**MIE HOLDINGS CORPORATION**
**MI能源控股有限公司**
*(Incorporated in the Cayman Islands with limited liability)*
**(Stock Code: 1555)**

# VERY SUBSTANTIAL DISPOSAL AND CONNECTED TRANSACTION IN RELATION TO THE PROPOSED DISPOSAL OF ENTIRE EQUITY INTEREST IN MAPLE MARATHON

The Board is pleased to announce that on September 24, 2018 (after trading hours), the Company (or its designated entity) (as the vendor) and Far East Energy (as the purchaser) entered into the Share Purchase Agreement, pursuant to which the Company (either directly or through its designated entity) conditionally agreed to sell and Far East Energy conditionally agreed to purchase 100 issued shares of Maple Marathon, representing its entire issued share capital, at a consideration of US$250,000,000 (equivalent to approximately HK$1,961,950,000).

As at the date of this announcement, the Group owns 100% issued shares of Maple Marathon, representing its entire issued share capital. Upon completion of the Disposal, the Company (or its designated entity) will cease to hold any shares of Maple Marathon and will no longer be a shareholder of Maple Marathon. The financial results of Maple Marathon will no longer be consolidated into the Group's financial statements.

**LISTING RULES IMPLICATIONS**

Given that one or more of the applicable percentage ratios in respect of the Disposal are more than 75%, the Disposal constitutes a very substantial disposal for the Company pursuant to Rule 14.06(4) of the Listing Rules and is therefore subject to the reporting, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

Furthermore, Far East Energy is a company indirectly wholly owned by Mr. Zhang, who is a substantial shareholder of the Company (through his shareholding in FEEL) holding approximately 48.1% of the issued share capital of the Company. Far East Energy is thus an associate of Mr. Zhang, and is therefore a connected person of the Company. As such, the Disposal constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules. Accordingly, the Disposal is conditional upon the approval of the Independent Shareholders at the EGM. An Independent Board Committee of the Company has been formed to advise the Independent Shareholders in respect of the Disposal. The Independent Financial Adviser will be appointed to advise the Independent Board Committee and the Independent Shareholders in this regard.

**As the Share Purchase Agreement is subject to satisfaction and/or waiver of a number of conditions precedent, including but limited to the approval from the Independent Shareholders at the EGM, the Share Purchase Agreement may or may not become effect and therefore the Disposal may not proceed. Shareholders and investors should exercise caution when dealing in the Shares.**

## BACKGROUND

The Board is pleased to announce that on September 24, 2018 (after trading hours), the Company (or its designated entity) (as the vendor) and Far East Energy (as the purchaser) entered into the Share Purchase Agreement, pursuant to which the Company (either directly or through its designated entity) conditionally agreed to sell and Far East Energy conditionally agreed to purchase 100 issued shares of Maple Marathon, representing its entire issued share capital, at a consideration of US$250,000,000 (equivalent to approximately HK$1,961,950,000).

As at the date of this announcement, the Group owns 100% issued shares of Maple Marathon, representing its entire issued share capital. Upon completion of the Disposal, the Company (or its designated entity) will cease to hold any shares of Maple Marathon and will no longer be a shareholder of Maple Marathon. The financial results of Maple Marathon will no longer be consolidated into the Group's financial statements.

## THE SHARE PURCHASE AGREEMENT

### Date

September 24, 2018 (after trading hours)

### Parties

(a) the Company (or its designated entity), as the vendor

(b) Far East Energy, as the purchaser

**Interest to be disposed**

100 issued shares of Maple Marathon, representing its entire issued share capital. Maple Marathon holds 296,000,100 common shares of Canlin, representing its entire issued share capital of common shares.

**Consideration**

The Consideration for the Disposal is US$250,000,000 (equivalent to approximately HK$1,961,950,000), which shall be paid in the following manner:

(i) US$150,000,000 (equivalent to approximately HK$1,117,170,000) shall be paid by Far East Energy to the Company (or its designated entity) in cash upon Completion; and

(ii) US$100,000,000 (equivalent to approximately HK$784,780,000) shall be retained by Far East Energy for the repayment of the Outstanding Third Party Loan.

