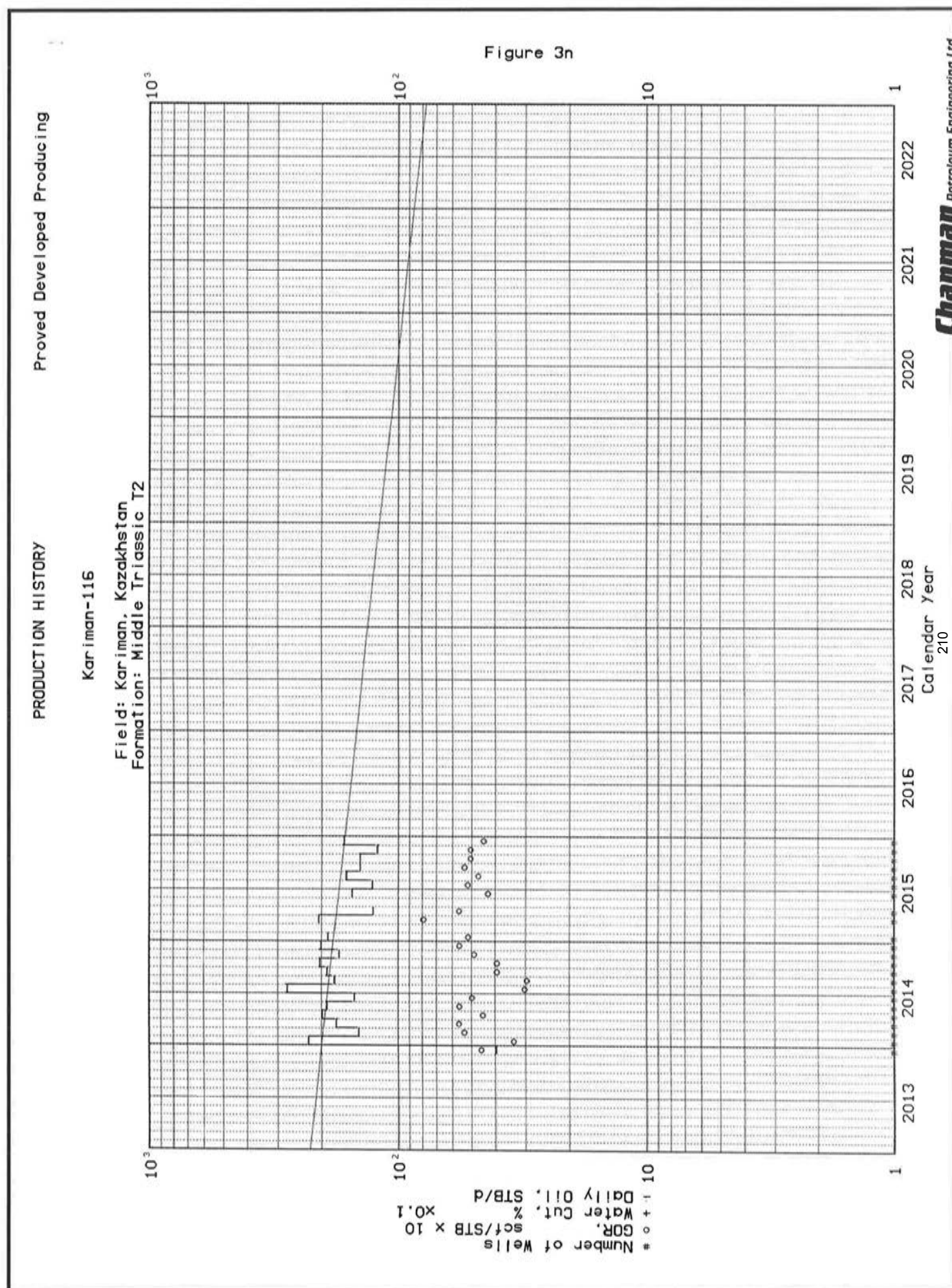


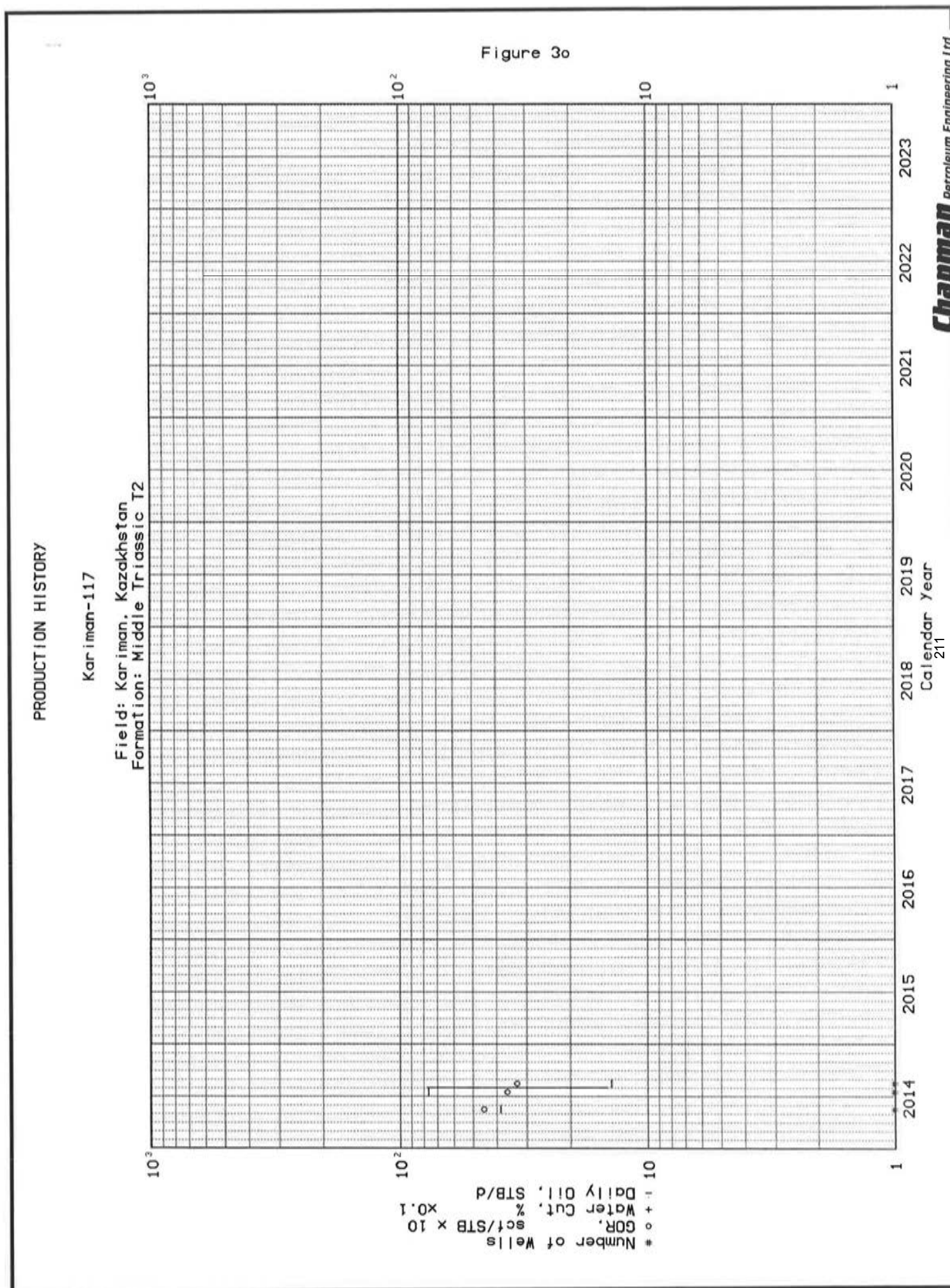


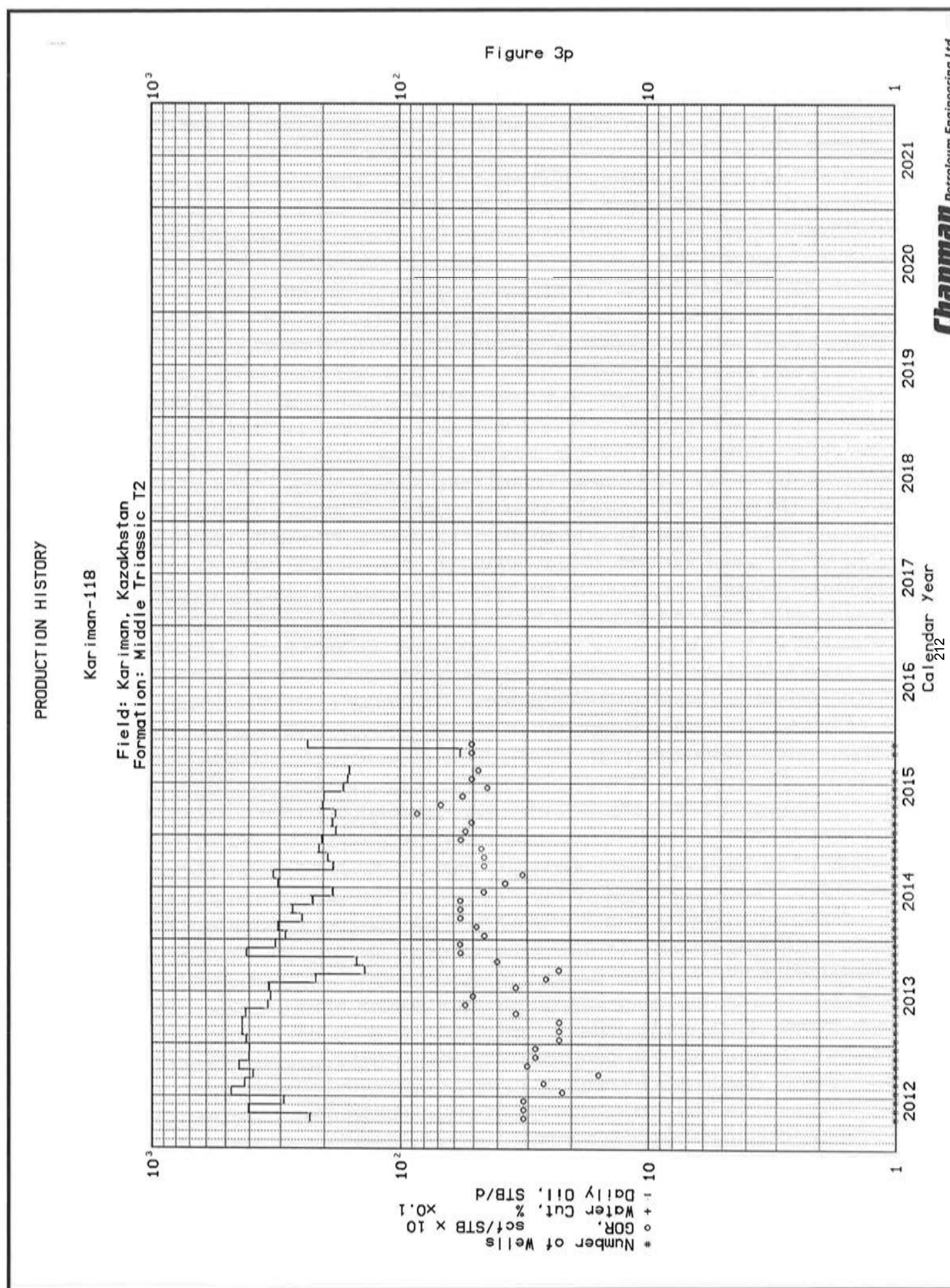


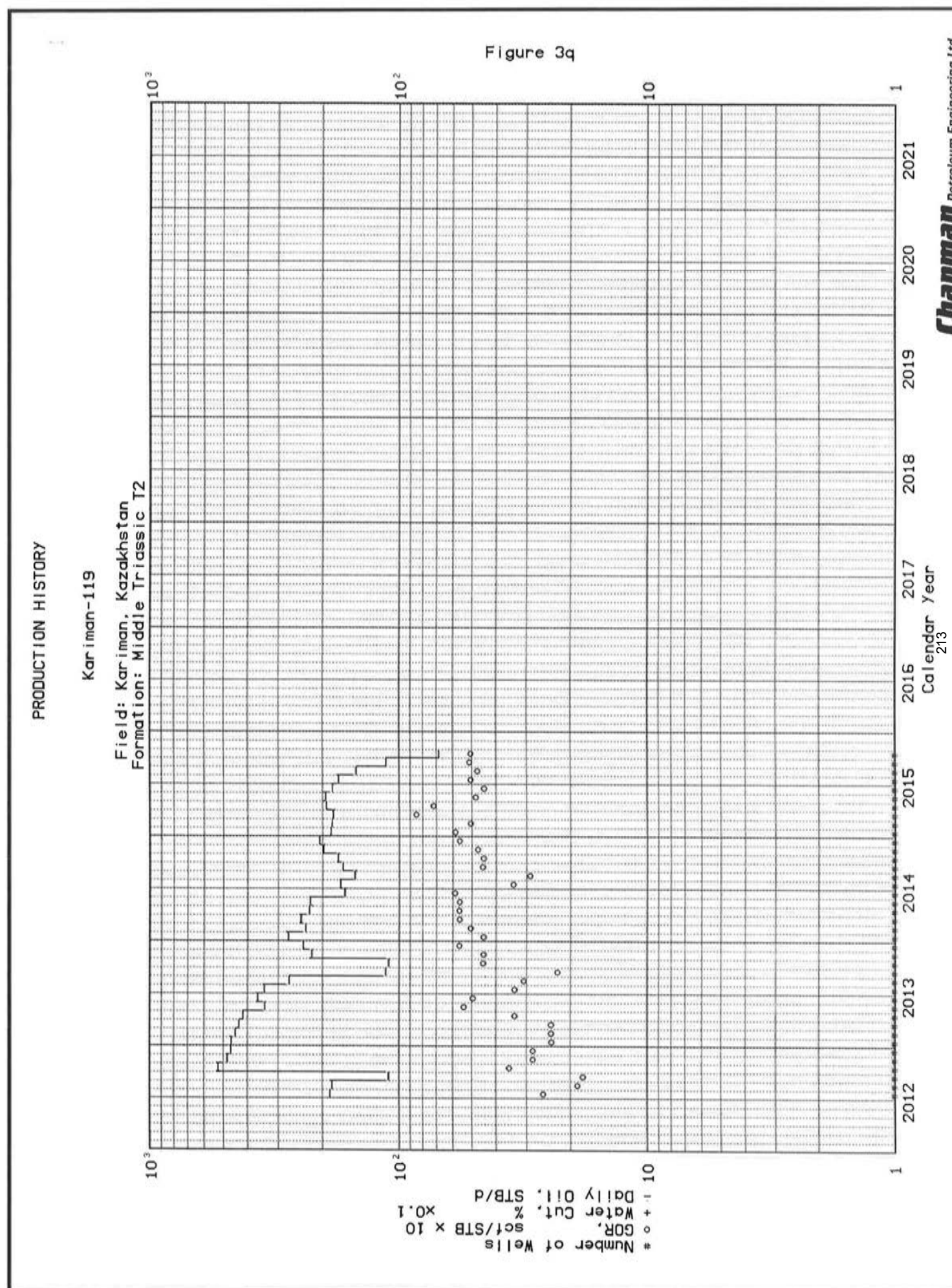


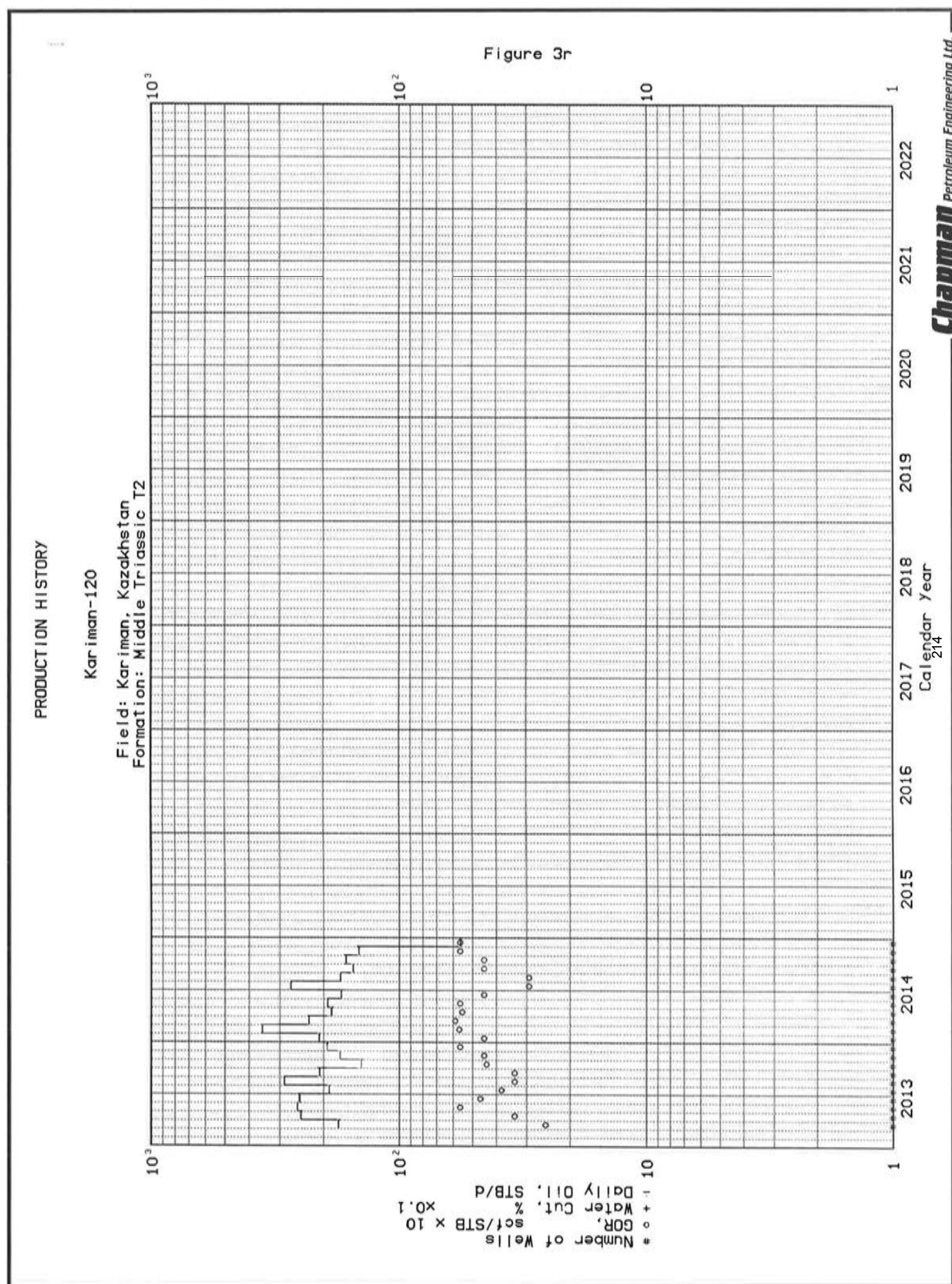


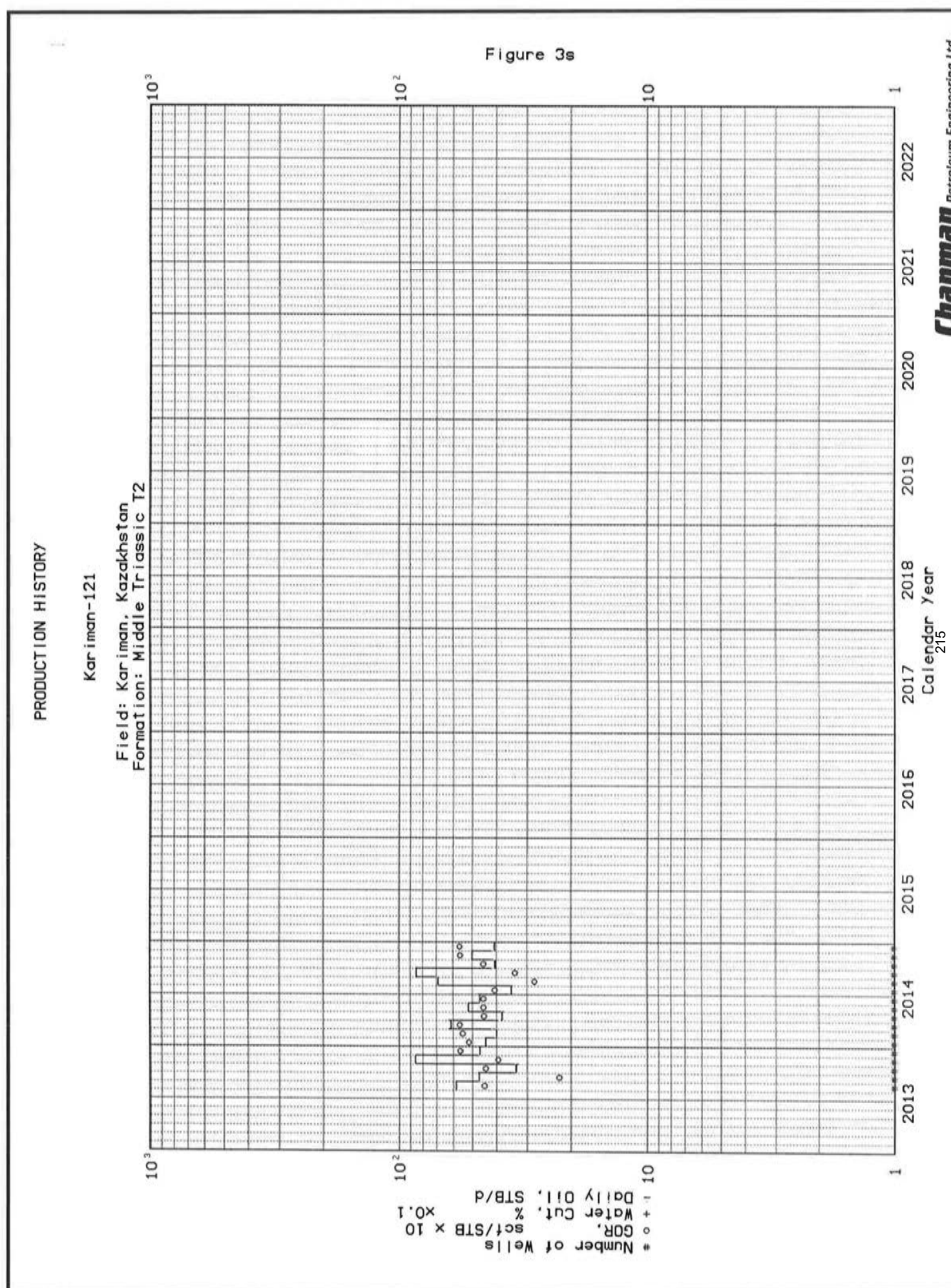


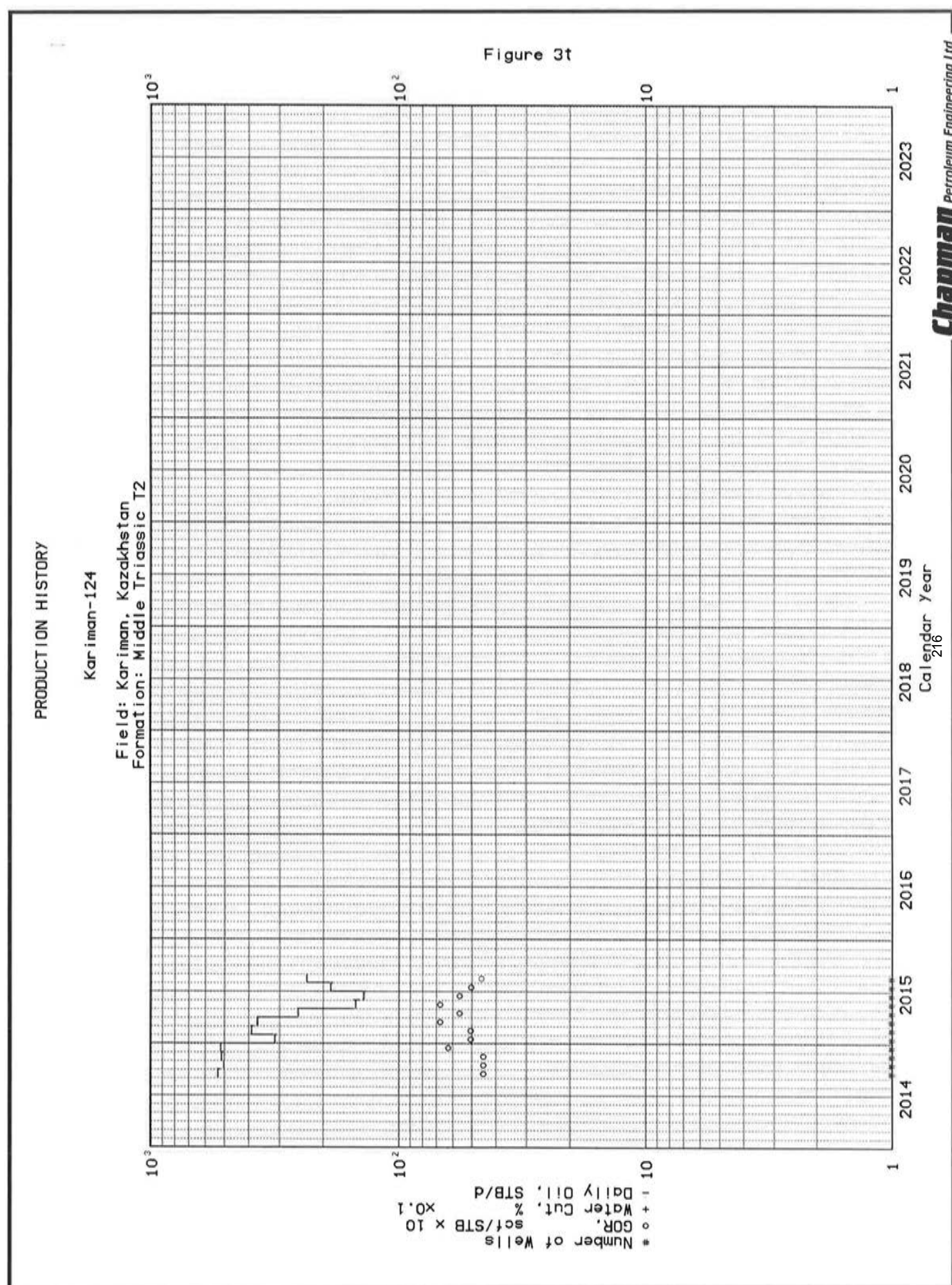












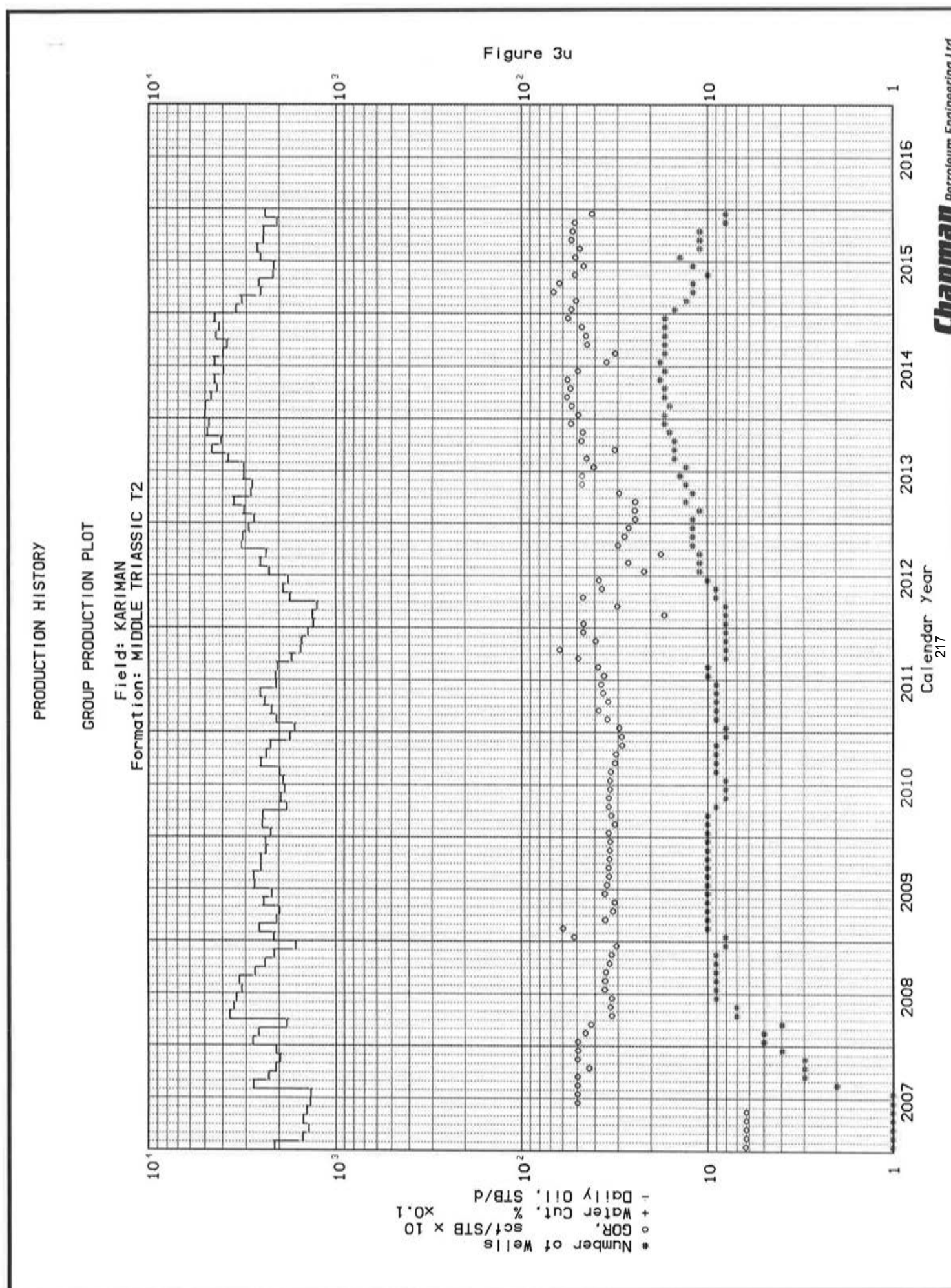


Table 3a					
Summary of Anticipated Capital Expenditures					
Development					
January 1, 2018					
MIE Holdings Corporation					
Kariman, Republic of Kazakhstan					
Description	Date	Operation	Capital Interest %	Gross Capital M\$	Net Capital M\$
Proved Developed Non-Producing					
Kariman-1ST2	2017	Place on Production	100.0000	400	400
Kariman-3ST2	2018	Recomplete and Tie-in Additional Intervals	100.0000	400	400
Kariman-2	2017	Place on Production	100.0000	400	400
Kariman-4	2017	Place on Production	100.0000	400	400
Kariman-5	2017	Place on Production	100.0000	400	400
Kariman-6ST3	2023	Recomplete and Tie-in Additional Intervals	100.0000	400	400
Kariman-7	2017	Place on Production	100.0000	400	400
Kariman-8	2021	Recomplete and Tie-in Additional Intervals	100.0000	400	400
Kariman-10	2017	Place on Production	100.0000	400	400
Kariman-11ST1	2020	Recomplete and Tie-in Additional Intervals	100.0000	400	400
Kariman-12	2021	Recomplete and Tie-in Additional Intervals	100.0000	400	400
Kariman-114	2017	Place on Production	100.0000	400	400
