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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
OIL AND GAS RESERVES AT YEAR END 2022**

MIE Holdings Corporation (the “**Company**”, together with the subsidiaries, the “**Group**”) is pleased to announce that our independent consultants have completed a review of our oil and gas reserves as of year end 2022. These reviews were performed in accordance with the standards set in the SPE/WPC/AAPG/SPEE Petroleum Resources Management System (“**SPE-PRMS**”), as prepared by the Oil and Gas Reserves Committee of the Society of Petroleum Engineers (SPE); reviewed and jointly sponsored by the World Petroleum Council (WPC), the American Association of Petroleum Geologists (AAPG); and the Society of Petroleum Evaluation Engineers (SPEE). By their very nature reserves are forward-looking estimates subject to change and revision.

The two reserve consultants, Ryder Scott Company and Gaffney, Cline & Associates Limited, issued reports covering 100% of the Group’s oil and gas reserves. We have combined and consolidated data from these reports to present the net reserves including our wholly-owned subsidiaries, and our net portion of entitlements in associates (using equity accounting method under IFRS) by country and petroleum basin.

Summaries of the Group’s 2022 year-end reserves are as follows:

- Overall, the Group’s total net Proved (“1P”) oil, gas and natural gas liquid (“NGL”) reserves decreased by 8% to 15.05 MMBOE, total net Proved + Probable (“2P”) oil, gas and NGL reserves decreased by 9% to 35.22 MMBOE, and total net Proved + Probable + Possible (“3P”) oil, gas and NGL reserves decreased by 7% to 51.84 MMBOE.
- In 2022, Company drilled 85 new wells in China (Daan field) and 3 new wells in Kazakhstan (Emir-Oil), including one new Emir-Oil well that achieved a high production rate of 1,300 barrels per day. The combination of production from the Daan field and Emir-Oil in 2022 resulted in a decrease of Group’s net 1P oil reserves for 2022 by 13% to 12.61 million barrels, and a decrease of 2P net oil reserves by 13% to 28.42 million barrels and 3P net oil reserves by 11% to 41.40 million barrels.
- Based on 2022 year-end reserves estimate reviewed by independent consultants, the Group’s 2P net present value, before tax and discounted at 10% (“NPV10”) is approximately US\$651 million, which represents a 8% increase from the reported 2021 year-end 2P NPV10 value of US\$604 million.

The Table below outlines Group’s reserves as at December 31, 2022.

Table 1 The Group Net Reserves

	2021				2022				Change 2021–2022				
	Oil (Mbbbl)	NGL (Mbbbl)	Gas (MMcf)	Total (Mboe)	Oil (Mbbbl)	NGL (Mbbbl)	Gas (MMcf)	Total (Mboe)	Oil (Mbbbl)	NGL (Mbbbl)	Gas (MMcf)	Total (Mboe)	Total % Change
1P: PROVED													
China Oil Properties (Note 2)	8,980	—	—	8,980	6,297	—	—	6,297	(2,683)	—	—	(2,683)	-30%
Kazakhstan-Emir-Oil	5,590	320	9,230	7,448	6,310	480	11,780	8,753	720	160	2,550	1,305	18%
Total 1P	14,570	320	9,230	16,428	12,607	480	11,780	15,050	(1,963)	160	2,550	(1,378)	-8%
2P: PROVED + PROBABLE													
China Oil Properties	14,917	—	—	14,917	11,005	—	—	11,005	(3,912)	—	—	(3,912)	-26%
Kazakhstan-Emir-Oil	17,670	1,280	28,040	23,623	17,410	1,510	31,740	24,210	(260)	230	3,700	587	2%
Total 2P	32,587	1,280	28,040	38,540	28,415	1,510	31,740	35,215	(4,172)	230	3,700	(3,325)	-9%
3P: PROVED + PROBABLE + POSSIBLE													
China Oil Properties	17,374	—	—	17,374	14,251	—	—	14,251	(3,123)	—	—	(3,123)	-18%
Kazakhstan-Emir-Oil	29,150	2,200	43,700	38,633	27,150	2,490	47,700	37,590	(2,000)	290	4,000	(1,043)	-3%
Total 3P	46,524	2,200	43,700	56,007	41,401	2,490	47,700	51,841	(5,123)	290	4,000	(4,166)	-7%

Note 1: 1 BOE = 6,000 SCF

Note 2: China Oil Assets do not include the 10% shares of the Foreign Contractor’s interests in the Moliqing PSC.

The table below outlines the price assumptions used to determine 2022 year-end reserves. Oil and gas prices are based on price projections published by Sproule for China oil assets, oil and gas price projections published by Gaffney, Cline & Associates for Emir-Oil.

Table 2 Prices Used in Reserves and Resources Determination at Year end 2022

China Daan	Songliao	Escalated price profile based on price projections published by Sproule for WTI Crude. An average differential for January to December of 2022 between WTI Cushing Spot and Daqing of US\$0.69/Barrel was used. The differential is assumed to remain constant in the future.
Kazakhstan Emir-Oil	Mangistau	Export oil at escalated price profile based on price projections published by GCA for Brent Crude which has been estimated to be \$78.83/Stock Tank Barrel in 2023. Domestic oil price is estimated to be \$33.53/Stock Tank Barrel in 2023. Domestic gas price \$0.43/MSCF has been utilized for solution gas sales and assumed to be constant throughout the report.

NOTICE ABOUT RISK AND UNCERTAINTY INHERENT IN RESERVE AND RESOURCE FORECASTING

Based on reserve and resource definitions in SPE/PRMS standards, these estimates include various levels of risk and uncertainty, and are based on continuation of existing economic conditions regarding pricing, costs, legal and regulatory framework. In addition, even with the same data and conditions, different professional experts will estimate different numbers for reserves and resources based on their experience and interpretation of the data they review, and may categorize them differently. The Group employs qualified independent third party professionals to determine these numbers in accordance with existing standards and industry practice; however, we have limited or no control over many of the factors affecting reserve and resource results. Actual future results will differ from the estimates presented herein.

On January 20, 2022, the Company entered into a sale and purchase agreement (the “**Emir-Oil SPA**”) with the Purchaser, pursuant to which (among other things) the Company has conditionally agreed to sell to the Purchaser, and the Purchaser has conditionally agreed to acquire 40% interest in PBV. The consideration to be paid by the Purchaser to the Company (on behalf of the Company and its subsidiaries) shall be US\$55,000,000, which shall be netted off against the outstanding amount due by the Company to the Purchaser under the loan agreement at completion on a dollar-for-dollar basis.

On July 8, 2022, the Stage 1 Conditions of the Emir-Oil LLP transaction have been satisfied and hence Stage 1 Completion has taken place. Upon completion of Stage 2 with the Longstop date 30 June 2023, the Company will cease to directly or indirectly hold any shares or other interest in Emir-Oil LLP. For further details, please refer to the Company's announcements dated January 20, 2022, April 27, 2022, July 8, 2022, September 20, 2022 and December 20, 2022 and the circular dated June 6, 2022, respectively.

By Order of the Board
MIE Holdings Corporation
Mr. Zhao Jiangwei
Executive Director

Hong Kong, March 24, 2023

As at the date of this announcement, the Board comprises (1) the executive directors namely Mr. Zhao Jiangwei and Mr. Lam Wai Tong; (2) the non-executive directors namely Mr. Zhang Ruilin, Mr. Guan Hongjun and Ms. Gao Yan; and (3) the independent non-executive directors namely Mr. Mei Jianping, Mr. Liu Ying Shun, Mr. Yeung Yat Chuen, Mr. Guo Yanjun and Mr. Ai Min.