The Consideration was arrived at after arm's length negotiations between the Company and Far East Energy and is on normal commercial terms with reference to:

(i) the consideration paid by the Group for the Acquisition at the amount of C$296,000,000, which equals to approximately US$232,860,252 as at the completion of the Acquisition on September 29, 2017;

(ii) the existing outstanding intra-group debts owed by Maple Marathon to the Group at an aggregate amount of US$161,471,669 (equivalent to approximately HK$1,267,197,364) as at June 30, 2018;

(iii) the Outstanding Third Party Loan; and

(iv) the net assets of Maple Marathon at the amount of negative C$106,800,000 (equivalent to approximately negative HK$644,805,000) based on its book value as at June 30, 2018. No valuation has been conducted for this purpose.

The Company confirms that, as at the date hereof, there is no material change in the financial information which formed the basis of the Consideration.

The Directors consider the Consideration is fair and reasonable taking into account the decreasing gas price in Canada. From an asset value perspective, over 90% current production of Canlin is natural gas and the average realized gas price of which dropped significantly from the amount of C$2.47/mcf for the year of 2017 to C$1.57/mcf for the first eight months for the year of 2018, which is significantly lower compared with that for 2017. The Company thus expects very limited cash flow could be up-streamed to the Company from Maple Marathon in the future, which will not be of assistance for the Company to repay or refinance any of the outstanding debts which will mature in the next six to 24 months. On this basis, an efficient sale of Maple Marathon is a more reasonable and practicable option to the Company to survive under the current environment. Therefore, having considered all of the above factors, the Directors believe that the Consideration determined mostly on the original price paid by the Group for the Acquisition plus a reasonable premium is fair and reasonable.

**Conditions Precedent of the Disposal**

Completion of the Disposal is subject to and conditional upon satisfaction of the following conditions:

(a) the approval of the Share Purchase Agreement and the transactions contemplated hereunder by the Shareholders of the Company in accordance with the applicable requirements of the Listing Rules and the articles of association of the Company;

(b) the compliance and satisfaction of all applicable requirements which the Company is required to comply with under the Listing Rules in connection with the Share Purchase Agreement and the transactions contemplated hereunder;

(c) obtaining all applicable consents, waivers, agreements or execution or relevant deeds or any other form of documents in respect of the Outstanding Third Party Loan;

(d) the approval of the change of control of Maple Marathon resulting from the Disposal by at least two-thirds of the directors of Canlin pursuant to the shareholders' agreement of Canlin; and

(e) the receipt of Competition Act approval, which includes (a) the issuance of an advance ruling certificate issued by the commissioner pursuant to the Competition Act in respect of the transactions contemplated hereunder or (b) the issuance of a No-Action Letter where (i) the Commissioner has granted a waiver pursuant to section 113(c) of the Competition Act or (ii) the applicable waiting period under subsection 123(1) of the Competition Act has expired or has been terminated under section 123(2) of the Competition Act.

Save and except that the above conditions precedent (a) to (e) may be waived in accordance with the Share Purchase Agreement by notice in writing at any time prior to January 31, 2019 to or such other date as the parties may agree in writing, the Sale Purchase Agreement shall terminate with effect from that date.

**Completion**

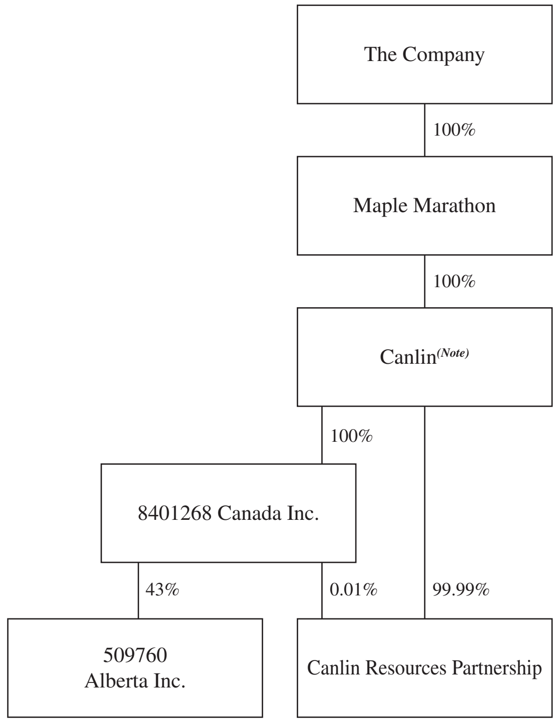
Completion shall take place at the offices of the Company on the second business day following the date when all of the abovementioned conditions precedent have been fulfilled or waived.