Kariman-116	2019	Recomplete and Tie-in Additional Intervals	100.0000	400	400
Kariman-118	2017	Place on Production	100.0000	400	400
Kariman-119	2017	Place on Production	100.0000	400	400
Kariman-120	2017	Place on Production	100.0000	400	400
Kariman-121	2017	Place on Production	100.0000	400	400
Kariman-123	2017	Place on Production	100.0000	400	400
Kariman-124	2017	Place on Production	100.0000	400	400
Total Proved Developed Non-Producing				7,600	7,600
Total Proved Developed				7,600	7,600
Proved Undeveloped					
Kariman-6	2023	Recomplete and Tie-in Additional Intervals	100.0000	400	400
Location 1	2017	Drill, Complete and Tie-in Well	100.0000	5,500	5,500
Location 2	2018	Drill, Complete and Tie-in Well	100.0000	5,500	5,500
Location 3	2019	Drill, Complete and Tie-in Well	100.0000	5,500	5,500
Total Proved Undeveloped				19,900	19,900
Total Proved				27,500	27,500
Probable					
Probable Developed Producing					
Pipeline and Central Processing Facility	2016	Build Pipeline and Central Processing Facility	100.0000	28,962	28,962
Total Probable Developed Producing				28,962	28,962
Probable Developed Non-Producing					
Kariman-1ST2	2025	Stimulate Producing Intervals	100.0000	400	400
Kariman-3ST2	2024	Stimulate Producing Intervals	100.0000	400	400
Kariman-2	2021	Stimulate Producing Intervals	100.0000	400	400
Kariman-4	2025	Stimulate Producing Intervals	100.0000	400	400
