THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in doubt as to any aspect of this circular or as to the action to be taken, you should consult your stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountants or other professional adviser.

If you have sold or transferred all your shares in MIE Holdings Corporation, you should at once hand this circular with the accompanying form of proxy to the purchaser or the transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this circular, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this circular.

MIE HOLDINGS CORPORATION

MI 能源控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1555)

(1) MAJOR TRANSACTION
DISPOSAL OF 60% EQUITY INTEREST IN PALAEONTOL B.V.
AND
(2) NOTICE OF THE EXTRAORDINARY GENERAL MEETING

A letter from the Board is set out on pages 9 to 26 of this circular.

A notice convening the extraordinary general meeting (the "**EGM**") of MIE Holdings Corporation to be held at Room 3, United Conference Centre, 10/F, United Centre, 95 Queensway, Admiralty, Hong Kong on Monday, June 20, 2016 immediately after the conclusion or adjournment of the annual general meeting of the Company for the year 2016 is set out on pages EGM-1 to EGM-2 of this circular. A form of proxy for use at the EGM is also enclosed. Such form of proxy is also published on the websites of Hong Kong Exchanges and Clearing Limited (http://www.hkexnews.hk) and the Company (http://www.mienergy.com).

Whether or not you are able to attend and vote at the EGM, please complete and sign the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the EGM or any adjournment thereof. Completion and return of the form of proxy as instructed will not preclude shareholders from attending and voting in person at the EGM if they so wish.

May 26, 2016

CONTENTS

	Page
Definitions	1
Letter from the Board	9
Appendix I — Competent Person's Report	I-1
Appendix II — Financial Information of the Group	II-1
Appendix III — General Information	III-1
Notice of EGM	EGM-1

In this circular, unless the context otherwise requires, the following expressions shall have the following meanings:

"Affiliate"	in relation to any person, any other person directly or indirectly Controlled by, or Controlling of, or under common Control with, that person and, in the case of a trust, any trustee or beneficiary (actual or potential) of that trust. Reach Energy shall be deemed to be an Affiliate of the Purchaser
"Aral Loan"	the following loans provided by Emir-Oil to Aral Petroleum Capital LLP (which being a debtor of the Disposal Group and an Independent Third Party): (a) the loan dated April 21, 2015 for a principal amount of Kazakhstan Tenge 148,000,000; (b) the loan dated July 22, 2015 for a principal amount of Kazakhstan Tenge 42,000,000; (c) the loan dated July 23, 2015 for a principal amount of Kazakhstan Tenge 14,000,000; and (d) the loan dated August 13, 2015 for a principal amount of Kazakhstan Tenge 37,000,000
"Bank Guarantee"	the on demand bank guarantee to be provided by the Purchaser to the Company by Hong Leong Islamic Bank Berhad, Malaysia in the form agreed by the Company and the Purchaser for the amount of US$1,500,000
"Board"	the board of Directors
"Break Fee"	a fixed amount of US$1,500,000 only as liquidated damages being a genuine pre-estimate of the other Party's expenses and costs arising from or in connection with the Sale and Purchase Agreement or the Transaction payable no later than seven (7) days after the date of the termination notice pursuant to the Sale and Purchase Agreement
"Business Day"	a day (other than a Saturday or Sunday) on which banks are open for general business in Beijing (the People's Republic of China), Hong Kong (the People's Republic of China), Astana (the Republic of Kazakhstan), Kuala Lumpur (Malaysia), Amsterdam (Netherlands) and the Cayman Islands

"Company"	MIE Holdings Corporation (stock code: 1555), a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange
"Competent Body"	the Ministry of Energy of the Republic of Kazakhstan carrying out on behalf of the Republic of Kazakhstan the rights, connected to execution and implementation of the subsoil use contracts in the oil and gas sphere, with the competencies for the oil and gas and petrochemicals industries, and transportation of raw hydrocarbons, or its legal successor
"Competent Person"	Chapman Petroleum Engineering Ltd., being the person who prepared the Competent Person's Report
"Competent Person's Report"	the competent person's report set out in Appendix I to this circular, issued by the Competent Person, in accordance with the requirements of the Listing Rules
"Completion"	completion of the sale and purchase of the Sale Shares and the transfer and assignment of the Relevant Percentage of the Shareholder Loans in accordance with Sale and Purchase Agreement
"Completion Date"	as defined in item 2.6 of the paragraph headed "2. The Sale and Purchase Agreement" of the Letter from the Board of this Circular
"connected person(s)"	has the meaning ascribed to it under the Listing Rules
"Contracts"	collectively: (a) the Hydrocarbon Production Contract for the Aksaz field within blocks XXXV-10-C (partially), XXXV-11-A (partially), D (partially) of the Munailinsky District of the Mangystau Oblast between the Republic of Kazakhstan and Emir-Oil (Registration Number 3737-UVS dated September 9, 2011) ("**Aksaz Production Contract**"); (b) the Hydrocarbon Production Contract for Dolinnoe field within blocks XXXV-11-A (partially), D (partially) of the Munailinsky District of the Mangystau Oblast between the Republic of Kazakhstan and Emir-Oil (Registration Number 3735-UVS dated September 9, 2011) ("**Dolinnoe Production Contract**");

(c) the Hydrocarbon Extraction Contract for the Emir Field XXXV-11-A (partially) blocks of Emir Field of Munailinsky District of the Mangystau Oblast between the Republic of Kazakhstan and Emir-Oil (Registration Number 3890-UVS dated March 1, 2013) ("**Emir Production Contract**");

(d) the Hydrocarbon Production Contract for Kariman field within blocks XXXV-11-D (partially), E (partially) of the Munailinsky District of the Mangystau Oblast between the Republic of Kazakhstan and Emir-Oil (Registration Number 3736-UVS dated September 9, 2011) ("**Kariman Production Contract**"); and

(e) the Contract on Exploration for Hydrocarbon Raw Materials on the Site of "Aksaz-Dolinnoe-Emir" located in the Tyubkaragan District of the Mangystau Oblast between the Republic of Kazakhstan and Emir-Oil (Registration Number 482 dated June 9, 2000), and the amendments thereof ("**Aksaz-Dolinnoe-Emir Exploration Contract**")

"Control"	the power of a person to secure, directly or indirectly, (whether by the holding of shares, possession of voting rights or by virtue of any other power conferred by the articles of association, constitution, partnership deed or other documents regulating another person or otherwise) that the affairs of such other person are conducted in accordance with his or its wishes and "**Controlled**"and "**Controlling**"shall be construed accordingly

"Deferred Consideration"	the amount equal to: (a) 15% of the Adjusted Transaction Consideration; and (b) interest on the amounts set out in paragraph (a) above in accordance with the following interest schedule: (i) if payment is made within twelve (12) months of the Completion Date, no interest is payable; (ii) if payment is made twelve (12) months after the Completion Date but before twenty-four (24) months after the Completion Date, the rate of ten per cent. (10%) per annum from the period of twelve (12) months after the Completion Date until the payment date; and (iii) if payment is made twenty-four (24) months after the Completion Date, the rate of ten per cent. (10%) per annum for the period of twelve (12) months after the Completion Date until twenty-four (24) months after the Completion Date, then the rate of fourteen per cent. (14%) per annum from the period of twenty-four (24) months after the Completion Date until the payment date
"Director(s)"	the director(s) of the Company
"Disposal"	the proposed disposal of the Sale Shares in the Disposal Company by the Seller to Reach Energy (being the SPV nominated by the Purchaser) and the assignment and transfer of the Shareholder Loan in proportion of the Relevant Percentage by the Company to Reach Energy (being the SPV nominated by the Purchaser) as contemplated under the Sale and Purchase Agreement
"Disposal Company"	Palaeontol B.V., a company incorporated in the Netherlands
"Disposal Group"	Disposal Company and Emir-Oil
"Dissenting Shareholders Payback Amount"	the amount from the Trust Account which will be required to be paid out to holders of voting securities of the Purchaser who vote against the resolution approving the Transaction at the general meeting of the Purchaser and have requested that the Purchaser repurchase their voting securities
"Effective Date"	September 30, 2015

"EGM"	the extraordinary general meeting of the Company to be held at Room 3, United Conference Centre, 10/F, United Centre, 95 Queen's Road, Admiralty, Hong Kong on Monday, June 20, 2016 immediately after the conclusion or adjournment of the annual general meeting of the Company for the year 2016 to consider, and if thought fit, approve, among other things, the Disposal, the notice of which is set out on pages EGM-1 to EGM-2 of this circular
"Emir-Oil"	Emir-Oil LLP, a company incorporated in the Republic of Kazakhstan
"Group"	the Company and its subsidiaries
"Hong Kong"	the Hong Kong Special Administrative Region of the People's Republic of China
"IFRS"	the International Financial Reporting Standards
"Independent Third Party(ies)"	party(ies) who is/are independent and not connected with the Company and its connected persons
"Latest Practicable Date"	May 23, 2016, being the latest practicable date for ascertaining certain information in this circular
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange
"Longstop Date"	September 5, 2016, being six (6) months from the date of the Sale and Purchase Agreement, or such later date as the Parties to the Sale and Purchase Agreement may agree
"Net Contribution Amount"	the amount equal to the Relevant Percentage of: (a) (positive) the aggregate of all payments made by the Company (or its Affiliates, but excluding the Disposal Group) to the Disposal Group for the purpose of funding the Disposal Group's capital expenditures and operational expenditures, all payments made by the Company (or its Affiliates, but excluding the Disposal Group) to any third persons on behalf of, or for the benefit of, the Disposal Group within the Disposal Group's ordinary course of business, and all payments made by the Company (or its Affiliates, but excluding the Disposal Group) to any third persons for the purpose of settling liabilities on behalf of, or for the benefit, of the Disposal Group. This shall exclude the settlement amount to ACAP Limited (which being a creditor of the Disposal Group and an Independent Third Party) (whether in shares of the Company or in cash), plus

(b) (positive) interest on the amounts in paragraph (a) above from the date of payment until the Completion Date at the interest rate set out in the Shareholder Loan agreements, less

(c) (negative) the aggregate of all payments outside the ordinary course of business made by the Disposal Group to the Company (or its Affiliates, but excluding the Disposal Group), including any and all distributions, dividends, repayment of shareholder loans or other payments declared, made or paid in respect of any of the issued shares of the Company and for the avoidance of doubt, payments made by the Disposal Group related to the settlement of the payables to ACAP Limited are deemed outside the ordinary course of business;

in each case, after the Effective Date and on or prior to the Completion Date

"Net Working Capital"	the amount equal to the Relevant Percentage of the sum of the following items as on the Effective Date: (a) Inventories (+) (b) Trade receivables (+) (c) Current portion of prepayment and other receivables (+) (d) Trade payables (-) (e) Current portion of accruals and other payables (-) (f) Cash and cash equivalents (+) Receivables related to the Aral Loan and payables to ACAP Limited are excluded from the Net Working Capital
"Party" or "Parties"	a party or the parties to the Sale and Purchase Agreement
"Purchaser"	Reach Energy Berhad, a company organised and existing under the laws of Malaysia
"Purchaser Cash Position"	the cash and cash equivalent in the accounts of the Purchaser as set out in the then most recent quarterly balance sheet as announced by the Purchaser

"Reach Energy"	Reach Energy Ventures Sdn. Bhd., a company incorporated in Malaysia with limited liability
"Relevant Percentage"	sixty per cent (60%)
"Relevant Ratios"	the five ratios set out in Rule 14.07 of the Listing Rules (where applicable)
"Remaining Completion Amount"	(a) an amount equal to (i) 85% of the Adjusted Transaction Consideration; less (ii) the Completion Payment; and (b) interest on the amount set out in paragraph (a) above in accordance with the following interest schedule: (i) if payment is made within six (6) months of the Completion Date, no interest is payable; (ii) if payment is made six (6) months after the Completion Date but before eighteen (18) months after the Completion Date, the rate of ten per cent. (10%) per annum from the period of six (6) months after the Completion Date until the payment date; and (iii) if payment is made eighteen (18) months after the Completion Date, the rate of ten per cent. (10%) per annum for the period of six (6) months after the Completion Date until eighteen (18) months after the Completion Date, then the rate of fourteen per cent. (14%) per annum from the period of eighteen (18) months after the Completion Date until the payment date
"RM"	Ringgit Malaysia, the lawful currency of Malaysia
"Sale and Purchase Agreement"	the conditional sale and purchase agreement dated March 5, 2016 entered into between the Parties in relation to the Disposal
"Sale Shares"	10,800 ordinary shares constituting sixty per cent (60%) of the equity interest in the issued and paid-up capital in the Disposal Company
"Seller"	Palaeontol Cooperatief U.A., a company organised and existing under the laws of the Netherlands
"SFO"	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
"Share(s)"	ordinary share(s) of US$0.001 each in the capital of the Company

"Shareholder(s)"	holder(s) of the Shares
"Shareholder Loans"	outstanding loans from the Company as lender to the Disposal Company as borrower comprising of principal loan amounts and accrued interest as at the Completion Date
"Shareholders' Agreement"	the shareholders' agreement, in agreed terms, signed between the Parties, Reach Energy and the Disposal Company
"SPV"	the special purpose vehicle incorporated by the Purchaser to receive the transfer of the Sale Shares and Relevant Percentage of the Shareholder Loan
"Stock Exchange"	The Stock Exchange of Hong Kong Limited
"Transaction"	the transactions contemplated by the Sale and Purchase Agreement and any matters arising out thereof
"Trust Account"	the trust account maintained by the custodian, Amanah Raya Trustees Berhad to hold and deal with part of the trust proceeds raised from the initial public offering of the Purchaser (being 94.75% of the gross proceeds raised by the Purchaser pursuant to its initial public offering, including and accrued interest to date) on behalf of the Company
"US$"	United State dollars, the lawful currency of the United States of America
"%"	per cent.

MIE HOLDINGS CORPORATION
MI 能源控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1555)

Executive Directors:
Mr. Zhang Ruilin *(Chairman)*
Mr. Zhao Jiangwei
Mr. Andrew Sherwood Harper
Mr. Tao Tak Yin Dexter
Mr. Tian Hongtao

Non-executive Director:
Ms. Xie Na

Independent Non-executive Directors:
Mr. Mei Jianping
Mr. Jeffrey W. Miller
Mr. Guo Yanjun

Registered office:
P.O. Box 309
Ugland House
Grand Cayman KY1-1104
Cayman Islands

Principal Place of Business in Hong Kong:
Level 54, Hopewell Centre
183 Queen's Road East
Hong Kong

Beijing Office:
Suite 1501, Block C, Grand Place
5 Hui Zhong Road
Chaoyang District
Beijing 100101
The People's Republic of China

May 26, 2016

To the Shareholders

Dear Sir/Madam,

(1) MAJOR TRANSACTION DISPOSAL OF 60% EQUITY INTEREST IN PALAEONTOL B.V. AND (2) NOTICE OF THE EXTRAORDINARY GENERAL MEETING

1. INTRODUCTION

Reference is made to the announcement of the Company dated March 7, 2016 regarding the signing of, among other things, the Sale and Purchase Agreement by the Company, the Seller and the Purchaser in relation to the disposal of the Sale Shares in the Disposal Company

by the Seller to the Purchaser (or the SPV as the Purchaser may direct) and the assignment and transfer of the Shareholder Loans in proportion to the Relevant Percentage by the Company to the Purchaser (or the SPV as the Purchaser may direct).

The purpose of this circular is to provide you with, among other things, (i) further details in relation to the Sale and Purchase Agreement and the transactions contemplated thereunder; (ii) the Competent Person's Report; (iii) other information as required under the Listing Rules, and (iv) the notice convening the EGM.

2. THE SALE AND PURCHASE AGREEMENT

The principal terms of the Sale and Purchase Agreement are as follows:

2.1 Date

March 5, 2016

2.2 Parties

(1) the Company;

(2) Palaeontol Cooperatief U.A., an indirectly wholly-owned subsidiary of the Company, as the Seller; and

(3) Reach Energy Berhad, as the Purchaser. The Purchaser shall be entitled to designate the SPV to receive the transfer of the Sale Shares and the Relevant Percentage of the Shareholder Loan.

The Purchaser has nominated Reach Energy as the SPV to receive the transfer of the Sale Shares and Relevant Percentage of the Shareholder Loan.

To the best of Directors' knowledge, information and belief, having made all reasonable enquiries, the Purchaser, Reach Energy and their respective ultimate beneficial owners are Independent Third Parties.