**INFORMATION ON MAPLE MARATHON AND CANLIN**

**Maple Marathon**

Maple Marathon is a limited liability company incorporated in Hong Kong. Maple Marathon is an investment holding company. As of the date of this announcement, Maple Marathon is a wholly owned subsidiary of the Company and upon completion of the Disposal, Maple Marathon will cease to be a subsidiary of the Company. Maple Marathon holds 296,000,100 common shares of Canlin, representing its entire issued share capital of common shares.

The shareholding structure of Maple Marathon and its subsidiaries as at the date of this announcement is set out as below:




*Note:* As at the date of this announcement, Canlin has issued 296,000,100 common shares wholly owned by Maple Marathon and 204,000,000 convertible preferred shares, of which 170,000,000 convertible preferred shares are owned by CCGRF Gastown Limited and 34,000,000 convertible preferred shares are owned by Mercuria Energy Netherlands BV. Upon full conversion of the convertible preferred shares into common shares, Canlin will be owned as to 63.6% thereof by Maple Marathon, as to 30.3% thereof by CCGRF Gastown Limited and as to the remaining 6.1% thereof by Mercuria Energy Netherlands BV, respectively.

Set out below is the financial information of Maple Marathon extracted from its unaudited financial statements for the years ended December 31, 2016 and December 31, 2017 prepared in accordance with IFRS:

| | **For the year ended December 31** | |
|---|---|---|
| | **2016** | **2017** |
| | *approximate C$ thousand* | *approximate C$ thousand* |
| Unaudited net loss before taxation and extraordinary items | 7 | 31,770 |
| Unaudited net loss after taxation and extraordinary items | 7 | 28,256 |

For the six months ended June 30, 2018, the unaudited loss before and after taxation of Maple Marathon were C$80,311,000 and C$65,299,000, respectively.

## Canlin

Canlin is a company incorporated in British Columbia, Canada, principally engaged in the business of exploration and development of oil and natural gas resources and the supply of crude oil and natural gas to the North America markets. The principal oil and natural gas producing properties are located in British Columbia, Alberta and Saskatchewan, Canada. As at the date of this announcement, Canlin directly holds the entire interests in 8401268 Canada Inc. and Canlin Resources Partnership.

*(i) The Acquisition*

Reference is made to the announcements of the Company dated June 9, 2017, October 3, 2017 and the circular of the Company dated September 7, 2017 in relation to (i) the very substantial acquisition of CQ Energy Canada Partnership and (ii) the deemed disposal of 36.4% equity interest in Canlin Energy Corporation.

The consideration payable by Canlin at completion in relation to the Acquisition was approximately C$700,000,000, subsequent to adjustments provided in the Partnership Interest and Sale Agreement dated May 31, 2017 in relation to the Acquisition. The consideration for the Acquisition was funded through a combination of Group's internal resources, debts financing and proceeds raised from the convertible preferred shares issued by Canlin where:

(a) C$170,000,000 in convertible preferred shares from CCGRF Gastown Limited;

(b) C$34,000,000 in convertible preferred shares from Mercuria Energy Netherlands BV;

(c) C$296,000,000 in common shares from the Group; and

(d) C$200,000,000 in a senior secured loan provided by a syndicate of Canadian banks.

Upon completion of the Acquisition, the partnership arrangement of CQ Energy Canada Partnership consequently dissolved by way of operation of law due to having only one partner being Canlin.

Subsequent to the Acquisition, there was a decrease in goodwilll of C$6,900,000 (equivalent to approximately HK$41,658,750) due to a disposal of Carrot Creek assets completed in May 2018 and goodwill balance as at June 30, 2018 related to the Acquisition at the amount of C$128,600,000 (equivalent to approximately HK$776,422,500).

*(ii) Operating Summary of Canlin*

Canlin currently owns a diverse base of producing, resource and infrastructure assets located throughout Alberta, Saskatchewan, Manitoba, Ontario and British Columbia in Canada. Among the aforesaid, Canlin's key oil and gas assets are oil and gas bearing rocks (reservoirs) buried 300 to 5,000 meters below the surface. The reservoirs can be mapped using geophysical methods as well as drilling and logging of vertical wells. Most reservoirs can be developed using horizontal drilling and completion technology.