Kariman-5	2023	Stimulate Producing Intervals	100.0000	400	400
Kariman-6ST3	2032	Stimulate Producing Intervals	100.0000	400	400
Kariman-7	2023	Stimulate Producing Intervals	100.0000	400	400
Kariman-8	2027	Stimulate Producing Intervals	100.0000	400	400
Kariman-10	2022	Stimulate Producing Intervals	100.0000	400	400
Kariman-11ST1	2022	Stimulate Producing Intervals	100.0000	400	400
Kariman-12	2031	Stimulate Producing Intervals	100.0000	400	400
Kariman-13	2027	Stimulate Producing Intervals	100.0000	400	400
Kariman-114	2023	Stimulate Producing Intervals	100.0000	400	400
Kariman-116	2027	Stimulate Producing Intervals	100.0000	400	400
Kariman-118	2022	Stimulate Producing Intervals	100.0000	400	400
Kariman-119	2022	Stimulate Producing Intervals	100.0000	400	400
Kariman-120	2021	Stimulate Producing Intervals	100.0000	400	400
Kariman-121	2023	Stimulate Producing Intervals	100.0000	400	400
Kariman-123	2028	Stimulate Producing Intervals	100.0000	400	400
Kariman-124	2031	Stimulate Producing Intervals	100.0000	400	400
Kariman-1ST2	2034	Recomplete and Tie-in Additional Intervals	100.0000	400	400
Kariman-2	2027	Recomplete and Tie-in Additional Intervals	100.0000	400	400
Kariman-3ST2	2021	Recomplete and Tie-in Additional Intervals	100.0000	400	400
Kariman-4	2030	Recomplete and Tie-in Additional Intervals	100.0000	400	400
Kariman-5	2030	Recomplete and Tie-in Additional Intervals	100.0000	400	400