2.3 Subject matter of the Disposal

Pursuant to the Sale and Purchase Agreement, the Seller agreed to sell the Sale Shares to Reach Energy (being the SPV nominated by the Purchaser) free from all Encumbrances and together with all rights, title and benefits attaching thereto including without limitation, all bonuses, rights, dividends and other distributions declared, paid or made in respect of the Sale Shares on or after the Completion Date.

At Completion, the Company shall assign and Reach Energy (being the SPV nominated by the Purchaser) shall accept the assignment and transfer of the Shareholder Loans in proportion to the Relevant Percentage simultaneously with the sale and transfer of the Sale Shares from the Seller to Reach Energy.

The Sale Shares represent sixty per cent (60%) of the issued share capital of the Disposal Company.

2.4 Consideration and basis of determination

(a) The Parties have agreed that the enterprise value of one hundred per cent. (100%) (before adjustment of the Net Working Capital) of the Disposal Group is US$308,000,000 as at the Effective Date ("**Enterprise Value**") which translates to US$184,800,000 based on the Relevant Percentage of the Enterprise Value.

(b) Subject to the adjustment mechanism described below, the aggregate consideration for the Sale Shares and the assignment of the Shareholder Loans in proportion to the Relevant Percentage less the deficiency of the Net Working Capital of US$29,911,000 (based on unaudited consolidated management accounts of the Disposal Group as at the Effective Date) is US$154,889,000 ("**Transaction Consideration**"), which represents a deficit of approximately 35% to the net book value of the Sale Shares and the Shareholder Loans in proportion to the Relevant Percentage as at the Effective Date.

(c) At Completion, the Transaction Consideration shall be adjusted as follows:

either

(i) increased by an amount equal to the Net Contribution Amount which shall not exceed an aggregate amount of US$21,000,000, if such amount is positive; or

(ii) decreased by an amount equal to the Net Contribution Amount if such amount is negative; and

increased by the Relevant Percentage any amounts recovered from Aral Petroleum Capital LLP prior to the Completion Date in connection with the Aral Loan (the "**Adjusted Transaction Consideration**"), provided always that the Adjusted Transaction Consideration shall not be greater than US$175,889,000 (unless otherwise agreed by the Company and Purchaser in the case of exceptional or extra items of expenditure for the Disposal Company).

(d) The Adjusted Transaction Consideration shall comprise of:

(i) the purchase price of US$1.00 in respect of the sale and purchase of the Sale Shares ("**Purchase Price**"); and

(ii) the shareholders loan consideration shall be the Adjusted Transaction Consideration less the Purchase Price ("**Shareholder Loan Consideration**"), in respect of the assignment and transfer of the Shareholder Loans in proportion to the Relevant Percentage.

(e) At Completion, eighty five per cent. (85%) of the Adjusted Transaction Consideration shall be payable on the Completion Date and the Deferred Consideration shall be paid to the Company as follows:

(i) within twenty-four (24) months after the Completion Date; and

(ii) if the Deferred Consideration is not paid, on the date which is twenty-four (24) months after the Completion Date and until full payment of the Deferred Consideration:

(A) the Company, the Purchaser and their respective Affiliates shall ensure that the Disposal Group defers any discretionary capital expenditure ("**CAPEX**") (except for CAPEX required for the committed work obligations under the Contracts) such that the Disposal Group shall be able to free its cash flow for the purposes of cash distribution (either by way of dividends, repayment of shareholders loan or other means) to its shareholders;

(B) any cash distributions by the Disposal Group to the Purchaser (or its Affiliates) shall first be used to ensure that the Purchaser Cash Position is not less than US$10,000,000 and thereafter the remaining cash distribution shall be used for repayment of the Deferred Consideration; and

(C) the Purchaser shall use its best efforts to raise the maximum amount of funds (whether that be by way of debt or equity fund raising) for repayment of the Deferred Consideration provided that (1) if the net proceeds raised is less than US$1,000,000 then such amount shall not be used for repayment of the Deferred Consideration; and (2) the net proceeds raised shall first be used to ensure that the Purchaser Cash Position is no less than US$10,000,000 and thereafter the remaining net proceeds raised (over and above the Purchaser Cash Position of US$10,000,000) shall be used for repayment of the Deferred Consideration.

(f) Within five (5) days of satisfaction of the Conditions to be observed on the part of the Purchaser, the Purchaser has a right to defer payment of part of the 85% of the Adjusted Transaction Consideration such that at Completion, the Purchaser shall pay the sum (A) US$120,000,000; and (B) 25% of the amount in the Trust Account (net of taxes) on the Completion Date less the Dissenting Shareholders Payback Amount, but not more than 85% of the Adjusted Transaction Consideration ("**Completion Payment**"). The Remaining Completion Amount shall be paid to the Company as follows:

(i) within six (6) months after the Completion Date; and

(ii) if the Remaining Completion Amount is not paid on the date which is six (6) months after the Completion Date and until full payment of the Remaining Completion Amount:

(A) the Company, the Purchaser and their respective Affiliates shall ensure that the Disposal Group defers any CAPEX (except for CAPEX required for the committed work obligations under the Contracts) such that the Disposal Group shall be able to free its cash flow for the purposes of cash distribution (either by way of dividends, repayment of shareholders loan or other means) to its shareholders;

(B) any cash distributions by the Disposal Group to the Purchaser (or its Affiliates) shall first be used to ensure that the Purchaser Cash Position is not less than US$10,000,000 and thereafter the remaining cash distribution shall be used for repayment of the Remaining Completion Amount; and

(C) the Purchaser shall use its best efforts to raise the maximum amount of funds (whether that be by way of debt or equity fund raising) for repayment of the Remaining Completion Amount provided that (1) if the net proceeds raised is less than US$1,000,000 then such amount shall not be used for repayment of the Remaining Completion Amount; and (2) the net proceeds raised shall first be used to ensure that the Purchaser Cash Position is no less than US$10,000,000 and thereafter the remaining net proceeds raised (over and above the Purchaser Cash Position of US$10,000,000) shall be used for repayment of the Remaining Completion Amount.

Before full payment of the Deferred Consideration (or, as the case may be, the Remaining Completion Amount), in the case the Purchaser (or its Affiliate) transfers any of the Sale Shares to any third party, the Purchaser undertakes to immediately pay to the Company a sum equal to the outstanding Deferred Consideration (or, as the case may be, the Remaining Completion Amount) (including interest thereon) owing to the Company by the Purchaser from the amount received by the Purchaser (or its Affiliate) from the transfer of such Sale Shares for the purposes of full settlement of the Deferred Consideration (or, as the case may be, the Remaining Completion Amount).

For the avoidance of doubt, the Deferred Consideration (or, as the case may be, the Remaining Completion Amount) can be repaid at any time after Completion.

The imposition of the Purchaser Cash Position of US$10,000,000, in both cases, is intended to preserve the Seller's interest that the Purchaser has sufficient cash in its bank account for working capital.

The Enterprise Value and the considerations arising out of the Transaction set out above were determined after arm's length negotiations between the Company and the Purchaser with reference to a number of factors, including

but not limited to the latest independent technical reserve reports and internal reserve team reserve estimates, internal cash flow and EBITDA (earnings before interest, taxes, depreciation and amortization) as well as forecasts analysis of the 2P reserves value of the underlying assets of the Disposal Company as at the Effective Date.

The Directors consider the Consideration is fair and reasonable and in the interests of the Company and the Shareholders as a whole.

2.5 Conditions precedent

Completion is conditional on the following conditions (the "**Conditions**") being satisfied on or before the Longstop Date:

(1) the Company:

(A) having procured the approval of the Competent Body for the indirect transfer of subsoil use rights under the Contracts through sale and transfer of the Sale Shares;

(B) having procured either (i) official waiver by the Competent Body of all its preemption rights in connection with the indirect transfer of subsoil use rights under the Contracts through sale and purchase to Reach Energy (being the SPV nominated by the Purchaser) of the Sale Shares or (ii) an official response from the Competent Body that a waiver of all its pre-emption rights in connection with the indirect transfer of subsoil use rights under the Contracts through sale and transfer to Reach Energy (being the SPV nominated by the Purchaser) of the Sale Shares is not required; and

(C) having received (i) approval from shareholders of the Company at a general meeting, and (ii) to the extent required, consents, waivers, permissions and approvals in relation to the Transaction from the Stock Exchange and the Securities and Futures Commission of Hong Kong;

(2) the Purchaser:

(A) having received the approval of the Securities Commission Malaysia for the purchase of the Sale Shares and the assignment and transfer of the Shareholder Loans in proportion to the Relevant Percentage pursuant to the Sale and Purchase Agreement;

(B) having procured the passing at a general meeting of the Purchaser of a resolution approving the purchase of the Sale Shares and the assignment and transfer of the Shareholder Loans in proportion to the Relevant Percentage pursuant to the Sale and Purchase Agreement; and

(C) having received the approval from the Committee of the Republic Kazakhstan for Regulation of Natural Monopolies and Competition Protection for the acquisition of the Sale Shares on the terms of the Sale and Purchase Agreement.

None of the above Conditions are waivable. As at the Latest Practicable Date, none of the above Conditions has been fulfilled.

If one or more of the Conditions:

(1) remains un-satisfied on the Longstop Date and has not been waived on or before that date; or

(2) becomes impossible to satisfy on or before the Longstop Date and, if it is a Condition which can be waived, has not been waived within five (5) days of such Condition becoming impossible to satisfy. In such case, such Party shall immediately inform the other Party the occurrence of such impossibility and in such case the other Party shall not be required to fulfill the Conditions which the other Party is responsible to satisfy on or before the Longstop Date;

either Party may give notice to the other Party that it wishes to terminate the Sale and Purchase Agreement:

(a) if it is a termination pursuant to (1) above, the Party who has failed to satisfy all or any of the Conditions which such Party is responsible to satisfy by the Longstop Date shall pay to the other Party the Break Fee provided that the other Party has satisfied the Conditions which the other Party is responsible to satisfy by the Longstop Date; and

(b) if it is a termination pursuant to (2) above, the Party who has failed to satisfy all or any of the Conditions which such Party is responsible to satisfy because it becomes impossible to satisfy on or before the Longstop Date, such Party shall pay to the other Party the Break Fee and the other Party shall not be required to fulfill any of the remaining Conditions which the other Party is responsible to satisfy,

provided that no Break Fee is payable for a failure to satisfy the Condition set out in (2)(C) above. The Break Fee represents a genuine pre-estimate of the other Party's expense and costs arising from or in connection with the Sale and Purchase Agreement or the Transaction. The Break Fee was determined by the Parties based on arm's length negotiation.

If, following satisfaction or waiver of all the Conditions, any of the completion obligations of the Company and the Seller are not complied with by the Company on or before the Completion Date and the Purchaser chooses to terminate the Sale and Purchase Agreement, the Purchaser shall have the right to claim against the Company any loss or damage suffered by the Purchaser provided that the maximum aggregate liability of the Company shall not exceed US$8,000,000.

If, following satisfaction or waiver of all the Conditions, any of the completion obligations of the Purchaser are not complied with by the Purchaser on or before the Completion Date and the Company chooses to terminate the Sale and Purchase Agreement, the Company shall have the right to immediately draw on the Bank Guarantee and to the Purchaser any loss or damage suffered by the Company provided that the maximum aggregate liability of the Purchaser shall not exceed US$8,000,000. The Company shall not be entitled to terminate the Sale and Purchase Agreement if any of the completion obligations of the Company are not complied with.

The cap of US$8,000,000 above was determined after negotiation between the Parties.

The Purchaser has provided the Company with the Bank Guarantee on March 14, 2016. The Bank Guarantee shall be used to satisfy in full the Break Fee and/or in part any payment, liability or obligation of the Purchaser in the case of a termination by the Company for a failure by the Purchaser to comply with the completion obligations after satisfaction or waiver of all the Conditions under the Sale and Purchase Agreement.

2.6 Completion

Completion shall take place on the tenth (10th) day following the satisfaction or waiver of all the Conditions or at such other time as the Company and the Purchaser shall agree or at such other time as the Company and the Purchaser shall agree ("**Completion Date**"). If the tenth (10th) day is not a Business Day, then Completion shall be on the next day which is a Business Day.

Immediately after Completion, the Disposal Company will cease to be an indirectly wholly owned subsidiary of the Group and the Group (through the Seller) will hold 40% of the issued share capital of the Disposal Company. As at the Latest Practicable Date, the Company intended to retain the remaining shares in the Disposal Company.

2.7 Shareholders' Agreement

To make provision for the management and administration of the Disposal Company's affairs and business, the Parties including Reach Energy and the Disposal Company has signed the Shareholders' Agreement on April 11, 2016, subject to the Shareholders' Agreement coming into effect on the Completion Date.

Major terms and conditions of the Shareholders' Agreement are as follows:

- ***Business of the Disposal Company***

  The objective of the Disposal Company's business, through Emir-Oil, is the exploration, production and exploitation of hydrocarbon resources in Kazakhstan, including but not limited to the business of production of oil under the Aksaz Production Contract, Dolinnoe Production Contract, Emir Production Contract and Kariman Production Contract and exploration of hydrocarbon materials under the Aksaz-Dolinnoe-Emir Exploration Contract.

- ***Board and management***

The board of directors of the Disposal Company shall have five (5) directors. Reach Energy will have the right to nominate three (3) directors, whereas the Seller will have right to nominate two (2) directors. In the case where the shareholders of the Disposal Company agree that the board of directors of the Disposal Company shall have three (3) directors, Reach Energy will have the right to nominate two (2) directors, whereas the Seller will have right to nominate one (1) director. Directors of the Disposal Company can only be removed by the Disposal Company's general meeting at the request of the appointing shareholders. The board of directors of the Disposal Company shall have one chairman, who shall be a director elected from the directors appointed at the nomination of Reach Energy. The chairman shall not have a casting vote.

- ***Management of Emir-Oil***

The shareholders of the Disposal Company and the Disposal Company shall procure that the composition of the management board of Emir-Oil shall be in proportion to the respective shareholding percentage of Reach Energy and the Seller (and any other shareholder subsequent to the Completion Date) in the Disposal Company. The management board of Emir-Oil shall have five (5) members, among which, three (3) shall be appointed by Reach Energy, and two (2) shall be appointed by the Seller. The management board of Emir-Oil shall have one (1) chairman, who shall be elected from the members appointed by Reach Energy. The chairman shall not have a casting vote.

- ***Appointment of key personnel***

Reach Energy shall have the right to appoint the general director of Emir-Oil ("**General Director**") so long as Reach Energy remains the single largest shareholder in the Disposal Company and Reach Energy has obtained the approval of the management board of Emir-Oil before such appointment (whose approval shall not be unreasonably withheld).

The Seller shall have the right to appoint the finance and commercial manager of Emir-Oil ("**Finance and Commercial Manager**") who shall be in charge of finance and commercial matters subject to the Seller being the second largest shareholder in the Disposal Company; and provided such Finance and Commercial Manager is not a member of the management board of Emir-Oil, the approval of the management board of Emir-Oil (whose approval shall not be unreasonably withheld). The Finance and Commercial Manager shall report to the General Director.

- ***Reserved Matters***

Certain matters require the approval of shareholders holding at least seventy-five per cent. (75%) of the shares in the Disposal Company ("**Reserved Matters**"), include: approving and changing budgets and work plans which results in the incurring of any CAPEX exceeding by ten per cent (10%) over the amount for that

item in the approved budget or work plan; entering into oil and gas sales arrangements; cancelling, extending or transferring hydrocarbon licenses or applying for new licenses; submitting reserve report or development plan to the government or releasing for listing compliance purpose; entering into major contract, liability or commitment which exceeds certain monetary thresholds; amending constitutional documents; amending the Shareholders' Agreement; paying dividends to shareholders or the granting or repaying shareholders' loans or interests; proposing for winding-up or liquidation; and transferring shares of Emir-Oil.

- ***Deadlock***

If shareholders of the Disposal Company fail to agree on the Reserved Matters, they may refer the matter to the respective chief executive officers (the "CEOs") of the Purchaser and the Company. If the dispute is not resolved by the CEOs within 3 months, the shareholders shall agree to engage an independent expert to render an opinion in relation to such dispute. If the shareholders cannot agree on which expert to engage, Reach Energy shall be entitled to appoint an independent expert from a list of two (2) experts provided by the Company; if Reach Energy fails to choose the expert, the Company is entitled to appoint an expert from the same list.

Where any independent expert has rendered his opinion, but the shareholders are still unable to resolve the dispute, Reach Energy may, at its sole discretion, elect to either to submit the matter to arbitration at the Singapore International Arbitration Centre or serve a notice in writing on the Seller requiring the Seller to sell all the shares in the Disposal Company held by the Seller at the sale price to be determined in accordance with the provisions of the Shareholders' Agreement. In the latter event, the Company shall comply with the applicable Listing Rules including, where applicable, the requirements to obtain shareholders' approval.

