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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)

ANNOUNCEMENT

QUARTERLY UPDATE ON SUSPENSION OF TRADING

This announcement is made by MIE Holdings Corporation (the “**Company**”, together with its subsidiaries, the “**Group**”) pursuant to Rules 13.09 and 13.24A of the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited (the “**Listing Rules**”), and the Inside Information Provisions (as defined in the Listing Rules) under Part XIVA of the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

References are made to the announcements of the Company dated March 31, 2020, April 14, 2020, May 11, 2020 and June 10, 2020 (the “**Announcements**”) in relation to, among other things, the suspension of trading in the shares of the Company (the “**Suspension**”). Unless otherwise stated, capitalised terms used herein shall have the same meanings as those defined in the Announcements.

DELAY IN PUBLICATION OF 2019 ANNUAL RESULTS AND DESPATCH OF 2019 ANNUAL REPORT AND ONGOING DISCUSSION WITH CREDITORS

The Company continues to proactively engage with its various creditors in relation to the Debt Restructuring in order to reach a consensual resolution to address the liquidity concerns of the Company. However, as at the date of this announcement, the Company does not have a concrete plan on the implementation of measures to mitigate its liquidity pressure, improve its cash flows and address the issues surrounding its ability to continue as a going concern. As such, as at the date of this announcement, the auditing process for the 2019 Annual Results has not been completed and the auditor is not able to issue an opinion on the 2019 Annual Results. The publication of the announcement of the 2019 Annual Results and despatch of 2019 Annual Report are delayed. The Company intends to publish the 2019 Annual Results and 2019 Annual Report as soon as practicable.

The Company will make further announcement(s) to provide updates on the above matters as and when appropriate.

BUSINESS UPDATE

Update on Senior Notes

As set out in the Company's announcement dated May 11, 2020, the Company had not made the Interest Payment in relation to the Senior Notes of approximately US\$17 million (which was originally due on April 12, 2020) upon the expiration of the Grace Period, which has resulted in an event of default in respect of the Senior Notes. The Default has also triggered cross-defaults under the other loan facilities entered into between members of the Group and its other lenders. The Company had assessed that the potential demands for repayment of other loans by the relevant lenders including those yet to fall due, and the aggregate unfulfilled repayment obligations and possible breaches of the other loan facilities and notes amount to approximately over US\$287.3 million in principal amount plus accrued interest on such principal amount.

Extension of PSC

As set out in the Company's announcement dated June 10, 2020, the Company had, through its wholly-owned subsidiaries Gobi Energy and MIE International, executed the Supplemental PSC on June 4, 2020 and was granted an extension subject to certain conditions on its PSC with PetroChina, the largest oil company in China, until February 29, 2028 for its Daan oilfield located in the Songliao Basin. As the operator of the Daan oilfield, the Company holds 100% participating interests in the foreign contractors' entitlement and obligation under the PSC. Both parties believe that the Daan oilfield has strong growth potential for production and an extension would allow both parties to gain economic benefits with additional development.

Pursuant to the Supplemental PSC, the Company will continue to operate the Daan oilfield and shall invest in and drill a minimum of 268 wells (may be adjusted subject to other terms and conditions of the PSC and prevailing commodity prices) within three years after the effective date of the Supplemental PSC. An extension of the PSC gives the Company additional business certainty and allows it to invest in its Daan oilfield for future production. The Daan oilfield is the Company's key asset that contributes most of the Company's crude oil production, revenue and cash flow. The Company looks forward to working with all of its business partners towards achieving its vision of contributing to oil and gas industry of China.

As at the date of this announcement, the Company's business operations are conducted as usual. The Board and the management of the Group have taken and will continue to take various measures to reduce costs, and use their best endeavours to ensure the Group's business is being operated as usual.

CONTINUED SUSPENSION OF TRADING

At the request of the Company, trading in Company's shares on the Stock Exchange has been suspended since April 1, 2020 and will continue to be suspended until further notice.

Shareholders and potential investors are advised to exercise caution when dealing in the shares and other securities of the Company.

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

Hong Kong, June 30, 2020

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 director namely Ms. Xie Na; and (3) the independent non-executive directors namely Mr. Mei Jianping, Mr. Jeffrey Willard Miller and Mr. Guo Yanjun.