Kariman-6ST3	2039	Recomplete and Tie-in Additional Intervals	100.0000	400	400
Kariman-7	2032	Recomplete and Tie-in Additional Intervals	100.0000	400	400
Kariman-8	2030	Recomplete and Tie-in Additional Intervals	100.0000	400	400
Kariman-10	2028	Recomplete and Tie-in Additional Intervals	100.0000	400	400
Kariman-11ST1	2023	Recomplete and Tie-in Additional Intervals	100.0000	400	400
Kariman-12	2039	Recomplete and Tie-in Additional Intervals	100.0000	400	400
Kariman-13	2037	Recomplete and Tie-in Additional Intervals	100.0000	400	400
Kariman-113	2029	Recomplete and Tie-in Additional Intervals	100.0000	400	400
Kariman-114	2028	Recomplete and Tie-in Additional Intervals	100.0000	400	400
Kariman-116	2032	Recomplete and Tie-in Additional Intervals	100.0000	400	400
Kariman-117	2017	Recomplete and Tie-in Additional Intervals	100.0000	400	400
Kariman-118	2032	Recomplete and Tie-in Additional Intervals	100.0000	400	400
Kariman-119	2032	Recomplete and Tie-in Additional Intervals	100.0000	400	400
Kariman-120	2027	Recomplete and Tie-in Additional Intervals	100.0000	400	400
Kariman-121	2027	Recomplete and Tie-in Additional Intervals	100.0000	400	400
Kariman-123	2031	Recomplete and Tie-in Additional Intervals	100.0000	400	400
Kariman-124	2036	Recomplete and Tie-in Additional Intervals	100.0000	400	400
Total Probable Developed				16,800	16,800
Probable Undeveloped					