- ***Budgets, work plans and account***

Annual budgets and work plans

Annual budget and work plan of Emir-Oil shall be first approved by the board of the Disposal Company and once approved by the board of the Disposal Company the annual budget and work plan shall then be tabled before shareholders of the Disposal Company for approval. Certain expenditures (in relation to drilling, facility expansion, construction of pipelines and workover exceeding US$3 million) are subject to the approval of the management board of Emir-Oil.

- ***Funding of the Disposal Company***

Funding additional to the budgets and work plans shall be determined jointly by the General Director and the Finance and Commercial Manager after consultation with the board of directors of the Disposal Company. Shareholders shall advance funds in proportionate to their shareholding in the Disposal Company if the funding proposal is approved by the board of directors of the Disposal Company.

- ***Transfer of shares***

  Restriction on share transfers

  Shareholders of the Disposal Company shall not, other than in accordance with the provisions of the articles of the Disposal Company, the Shareholders' Agreement and other relevant agreements, sell, assign, transfer, create or permit to subsist any trust, confer any option, right or interest, enter into any agreement, arrangement or understanding in respect of the voting rights or dividends or other rights or payments, create, transfer or decrease any economic interest in or otherwise dispose of any shares or any interest in or rights attaching to any shares of the Disposal Company.

  Permitted transfers

  Any shareholder of the Disposal Company may at any time transfer shares of the Disposal Company to its Affiliates, provided that the transferee first enters into a deed of accession.

  Right of pre-emption and tag-along rights

  Each shareholder of the Disposal Company may transfer some or all of their shares to any third party purchaser (not being a transfer to an Affiliate) provided that the transferor shall offer to all other shareholders the shares proposed to be sold to the third party purchaser in accordance with the terms of the Shareholders' Agreement. The non-selling shareholder(s) shall have the right either (a) to purchase all the shares (or the number of shares in proportionate to their existing shareholding if more than one existing shareholders are to accept the offer) proposed to be sold on the same terms offered by the third party purchaser or at the price determined in accordance with the Shareholders' Agreement; or (b) to require the third party purchaser to purchase up to the pro rata portion of the shares held by it.

- ***Default and termination***

  Events of Default

  Events of default ("**Events of Default**") include the failure to provide funding and other shareholder duly gives notice that it wishes the failure to be an Event of Default; insolvency of the shareholder; material breach of the Shareholders' Agreement; events otherwise stipulated to be an Event of Default in the articles of the Disposal Company or in the Shareholders' Agreement; a change of control of a shareholder of the Disposal Company other than in the case of the Purchaser or the Company. The defaulting shareholder shall be deemed to offer to all other shareholders all of its shares in the Disposal Company at a price determined in accordance with the Shareholders' Agreement.

Termination events

The Shareholders' Agreement may be terminated until the earlier of the following:

(a) dissolution of the Disposal Company;

(b) holding by one shareholder of one hundred per cent. (100%) of the shares of the Disposal Company; or

(c) the agreement of all the parties to the Shareholders' Agreement that it be terminated.

If any of the parties shall invoke upon the provisions of deadlock, right of pre-emption and tag-along rights, and/or Events of Default under the Shareholders Agreement to sell or transfer the shares in the Disposal Company, the price per share ("**Prescribed Price**") in US dollar shall be as agreed between the proposing transferor or, as the case may be, the non-defaulting party and the other shareholders. If the parties fail to reach agreement, the Prescribed Price is the price per share to be determined by an expert pursuant to the terms of the Shareholders Agreement. One of the big four accounting firms mutually agreed by the parties shall be appointed as the expert. If no agreement is reached, then Deloitte shall be appointed as the expert (unless otherwise agreed by the parties).

3. INFORMATION ABOUT THE PARTIES

The Group

The Group is an independent oil and gas group engaged in the exploration and production of oil and gas in PRC, Kazakhstan and the United States of America.

The Seller

The Seller is an indirectly wholly-owned subsidiary of the Company and is the investment holding company of the Disposal Company.

The Purchaser

The Purchaser is an oil and gas special purpose acquisition company listed on the Main Market of Bursa Malaysia Securities Berhad. The Purchaser's management team comprises of E&P veterans with practical and technical field experiences and track record encompassing the entire value chain of the E&P sector from companies such as Exxon, Shell and Petronas. As of February 29, 2016, the Purchaser had RM755,297,965 (equivalent to approximately US$188,824,491) (raised from its initial public offering in August 2014) in its trust account for use in its qualifying acquisition. The Disposal is considered a "qualifying acquisition" for the Purchaser.

Reach Energy

Reach Energy is a limited liability company incorporated in Malaysia on April 6, 2016 to receive the transfer of the Sale Shares and Relevant Percentage of the Shareholder Loan. Reach Energy is a wholly-owned subsidiary of the Purchaser and is principally engaged in investment holding.

4. INFORMATION ABOUT THE DISPOSAL GROUP

The Disposal Company is a company organized and existing under the laws of the Netherlands. The Disposal Company is the investment holding company of Emir-Oil which is primarily engaged in the exploration, production and exploitation of hydrocarbon resources in Kazakhstan, including but not limited to the business of production of oil under the Aksaz Production Contract, Dolinnoe Production Contract, Emir Production Contract and Kariman Production Contract and exploration of hydrocarbon materials under the Aksaz-Dolinnoe-Emir Exploration Contract.

A summary of the components of the contract block as extracted from the Contracts is as follows:

Fields/Area	**Type of field**	**Type of contract**	**Duration** (years)	**Commencement date**	**Expiry date**	**Area** (km^2)
Producing Fields:						
— Kariman	Oil	Production Contract	25	September 9, 2011	September 9, 2036	12.24
— Dolinnoe	Oil	Production Contract	25	September 9, 2011	September 9, 2036	18.24
— Aksaz	Condensate-rich gas	Production Contract	25	September 9, 2011	September 9, 2036	11.48
— Emir	Oil	Production Contract	17	March 1, 2013	March 1, 2030	3.53
Exploration Area	—	Exploration Contract	2	January 9, 2015	January 9, 2017	804.81
Emir-Oil Concession Block						850.30

The table below sets out the indicative 1P, 2P and 3P oil and natural gas reserves estimates of the Target Group as at year-end 2014 and 2015:

Thousands of Barrels for Oil *Millions of standard cubic feet for Gas*	**Dec 31, 2014**			**Dec 31, 2015**		
	Oil	**Gas**	**BOE[1]**	**Oil**	**Gas**	**BOE**
Proved (1P)	33,799	43,232	41,005	32,525	36,006	38,526
Proved + Probable (2P)	97,864	95,111	113,717	96,150	92,380	111,547
Proved + Probable + Possible (3P)	130,203	122,219	150,574	124,952	120,438	145,025

Notes:

1. Barrels of oil equivalent ("BOE", converting at 6 thousand standard cubic feet of gas to 1 BOE for reference purpose only)

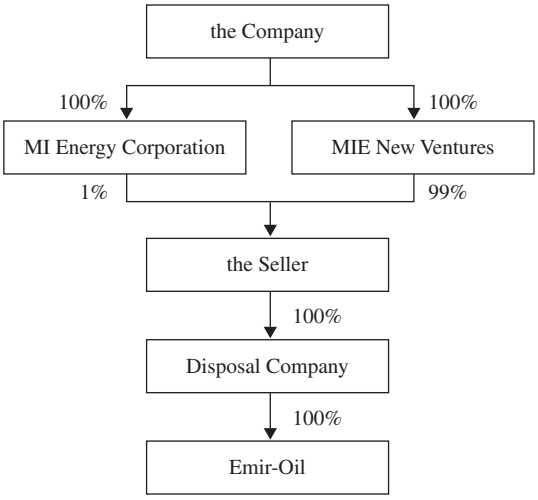
2. The indicative 1P, 2P and 3P oil and natural gas reserves estimates of the Target Group as at year-end 2014 was extracted from Emir-Oil's 2014 Reserve Report produced by Chapman Petroleum Engineering Ltd. in accordance with SPE-PRMS standard.

3. The indicated 1P, 2P and 3P oil and natural gas reserves estimates of the Target Group as at year-end 2015 was extracted from the Competent Person's Report in Appendix I which was prepared in accordance with SPE-PRMS standard.

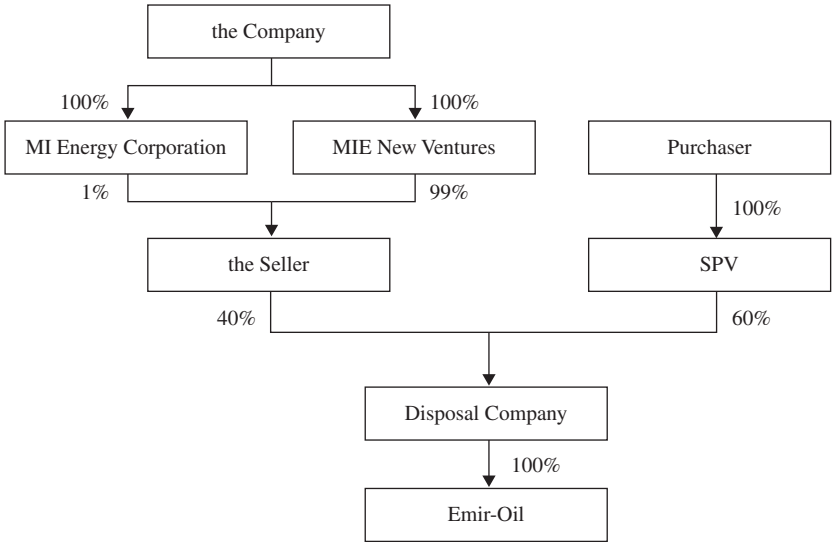
As at December 31, 2015, Emir-Oil operated a total 48 wells. For the full year 2015, Emir-Oil's average daily oil production and average daily gas production was 3,412 BOPD and 5,893 MSCF/day respectively. The overall average realized oil price for Emir-Oil was US$43.95/barrel with export sales comprising 88% of total sales volumes. The average realized export price (after deducting export sales and marketing commission of US$5.56/barrel) was US$48.41/barrel, and the average domestic price was US$12.02/barrel. Average realized gas price was US$0.95/MSCF.

Corporate Structure of the Disposal Group before and after Completion

Before Completion



After Completion



5. FINANCIAL INFORMATION AND IMPACT OF THE DISPOSAL

As at September 30, 2015, the Disposal Group had unaudited combined total assets and net assets of approximately US$518.9 million and US$115.1 million, respectively. Selected combined financial information of the Disposal Group is set out below:

	For the financial year ended December 31,			For the 9-month period ended September 30,
	2012	**2013**	**2014**	**2015**
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
	US$'000	*US$'000*	*US$'000*	*US$'000*
Revenue	88,279	126,443	121,452	41,108
Operating profit/(loss)	8,725	24,695	18,309	(8,567)
Profit/(loss) before taxation	6,677	14,797	14,347	(4,305)
Income tax (expenses)/credit	(3,544)	2,449	(7,202)	(3,406)
Profit/(loss) after taxation	3,133	17,246	7,145	(7,711)
Operating profit/(loss) margin (%)	9.88%	19.53%	15.08%	(20.84%)
Profit/(loss) after taxation margin (%)	3.55%	13.64%	5.88%	(18.76%)
Shareholder's funds	75,496	95,078	121,774	115,094
Total borrowings	175,439	203,323	240,169	285,537
Number of shares in issue	18,000	18,000	18,000	18,000
Shareholder's fund per share	4.19	5.28	6.77	6.39
Gearing ratio (times)	2.32	2.14	1.97	2.48

Notes:

(1) Based on total borrowings divided by shareholders' funds.

Based on the unaudited book value of the Sale Shares and the Relevant Percentage of the Shareholder Loans of approximately US$236.6 million (as at September 30, 2015), and assuming Net Contribution of US$21 million, the expected net proceeds from the Disposal will be US$173.8 million; accordingly, it is estimated that the Group will record a loss of approximately US$83.8 million at Completion.

Upon Completion, it is estimated that the total assets of the Group would decrease by approximately US$262.8 million and that the total liabilities of the Group would decrease by approximately US$124.5 million, representing a net decrease in net assets of US$138.3 million based on the unaudited consolidated financial statements of the Group as at September 30, 2015. Such a decrease in net assets is calculated by reference to: (i) addition of the Transaction

Consideration; (ii) subtraction of the book value of the deconsolidated assets and liabilities of the Disposal Group as a subsidiary; (iii) addition of the fair value of the 40% equity interest in the Disposal Group retained by the Company; and (iv) subtraction of the transaction costs and expenses attributable to the Transaction.

Upon Completion, the Disposal Company will cease to be an indirectly wholly owned subsidiary of the Group and the accounts of the Disposal Company will no longer be consolidated in the financial statements of the Group thereafter. The Disposal Company will be accounted for using equity method.

6. REASONS FOR AND BENEFITS OF THE DISPOSAL

Since the acquisition of Emir-Oil in 2011, the Group has contributed tremendous expertise and resources that has led to many remarkable operational milestones of Emir-Oil, which include the increased production from approximately 2,170 barrels per day to a peak of above 5,000 barrels per day in 2014 as well as horizontal well drilling. The Group considers it is now our best interests and optimal timing to team up a strong strategic partner to maximize the growth and economic value of Emir-Oil with such prolific 2P reserves and high potential of further reserves/resources upgrade. In addition, this divestment opportunity enhances the financial strength and liquidity of the Group under current volatile oil price environment while allowing the Group to maintain a stake in an attractive asset. The Company and Emir-Oil is confident that the experienced management team of the Purchaser will bring significant value to the assets and create synergy for the Disposal Group. Being listed on the Main Market of Bursa Malaysia Securities Berhad, the Purchaser also opens up an additional source of capital raising for the Disposal Company, thereby further preparing Emir-Oil to be able to capitalize on the rapid expansion and growth once oil price recovers.

In view of the above, the Directors (including the independent non-executive Directors) are of the view that the terms of the Disposal are fair and reasonable and on normal commercial terms and that the entering into of the Sale and Purchase Agreement and the Transaction are in the interest of the Company and the Shareholders as a whole.

7. USE OF PROCEEDS FROM THE DISPOSAL

The net proceeds from the Disposal after deducting related transaction costs and expenses are estimated to be US$173.8 million. The Group intends to apply the net proceeds from the Disposal for general working capital of the Group.

8. IMPLICATIONS UNDER THE LISTING RULES

As one or more of the Relevant Ratios in respect of the Disposal are more than 25% but less than 75%, the Disposal constitutes a major transaction of the Company under the Listing Rules and is therefore subject to approval of the Shareholders by way of poll at the EGM.

To the best knowledge, information and belief of the Directors, having made all reasonable enquiries, no Shareholders has a material interest in the Disposal, no Shareholders is required to abstain from voting on the resolution(s) to be proposed at the EGM to approve the Disposal.

In compliance with the requirements of Chapter 18 of the Listing Rules, the Company has appointed the Competent Person to issue the Competent Person's Report to provide the estimated amount of resources and reserves in respect of the Disposal Company in accordance with SPE-PRMS standard.

To the best of the Directors' knowledge, information and belief having made all reasonable enquiries, each of the Competent Person and its ultimate beneficial owners are Independent Third Parties.

9. EGM

You will find on page EGM-1 of this circular a notice of the EGM to be held at Room 3, United Conference Centre, 10/F, United Centre, 95 Queensway, Admiralty, Hong Kong on June 20, 2016 immediately after the conclusion or adjournment of annual general meeting of the Company for the year 2016.

A form of proxy for use at the EGM is enclosed. Whether or not you are able to attend and vote at the EGM, please complete and sign the enclosed form of proxy in accordance with the instructions printed thereon and return it to the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible but in any event not less than 48 hours before the time appointed for the holding of the EGM or any adjournment thereof. Completion and return of the form of proxy as instructed will not preclude shareholders from attending and voting in person at the EGM if they so wish.

10. RECOMMENDATION

The Directors (including the independent non-executive Directors) consider that the terms of the Sale and Purchase Agreement are on normal commercial terms and are fair and reasonable and in the interests of the Company and the Shareholders as a whole. Accordingly, the Directors (including the independent non-executive Directors) recommend the Shareholders to vote in favour of the relevant resolutions to approve the Sale and Purchase Agreement and the transactions contemplated thereunder at the EGM.

11. OTHER INFORMATION

Your attention is also drawn to the appendices to this circular and the notice of the EGM.

Yours faithfully,
For and on behalf of the Board
Zhang Ruilin
Chairman

The following is the text of the Competent Person's Report issued by the Competent Person, Chapman Petroleum Engineering Ltd., for the purpose of inclusion in this circular.