The assets can be divided into five geographical regions as well as Royalty and Fee Lands. The five geographical regions are: (a) Peace River Arch, (b) North, (c) Hanlan Robb, (d) Foothills and (e) South, and the key assets of which are set out as below:

(a) in Peace River Arch, the key asset is a gas charged reservoir named Montney primarily in the Glacier and Parkland areas and Spirit River area, which is characterized by light oil production from the Charlie Lake formation;

(b) in North, the key assets are light oil and liquid bearing zones such as Belly River, Cardium, Charlie Lake, Gething and Glauconite in Gilby and Ferrier;

(c) in Hanlan Robb, it currently produces low decline sour gas from Turner Valley formation and sweet gas production from the Spirit River Group which consists of three stacked formations, the Notikewin, the Falher, and the Wilrich;

(d) in Foothills, the key asset is Wildcat Hills with sour gas production from Turner Valley formation; and

(e) in South, it produces shallow gas.

In relation to the mid-stream infrastructure, Canlin has ownership in ten major facilities, including two sweet and eight sour plants. These plants are gas processing plants that process the raw natural gas produced by Canlin and other producers in the nearby area. Mid-stream infrastructure also includes compressors and gathering pipeline.

As at December 31, 2017, Canlin's net 1P reserve and net 2P reserve were 225.697 MMBOE and 334.543 MMBOE, respectively. Reference is also made to the announcements of the Company dated March 26, 2018, April 17, 2018, May 8, 2018 and the circular dated April 19, 2018 relating to the disposal of Carrot Creek assets which has net 1P reserve of 6.098 MMBOE and net 2P reserve of 9.873 MMBOE, respectively. The latest information of oil and natural gas reserves of Canlin will be provided in a competent person's report to be included in the Circular.

## REASONS FOR AND BENEFITS OF THE DISPOSAL

The Disposal of Maple Marathon was first initiated in late July 2018, after the Company's great efforts to work on various options to refinance the Company's outstanding debts approaching their maturities in the 12 months from the date of this announcement at the total amount of US$470,000,000 (equivalent to approximately HK$3,688,338,830) (the "**Outstanding Debts**"), of which US$100,000,000 (equivalent to approximately HK$784,780,000) is the Outstanding Third Party Loan which will remain with Maple Marathon and will become a debt of Far East Energy. Debts and liabilities of Canlin are consolidated into the Group's financial statements, and were not separately counted for calculation of the total amount of Outstanding Debts.

The Company has been working extremely hard on various options to refinance the Outstanding Debts from February 2018, including but not limited to the financing/refinancing discussions with various banks both onshore and offshore, equity financing through general mandate and the disposal of the non-core assets of the Company. The Company is of the view that the Disposal of Maple Marathon is a most feasible and practical means for the Company to refinance the Outstanding Debts and the Disposal can significantly help enhance the financial strength, cash flow and liquidity of the Group for the following reasons:

(i) the significant changes in onshore and offshore capital (including debt and loan) markets restrict the Company's means to raise additional funds to refinance the Outstanding Debts;

(ii) the Company's share price also slipped significantly since the completion of the Acquisition and the decreasing share price of the Company further limits the amount of funds to be raised through equity financing; and

(iii) the Company also explored the possibility to dispose non-core assets, which include its 40% stake in the Kazakhstan business and its 34% stake in the South China Sea business. However, because the Company does not hold a majority stake in those non-core assets, the disposal of those non-core assets will not be fully under the Company's control, especially in view of the tight refinancing schedule and the prolonged negotiation involved.

In addition to the significant changes in the circumstances in onshore and offshore capital markets and the decreasing share price of the Company, the gas price in Canada dropped to the weakest level in the past year after completion of the Acquisition, which resulted in the reduction of its capability to obtain significant cash inflow from Canlin to serve its debts.