Kariman-6	2023	Stimulate Producing Intervals	100.0000	400	400
Location 1	2024	Stimulate Producing Intervals	100.0000	400	400
Location 2	2025	Stimulate Producing Intervals	100.0000	400	400
Location 3	2027	Stimulate Producing Intervals	100.0000	400	400
Location 1	2027	Recomplete and Tie-in Additional Intervals	100.0000	400	400
Location 2	2028	Recomplete and Tie-in Additional Intervals	100.0000	400	400
Location 3	2031	Recomplete and Tie-in Additional Intervals	100.0000	400	400
Location 5	2020	Drill, Complete and Tie-in Well	100.0000	5,500	5,500
Location 6	2021	Drill, Complete and Tie-in Well	100.0000	5,500	5,500
Location 8	2022	Drill, Complete and Tie-in Well	100.0000	5,500	5,500
Total Probable Undeveloped				22,300	22,300
Total Probable				68,082	68,082
Total Proved Plus Probable				95,582	95,582
Possible					
Kariman-113	2034	Recomplete and Tie-in Additional Intervals	100.0000	400	400
Kariman-117	2027	Stimulate Producing Intervals	100.0000	400	400
Location 5	2029	Recomplete and Tie-in Additional Intervals	100.0000	400	400
Location 6	2030	Recomplete and Tie-in Additional Intervals	100.0000	400	400
Location 8	2034	Recomplete and Tie-in Additional Intervals	100.0000	400	400
Total Possible				2,000	2,000
Total Proved Plus Probable Plus Possible				97,582	97,582

Note: The above capital values are expressed in terms of current dollar without escalation.