EVALUATION OF RESERVES AND PROSPECTIVE RESOURCES OIL AND GAS PROPERTIES

ADEK BLOCK (LICENCE AREA)
MANGISTAU OBLAST
REPUBLIC OF KAZAKHSTAN

(CONDENSED VERSION)

Owned By

EMIR OIL LLP
a wholly owned subsidiary of
MIE HOLDINGS CORPORATION

December 31, 2015
(January 1, 2016)

Chapman Petroleum Engineering Ltd.
1122 - 4th Street S.W., Suite 700, Calgary, Alberta T2R 1M1 • Phone: (403) 266-4141 • Fax: (403) 266-4259 • www.chapeng.ab.ca

April 1, 2016

MIE Holdings Corporation
Suite 1501, Block C, Grand Place
5 Hui Zhong Road
Chaoyang District
Beijing, 100101
P.R. China

Attention: Mr. Tian Hongtao

Dear Sir:

Re: Evaluation of Reserves and Prospective Resources
Emir Oil LLP, Republic of Kazakhstan – December 31, 2015

In accordance with your authorization we have performed a reserve and economic evaluation of oil and gas properties in the ADEK Block (Licence Area) including an assessment of prospective resource volumes, owned by Emir Oil LLP, a wholly owned subsidiary of MIE Holdings Corporation, (the "Company") for an effective date of December 31, 2015 (January 1, 2016). This report contains all the results of the Report dated March 23, 2016, in a condensed format.

This evaluation has been carried out in accordance with standards set out in the Canadian Oil and Gas Evaluation Handbook ("COGEH") and standards of SPE-PRMS (2007) and satisfies requirements of Chapter 18 and Appendix 25. The report has been prepared and/or supervised by a "Qualified Reserves Evaluator" as demonstrated on the accompanying Certificate of Qualification of the author(s), and who are qualified "Competent Persons" under rules 18.21 and 18.22 under the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited.

The INTRODUCTION includes the authorization, purpose and use of the report and describes the methodology and economic parameters used in the preparation of this report and the evaluation standard to which the report has been prepared.

The SUMMARY OF RESERVES AND ECONOMICS includes values at the property level and the consolidated cash flows for each accumulating reserve category. The net present values presented in this report do not necessarily represent the fair market value of the reserves evaluated in this report. All monetary values presented in this report are expressed in terms of US dollars.

The DISCUSSION of reserves contains a description of the interests and burdens, reserves and geology, production forecasts, product prices, capital and operating costs and a map of each major property. The economic results and cash flow forecasts (before and after income tax) are also presented.

The Prospective Resources contained on the ADEK Block are presented in Appendix A to this report. The Appendix contains a brief discussion, a summary of resource volumes and maps demonstrating the prospective resource structures.

A REPRESENTATION LETTER from the Company confirming that to the best of their knowledge all the information they provided for our use in the preparation of this report was complete and accurate as of the effective date, is enclosed following the Glossary.

Because the reserves and resource data are based on judgments regarding future events, actual results will vary and the variations may be significant. We have no responsibility to update our report for events and circumstances which may have occurred since the preparation date of this report.

Prior to public disclosure of any information contained in this report, or our name as author, our written consent must be obtained, as to the information being disclosed and the manner in which it is presented. This report may not be reproduced, distributed or made available for use by any other party without our written consent and may not be reproduced for distribution at any time without the complete context of the report, unless otherwise reviewed and approved by us.

We consent to the submission of this report, in its entirety, to securities regulatory agencies and stock exchanges, by the Companies, including by MIE Holdings Corporation to the Hong Kong Stock Exchange in accordance with its regulations and also for MIE Holdings Corporation in support of current and new financing activities.

It has been a pleasure to prepare this report and the opportunity to have been of service is appreciated.

Yours very truly,

Chapman Petroleum Engineering Ltd.

[Original Signed By:]

C. W. Chapman

C. W. Chapman, P. Eng.,
President

[Original Signed By:]

Konstantin Zaitsev

Konstantin Zaitsev, C.Tech.
Oil and Gas Reserves Evaluator

kvz/lml/6144
attachments

PERMIT TO PRACTICE
CHAPMAN PETROLEUM ENGINEERING LTD.
Signature [Original Signed By:] *C.W. Chapman*
Date *April 1, 2016*
PERMIT NUMBER: P 4201
The Association of Professional Engineers and Geoscientists of Alberta

CERTIFICATE OF QUALIFICATION

I, C. W. CHAPMAN, P. Eng., Professional Engineer of the City of Calgary, Alberta, Canada, officing at Suite 700, 1122 – 4th Street S.W., hereby certify:

1. THAT I am a registered Professional Engineer in the Province of Alberta and a member of the Australasian Institute of Mining and Metallurgy.

2. THAT I graduated from the University of Alberta with a Bachelor of Science degree in Mechanical Engineering in 1971.

3. THAT I have been employed in the petroleum industry since graduation by various companies and have been directly involved in reservoir engineering, petrophysics, operations, and evaluations during that time.

4. THAT I have in excess of 25 years in the conduct of evaluation and engineering studies relating to oil & gas fields in Canada and around the world.

5. THAT I participated directly in the evaluation of these assets and properties and preparation of this report for MIE Holdings Corporation, dated April 1, 2016 and the parameters and conditions employed in this evaluation were examined by me and adopted as representative and appropriate in establishing the value of these oil and gas properties according to the information available to date.

6. THAT I have not, nor do I expect to receive, any direct or indirect interest in the properties or securities of MIE Holdings Corporation, its participants or any affiliate thereof.

7. THAT I have not examined all of the documents pertaining to the ownership and agreements referred to In this report, or the chain of Title for the oil and gas properties discussed.

8. A personal field examination of these properties was considered to be unnecessary because the data available from the Company's records and public sources was satisfactory for our purposes.

[Original Signed By:]

C.W. Chapman

C.W. Chapman, P.Eng.
President

PERMIT TO PRACTICE
CHAPMAN PETROLEUM ENGINEERING LTD.
[Original Signed By:]
Signature *C.W. Chapman*
Date *April 1, 2016*
PERMIT NUMBER: P 4201
The Association of Professional Engineers and Geoscientists of Alberta

CERTIFICATE OF QUALIFICATION

I, KONSTANTIN ZAITSEV, of the City of Calgary, Alberta, Canada, officing at Suite 700, 1122 – 4th Street S.W., hereby certify:

1. THAT I am a Certified Technician in the Province of Alberta.

2. THAT I graduated from the Kazak National Technical University, Kazakhstan, Almaty with a Bachelor of Science degree in Mechanical Engineering in 1996.

3. THAT I graduated from the South Alberta Institute of Technology, Calgary, Canada with a Bachelor of Applied Petroleum Engineering Technology degree in 2010.

4. THAT I participated directly in the evaluation of these assets and properties and preparation of this report for MIE Holdings Corporation, dated April 1, 2016 and the parameters and conditions employed in this evaluation were examined by me and adopted as representative and appropriate in establishing the value of these oil and gas properties according to the information available to date.

5. THAT I have not, nor do I expect to receive, any direct or indirect interest in the properties or securities of MIE Holdings Corporation, its participants or any affiliate thereof.

6. THAT I have not examined all of the documents pertaining to the ownership and agreements referred to in this report, or the chain of Title for the oil and gas properties discussed.

7. A personal field examination of these properties was considered to be unnecessary because the data available from the Company's records and public sources was satisfactory for our purposes.

[Original Signed By:]

Konstantin Zaitsev

Konstantin Zaitsev, C.Tech.
Oil and Gas Reserves Evaluator

CERTIFICATE OF QUALIFICATION

I, D. J. BRIERE, P. Eng., Professional Engineer of the City of Calgary, Alberta, Canada, officing at Suite 700, 1122 – 4th Street S.W., hereby certify:

1. THAT I am a registered Professional Engineer in the Province of Alberta.

2. THAT I graduated from the University of Calgary with a Bachelor of Science degree in Electrical Engineering in 1978.

3. THAT I have been employed in the petroleum industry since graduation by various companies and have been directly involved in reservoir engineering, petrophysics, operations, and evaluations during that time.

4. THAT I have over 30 years of experience in engineering studies relating to oil & gas fields in Canada and around the world.

5. THAT I participated directly in the evaluation of these assets and properties and preparation of this report for MIE Holdings Corporation, dated April 1, 2016 and the parameters and conditions employed in this evaluation were examined by me and adopted as representative and appropriate in establishing the value of these oil and gas properties according to the information available to date.

6. THAT I have not, nor do I expect to receive, any direct or indirect interest in the properties or securities of MIE Holdings Corporation, its participants or any affiliate thereof.

7. THAT I have not examined all of the documents pertaining to the ownership and agreements referred to in this report, or the chain of Title for the oil and gas properties discussed.

8. A personal field examination of these properties was considered to be unnecessary because the data available from the Company's records and public sources was satisfactory for our purposes.

[Original Signed By:]

D.J. Brière

D.J. Brière, P.Eng.
General Manager International

CERTIFICATE OF QUALIFICATION

I, WEI GUO WANG, P.Eng., CGA, Professional Engineer and Certified General Accountant of the City of Calgary, Alberta, Canada, office at Suite 700, 1122 – 4th Street S.W., hereby certify:

1. THAT I am a Registered Professional Engineer in the Province of Alberta.

2. THAT I am a Certified General Accountant in the Province of Alberta.

3. THAT I graduated from the University of Calgary with a Master of Arts degree in Economics in 2005 and a Bachelor of Science degree in Chemical Engineering from Hefei University of Technology of China in 1985.

4. THAT I have been employed in the petroleum industry since 2002.

5. THAT I participated directly in the evaluation of these assets and properties and preparation of this report for MIE Holdings Corporation, dated April 1, 2016 and the parameters and conditions employed in this evaluation were examined by me and adopted as representative and appropriate in establishing the value of these oil and gas properties according to the information available to date.

6. THAT I have not, nor do I expect to receive, any direct or indirect interest in the properties or securities of MIE Holdings Corporation, its participants or any affiliate thereof.

7. THAT I have not examined all of the documents pertaining to the ownership and agreements referred to in this report, or the chain of Title for the oil and gas properties discussed.

8. A personal field examination of these properties was considered to be unnecessary because the data available from the Company's records and public sources was satisfactory for our purposes.

[Original Signed By:]

Wei Guo Wang

Wei Guo Wang, P.Eng., CPA, CGA, MA, MBA, B.Sc
Petroleum Economist (Economics Coordinator)

EVALUATION OF RESERVES AND PROSPECTIVE RESOURCES OIL AND GAS PROPERTIES

ADEK BLOCK (LICENCE AREA)
MANGISTAU OBLAST
REPUBLIC OF KAZAKHSTAN

(CONDENSED VERSION)

Owned By

EMIR OIL LLP
a wholly owned subsidiary of
MIE HOLDINGS CORPORATION

December 31, 2015
(January 1, 2016)

TABLE OF CONTENTS

Introduction

Authorization
Purpose of Report
Use of Report
Scope of Report
Basis of Report
Evaluation Standard Used
Site Visit

Executive Summary

Summary of Company Reserves and Economics

Discussion

Orientation Map

ADEK BLOCK, REPUBLIC OF KAZAKHSTAN
Aksaz Field
Dolinnoe Field
Emir Field
Kariman Field

EXPLORATION
Borley Field
North Kariman Field
Yessen Field

Appendix A – ADEK and NW Block Resources

Appendix B – Price Sensitivity Report

Glossary

Company Representation Letter

INTRODUCTION

INDEX

1. Authorization
2. Purpose of Report
3. Use of Report
4. Scope of Report
   - 4.1 Methodology
   - 4.2 Economics
   - 4.3 Barrels of Oil Equivalent
   - 4.4 Environmental Liabilities
5. Basis of Report
   - 5.1 Source of Information
   - 5.2 Product Prices
   - 5.3 Product Sales Arrangement
   - 5.4 Fiscal Regime
   - 5.5 Capital Expenditures and Operating Costs
   - 5.6 Income Tax Parameters
   - 5.7 Abandonment and Restoration
6. Evaluation Standard Used
   - 6.1. General
   - 6.2. Definition of Resources
   - 6.3. Definition of Reserves
7. Site Visit

INTRODUCTION

1. AUTHORIZATION

This evaluation has been authorized by Mr. Tian Hongtao, on behalf of MIE Holdings Corporation. The engineering analysis has been performed during the months of October 2015 through February 2016.

2. PURPOSE OF THE REPORT

The purpose of this report was to prepare a third party independent appraisal of the oil and gas reserves owned by Emir Oil LLP, a wholly owned subsidiary of MIE Holdings Corporation, for the Company's financial planning and to determine the magnitude of the Company's resources other than reserves and their economic value, before and after risk.

3. USE OF THE REPORT

This report is intended in support of the Company's annual filing on the Hong Kong Stock Exchange and inclusion in the Company's Circular to its shareholders being presented for approval of the proposed major disposal transaction.

4. SCOPE OF THE REPORT

4.1 Methodology

The evaluation of the reserves of these properties included in the report has been conducted under a discounted cash flow (DCF) analysis of estimated future net revenue, which is the principal tool for estimating oil and gas property values and supporting capital investment decisions. In the case of the resources other than reserves, the volumes assigned were further subjected to a risk analysis for determining the after risk volumes.

4.2 Economics

For handling the economics analysis including the unique criteria for this property, a spreadsheet approach has been utilized.

Page one of the results demonstrates the gross production and capital forecasts.

Page two shows the Export and Domestic Sales Revenue, Expense, ERT and MET.

Page three shows the Company operating costs and net cash flows.

Page four shows the Corporate Income Tax and Excess Profit Tax.

4.3 Barrels of Oil Equivalent

If at any time in this report reference is made to "Barrels of Oil Equivalent" (BOE), the conversion used is 6 Mscf : 1 STB (6 Mcf : 1 bbl).

BOEs may be misleading, particularly if used in isolation. A BOE conversion ratio of 6 Mcf : 1 bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent value equivalency at the well head.

4.4 Environmental Liabilities

We have been advised by the Company that they are in material compliance with all Environmental Laws and do not have any Environmental Claims pending, as demonstrated in the Representation Letter attached.

5. BASIS OF REPORT

5.1 Sources of Information

Source of the data used in the preparation of this report are as follows:

i) Ownership and Burdens have been derived from information from the Company's records and our correspondence with the Company;
ii) Production data is acquired from the Company's field reports directly;
iii) Well data is accessed from the Company's well files;
iv) Operating Costs are based on information provided by the Company based on their financial records;
v) Product prices are derived by the Company regarding transportation tariffs, point of sales and domestic requirements and government legislation;

vi) Timing of Development Plans and Capital estimates are determined by discussions with the Company together with our experience and judgment.

5.2 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

5.3 Product Sales Arrangement

The Company does not have any "hedge" contracts in place at this time.

5.4 Fiscal Regime

The fiscal scheme of Kazakhstan has been incorporated into this evaluation as discussed in the body of this report.

5.5 Capital Expenditures and Operating Costs

Capital expenditures and operating costs presented in the discussion are expressed in current year dollars, but are escalated at 2%/yr in the economic analysis for 2017 through 2031.

Capital expenditures have been based on historical information provided by the Company.

Operating costs have been based on actual revenue statements provided by the Company.

5.6 Income Tax Parameters

Net cash flows after consideration of CIT (Corporate Income Tax) and EPT (Excess Profit Tax) have been included in this report. The CIT and EPT are applied in the following five contract areas; Aksaz, Dolinnoe, Emir, Kariman and Exploration Areas (Borly, North Kariman, Yessen).

CIT is applied to all companies at the rate of 20% of taxable income. Taxable income is calculated as the difference between aggregate annual income (after certain adjustments) and statutory deductions.

EPT is calculated annually. The taxable object is the portion of net income (if any) that exceeds 25% of 'deductions'. The net income is calculated as aggregate annual income less 'deductions' less 'CIT' and branch profits tax, if any.

For tax depreciation purpose, fixed assets including oil and gas wells, transmission devices, machinery and equipments of oil and gas production are depreciated at 15% maximum depreciation rate The double depreciation rate 30% for new capital in the first tax year per article 120 (6.A) of Tax Code of The Republic of Kazakhstan.

As of December 31, 2015 the tax pools are:

Block	US Dollars
Aksaz field	7,032,014
Dolinnoe	21,070,590
Emir	9,457,868
Kariman	51,305,257
Exploration	36,317,790
Total	**125,183,519**

5.7 Abandonment and Restoration

Abandonment and restoration costs, net of salvage, have been included in the cash flows for the final event of any particular well. The abandonment cost does not impact the economic limit and is included in the final year of production.

