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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)

ISIN: XS1960218250

Common Code: 196021825

SENIOR NOTES UPDATE

As set out in the Announcement, the Company did not make the scheduled Interest Payment in relation to the Senior Notes of approximately US\$17 million, which was due on April 12, 2020. Under the terms of the Indenture, the Company had a 30-day grace period until May 11, 2020 (the “**Grace Period**”) for making the Interest Payment.

As at the date of this announcement, being the expiration of the Grace Period, the Company has not made the Interest Payment, which has resulted in an event of default in respect of the Senior Notes (the “**Default**”). The Default has also triggered cross-defaults under the other loan facilities entered into between members of the Group and its other lenders. As at the date of this announcement, the Company has assessed that the potential demands for repayment of 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.

Over the past few months, crude oil prices have been falling. For illustrative purposes, the Daqing crude oil prices at their highest and lowest this year were US\$69.06 per barrel in January 2020 and US\$12.33 per barrel in late April 2020, respectively, representing an approximately 82.15% drop. The prospects for oil prices recovery remain gloomy with the high levels of crude oil in storage and supply cuts which do not run deep enough to counter the significant decrease in demand resulting from COVID-19 outbreaks. The Company is experiencing increasing liquidity pressure due to the significant decline in revenue and cash flow caused by recent plunge in crude oil prices.

In the meantime, the Company has been proactively discussing with various creditors and Company advisors in relation to the Debt Restructuring, which is expected to address its liquidity concerns. 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.

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

ABOUT MIE HOLDINGS CORPORATION

MIE Holdings Corporation (together with its subsidiaries, the “**Group**”) is an independent oil and gas company engaged in the exploration and production of oil and gas in China and Kazakhstan. The Group operates the Daan oilfield in the Songliao Basin under a production sharing contract with PetroChina, the largest oil company in China, and holds a 10% participating interest in the Moliqing oilfield, also in the Songliao Basin. The Group also participates in the exploration, development and production of petroleum assets located in the Republic of Kazakhstan.

MIE Holdings Corporation is listed on the Main Board of The Stock Exchange of Hong Kong Limited with stock code 1555.