Table 3b
Summary of Anticipated Capital Expenditures
Abandonment and Restoration
January 1, 2016
MIE Holdings Corporation
Kariman, Republic of Kazakhstan

Description	Year	Well Parameters	Capital Interest %	Gross Capital M\$	Net Capital M\$
Kariman-1ST2		Multiple zone oil producing well	100.0000	50	50
Kariman-2		Multiple zone oil producing well	100.0000	50	50
Kariman-3ST1		Multiple zone oil producing well	100.0000	50	50
Kariman-4		Multiple zone oil producing well	100.0000	50	50
Kariman-5		Multiple zone oil producing well	100.0000	50	50
Kariman-6ST3		Multiple zone oil producing well	100.0000	50	50
Kariman-7		Multiple zone oil producing well	100.0000	50	50
Kariman-8		Multiple zone oil producing well	100.0000	50	50
Kariman-10		Multiple zone oil producing well	100.0000	50	50
Kariman-11ST1		Multiple zone oil producing well	100.0000	50	50
Kariman-12		Multiple zone oil producing well	100.0000	50	50
Kariman-13		Multiple zone oil producing well	100.0000	50	50
Kariman-113		Multiple zone oil producing well	100.0000	50	50
Kariman-114		Multiple zone oil producing well	100.0000	50	50
Kariman-116		Multiple zone oil producing well	100.0000	50	50
Kariman-117		Multiple zone oil producing well	100.0000	50	50
Kariman-118		Multiple zone oil producing well	100.0000	50	50
Kariman-119		Multiple zone oil producing well	100.0000	50	50
Kariman-120		Multiple zone oil producing well	100.0000	50	50
Kariman-121		Multiple zone oil producing well	100.0000	50	50
Kariman-123		Multiple zone oil producing well	100.0000	50	50
Kariman-124		Multiple zone oil producing well	100.0000	50	50
Six Location		Multiple zone oil producing wells	100.0000	300	300
Total Abandonment and Restoration				1,400	1,400

Table 4

Forecast Prices & Costs

Summary of Company Reserves and Economics
Before CIT & EPT

January 1, 2016

MIE Holdings Corporation

Kariman, Kazakhstan

Description			Net To Appraised Interest										
			Reserves						Cumulative Cash Flow (BT) - M\$				
			Light and Medium Oil MSTB		Sales Gas MMscf		NGL Mmbbls		Discounted at:				
Gross	Net	Gross	Net	Gross	Net	Undisc.	5%/year	10%/year	15%/year	20%/year			
Proved Developed Producing													
K-3ST2,5,6ST3,8,11ST1,12,113,116 Up. T3, Mid. Tri. T2B & T2C			4,466	4,466	1,827	1,827	0	0	108,103	82,785	66,162	54,651	46,323
Total Proved Developed Producing			4,466	4,466	1,827	1,827	0	0	108,103	82,785	66,162	54,651	46,323
Proved Developed Non-Producing													
20 Wells Up. T3, Mid. Tri. T2B & T2C			12,970	12,970	5,083	5,083	0	0	453,307	307,956	220,815	165,231	127,906
Total Proved Developed Non-Producing			12,970	12,970	5,083	5,083	0	0	453,307	307,966	220,815	165,231	127,906
Total Proved Developed			17,436	17,436	6,910	6,910	0	0	561,411	390,741	286,977	219,881	174,229
Proved Undeveloped													
K-6 and Locations 1, 2 & 3 Middle Triassic T2 Upper, T2B & T2C			2,664	2,664	1,126	1,126	0	0	64,850	44,176	30,748	21,734	15,515
Total Proved Undeveloped			2,664	2,664	1,126	1,126	0	0	64,850	44,176	30,748	21,734	15,515
Total Proved			20,100	20,100	8,037	8,037	0	0	626,261	434,917	317,725	241,616	189,744
Probable													
Probable Developed Producing													
K-3ST2,5,6ST3,8,11ST1,12,113,116 Up. T3, Mid. Tri. T2B & T2C			Incr. 2,861	2,861	1,163	1,163	0	0	66,431	31,459	13,496	3,307	(2,920)
Total Probable Developed Producing			2,861	2,861	1,163	1,163	0	0	66,431	31,469	13,496	3,307	(2,920)
Probable Developed Non-Producing													
15 Wells Up. T3, Mid. Tri. T2B & T2C			Incr. 9,890	9,890	3,821	3,821	0	0	416,865	198,882	102,748	56,882	33,204
22 Wells Up. T3, Middle Triassic T2A & T2B			12,574	12,574	4,744	4,744	0	0	617,337	215,931	91,331	46,147	27,186
Total Probable Developed Non-Producing			22,464	22,464	8,565	8,565	0	0	1,036,202	414,812	194,078	103,029	60,390
Total Probable Developed			25,325	25,325	9,729	9,729	0	0	1,102,634	446,072	207,575	106,336	57,471
Probable Undeveloped													
Locations 1, 2 & 3 Middle Triassic T2B & T2C			Incr. 730	730	300	300	0	0	16,075	5,219	787	(950)	(1,531)
Locations 4,5,6 & 7 Middle Triassic T2B & T2C			3,928	3,928	1,547	1,547	0	0	130,255	67,765	37,248	21,340	12,594
Total Probable Undeveloped			4,658	4,658	1,848	1,848	0	0	146,330	72,985	38,035	20,391	11,064
Total Probable			29,983	29,983	11,575	11,575	0	0	1,248,964	519,056	245,609	126,727	68,534
Total Proved Plus Probable			50,083	50,083	19,612	19,612	0	0	1,875,225	953,973	563,334	368,343	258,278
Possible													
K-117 Middle Triassic T2A, T2B & T2C			Incr. 561	561	194	194	0	0	22,739	10,375	4,887	2,408	1,238
K-113 & Locations -5,6,8 Up Tri. T3 & Mid. Tri. T2A			1,127	1,127	451	451	0	0	57,535	20,678	8,069	3,380	1,506
Total Possible			1,687	1,687	645	645	0	0	80,274	31,053	12,956	5,788	2,744
Total Proved Plus Probable Plus Possible			51,771	51,771	20,257	20,257	0	0	1,955,499	985,026	576,290	374,131	261,022

M\$ means thousands of dollars.

Gross and net Company's reserves are actually equivalent, however the cash flows for each property show the net reserves reduced, as a result of the treatment of the ERT and MET.

Columns may not add precisely due to accumulative rounding of values throughout the report.