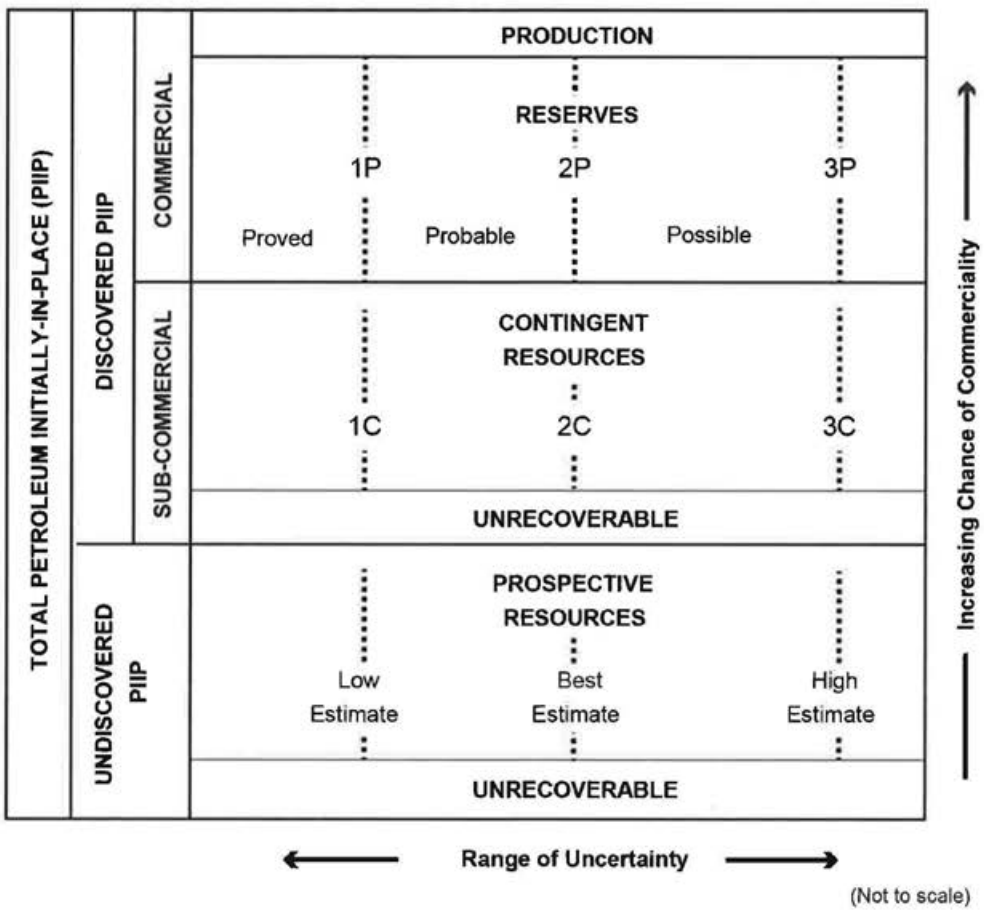
6. EVALUATION STANDARD USED

6.1 General

This evaluation and report preparation have been carried out in accordance with standards set out in the "Canadian Oil and Gas Evaluation Handbook" ("COGEH"), the professional practice standard adopted by APEGA and specified by Canada Securities Administrators NI 51-101.

The following definitions have been extracted from Sections 5.2 and 5.4 of COGEH, Vol. 1 – Second Edition (COGEH-1). These definitions are essentially compliant and relate to the resource classification framework, Figure 1 which follows, and use the primary nomenclature and concepts in the 2007 SPR-PRMS.

Resources Other Than Reserves have been evaluated according to COGEH, Vol. 2 Section 1 – ROTR.



6.2 **Definitions of Resources**

Total Petroleum Initially-In-Place (PIIP) is that quantity of petroleum that is estimated to exist originally in naturally occurring accumulations. It includes that quantity of petroleum that is estimated, as of a given date, to be contained in known accumulations, prior to production, plus those estimated quantities in accumulations yet to be discovered (equivalent to "total resources").

Discovered Petroleum Initially-In-Place (equivalent to "discovered resources") is that quantity of petroleum that is estimated, as of a given date, to be contained in known accumulations prior to production. The recoverable portion of discovered petroleum initially in place includes production, reserves, and contingent resources; the remainder is unrecoverable.

a) Production

Production is the cumulative quantity of petroleum that has been recovered at a given date.

b) Reserves

Reserves are estimated remaining quantities of oil and natural gas and related substances anticipated to be recoverable from known accumulations, as of a given date, based on the analysis of drilling, geological, geophysical, and engineering data; the use of established technology; and specified economic conditions, which are generally accepted as being reasonable. Reserves are further classified according to the level of certainty associated with the estimates and may be subclassified based on development and production status.

c) Contingent Resources

Contingent resources are those quantities of petroleum estimated, as of a given date, to be potentially recoverable from known accumulations using established technology or technology under development, but which are not currently considered to be commercially recoverable due to one or more contingencies. Contingencies may include factors such as economic, legal, environmental, political, and regulatory matters, or a lack of markets. It is also appropriate to classify as contingent resources the estimated discovered recoverable quantities associated with a project in the early evaluation stage. Contingent Resources are further classified in accordance with the level of certainty associated with the estimates and

may be subclassified based on project maturity and/or characterized by their economic status.

d) Unrecoverable

Unrecoverable is that portion of Discovered or Undiscovered PIIP quantities which is estimated, as of a given date, not to be recoverable by future development projects. A portion of these quantities may become recoverable in the future as commercial circumstances change or technological developments occur; the remaining portion may never be recovered due to the physical/chemical constraints represented by subsurface interaction of fluids and reservoir rocks.

Undiscovered Petroleum Initially In Place (equivalent to "undiscovered resources") is that quantity of petroleum that is estimated, on a given date, to be contained in accumulations yet to be discovered. The recoverable portion of undiscovered petroleum initially in place is referred to as "prospective resources", the remainder as "unrecoverable".

e) Prospective Resources

Prospective resources are those quantities of petroleum estimated, as of a given date, to be potentially recoverable from undiscovered accumulations by application of future development projects. Prospective resources have both an associated chance of discovery and a chance of development. Prospective resources are further subdivided in accordance with the level of certainty associated with recoverable estimates assuming their discovery and development and may be subclassified based on project maturity.

There is no certainty that any portion of the resources will be discovered. If discovered, there is no certainty that it will be commercially viable to produce any portion of the resources.

6.3 Definitions Of Reserves

The following definitions and guidelines are designed to assist evaluators in making reserves estimates on a reasonably consistent basis, and assist users of evaluation reports in understanding what such reports contain and, if necessary, in judging whether evaluators have followed generally accepted standards.

The guidelines outline

- General criteria for classifying reserves,
- Procedures and methods for estimating reserves,
- Confidence levels of individual entity and aggregate reserves estimates,
- Verification and testing of reserves estimates.

The determination of oil and gas reserves involves the preparation of estimates that have an inherent degree of associated uncertainty. Categories of proved, probable, and possible reserves have been established to reflect the level of these uncertainties and to provide an indication of the probability of recovery.

The estimation and classification of reserves requires the application of professional judgement combined with geological and engineering knowledge to assess whether or not specific reserves classification criteria have been satisfied. Knowledge of concepts including uncertainty and risk, probability and statistics, and deterministic and probabilistic estimation methods is required to properly use and apply reserves definitions. The concepts are presented and discussed in greater detail within the guidelines of Section 5.5 of the COGEH, Vol. 1 – Second Edition (COGEH-1).

The following definitions apply to both estimates of individual Reserves Entities and the aggregate of reserves for multiple entities.

RESERVES CATEGORIES

Reserves are estimated remaining quantities of oil and natural gas and related substances anticipated to be recoverable from known accumulations, as of a given date, based on

- Analysis of drilling, geological, geophysical, and engineering data;
- The use of established technology;
- Specified economic conditions, which are generally accepted as being reasonable, and shall be disclosed.

Reserves are classified according to the degree of certainty associated with the estimates.

a. Proved Reserves are those reserves that can be estimated with a high degree of certainty to be recoverable. It is likely that the actual remaining quantities recovered will exceed the estimated proved reserves.

b. Probable Reserves are those additional reserves that are less certain to be recovered than proved reserves. It is equally likely that the actual remaining quantities recovered will be greater or less than the sum of the estimated proved + probable reserves.

c. Possible Reserves are those additional reserves that are less certain to be recovered than probable reserves. It is unlikely that the actual remaining quantities recovered will exceed the sum of the estimated proved + probable + possible reserves.

Other criteria that must also be met for the categorization of reserves are provided in Section 5.5.4 of the COGEH, Vol. 1 – Second Edition (COGEH-1).

DEVELOPMENT AND PRODUCTION STATUS

Each of the reserves categories (proved, probable and possible) may be divided into developed and undeveloped categories.

a. Developed Reserves are those reserves that are expected to be recovered from existing wells and installed facilities or, if facilities have not been installed, that would involve a low expenditure (e.g., when compared to the cost of drilling a well) to put the reserves on production. The developed category may be subdivided into producing and non-producing.

Developed Producing Reserves are those reserves that are expected to be recovered from completion intervals open at the time of the estimate. These reserves may be currently producing or, if shut-in, they must have previously been on production, and the date of resumption of production must be known with reasonable certainty.

Developed Non-Producing Reserves are those reserves that either have not been on production, or have previously been on production, but are shut-in and the date of resumption of production is unknown.

b. Undeveloped Reserves are those reserves expected to be recovered from known accumulations where a significant expenditure (e.g., when compared to the cost of drilling a well) is required to render them capable of production. They must fully meet the requirements of the reserves classification (proved, probable, possible) to which they are assigned.

In multi-well pools, it may be appropriate to allocate total pool reserves between the developed and undeveloped categories or to sub-divide the developed reserves for the pool between developed producing and developed non-producing. This allocation should be based on the estimator's assessment as to the reserves that will be recovered from specific wells, facilities and completion intervals in the pool and their respective development and production status.

LEVELS OF CERTAINTY FOR REPORTED RESERVES

The qualitative certainty levels contained in the definitions in Section 5.4.1 are applicable to "individual reserves entities," which refers to the lowest level at which reserves calculations are performed, and to "reported reserves," which refers to the highest level sum of individual entity estimates for which reserves estimates are presented. Reported reserves should target the following levels of certainty under a specific set of economic conditions:

- At least a 90 percent probability that the quantities actually recovered will equal or exceed the estimated proved reserves,
- At least a 50 percent probability that the quantities actually recovered will equal or exceed the sum of the estimated proved + probable reserves,
- At least a 10 percent probability that the quantities actually recovered will equal or exceed the sum of the estimated proved + probable + possible reserves.

A quantitative measure of the certainty levels pertaining to estimates prepared for the various reserves categories is desirable to provide a clearer understanding of the associated risks and uncertainties. However, the majority of reserves estimates are prepared using deterministic methods that do not provide a mathematically derived quantitative measure of probability. In principle, there should be no difference between estimates prepared using probabilistic or deterministic methods.

Additional clarification of certainty levels associated with reserves estimates and the effect of aggregation is provided in Section 5.5.3 of the COGEH, Vol. 1 – Second Edition (COGEH-1).

7. SITE VISIT

A personal field examination of these properties was not considered to be necessary because the data available from the Company's records and public sources was satisfactory for our purposes. Secondarily, we have a long history evaluating these properties.

EXECUTIVE SUMMARY

INDEX

Constant Prices and Costs

Introduction

Table 1: Summary of Oil & Gas Reserves

Table 2: Summary of Net Present Values

Table 3: Total Future Net Revenue (Undiscounted)

Table 4: Future Net Revenue – By Production Group

Table 4A: Reserves and Net Present Values – By Production Group

Table 5: Product Prices

ADEK BLOCK (LICENSE AREA)
REPUBLIC OF KAZAKHSTAN
EXECUTIVE SUMMARY

INTRODUCTION

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

Initially, the exploration contract granted the right to engage in exploration and development activities in an area of approximately 200 square kilometers referred to herein as the "ADE Block."

The ADE Block was comprised of three fields, the Aksaz, Dolinnoe and Emir fields. During the 2006 fiscal year the exploration contract was expanded to include an additional 260 square kilometers of land adjacent to the ADE Block, which we refer to herein as the "Southeast Block", which includes the Kariman, Borly and Yessen fields. In 2011, an additional 390 square kilometers of land adjacent to the ADE Block have been added to the License (Northwest Block).

Today the ADE Block and Southeast Block are combined and known as ADEK block, which is comprised of four fields operating under a Production Licence (Aksaz, Dolinnoe, Emir and Kariman) and three fields holding an Exploration Licence (Borly, North Kariman and Yessen).

The following table summarizes the Target Company's gross and net developed and undeveloped land by block as of December 31, 2015:

	As at December 31, 2015					
	Developed		Undeveloped		Total	
	Gross	Net	Gross	Net	Gross	Net
			(in Acres)			
ADEK Block	3,110	3,110	110,558	110,558	113,668	113,668
Northwest Block	80	80	96,292	96,292	96,372	96,372
Totals:	**3,190**	**3,190**	**206,850**	**206,850**	**210,040**	**210,040**

To date, there are 47 existing wells, 20 of which are currently producing at total rate of 4,459 STB/day.

The ADEK Block is located at the edge of the Mangistau Ustyrt Central High which contains several producing oilfields in the area. The main producing horizon is the Middle Triassic carbonate.

The Jurassic is a secondary opportunity for hydrocarbon potential as indicated by log analysis. Resource potential has been identified, but reserves have not been assigned or evaluated in this report.

A summary of the reserves evaluation results follows on the attached tables.

Table 1

MIE HODLINGS CORPORATION

Summary of Oil and Gas Reserves

January 1, 2016
(as of December 31, 2015)

Forecast Prices and Costs

	Company Reserves							
	Light and Medium Oil		Heavy Oil		Natural Gas [1]		Natural Gas Liquids	
Reserves Category	Gross MSTB	Net MSTB	Gross MSTB	Net MSTB	Gross MMscf	Net MMscf	Gross Mbbl	Net Mbbl
PROVED								
Developed Producing	7,636	7,636	0	0	9,587	9,587	0	0
Developed Non-Producing	17,971	17,971	0	0	17,474	17,474	0	0
Undeveloped	6,919	6,919	0	0	8,946	8,946	0	0
TOTAL PROVED	**32,525**	**32,525**	**0**	**0**	**36,006**	**36,006**	**0**	**0**
PROBABLE	63,625	63,625	0	0	56,374	56,374	0	0
TOTAL PROVED PLUS PROBABLE	**96,150**	**96,150**	**0**	**0**	**92,381**	**92,381**	**0**	**0**
POSSIBLE	28,802	28,802	0	0	28,058	28,058	0	0
TOTAL PROVED PLUS PROBABLE PLUS POSSIBLE	**124,952**	**124,952**	**0**	**0**	**120,439**	**120,439**	**0**	**0**

Reference: Item 2.1 (1) Form 51-101F1

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

Notes: [1] Includes associated, non-associated and solution gas where applicable.