The Company has not approached any other potential purchasers on the Disposal. The reason for such approach is that the deal certainty and execution timing are not under the Company's control if it needs to negotiate with other potential purchasers. Time is of the essence for the Company to complete the Disposal in order to refinance the Outstanding Debts. Taking into consideration of (i) the length of time to complete the Acquisition (i.e. around two years), (ii) the current gas price in Canada, which is much lower compared with that in 2017, (iii) additional time might be required for regulatory and third party approvals, the Company is not in a position to gauge the timing and certainty for the Disposal to be executed with other potential purchasers.

Meanwhile, Far East Energy is willing to cater to the Group's tight refinancing schedule and the Consideration was arrived at after arm's length negotiations between the Company and Far East Energy and is on normal commercial terms. It is the first priority for the Company to refinance the Outstanding Debts and it is appropriate at this specific point of time for the Company to take steps (including amongst others the Disposal) to ensure that the refinancing of the Outstanding Debts will be arranged in a timely manner. Thus, the Company believes that the Disposal with Far East Energy is in the best interests of the Group.

The Board is fully aware of its fiduciary duties in assessing the merits of the terms of the Share Purchase Agreement and due procedures have been and will be followed. Mr. Zhang, being a Director and the ultimate controlling shareholder of the Company, had abstained from voting on the Board resolution passed to approve the Disposal.

The Directors (excluding the independent non-executive Directors, whose opinions will be set out in the letter from the Independent Board Committee to be included in the Circular) are of the view that the terms of the Disposal are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

## FINANCIAL EFFECTS OF THE DISPOSAL

Upon completion of the Disposal, the Company (or its designated entity) will cease to hold any shares of Maple Marathon and will no longer be a shareholder of Maple Marathon. The financial results of Maple Marathon will no longer be consolidated into the Group's financial statements.

The gain of the Group as a result of the Disposal represents approximately US$47,100,000 (equivalent to approximately HK$381,664,617) based on the unaudited financial statements of Maple Marathon as at June 30, 2018.

The actual gain or loss in connection with the Disposal may be different from the above and will be assessed after completion of the Disposal and is subject to the review by the auditors.

## INFORMATION OF THE REMAINING GROUP

The Remaining Group immediately after the Disposal will be principally engaged in the exploration, development, production and sale of oil and other petroleum products. The Remaining Group is currently entitled to 100% participating interest in the foreign contractor's entitlement and obligations under the production sharing contract (the "**PSC**") for Daan oil field and 10% participating interest in the foreign contractor's entitlement and obligations under the PSC for Moliqing oil field, both in the PRC. The Remaining Group also currently participates as associates in the exploration, development and production of petroleum assets located in the Republic of Kazakhstan and the northern part of the South China Sea in the PRC.

Assuming the Disposal had been completed on January 1, 2017, the estimated total assets and net assets of the Remaining Group as at December 31, 2017 would be approximately HK$4,734,563,036 and (HK$163,090,585) respectively and the revenue and net loss for the year ended December 31, 2017 would be HK$758,342,542 and HK$1,093,212,615 respectively.

The Company currently intends to dispose all of its non-core assets to further deleverage its balance sheet, which include its 40% stake in the Kazakhstan business and its 34% stake in the South China Sea business. However, since the Company does not hold majority stake in these assets, it would be much more challenging and difficult for the Company to dispose these assets in a timely manner. For the PSC for Daan oil field in the PRC, it has always been the Company's most cash prolific asset and the Company intends to retain it to serve the remaining debts for the Group and to maintain its ordinary and usual course of business for the Company. In the future, the Company will continue to seek opportunities to replenish its asset portfolio provided that it could financially afford these assets.

## USE OF PROCEEDS

The Group will receive net cash proceeds of approximately US$150,000,000 (equivalent to approximately HK$1,177,170,000) from the Disposal.

The Group intends to use the entire proceeds for repaying the Group's outstanding debts.

The Company will continue to explore various options to refinance and/or repay the remaining Outstanding Debts. Currently the Company intends to dispose the remaining non-core assets, namely, its 40% stake in the Kazakhstan business and its 34% stake in the South China Sea business, as soon as practicable to further reduce the amount of the Company's current indebtedness. The remaining debts of the Company could be repaid by revenue generated from our PRC assets in a reasonable time period.

## INFORMATION ON THE COMPANY AND FAR EAST ENERGY

The Company is a limited company incorporated in the Cayman Islands. The principal activity of the Company is investment holding and to engage in the exploration, development, production and sale of crude oil and other petroleum products under production sharing contracts and other similar arrangements.