Table 4T							Forecast Prices & Costs				
Summary of Company Reserves and Economics											
After CIT & EPT											
January 1, 2016											
MIE Holdings Corporation											
Kariman, Kazakhstan											
Net To Appraised Interest							Cumulative Cash Flow - M\$				
Description	Oil MSTB		Sales Gas MMscf		BOE Mbbbls		Discounted at:				
	Gross	Net	Gross	Net	Gross	Net	Undisc.	5%/year	10%/year	15%/year	20%/year
Proved Developed Producing											
Total Proved Developed Producing (BT)	4,466	4,466	1,827	1,827	4,770	4,770	108,103	82,785	66,162	54,651	46,323
Corporate Income Tax	-	-	-	-	-	-	(12,851)	(9,486)	(7,391)	(5,940)	(4,694)
Excess profits Tax	-	-	-	-	-	-	(1,229)	(875)	(639)	(478)	(365)
Total Proved Developed Producing (AT)	4,466	4,466	1,827	1,827	4,770	4,770	94,223	72,424	58,131	48,232	41,064
Proved Developed Non-Producing											
Total Proved Developed Non-Producing (BT)	12,970	12,970	5,083	5,083	13,817	13,817	453,307	307,956	220,815	165,231	127,906
Corporate Income Tax	-	-	-	-	-	-	(93,165)	(63,281)	(45,486)	(34,117)	(26,470)
Excess profits Tax	-	-	-	-	-	-	(213,135)	(145,298)	(104,401)	(78,215)	(60,588)
Total Proved Developed Non-Producing (AT)	12,970	12,970	5,083	5,083	13,817	13,817	146,987	99,377	70,929	52,899	40,848
Total Proved Developed (AT)	17,436	17,436	6,910	6,910	18,588	18,588	241,210	171,801	129,060	101,132	81,912
Proved Undeveloped											
Total Proved Undeveloped (BT)	2,664	2,664	1,126	1,126	2,852	2,852	64,850	44,176	30,748	21,734	15,515
Corporate Income Tax	-	-	-	-	-	-	(13,639)	(9,884)	(7,345)	(5,579)	(4,318)
Excess profits Tax	-	-	-	-	-	-	(17,550)	(12,826)	(9,421)	(6,981)	(5,221)
Total Proved Undeveloped (AT)	2,664	2,664	1,126	1,126	2,852	2,852	33,662	21,466	13,981	9,175	5,976
Total Proved (AT)	20,100	20,100	8,037	8,037	21,440	21,440	274,872	193,267	143,041	110,306	87,888
Probable											
Probable Developed Producing											
Total Probable Developed Producing (BT)	2,861	2,861	1,163	1,163	3,055	3,055	66,431	31,459	13,496	3,307	(2,920)
Corporate Income Tax	-	-	-	-	-	-	(13,548)	(7,857)	(4,967)	(3,352)	(2,378)
Excess profits Tax	-	-	-	-	-	-	(13,076)	(7,007)	(3,992)	(2,391)	(1,491)
Total Probable Developed Producing (AT)	2,861	2,861	1,163	1,163	3,055	3,055	39,808	16,595	4,537	(2,435)	(6,789)
Probable Developed Non-Producing											
Total Probable Developed Non-Producing (BT)	22,464	22,464	8,565	8,565	23,892	23,892	1,036,202	414,612	194,078	103,029	60,390
Corporate Income Tax	-	-	-	-	-	-	(212,877)	(85,743)	(40,410)	(21,625)	(12,790)
Excess profits Tax	-	-	-	-	-	-	(491,800)	(195,290)	(90,268)	(47,053)	(26,944)
Total Probable Developed Non-Producing (AT)	22,464	22,464	8,565	8,565	23,892	23,892	331,526	133,579	63,400	34,341	20,656
Total Probable Developed (AT)	25,325	25,325	9,729	9,729	26,947	26,947	371,334	150,174	67,937	31,905	13,867
Probable Undeveloped											
Total Probable Undeveloped (BT)	4,658	4,658	1,846	1,846	4,965	4,965	146,330	72,985	38,035	20,391	11,064
Corporate Income Tax	-	-	-	-	-	-	(30,116)	(15,736)	(8,687)	(5,019)	(3,010)
Excess profits Tax	-	-	-	-	-	-	(50,201)	(24,626)	(12,335)	(6,225)	(3,094)
Total Probable Undeveloped (AT)	4,658	4,658	1,846	1,846	4,965	4,965	66,013	32,623	17,013	9,146	4,959
Total Probable (AT)	29,983	29,983	11,575	11,575	31,912	31,912	437,347	182,796	84,950	41,052	18,826
Total Proved Plus Probable (AT)	50,083	50,083	19,612	19,612	53,352	53,352	712,219	376,063	227,991	151,358	106,714
Possible											
Total Possible (BT)	1,687	1,687	645	645	1,795	1,795	80,274	31,053	12,956	5,788	2,744
Corporate Income Tax	-	-	-	-	-	-	(16,739)	(6,449)	(2,700)	(1,213)	(579)
Excess profits Tax	-	-	-	-	-	-	(37,923)	(14,581)	(6,086)	(2,725)	(1,295)
Total Possible (AT)	1,687	1,687	645	645	1,795	1,795	25,613	10,023	4,170	1,851	871
Total Proved Plus Probable Plus Possible (AT)	51,771	51,771	20,257	20,257	55,147	55,147	737,832	386,086	232,161	153,209	107,585

M\$ means thousands of dollars

Gross and net Company's reserves are actually equivalent, however the cash flows for each property show the net reserves reduced, as a result of the treatment of the ERT and MET.

Columns may not add precisely due to accumulative rounding of values throughout the report.

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 a) Middle Triassic T2 Upper
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Figure 2: Log Analysis Presentation
 a) Borly-2ST1, Middle Triassic T2 & Lower Triassic T1

Table 2: Summary of Gross Reserves

Summary of Reserves and Reservoir Parameters

Probable Developed

a) Borly-2ST1, Middle Triassic T2 Upper (Removed from this version)
 b) Borly-2ST1, Middle Triassic T2A (Removed from this version)
 c) Borly-2ST1, Middle Triassic T2B (Removed from this version)
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Table 3: Summary of Anticipated Capital Expenditures

a) Development
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**ADEK BLOCK (LICENCE AREA)
REPUBLIC OF KAZAKHSTAN
BORLY FIELD
DISCUSSION**

Property Description

The Company owns a 100 percent working interest in a "Licence" and "Exploration Contract" referred to as the Borly Field which is located onshore in Kazakhstan in the Mangistau Oblast, approximately 50 kilometers from Aktau in the Republic of Kazakhstan (ROK).

The Licence originated in 1999 and the Exploration Contract was entered into on June 9, 2000 by a preceding company. The Licence and Contract Area were assigned to the Company on September 23, 2002.

The Licence and Exploration Contract granted the right to engage in exploration and development activities on the block. Originally the Exploration contract had a five year term but it has since been extended and now expires on January 9, 2017 (Addendum 11).

The Company has plans to submit an application for the "Production Contract", the terms of which would be negotiated. The Company has the right to produce and sell oil under the Law of Petroleum for the term of the existing Exploration Contract at a royalty rates presented on Table 1. Provided that the Company can show evidence of a commercial discovery, has fulfilled its minimum work commitments and presents a development plan acceptable to the MEMR, there is no reason to believe the Exploration and Production Contract would not be granted.

The Company has the right to produce and sell oil under the Law of Petroleum for the term of the existing Production Contract at Mineral Extraction Tax rates presented in Table 1.

Under the Production Contract, Mineral Extraction Tax rates are negotiated and vary depending on the annual production, Export Rent Tax depends on the market spot price. This year the spot price reference has been negotiated to correlate to Brent oil price.

There are two general forms of production contracts in Kazakhstan, production-sharing contracts and tax based contracts. The ADEK Block is governed under a tax based contract.

The Borly field is one of seven known fields already discovered on the ADEK Block. The Company has re-entered well Borly-2, drilled a deviated leg, Borly-2ST1, which is expected to be placed on production in 2013.

A map of the field, showing the well locations and reservoir structure is presented on Figure 1 and a brief description of the ownership is presented in Table 1.

Geology

The ADEK Block is located within the onshore Kazakhstan portion of the Middle Caspian Basin. The block is located within the Segendyk Depression, the western most of a series of east-west trending depressions called the South Mangyshlak Depressions. The Mangyshlak meganticline is to the north of these series of depressions and the Karabogaz Arch to the south. The sedimentary section in this area is Triassic to Tertiary in age with a thickness of over 4000 m. Most oil reserves in this sub-basin are in Middle Jurassic sandstone reservoirs within structural traps. However, Triassic carbonates are also important reservoir zones and the major zone of interest for the Company reserves in this report.