Table 2

MIE HODLINGS CORPORATION

Summary of Net Present Values
January 1, 2016
(as of December 31, 2015)
Forecast Prices and Costs

Before Income Tax

	Net Present Values of Future Net Revenue Discounted at				
Reserves Category	0 %/yr. M$	5 %/yr. M$	10 %/yr. M$	15 %/yr. M$	20 %/yr. M$
PROVED					
Developed Producing	173,299	133,371	107,189	89,041	75,878
Developed Non-Producing	628,317	423,197	300,622	222,744	170,691
Undeveloped	149,421	90,314	55,643	34,364	20,811
TOTAL PROVED	**951,037**	**646,882**	**463,455**	**346,149**	**267,381**
PROBABLE	2,481,684	1,184,623	637,959	373,762	232,021
TOTAL PROVED PLUS PROBABLE	**3,432,721**	**1,831,505**	**1,101,414**	**719,911**	**499,402**
POSSIBLE	1,237,063	522,249	247,458	128,661	72,076
TOTAL PROVED PLUS PROBABLE PLUS POSSIBLE	**4,669,784**	**2,353,753**	**1,348,872**	**848,572**	**571,478**

After Income Tax

	Net Present Values of Future Net Revenue Discounted at				
Reserves Category	0 %/yr. M$	5 %/yr. M$	10 %/yr. M$	15 %/yr. M$	20 %/yr. M$
PROVED					
Developed Producing	156,467	120,990	97,682	81,489	69,715
Developed Non-Producing	238,027	159,678	112,873	83,208	63,417
Undeveloped	82,318	46,000	25,231	12,821	5,143
TOTAL PROVED	**476,812**	**326,668**	**235,786**	**177,518**	**138,275**
PROBABLE	922,800	444,628	238,368	136,404	80,551
TOTAL PROVED PLUS PROBABLE	**1,399,612**	**771,296**	**474,154**	**313,922**	**218,827**
POSSIBLE	421,598	180,114	86,128	45,054	25,305
TOTAL PROVED PLUS PROBABLE PLUS POSSIBLE	**1,821,210**	**951,410**	**560,282**	**358,976**	**244,132**

Reference: Item 2.1 (2) Form 51-101F1

M$ means thousands of dollars

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

Table 3
MIE HODLINGS CORPORATION
Total Future Net Revenue (Undiscounted)
January 1, 2016
(as of December 31, 2015)
Forecast Prices and Costs

Reserve Category	Revenue M$	Royalties M$	Operating Costs M$	Development Costs M$	Well Abandonment Costs M$	Future Net Revenues BIT M$	Income Taxes [1] M$	Future Net Revenues AIT M$
Total Proved	1,441,906	0	397,589	89,798	3,481	951,037	(474,225)	476,812
Proved Plus Probable	4,774,536	0	1,058,743	277,294	5,777	3,432,721	(2,033,109)	1,399,612
Proved Plus Probable Plus Possible	6,359,843	0	1,348,938	334,435	6,686	4,669,784	(2,848,574)	1,821,210

Reference: Item 2.1 (3)(b) NI 51-101F1

M$ means thousands of dollars

Table 4

MIE HODLINGS CORPORATION

Future Net Revenue
By Product Type
January 1, 2016
(as of December 31, 2015)

Forecast Prices and Costs

Reserve Category	Product Type	Future Net Revenue Before Income Taxes Discounted at 10%/yr. M$
Total Proved	Light and Medium Oil (including solution gas and other by-products)	463,455
	Heavy Oil (including solution gas and other by-products)	0
	Natural Gas (including by-products but not solution gas)	0
Proved Plus Probable	Light and Medium Oil (including solution gas and other by-products)	1,101,414
	Heavy Oil (including solution gas and other by-products)	0
	Natural Gas (including by-products but not solution gas)	0
Proved Plus Probable Plus Possible	Light and Medium Oil (including solution gas and other by-products)	1,348,872
	Heavy Oil (including solution gas and other by-products)	0
	Natural Gas (including by-products but not solution gas)	0

Reference: Item 2.1 (3)(c) NI 51-101F1

M$ means thousands of dollars

Table 4A

MIE HODLINGS CORPORATION

Oil and Gas Reserves and Net Present Values by Product Type
January 1, 2016
(as of December 31, 2015)

Forecast Prices and Costs

Product Type by Reserve Category	Reserves Oil Gross MSTB	Oil Net MSTB	Gas Gross MMscf	Gas Net MMscf	NGL Gross Mbbl	NGL Net Mbbl	Net Present Value (BIT) 10% M$	Unit Values @ 10%/yr. $/STB
Light and Medium Oil [1]								
Proved								
Developed Producing	7,636	7,636	9,587	9,587	0	0	107,189	14.04
Developed Non-Producing	17,971	17,971	17,474	17,474	0	0	300,622	16.73
Undeveloped	6,919	6,919	8,946	8,946	0	0	55,643	8.04
Total Proved	**32,525**	**32,525**	**36,006**	**36,006**	**0**	**0**	**463,455**	**14.25**
Probable	63,625	63,625	56,374	56,374	0	0	637,959	10.03
Proved Plus Probable	**96,150**	**96,150**	**92,381**	**92,381**	**0**	**0**	**1,101,414**	**11.46**
Possible	28,802	28,802	28,058	28,058	0	0	247,458	8.59
Proved Plus Probable Plus Possible	**124,952**	**124,952**	**120,439**	**120,439**	**0**	**0**	**1,348,872**	**10.80**

Reference: Item 2.1 (3)(c) NI 51-101F1

M$ means thousands of dollars

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

Notes: [1] Includes solution gas.

Table 5

CHAPMAN PETROLEUM ENGINEERING LTD.
CRUDE OIL & NATURAL GAS
HISTORICAL AND CONSTANT PRICES
January 1, 2016

Year	Brent [1] $US/STB	Kazakhstan Domestic Oil [2] $US/STB	Kaz-Gas Gas sales price [3] $US/Mscf
HISTORICAL PRICES			
2008	96.94	N/A	N/A
2009	61.74	N/A	0.82
2010	79.61	N/A	1.40
2011	111.26	N/A	1.16
2012	111.63	51.16	1.17
2013	108.56	41.24	1.35
2014	99.43	40.86	1.13
2015	53.32	11.80	0.85
FORECAST PRICES			
2016	46.25	9.39	0.85
2017	58.10	15.79	0.85
2018	67.50	20.86	0.85
2019	75.85	25.37	0.85
2020	78.50	26.80	0.85
2021	81.26	28.29	0.85
2022	84.03	29.78	0.85
2023	87.01	31.39	0.85
2024	88.49	32.19	0.85
2025	90.04	33.03	0.85
2026	91.60	33.87	0.85
2027	93.26	34.77	0.85
2028	94.89	35.65	0.85
2029	96.52	36.53	0.85
2030	98.27	37.47	0.85
2031	100.00	38.41	0.85
2032	101.76	39.36	0.85
2033	103.55	40.32	0.85
2034	105.38	41.31	0.85
2035	107.23	42.31	0.85
2036	109.13	43.33	0.85

Notes:
[1] Brent price forecast is based on historical data (Source: Sproule and McDaniel)
[2] Kazakhstan domestic oil price forecast is based on actually domestic sales price per relationship with Brent and trend related year 2014 and 2015.
[3] Kazakhstan domestic Gas price is based on actually sales prices net of VAT in 2015 provided by clients.

SUMMARY OF COMPANY RESERVES AND ECONOMICS

INDEX

Forecast Prices and Costs

Table 1: Summary of Company Reserves and Economics (Before Income Tax and Excess Profits Tax)
Table 1T: Summary of Company Reserves and Economics (After Income Tax and Excess Profits Tax)

Consolidated Cash Flows

Table 1a: Total Proved Developed Producing Consolidation
Table 1b: Total Proved Developed Consolidation
Table 1c: Total Proved Consolidation
Table 1d: Total Proved Plus Probable Developed Producing Consolidation
Table 1e: Total Proved Plus Probable Consolidation
Table 1f: Total Proved Plus Probable Plus Possible Consolidation

Table 1 **Forecast Prices & Costs**

Summary of Company Reserves and Economics

Before CIT & EPT

January 1, 2016

MIE Holdings Corporation

Net To Appraised Interest

	Reserves						Cumulative Cash Flow (Before CIT & EPT) - M$				
	Light and Medium Oil MSTB		Sales Gas MMscf		BOE Mbbls		Discounted at:				
Description	Gross	Net	Gross	Net	Gross	Net	Undisc.	5%/year	10%/year	15%/year	20%/year
Proved Developed Producing											
Aksaz	453	453	4,661	4,661	1,230	1,230	6,299	5,240	4,446	3,836	3,357
Dolinnoe	1,022	1,022	2,461	2,461	1,433	1,433	13,062	10,859	9,236	8,000	7,032
Emir	0	0	0	0	0	0	0	0	0	0	0
Kariman	4,466	4,466	1,827	1,827	4,770	4,770	108,103	82,785	66,162	54,651	46,323
Exploration Area (Borly, NK, Yessen)											
Borly	0	0	0	0	0	0	0	0	0	0	0
North Kariman	1,694	1,694	637	637	1,800	1,800	45,835	34,487	27,345	22,555	19,167
Yessen	0	0	0	0	0	0	0	0	0	0	0
Total Proved Developed Producing	**7,636**	**7,636**	**9,587**	**9,587**	**9,233**	**9,233**	**173,299**	**133,371**	**107,189**	**89,041**	**75,878**
Proved Developed Non-Producing											
Aksaz	909	909	5,963	5,963	1,903	1,903	30,938	21,849	15,978	12,019	9,253
Dolinnoe	2,969	2,969	6,180	6,180	3,999	3,999	115,332	72,973	48,806	34,141	24,772
Emir	785	785	143	143	808	808	23,022	16,654	12,392	9,446	7,352
Kariman	12,970	12,970	5,083	5,083	13,817	13,817	453,307	307,956	220,815	165,231	127,906
Exploration Area (Borly, NK, Yessen)											
Borly	0	0	0	0	0	0	0	0	0	0	0
North Kariman	0	0	0	0	0	0	0	0	0	0	0
Yessen	339	339	104	104	356	356	5,718	3,763	2,632	1,907	1,409
Total Proved Developed Non-Producing	**17,971**	**17,971**	**17,474**	**17,474**	**20,883**	**20,883**	**628,317**	**423,197**	**300,622**	**222,744**	**170,691**
Total Proved Developed	**25,606**	**25,606**	**27,061**	**27,061**	**30,116**	**30,116**	**801,616**	**556,567**	**407,812**	**311,785**	**246,570**
Proved Undeveloped											
Aksaz	571	571	3,583	3,583	1,168	1,168	10,526	6,304	3,660	1,967	865
Dolinnoe	2,212	2,212	3,832	3,832	2,851	2,851	58,601	33,099	19,435	11,686	7,066
Emir	678	678	131	131	700	700	10,970	6,086	3,290	1,667	719
Kariman	2,664	2,664	1,126	1,126	2,852	2,852	64,650	44,176	30,748	21,734	15,515
Exploration Area (Borly, NK, Yessen)											
Borly	0	0	0	0	0	0	0	0	0	0	0
North Kariman	671	671	241	241	711	711	3,791	550	(1 263)	(2,280)	(2,841)
Yessen	123	123	32	32	128	128	682	99	(227)	(410)	(511)
Total Proved Undeveloped	**6,919**	**6,919**	**8,946**	**8,946**	**8,410**	**8,410**	**149,421**	**90,314**	**55,643**	**34,364**	**20,811**
Total Proved	**32,525**	**32,525**	**36,006**	**36,006**	**38,526**	**38,526**	**951,037**	**646,882**	**463,455**	**346,149**	**267,381**
Probable											
Probable Developed Producing											
Aksaz	480	480	4,515	4,515	1,232	1,232	6,822	4,848	3,468	2,471	1,731
Dolinnoe	529	529	1,189	1,189	727	727	5,495	1,963	(143)	(1,453)	(2,298)
Emir	174	174	19	19	177	177	1,180	852	610	427	287
Kariman	2,861	2,861	1,163	1,163	3,055	3,055	66,431	31,459	13,496	3,307	(2,920)
Exploration Area (Borly, NK, Yessen)											
Borly	0	0	0	0	0	0	0	0	0	0	0
North Kariman	970	970	359	359	1,030	1,030	23,531	9,246	3,048	(52)	(1,793)
Yessen	0	0	0	0	0	0	0	0	0	0	0
Total Probable Developed Producing	**5,014**	**5,014**	**7,245**	**7,245**	**6,221**	**6,221**	**103,458**	**48,369**	**20,479**	**4,701**	**(4,992)**
Total Proved Plus probable Developed Producing	**12,649**	**12,649**	**16,832**	**16,832**	**15,455**	**15,455**	**276,757**	**181,740**	**127,668**	**93,742**	**70,887**

Probable Developed Non-Producing											
Aksaz	640	640	5,779	5,779	1,603	1,603	20,103	14,175	10,245	7,564	5,686
Dolinnoe	1,463	1,463	3,334	3,334	2,019	2,019	50,030	24,665	12,961	7,165	4,106
Emir	4,359	4,359	639	639	4,465	4,465	190,464	99,095	55,409	32,775	20,277
Kariman	22,464	22,464	8,565	8,565	23,892	23,892	1,036,202	414,612	194,078	103,029	60,390
Exploration Area (Borly, NK, Yessen)											
Borly	3,887	3,887	3,615	3,615	4,489	4,489	168,857	101,671	66,744	46,670	34,239
North Kariman	2,486	2,486	1,686	1,686	2,767	2,767	104,099	62,679	41,147	28,772	21,108
Yessen	5,154	5,154	1,600	1,600	5,421	5,421	203,906	122,774	80,598	56,357	41,346
Total Probable Developed Non-Producing	**40,454**	**40,454**	**25,218**	**25,218**	**44,657**	**44,657**	**1,773,661**	**839,672**	**461,183**	**282,331**	**187,151**
Probable Undeveloped											
Aksaz	1,228	1,228	9,179	9,179	2,758	2,758	19,843	11,507	6,526	3,505	1,656
Dolinnoe	4,715	4,715	8,169	8,169	6,076	6,076	150,928	64,597	29,539	14,066	6,772
Emir	379	379	76	76	392	392	11,634	5,154	2,330	1,053	461
Kariman	4,658	4,658	1,846	1,846	4,965	4,965	146,330	72,985	38,035	20,391	11,064
Exploration Area (Borly, NK, Yessen)											
Borly	3,887	3,887	3,615	3,615	4,490	4,490	155,733	80,365	45,093	26,941	16,887
North Kariman	1,650	1,650	592	592	1,749	1,749	60,655	31,300	17,563	10,493	6,577
Yessen	1,641	1,641	433	433	1,713	1,713	59,441	30,674	17,211	10,283	6,446
Total Probable Undeveloped	**18,157**	**18,157**	**23,911**	**23,911**	**22,143**	**22,143**	**604,565**	**296,582**	**156,297**	**86,731**	**49,861**
Total Probable	**63,625**	**63,625**	**56,374**	**56,374**	**73,021**	**73,021**	**2,481,684**	**1,184,623**	**637,959**	**373,762**	**232,021**
Total Proved Plus Probable	**96,150**	**96,150**	**92,381**	**92,381**	**111,547**	**111,547**	**3,432,721**	**1,831,505**	**1,101,414**	**719,911**	**499,402**
Possible											
Aksaz	488	488	4,074	4,074	1,167	1,167	17,574	11,443	7,666	5,265	3,696
Dolinnoe	5,987	5,987	10,883	10,883	7,801	7,801	290,544	109,762	46,045	21,240	10,703
Emir	5,986	5,986	787	787	6,117	6,117	300,283	109,526	44,502	19,672	9,306
Kariman	1,687	1,687	645	645	1,795	1,795	80,274	31,053	12,956	5,788	2,744
Exploration Area (Borly, NK, Yessen)											
Borly	11,661	11,661	10,845	10,845	13,469	13,469	444,962	211,341	110,586	62,231	37,021
North Kariman	357	357	128	128	378	378	12,503	5,939	3,107	1,749	1,040
Yessen	2,636	2,636	696	696	2,752	2,752	90,923	43,185	22,597	12,716	7,565
Total Possible	**28,802**	**28,802**	**28,058**	**28,058**	**33,479**	**33,479**	**1,237,063**	**522,249**	**247,458**	**128,661**	**72,076**
Total Proved Plus Probable Plus Possible	**124,952**	**124,952**	**120,439**	**120,439**	**145,025**	**145,025**	**4,669,784**	**2,353,753**	**1,348,872**	**848,572**	**571,478**

M$ means thousands of United State dollars

Gross reserves are the total of the Company's working and/or royalty interest share before deduction of royalties owned by others.