Far East Energy is a company incorporated under the laws of the British Virgin Islands, indirectly wholly owned by Mr. Zhang who is a substantial shareholder of the Company (through his shareholding in FEEL) holding approximately 48.1% of the issued share capital of the Company. Far East Energy is an investment holding company.

## LISTING RULES IMPLICATIONS

Given that one or more of the applicable percentage ratios in respect of the Disposal are more than 75%, the Disposal constitutes a very substantial disposal for the Company pursuant to Rule 14.06(4) of the Listing Rules and is therefore subject to the reporting, announcement and shareholders' approval requirements under Chapter 14 of the Listing Rules.

Furthermore, Far East Energy is a company indirectly wholly owned by Mr. Zhang, who is a substantial shareholder of the Company (through his shareholding in FEEL) holding approximately 48.1% of the issued share capital of the Company. Far East Energy is thus an associate of Mr. Zhang, and is therefore a connected person of the Company. As such, the Disposal constitutes a connected transaction of the Company under Chapter 14A of the Listing Rules. Accordingly, the Disposal is conditional upon the approval of the Independent Shareholders at the EGM. An Independent Board Committee of the Company has been formed to advise the Independent Shareholders in respect of the Disposal. The Independent Financial Adviser will be appointed to advise the Independent Board Committee and the Independent Shareholders in this regard.

## GENERAL

The Circular containing, among other things, (i) details of the Share Purchase Agreement and the Disposal, (ii) a letter from the Independent Board Committee, (iii) a letter from the Independent Financial Adviser, (iv) financial information of the Group and Maple Marathon, (v) pro forma financial information in relation to the Disposal; (vi) a notice to convene the EGM; and (ix) other information as required under the Listing Rules, will be dispatched to the shareholders of the Company on or about October 18, 2018.

**As the Share Purchase Agreement is subject to satisfaction and/or waiver of a number of conditions precedent, including but limited to the approval from the Independent Shareholders at the EGM, the Share Purchase Agreement may or may not become effect and therefore the Disposal may not proceed. Shareholders and investors should exercise caution when dealing in the Shares.**

## DEFINITIONS

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

| | |
|---|---|
| "Acquisition" | the very substantial acquisition of CQ Energy Canada Partnership by Canlin which was completed on September 29, 2017 as announced by the Company on June 9, 2017 and October 3, 2017 |
| "associate(s)" | has the meaning ascribed to it under the Listing Rules |
| "Board" | the board of Directors of the Company |
| "C$" | Canadian Dollars, the lawful currency of Canada |
| "Canlin" | Canlin Energy Corporation, a corporation incorporated in British Columbia, Canada whose entire share capital of common shares are held by Maple Marathon as at the date of this announcement |
| "Circular" | the circular to be issued to the Shareholders in connection with the Disposal and a general meeting to be convened by the Company in accordance with the Listing Rules |
| "Company" | MIE Holdings Corporation (stock code: 1555), a company incorporated in the Cayman Islands with limited liability on March 20, 2008, the ordinary shares of which are listed on the Main Board of the Stock Exchange |
| "Competition Act" | the Competition Act (Canada), R.S.C. 1985, c. C-34, as amended |
| "connected person(s)" | has the meaning ascribed to it under the Listing Rules |
| "controlling shareholder" | has the meaning ascribed to it under the Listing Rules |