In the Borly area, the Company successfully drilled an exploratory wildcat, well Borly-2ST1 and discovered oil within Triassic carbonate or T2 and T1, as shown on the log analysis illustrated in Figure 2. Pay in the well has been calculated from 2795 m to 3128 m. The reservoir zone is trapped in a faulted anticlinal structure as shown in the seismic structure map on the top of the Middle Triassic and Lower Triassic illustrated in Figures 1. Reserves have been determined for an area of 720 acres for this structure.

Petrophysical Data and Analysis

Russian GIS logs were run in the shallow formations and Baker Atlas logs over the carbonate.

The Chapman digital log analysis was made using HDS software over the carbonate reservoirs.

The Gamma Ray was used as a shale indicator in the Modified Simandoux water saturation equation with a carbonate selection for a, m, and n (1,2,2).

Sw cutoff was 50% along with a shale volume cutoff of 50%.

Net pay was identified on the carbonate reservoirs as shown in the interpreted log.

Reserves

Probable Developed Non-Producing oil reserves of 3,887 MSTB and marketable solution gas reserves of 3,615 MMscf have been estimated for the Middle Triassic zones in well Borly-2ST1 based on reservoir parameters determined from digital log analysis with an assumed recovery factor of 10 percent and drainage area of 80 acres. These assumptions are based on the surrounding fields' performance.

Probable undeveloped oil reserves of 3,887 MSTB and marketable solution gas reserves of 3,615 MMscf have been assigned for two adjacent locations based on the analog to the existing well, and a gas-oil ratio of 1,000 scf/STB.

Possible oil reserves of 11,661 MSTB and marketable solution gas reserves of 10,854 MMscf have been assigned for six step-out possible locations based on the analog to the existing well, and a gas-oil ratio of 1,000 scf/STB.

A summary of the reserves for this area is presented in Table 2 and the reserve data and reservoir parameters for each interval are presented in Tables 2a through 2e.

Production

For this report we are required to schedule rates in accordance with actual performance demonstrated to date. With a successful stimulation, rates of over 1,000 STB/d might be achievable in the probable developed case, which would make the values presented in this report greatly conservative.

For the probable undeveloped and possible cases an initial production rate of 500 STB/d has been used.

Product Prices

Under the terms of the contract, a portion of production is required to satisfy the domestic market and the remaining is allowed to be exported. We have utilized an export/domestic sales split of 89% /11% for the purposes of this report based on the company's previous year's actual result.

The exported oil price is equivalent to Brent oil price, which has been estimated to be \$46.25/STB in 2016 for this project. The forecast Brent price has been based on the average forecast of two prominent consulting firms, Sproule and McDaniel.

The domestic price is legislated by the government, reduced by the Value Added Tax (VAT) of 12%, resulting in \$9.39/STB in 2016. This price is forecast to gradually increase related to Brent price.

A natural gas price of \$0.85/Mscf has been utilized for solution gas sales and assumed to be constant throughout the report

Capital Expenditures

Total capital expenditures of \$32,500,000 have been estimated for the development of the proved, probable and possible reserves in this field as presented in Table 3a.

An average cost of \$4,000,000 has been used to drill, complete, equip and tie-in each new well based on historical information in this area. The Company advises that it has recently been experiencing lower costs than this overall, in which case this reflects some increase in value to the properties not considered in this report.

Abandonment and lease restoration costs of \$450,000 (\$50,000 per well) net of salvage have been included after the depletion of the reserves, as presented in Table 3b.

Operating Costs

Field fixed costs of \$296,000/well/year for existing wells and all new wells have been used for this evaluation based on Company 2015 revenue statements.

Our processing costs are estimated to be \$3.39/STB for all oil. Oil for export (89%) is subjected to Export Sales costs of 6.91/STB in 2016 and 5.41/STB in 2017 and after, transportation costs of \$8.06/STB in 2016 and 5.56/STB in 2017 and after.

Additionally, an export duty of \$8.00/STB (\$60.00/LT) is charged against the export oil.

Tax Consideration

Under the terms of the Production Contract, exports are subject to Export Rent Tax (ERT), Mineral Extraction Tax (MET), Corporate Income Tax (CIT) and Excess Profit Tax, which are based on the Tax Regulations of ROK and its values are presented in Table 1. Export oil is exempt from Value Added Tax (VAT).

Economics

The economic analysis for the Licence area has been conducted on the combined fields and is presented under a separate tab after the technical presentation of the properties.

Economic analyses have been prepared on a spread sheet format to appropriately account for the particulars of the Sales Cost, Transportation Discount, Export Duty, Export Rent Tax, Mineral Extraction Tax, Corporate Income Tax and Excess Profit Tax.

The cash flow forecasts have been prepared under a "Forecast Prices and Costs" assumption

Production gross revenue and capital forecasts have been established on a field level and integrated into this economic model to establish cash flows on a Contract area level.

Page 1 – Gross Production and Capital Forecast

Page 2 – Production Splits – Export and Domestic Sales Revenue, Expense, ERT and MET

Page 3 – Company Operating Cost and Cash Flow

Page 4 – Corporate Income Tax and Excess Profit Tax

The results of the economic analysis are presented on Table 4, Before Income Tax and Excess Profit Tax, Table 4T, After Corporate Income Tax and Excess Profit Tax

The individual analyses (4 pages/case) are presented on Tables 4a through 4j.

Table 1

Schedule of Lands, Interests and Royalty Burdens
January 1, 2016

MIE Holdings Corporation

Borly, Republic of Kazakhstan

Description	Rights Owned	Gross Acres	Appraised Interest Working %	Royalty %	Royalty Burdens	
					Basic %	Overriding %
Contract No.482, Addendum 11	[A]	N/A	100.0000	-	[1]	-

General Notes : [1] According to the New Tax Law of ROK:

Mineral Extraction Tax (MET, Oil and Natural Gas Liquid)

Annual Production		Mineral Extraction Tax for OIL, %	
tons	MSTB	Export	Domestic
up to 250,000	up to 2,072	5.00	2.50
up to 500,000	up to 4,145	7.00	3.50
up to 1,000,000	up to 8,289	8.00	4.00
up to 2,000,000	up to 16,578	9.00	4.50
up to 3,000,000	up to 24,868	10.00	5.00
up to 4,000,000	up to 33,457	11.00	5.50
up to 5,000,000	up to 41,446	12.00	6.00
up to 7,000,000	up to 58,024	13.00	6.50
up to 10,000,000	up to 82,892	15.00	7.50
over 10,000,000	over 82,892	18.00	9.00

Mineral Extraction Tax (MET, Natural Gas)

Annual Production		Mineral Extraction Tax for GAS, %	
10 ⁶ m ³	MMscf	Export	Domestic
up to 1000	up to 35,490	10.00	0.50
up to 2000	up to 70,980	10.00	1.00
over 2000	over 70,980	10.00	1.50

Export Rent Tax (ERT)

World Price (US\$/BBL)	Rate %
Up to 40, Including	0
Up to 50, Including	7
Up to 60, Including	11
Up to 70, Including	14
Up to 80, Including	16
Up to 90, Including	17
Up to 100, Including	19
Up to 110, Including	21
Up to 120, Including	22
Up to 130, Including	23
Up to 140, Including	25
Up to 150, Including	26
Up to 160, Including	27
Up to 170, Including	29
Up to 180, Including	30
Up to 190, Including	32
Up to 200, Including	32

Corporate Income Tax

Corporate Income Tax, %
20

Rights Owned : [A] Borly Field located in block XXXVI-11-B.
Assumption: Contact expires on September 9, 2036.