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 1T — Forecast Prices & Costs

Summary of Company Reserves and Economics

After CIT & EPT

January 1, 2016

MIE Holdings Corporation

	Net To Appraised Interest										
	Oil MSTB		Sales Gas MMscf		BOE Mbbls		Cumulative Cash Flow - M$ Discounted at:				
Description	Gross	Net	Gross	Net	Gross	Net	Undisc.	5%/year	10%/year	15%/year	20%/year
Proved Developed Producing											
Total Proved Developed Producing (Before CIT & EPT)	7,636	7,636	9,587	9,587	9,233	9,233	173,299	133,371	107,189	89,041	75,876
Corporate Income Tax	-	-	-	-	-	-	(15,603)	(11,506)	(8,868)	(7,074)	(5,798)
Excess profits Tax	-	-	-	-	-	-	(1,229)	(875)	(639)	(478)	(365)
Total Proved Developed Producing (After CIT & EPT)	**7,636**	**7,636**	**9,587**	**9,587**	**9,233**	**9,233**	**156,467**	**120,990**	**97,682**	**81,489**	**69,715**
Proved Developed Non-Producing											
Total Proved Developed Non-Producing (Before CIT & EPT)	17,971	17,971	17,474	17,474	20,883	20,883	628,317	423,197	300,622	222,744	170,691
Corporate Income Tax	-	-	-	-	-	-	(126,120)	(85,193)	(60,617)	(45,280)	(34,864)
Excess profits Tax	-	-	-	-	-	-	(264,170)	(178,326)	(126,933)	(94,256)	(72,411)
Total Proved Developed Non-Producing (After CIT & EPT)	**17,971**	**17,971**	**17,474**	**17,474**	**20,883**	**20,883**	**238,027**	**159,678**	**112,873**	**83,208**	**63,417**
Total Proved Developed (After CIT & EPT)	**25,606**	**25,606**	**27,061**	**27,061**	**30,117**	**30,117**	**394,494**	**280,668**	**210,555**	**164,697**	**133,132**
Proved Undeveloped											
Total Proved Undeveloped (Before CIT & EPT)	6,919	6,919	8,946	8,946	8,410	8,410	149,421	90,314	55,643	34,364	20,811
Corporate Income Tax	-	-	-	-	-	-	(32,451)	(21,805)	(15,267)	(11,056)	(8,238)
Excess profits Tax	-	-	-	-	-	-	(34,652)	(22,508)	(15,145)	(10,485)	(7,430)
Total Proved Undeveloped (After CIT & EPT)	**6,919**	**6,919**	**8,946**	**8,946**	**8,410**	**8,410**	**82,318**	**46,000**	**25,231**	**12,821**	**5,143**
Total Proved (After CIT & EPT)	**32,525**	**32,525**	**36,006**	**36,006**	**38,527**	**38,527**	**476,812**	**326,668**	**235,786**	**177,518**	**138,275**
Probable											
Total Probable (Before CIT & EPT)	63,625	63,625	56,374	56,374	73,021	73,021	2,481,684	1,184,623	637,959	373,762	232,021
Corporate Income Tax	-	-	-	-	-	-	(509,682)	(249,202)	(138,880)	(85,220)	(56,187)
Excess profits Tax	-	-	-	-	-	-	(1,049,201)	(490,794)	(260,711)	(152,138)	(95,283)
Total Probable (After CIT & EPT)	**63,625**	**63,625**	**56,374**	**56,374**	**73,021**	**73,021**	**922,800**	**444,628**	**238,368**	**136,404**	**80,551**
Total Proved Plus Probable (After CIT & EPT)	**96,150**	**96,150**	**92,381**	**92,381**	**111,548**	**111,548**	**1,399,612**	**771,296**	**474,154**	**313,922**	**218,827**
Possible											
Total Possible (Before CIT & EPT)	28,802	28,802	28,058	28,058	33,479	33,479	1,237,063	522,249	247,458	128,661	72,076
Corporate Income Tax	-	-	-	-	-	-	(254,826)	(108,693)	(52,295)	(27,727)	(15,898)
Excess profits Tax	-	-	-	-	-	-	(560,640)	(233,441)	(109,035)	(55,880)	(30,872)
Total Possible (After CIT & EPT)	**28,802**	**28,802**	**28,058**	**28,058**	**33,479**	**33,479**	**421,598**	**180,114**	**86,128**	**45,054**	**25,305**
Total Proved Plus Probable Plus Possible (After CIT & EPT)	**124,952**	**124,952**	**120,439**	**120,439**	**145,026**	**145,026**	**1,821,210**	**951,410**	**560,282**	**358,976**	**244,132**

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 1a
Page 1

Forecast Prices & Costs

MIE Holdings Corporation
ADEK Block, Kazakhstan
Company Cost and Cash Flow Analysis
Total Proved Developed Producing Consolidation

Year	Well Count	oil Production MSTB	Gas Production MMscf	Oil + Gas Production MBOE	Net Revenue Before Opex & Capex M$/yr.	Opex Cost Schedule: Oil Fixed M$/yr.	Oil Variable M$/yr.	Gas Cost M$/yr.	Total Opex M$/yr.	Total Capital M$/yr.	Abandon-ment Cost M$/yr.	Escalculated Opex, Capex and ABN M$/yr.	Undiscounted Net Cash Flow (Profit) M$/yr.	Discounted @ 5% M$/yr.	10% M$/yr.	15% M$/yr.	20% M$/yr.	Undiscounted Net Cash Flow After CIT & EPT M$/yr.
2016	19	1,249	1,845	1,556	22,522	5,624	4,233	923	10,780	0	0	10,780	11,742	11,459	11,196	10,950	10,719	11,742
2017	19	1,034	1,501	1,284	30,476	5,624	3,504	751	9,878	0	0	10,076	20,401	18,961	17,683	16,542	15,519	19,105
2018	19	862	1,227	1,067	30,395	5,624	2,924	613	9,161	0	0	9,531	20,864	18,468	16,441	14,711	13,226	19,129
2019	18	725	1,003	892	29,253	5,328	2,456	502	8,286	0	0	8,793	20,460	17,248	14,657	12,545	10,809	18,383
2020	17	611	805	745	25,851	5,032	2,070	402	7,504	0	0	8,123	17,728	14,234	11,545	9,452	7,805	15,775
2021	16	513	665	624	22,414	4,736	1,739	332	6,807	0	0	7,516	14,898	11,391	8,820	6,907	5,465	13,187
2022	16	458	553	530	18,991	4,736	1,486	276	6,498	0	0	7,318	11,673	8,500	6,282	4,706	3,569	10,469
2023	16	376	462	453	18,030	4,736	1,275	231	6,241	0	0	7,169	10,861	7,533	5,314	3,807	2,767	9,380
2024	14	314	354	373	15,393	4,144	1,065	177	5,386	0	0	6,311	9,082	5,999	4,040	2,769	1,928	7,851
2025	13	270	292	319	13,119	3,848	917	146	4,911	0	0	5,869	7,250	4,561	2,932	1,922	1,283	6,379
2026	12	232	246	273	11,516	3,552	787	123	4,462	0	0	5,439	6,077	3,641	2,234	1,401	896	5,291
2027	11	198	198	231	10,059	3,256	671	99	4,026	0	0	5,006	5,053	2,883	1,689	1,013	621	4,414
2028	9	164	101	180	8,453	2,664	555	50	3,269	0	0	4,146	4,307	2,341	1,309	751	441	3,804
2029	8	139	78	152	7,356	2,368	472	39	2,879	0	0	3,724	3,631	1,879	1,003	550	310	3,234
2030	8	122	69	134	6,620	2,368	415	34	2,817	0	0	3,717	2,903	1,431	729	383	206	2,594
2031	7	101	58	111	5,604	2,072	343	29	2,444	0	0	3,290	2,314	1,086	528	265	137	2,076
2032	6	83	49	92	4,572	1,776	283	25	2,083	0	0	2,860	1,712	765	355	171	85	1,551
2033	5	67	27	71	3,739	1,480	226	13	1,720	0	0	2,408	1,331	567	251	115	55	1,219
2034	5	59	24	63	3,390	1,480	201	12	1,692	0	0	2,417	973	394	167	73	33	903
2035	4	47	19	50	2,741	1,184	159	9	1,352	0	0	1,969	772	298	120	51	22	712
2036	3	31	12	33	752	888	106	6	1,000	0	0	1,486	(733)	(270)	(104)	(42)	(17)	(733)
Total		**7,636**	**9,587**	**9,233**	**291,247**	**72,520**	**25,885**	**4,793**	**103,198**	**0**	**0**	**117,948**	**173,299**	**133,371**	**107,189**	**89,041**	**75,878**	**156,467**
						296.00 M$/yr/well	$3.39 $/STB	0.50 $/Mcf										

Table 1a
Page 2

Forecast Price & Costs

MIE Holdings Corporation

ADEK Block, Kazakhstan

Corporate Income Tax (CIT) and Excess Profit Tax (EPT)
December 31, 2015
(As of January 1, 2016)

Total Proved Developed Producing Consolidation

	Net Cash Flow (after Opex & Capex)	Total Capital	Non-deduct Sales Cost	Non-deduct Transp.	Escalcalated Non-deduct Capital	Taxable Income Before Deductions	Capital Deductions	Taxable Income	Corporate Income Tax	Discounted @ 5%	Discounted @ 10%	Discounted @ 15%	Discounted @ 20%	Net Income	EPT Ratio	EPT Amount	Discounted @ 5%	Discounted @ 10%	Discounted @ 15%	Discounted @ 20%
Year	$M	$M	$M	$M	M$/yr.	$M	$M	$M	$M	$	$	$	$	$M		$M	$	$	$	$
2015																				
2016	11,742	0	78	1,434	1,511	13,254	13,254	0	0	0	0	0	0	0	0.00	0	0	0	0	0
2017	20,401	0	46	819	882	21,282	14,803	6,480	1,296	1,205	1,123	1,051	986	5,184	0.92	0	0	0	0	0
2018	20,864	0	38	683	751	21,615	12,940	8,675	1,735	1,536	1,367	1,223	1,100	6,940	1.45	0	0	0	0	0
2019	20,460	0	32	574	643	21,104	11,200	9,903	1,981	1,670	1,419	1,214	1,046	7,923	2.14	96	81	69	59	51
2020	17,728	0	27	484	553	18,281	9,388	8,893	1,779	1,428	1,158	948	783	7,115	2.30	174	140	114	93	77
2021	14,898	0	23	406	474	15,372	7,793	7,579	1,516	1,159	897	703	556	6,063	2.11	195	149	115	90	71
2022	11,673	0	20	347	413	12,086	6,295	5,790	1,158	843	623	467	354	4,632	1.67	45	33	24	18	14
2023	10,861	0	17	298	361	11,222	5,274	5,948	1,190	825	582	417	303	4,759	2.01	291	202	142	102	74
2024	9,082	0	14	249	308	9,390	4,333	5,058	1,012	668	450	308	215	4,046	2.02	220	145	98	67	47
2025	7,250	0	12	214	270	7,520	3,553	3,967	793	499	321	210	140	3,174	1.88	78	49	31	21	14
2026	6,077	0	10	184	237	6,314	2,780	3,534	707	423	260	163	104	2,827	1.99	80	48	29	18	12
2027	5,053	0	9	157	206	5,259	2,292	2,989	598	341	200	120	73	2,391	2.00	42	24	14	8	5
2028	4,307	0	7	130	174	4,481	2,010	2,471	494	269	150	86	51	1,977	1.96	9	5	3	2	1
2029	3,631	0	6	110	151	3,782	1,796	1,986	397	206	110	60	34	1,589	1.89	0	0	0	0	0
2030	2,903	0	5	97	135	3,038	1,497	1,540	308	152	77	41	22	1,232	1.76	0	0	0	0	0
2031	2,314	0	5	80	114	2,428	1,238	1,190	238	112	54	27	14	952	1.63	0	0	0	0	0
2032	1,712	0	4	66	96	1,808	1,000	808	162	72	34	16	8	647	1.34	0	0	0	0	0
2033	1,331	0	3	53	78	1,409	850	559	112	48	21	10	5	447	1.14	0	0	0	0	0
2034	973	0	3	47	71	1,043	696	347	69	28	12	5	2	278	0.90	0	0	0	0	0
2035	772	0	2	37	57	829	531	297	59	23	9	4	2	238	0.91	0	0	0	0	0
2036	(733)	0	1	25	39	(694)	47	0	0	0	0	0	0	0	0.00	0	0	0	0	0
Total	**173,299**	**0**	**362**	**6,493**	**7,523**	**180,822**	**103,570**	**78,015**	**15,603**	**11,506**	**8,868**	**7,074**	**5,798**	**62,412**		**1,229**	**875**	**639**	**478**	**365**
			0.07	1.29																
			0.05	0.89																

2016-03-23 Corp-Table 4b-PD.xlsx

Table 4b
Page 1

Forecast Prices & Costs

MIE Holdings Corporation
ADEK Block, Kazakhstan
Company Cost and Cash Flow Analysis
Toatl Proved Developed Consolidation

Year	Well Count	oil Production MSTB	Gas Production MMscf	Oil + Gas Production MBOE	Net Revenue Before Opex & Capex M$/yr.	Opex Cost Schedule: Oil Fixed M$/yr.	Oil Variable M$/yr.	Gas Cost M$/yr.	Total Opex M$/yr.	Total Capital M$/yr.	Abandon-ment Cost M$/yr.	Escalculated Opex, Capex and ABN M$/yr.	Undiscounted Net Cash Flow (Profit) M$/yr.	Discounted @ 5% M$/yr.	10% M$/yr.	15% M$/yr.	20% M$/yr.	Undiscounted Net Cash Flow After CIT & EPT M$/yr.
2016	20	1,367	1,891	1,682	24,549	5,920	4,634	945	11,500	400	0	11,900	12,649	12,344	12,060	11,795	11,547	12,379
2017	20	1,157	1,547	1,415	32,459	5,920	3,922	774	10,615	5,200	0	16,132	16,327	15,175	14,152	13,239	12,420	15,052
2018	32	2,388	1,823	2,692	82,860	9,472	8,096	911	18,480	3,250	50	22,660	60,200	53,287	47,437	42,447	38,163	31,104
2019	37	2,627	3,146	3,151	105,675	10,952	8,906	1,573	21,431	400	50	23,220	82,455	69,511	59,067	50,556	43,560	43,817
2020	36	2,234	2,615	2,670	94,316	10,656	7,573	1,307	19,536	900	50	22,175	72,141	57,920	46,980	38,463	31,759	37,836
2021	35	2,046	2,309	2,431	89,146	10,360	6,937	1,154	18,451	1,300	0	21,807	67,339	51,490	39,866	31,220	24,704	33,980
2022	35	2,070	2,211	2,439	94,397	10,360	7,018	1,105	18,483	500	0	21,378	73,018	53,174	39,299	29,437	22,323	34,096
2023	35	1,844	2,037	2,184	88,298	10,360	6,253	1,019	17,631	400	150	20,885	67,414	46,755	32,984	23,633	17,175	30,684
2024	32	1,734	1,755	2,027	84,835	9,472	5,879	877	16,229	0	50	19,073	65,762	43,437	29,251	20,047	13,961	29,030
2025	31	1,474	1,478	1,720	71,434	9,176	4,996	739	14,911	0	50	17,880	53,554	33,689	21,655	14,196	9,475	23,758
2026	30	1,252	1,249	1,461	62,124	8,880	4,245	625	13,750	0	50	16,822	45,302	27,141	16,653	10,442	6,679	20,137
2027	29	1,063	1,036	1,236	54,006	8,584	3,603	518	12,705	0	100	15,922	38,084	21,730	12,727	7,633	4,679	16,987
2028	27	904	815	1,040	46,955	7,992	3,065	407	11,464	0	100	14,666	32,289	17,547	9,810	5,628	3,306	14,400
2029	25	768	685	882	40,788	7,400	2,602	342	10,345	0	50	13,446	27,341	14,150	7,551	4,144	2,333	12,174
2030	24	636	581	733	34,620	7,104	2,156	290	9,550	0	200	12,865	21,755	10,723	5,462	2,867	1,547	9,109
2031	20	524	490	606	29,153	5,920	1,776	245	7,941	0	50	10,755	18,399	8,637	4,200	2,108	1,090	8,112
2032	19	447	418	517	24,654	5,624	1,516	209	7,349	0	200	10,364	14,291	6,389	2,965	1,424	706	6,440
2033	15	360	335	416	20,299	4,440	1,220	167	5,827	0	0	8,160	12,139	5,169	2,290	1,052	499	5,456
2034	15	312	288	360	18,014	4,440	1,058	144	5,642	0	150	8,273	9,741	3,950	1,671	734	334	4,411
2035	12	253	240	293	14,925	3,552	857	120	4,529	0	150	6,816	8,109	3,132	1,264	531	232	3,601
2036	9	145	114	164	8,751	2,664	492	57	3,213	0	450	5,443	3,308	1,217	469	188	79	1,935
Total		**25,606**	**27,061**	**30,116**	**1,122,257**	**159,248**	**86,805**	**13,530**	**259,583**	**12,350**	**1,900**	**320,641**	**801,616**	**556,567**	**407,812**	**311,785**	**246,570**	**394,494**
						296.00 M$/yr/well	$3.39 $/STB	0.50 $/Mcf										

2016-03-23 Corp-Table 4b-PD.xlsx

Table 4b
Page 2

Forecast price &Costs

MIE Holdings Corporation

ADEK Block, Kazakhstan

Corporate Income Tax (CIT) and Excess Profit Tax (EPT)
January 1, 2016
(As of December 31, 2015)