| | |
|---|---|
| "Consideration" | the consideration of US$250,000,000 (equivalent to approximately HK$1,961,950,000) payable by Far East Energy to the Company in accordance with the Share Purchase Agreement |
| "Disposal" | the proposed disposal of 100 issued shares of Maple Marathon, representing its entire issued share capital, by the Company (or its designated entity) to Far East Energy pursuant to the Share Purchase Agreement |
| "Director(s)" | the director(s) of the Company |
| "EGM" | the extraordinary general meeting of the Company to be convened and held to consider and, if thought fit, approve the Share Purchase Agreement and the transaction contemplated thereunder |
| "Far East Energy" | Far East Energy International Limited, a limited company incorporated in the British Virgin Islands indirectly wholly owned by Mr. Zhang as at the date of this announcement |
| "FEEL" | Far East Energy Limited, a limited company incorporated in Hong Kong and a substantial shareholder of the Company, held by Ms. Zhao Jiangbo ("Mrs. Zhang"), Mr. Zhang and Mr. Zhao Jiangwei as to 80%, 9.99% and 10% respectively, where Mrs. Zhang, Mr. Zhang and Mr. Zhao Jiangwei have entered into an acting-in-concert agreement under which Mr. Zhang is allowed to vote on his, Mrs. Zhang's and Mr. Zhao's shares if a unanimous opinion in relation to the matters that requires action in concert is unable to be reached. |
| "Group" | the Company and its subsidiaries |
| "HK$" | Hong Kong dollars, the lawful currency of Hong Kong |
| "Hong Kong" | the Hong Kong Special Administrative Region of the PRC |
| "Independent Financial Adviser" | the financial advisor of the Independent Board Committee and the Independent Shareholders to be appointed in respect of the Share Purchase Agreement and the transactions contemplated thereunder |
| "IFRS" | International Financial Reporting Standards issued by the International Accounting Standards Board which is in effective |

| | |
|---|---|
| "Independent Board Committee" | an independent committee of the Board formed to advise the Independent Shareholders in respect of the Disposal, comprising all independent non-executive Directors, namely, Mr. Mei Jianping, Mr. Jeffrey Willard Miller and Mr. Guo Yanjun |
| "Independent Shareholders" | the Shareholders other than FEEL and its associates |
| "Listing Rules" | the Rules Governing the Listing of Securities on the Stock Exchange, as amended, supplemented or otherwise modified from time to time |
| "Maple Marathon" | Maple Marathon Investments Limited, a limited company incorporated in Hong Kong and a wholly owned subsidiary of the Company as at the date of this announcement |
| "mcf" | means one thousand cubic feet |
| "MMBOE" | means million barrels of crude oil equivalent |
| "Mr. Zhang" | Mr. Zhang Ruilin, the Chairman, an executive Director and a substantial shareholder of the Company |
| "No Action Letter" | a communication in writing from the Commissioner of Competition advising that he or she does not, at the present time, intend to make an application to the Competition Tribunal under Section 92 of the Competition Act in respect of the transactions contemplated hereunder |
| "Outstanding Third Party Loan" | the US$100,000,000 term loan facility advanced to Maple Marathon by China Huarong Macau (HK) Investment Holdings Limited pursuant to a facility agreement dated September 1, 2017 |
| "percentage ratio" | has the meaning ascribed to it under Rule 14.04(9) of the Listing Rules |
| "PRC" | the People's Republic of China, which for the purposes of this announcement only, excludes Hong Kong, the Macao Special Administrative Region of the People's Republic of China and Taiwan |
| "Remaining Group" | the Group other than Maple Marathon and its subsidiaries as contemplated under the Share Purchase Agreement |
| "Shareholder(s)" | holder(s) of the share(s) of the Company |

| | |
|---|---|
| "Share Purchase Agreement" | the share purchase agreement dated September 24, 2018 (after trading hours) entered into between the Company (as the vendor) and Far East Energy (as the purchaser) in relation to the Disposal |
| "Stock Exchange" | The Stock Exchange of Hong Kong Limited |
| "subsidiary(ies)" | has the meaning ascribed to it under the Listing Rules |
| "substantial shareholder" | has the meaning ascribed to it under the Listing Rules |
| "US$" | US Dollars, the lawful currency of the United States of America |
| "%" | per cent |

*For the purpose of this announcement, the translation of C$ into HK$ is based on the rate of C$1:HK$ 6.0375 and the translation of US$ into HK$ is based on the rate of US$1:HK$ 7.8478. This conversion rate is for the purpose of illustration only and does not constitute a representation that any amounts have been, could have been, or may be exchanged at the aforementioned or any other rates or at all.*

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

Hong Kong, September 24, 2018

*As at the date of this announcement, the Board comprises (1) the executive directors namely Mr. Zhang Ruilin and Mr. Zhao Jiangwei; (2) the non-executive directors namely Ms. Xie Na and Mr. Jiao Qisen; and (3) the independent non-executive directors namely Mr. Mei Jianping, Mr. Jeffrey Willard Miller and Mr. Guo Yanjun.*