Toati Proved Developed Consolidation

	Net Cash Flow (after Opex & Capex)	Total Capital	Non-deduct Sales	Non-deduct Transp.	Escalculated Non-deduct Capital	Taxable Income Before Deductions	Capital Deductions	Taxable Income	**Corporate Income Tax**	Discounted @ 5%	Discounted @ 10%	Discounted @ 15%	Discounted @ 20%	Net Income	EPT Ratio	**EPT Amount**	Discounted @ 5%	Discounted @ 10%	Discounted @ 15%	Discounted @ 20%
Year	$M	M$/yr.	$M	$M	M$/yr.	$M	$M	$M	$M	$	$	$	$	$M		$M	$	$	$	$
2015																				
2016	12,649	400	85	1,570	2,055	14,704	13,353	1,350	270	264	258	252	247	1,080	0.08	0	0	0	0	0
2017	16,327	5,200	51	916	6,291	22,618	16,242	6,376	1,275	1,185	1,105	1,034	970	5,101	0.31	0	0	0	0	0
2018	60,200	3,250	106	1,892	5,460	65,660	13,914	51,746	10,349	9,161	8,155	7,297	6,561	41,396	2.98	18,747	16,594	14,772	13,219	11,884
2019	82,455	400	117	2,081	2,757	85,212	13,741	71,471	14,294	12,050	10,240	8,764	7,551	57,176	4.16	24,344	20,523	17,439	14,926	12,861
2020	72,141	900	99	1,769	2,997	75,138	11,909	63,229	12,646	10,153	8,235	6,742	5,567	50,583	4.25	21,659	17,390	14,105	11,548	9,535
2021	67,339	1,300	91	1,621	3,325	70,664	10,407	60,258	12,052	9,215	7,135	5,587	4,421	48,206	4.63	21,308	16,293	12,615	9,879	7,817
2022	73,018	500	92	1,640	2,513	75,532	8,799	66,733	13,347	9,719	7,183	5,381	4,080	53,386	6.07	25,576	18,625	13,765	10,311	7,819
2023	67,414	400	82	1,461	2,232	69,646	7,533	62,113	12,423	8,616	6,078	4,355	3,165	49,690	6.60	24,307	16,856	11,893	8,521	6,193
2024	65,762	0	77	1,374	1,700	67,462	6,334	61,128	12,226	8,075	5,438	3,727	2,596	48,902	7.72	24,507	16,187	10,900	7,471	5,203
2025	53,554	0	66	1,167	1,474	55,027	5,384	49,643	9,929	6,246	4,015	2,632	1,757	39,715	7.38	19,867	12,498	8,034	5,266	3,515
2026	45,302	0	56	992	1,277	46,579	4,576	42,003	8,401	5,033	3,088	1,936	1,239	33,602	7.34	16,765	10,044	6,163	3,864	2,472
2027	38,084	0	47	842	1,106	39,190	3,890	35,300	7,060	4,028	2,359	1,415	867	28,240	7.26	14,038	8,010	4,691	2,814	1,725
2028	32,289	0	40	716	959	33,248	3,306	29,942	5,988	3,254	1,819	1,044	613	23,954	7.24	11,901	6,467	3,616	2,074	1,218
2029	27,341	0	34	608	831	28,172	2,810	25,362	5,072	2,625	1,401	769	433	20,269	7.22	10,095	5,225	2,788	1,530	861
2030	21,755	0	26	504	702	22,457	2,137	20,915	4,183	2,062	1,050	551	297	16,732	7.83	8,462	4,171	2,125	1,115	602
2031	18,399	0	23	415	590	18,988	1,817	17,172	3,434	1,612	784	394	203	13,738	7.56	6,852	3,216	1,564	785	406
2032	14,291	0	20	354	514	14,804	1,544	13,260	2,652	1,186	550	264	131	10,608	6.87	5,199	2,324	1,079	518	257
2033	12,139	0	16	285	422	12,561	1,312	11,248	2,250	958	424	195	93	8,999	6.86	4,434	1,888	836	384	182
2034	9,741	0	14	247	373	10,114	1,110	9,004	1,801	730	309	136	62	7,203	6.49	3,529	1,431	605	266	121
2035	8,109	0	11	200	308	8,417	881	7,622	1,524	589	236	100	44	6,097	6.92	2,983	1,152	465	195	85
2036	3,308	0	6	115	180	3,489	749	2,740	548	202	78	31	13	2,192	2.93	825	304	117	47	20
Total	**801,616**	**12,350**	1,164	20,769	**38,066**	**839,682**	**131,749**	**708,614**	**141,723**	**96,699**	**69,684**	**52,354**	**40,662**	**566,891**		**265,399**	**179,201**	**127,572**	**94,734**	**72,776**
			0.07	1.29																
			0.05	0.89																

Table 4c
Page 1

Forecast Prices & Costs

MIE Holdings Corporation
ADEK Block, Kazakhstan
Company Cost and Cash Flow Analysis
Total Proved Consolidation

Year	Well Count	oil Production	Gas Production	Oil + Gas Production	Net Revenue Before Opex & Capex	Opex Cost Schedule: Oil Fixed	Oil Variable	Gas Cost	Total Opex	Total Capital	Abandon-ment Cost	Escalculated Opex, Capex and ABN	Undiscounted Net Cash Flow (Profit)	Discounted @ 5%	10%	15%	20%	Undiscounted Net Cash Flow After CIT & FPT
		MSTB	MMscf	MBOE	M$/yr.	M$/yr.	M$/yr.	M$/yr.	M$/yr.	M$/yr.	M$/yr.	M$/yr.	M$/yr.	M$/yr.	M$/yr.	M$/yr.	M$/yr.	M$/yr.
2016	20	1,419	1,980	1,749	25,492	5,920	4,810	990	11,720	10,700	0	22,420	3,072	2,998	2,929	2,865	2,805	2,802
2017	21	1,265	1,709	1,549	37,185	6,216	4,287	854	11,358	11,700	0	23,519	13,666	12,702	11,846	11,082	10,396	12,415
2018	34	2,677	2,047	3,018	90,234	10,064	9,075	1,024	20,163	16,450	50	38,144	52,090	46,109	41,046	36,729	33,022	24,827
2019	42	3,086	3,612	3,688	121,227	12,432	10,460	1,806	24,698	11,300	50	38,255	82,972	69,947	59,437	50,873	43,833	44,003
2020	43	2,956	3,703	3,574	125,033	12,728	10,022	1,852	24,602	10,100	50	37,617	87,416	70,184	56,928	46,607	38,484	42,367
2021	45	2,790	3,221	3,326	121,594	13,320	9,457	1,610	24,387	16,800	0	45,474	76,120	58,205	45,065	35,291	27,926	36,515
2022	47	2,817	3,131	3,338	128,540	13,912	9,548	1,565	25,026	6,800	0	35,841	92,699	67,506	49,891	37,371	28,340	46,885
2023	48	2,560	2,970	3,055	122,692	14,208	8,680	1,485	24,373	800	200	29,145	93,547	64,880	45,770	32,794	23,833	46,804
2024	45	2,339	2,506	2,756	114,511	13,320	7,928	1,253	22,501	0	50	26,422	88,089	58,185	39,182	26,853	18,702	42,823
2025	44	1,977	2,111	2,329	95,938	13,024	6,703	1,055	20,782	0	50	24,896	71,042	44,691	28,727	18,832	12,569	34,864
2026	43	1,673	1,784	1,970	83,075	12,728	5,671	892	19,291	0	150	23,698	59,377	35,574	21,827	13,687	8,754	29,209
2027	40	1,403	1,484	1,650	71,360	11,840	4,755	742	17,337	0	100	21,680	49,679	28,346	16,602	9,957	6,104	24,563
2028	38	1,190	1,195	1,389	61,902	11,248	4,034	598	15,879	0	100	20,265	41,637	22,626	12,649	7,257	4,263	20,610
2029	36	1,009	1,008	1,177	53,689	10,656	3,420	504	14,580	0	100	18,990	34,699	17,958	9,583	5,259	2,960	17,153
2030	34	811	850	952	44,217	10,064	2,748	425	13,237	0	300	17,862	26,355	12,990	6,617	3,473	1,874	11,959
2031	28	666	719	786	37,155	8,288	2,259	360	10,906	0	100	14,813	22,342	10,488	5,100	2,560	1,324	10,751
2032	26	563	613	665	31,121	7,696	1,909	306	9,912	0	300	14,019	17,103	7,646	3,549	1,704	844	8,354
2033	20	447	460	524	25,278	5,920	1,517	230	7,667	0	0	10,736	14,542	6,192	2,743	1,260	598	7,093
2034	20	388	398	455	22,439	5,920	1,316	199	7,435	0	200	10,905	11,534	4,677	1,978	869	395	5,641
2035	16	313	335	369	18,508	4,736	1,060	168	5,964	0	200	8,980	9,528	3,680	1,485	624	272	4,655
2036	12	177	169	206	10,717	3,552	601	85	4,238	0	600	7,189	3,528	1,298	500	201	84	2,516
Total		**32,525**	**36,006**	**38,526**	**1,441,906**	**207,792**	**110,259**	**18,003**	**336,054**	**84,650**	**2,600**	**490,869**	**951,037**	**646,882**	**463,455**	**346,149**	**267,381**	**476,812**
						296.00	$3.39	0.50										
						M$/yr/well	$/STB	$/Mcf										

2016-03-23 Corp-Table 4c-TP.xlsx

Table 4c
Page 2

Forecast price &Costs

MIE Holdings Corporation

ADEK Block, Kazakhstan

Corporate Income Tax (CIT) and Excess Profit Tax (EPT)
January 1, 2016
(As of December 31, 2015)

Total Proved Consolidation

	Net Cash Flow (after Opex & Capex)	Total Capital	Non-deduct Sales	Non-deduct Transp.	Escalculated Non-deduct Capital	Taxable Income Before	Capital Deductions	Taxable Income	**Corporate Income Tax**	Discounted @ 5%	Discounted @ 10%	Discounted @ 15%	Discounted @ 20%	Net Income	EPT Ratio	**EPT Amount**	Discounted @ 5%	Discounted @ 10%	Discounted @ 15%	Discounted @ 20%
Year	$M	$M	$M	$M	M$/yr.	$M	$M	$M	$M	$	$	$	$	$M		$M	$	$	$	$
2015																				
2016	3,072	10,700	88	1,629	12,417	15,490	14,139	1,350	270	264	258	252	247	1,080	0.08	0	0	0	0	0
2017	13,666	11,700	56	1,002	13,013	26,679	20,423	6,256	1,251	1,163	1,085	1,015	952	5,005	0.25	0	0	0	0	0
2018	52,090	16,450	119	2,120	19,445	71,535	18,102	53,433	10,687	9,459	8,421	7,535	6,775	42,746	2.36	16,577	14,673	13,062	11,688	10,509
2019	82,972	11,300	137	2,444	14,731	97,703	20,438	77,265	15,453	13,027	11,070	9,475	8,164	61,812	3.02	23,516	19,824	16,845	14,418	12,423
2020	87,416	10,100	132	2,342	13,610	101,026	18,853	82,173	16,435	13,195	10,703	8,762	7,235	65,738	3.49	28,615	22,974	18,635	15,256	12,597
2021	76,120	16,800	124	2,210	21,125	97,245	19,950	77,295	15,459	11,821	9,152	7,167	5,671	61,836	3.10	24,146	18,463	14,295	11,194	8,858
2022	92,699	6,800	125	2,231	10,312	103,010	16,472	86,538	17,308	12,604	9,315	6,978	5,291	69,230	4.20	28,506	20,759	15,342	11,492	8,715
2023	93,547	800	114	2,028	3,379	96,926	13,129	83,798	16,760	11,624	8,200	5,875	4,270	67,038	5.11	29,983	20,795	14,670	10,511	7,639
2024	88,089	0	104	1,852	2,292	90,381	11,021	79,360	15,872	10,484	7,060	4,838	3,370	63,488	5.76	29,394	19,415	13,074	8,960	6,240
2025	71,042	0	88	1,566	1,977	73,019	9,368	63,651	12,730	8,008	5,148	3,374	2,252	50,920	5.44	23,448	14,750	9,481	6,215	4,148
2026	59,377	0	74	1,325	1,706	61,083	7,963	53,120	10,624	6,365	3,905	2,449	1,566	42,496	5.34	19,544	11,709	7,184	4,505	2,881
2027	49,679	0	62	1,111	1,459	51,138	6,769	44,370	8,874	5,063	2,966	1,779	1,090	35,496	5.24	16,242	9,267	5,428	3,255	1,996
2028	41,637	0	53	942	1,262	42,899	5,753	37,146	7,429	4,037	2,257	1,295	761	29,717	5.17	13,598	7,389	4,131	2,370	1,392
2029	34,699	0	45	799	1,092	35,790	4,890	30,900	6,180	3,198	1,707	937	527	24,720	5.05	11,366	5,882	3,139	1,723	970
2030	26,355	0	36	642	895	27,250	3,604	24,773	4,955	2,442	1,244	653	352	19,818	5.50	9,441	4,654	2,370	1,244	671
2031	22,342	0	30	528	750	23,093	3,063	20,029	4,006	1,880	914	459	237	16,023	5.23	7,585	3,561	1,731	869	449
2032	17,103	0	25	446	647	17,750	2,578	15,172	3,034	1,357	630	302	150	12,137	4.71	5,715	2,555	1,186	569	282
2033	14,542	0	20	354	524	15,067	2,182	12,885	2,577	1,097	486	223	106	10,308	4.72	4,872	2,075	919	422	200
2034	11,534	0	17	308	464	11,998	1,780	10,218	2,044	829	350	154	70	8,174	4.59	3,849	1,561	660	290	132
2035	9,528	0	14	248	381	9,909	1,450	8,545	1,709	660	266	112	49	6,836	4.71	3,164	1,222	493	207	90
2036	3,528	0	8	140	220	3,748	1,157	2,591	518	191	73	30	12	2,073	1.79	494	182	70	28	12
Total	**951,037**	**84,650**	**1,473**	**26,268**	**121,702**	**1,072,739**	**203,084**	**870,868**	**174,174**	**118,504**	**84,952**	**63,412**	**48,901**	**696,695**		**300,052**	**201,709**	**142,717**	**105,219**	**80,205**
			0.07	1.29																
			0.05	0.89																

Table 4d
Page 1

Forecast Prices & Costs

MIE Holdings Corporation

ADEK Block, Kazakhstan

Company Cost and Cash Flow Analysis

Proved Plus Probable Developed Producing Consolidation

						Opex Cost Schedule					Abandon-ment	Escalculated Opex, Capex	Undiscounted	Discounted @				Undiscounted
	Well Count	oil Production	Gas Production	Oil + Gas Production	Net Revenue Before Opex & Capex	Oil Fixed	Oil Variable	Gas Cost	Total Opex	Total Capital	Cost	and ABN	Net Cash Flow (Profit)	5%	10%	15%	20%	Net Cash Flow After CIT & EPT
Year		MSTB	MMscf	MBOE	M$/yr.	M$/yr.	M$/yr.	M$/yr.	M$/yr.	M$/yr.	M$/yr.	M$/yr.	M$/yr.	M$/yr.	M$/yr.	M$/yr.	M$/yr.	M$/yr.
2016	20	1,559	2,372	1,954	28,175	5,920	5,284	1,186	12,390	50,000	0	62,390	(34,215)	(33,390)	(32,623)	(31,906)	(31,234)	(34,215)
2017	20	1,334	2,055	1,677	39,448	5,920	4,523	1,028	11,471	0	0	11,700	27,748	25,790	24,051	22,500	21,108	26,230
2018	20	1,152	1,776	1,448	40,707	5,920	3,904	888	10,712	0	0	11,145	29,562	26,167	23,294	20,844	18,740	27,219
2019	20	1,004	1,542	1,261	40,675	5,920	3,404	771	10,095	0	0	10,713	29,962	25,259	21,463	18,371	15,829	27,095
2020	20	883	1,343	1,107	37,529	5,920	2,993	672	9,584	0	0	10,374	27,155	21,802	17,684	14,478	11,955	24,324
2021	20	781	1,174	977	34,267	5,920	2,648	587	9,155	0	0	10,108	24,159	18,473	14,305	11,201	8,863	21,309
2022	20	694	1,029	866	31,899	5,920	2,354	515	8,789	0	0	9,897	22,002	16,022	11,841	8,870	6,726	18,856
2023	20	620	905	771	29,851	5,920	2,101	452	8,474	0	50	9,791	20,060	13,913	9,815	7,032	5,111	16,525
2024	19	548	795	681	27,015	5,624	1,859	397	7,880	0	0	9,233	17,782	11,745	7,909	5,421	3,775	14,289
2025	19	494	703	611	24,106	5,624	1,674	351	7,650	0	0	9,142	14,964	9,414	6,051	3,967	2,648	11,944
2026	17	432	568	527	21,553	5,032	1,465	284	6,781	0	0	8,266	13,287	7,960	4,884	3,063	1,959	10,347
2027	16	387	499	471	19,784	4,736	1,314	250	6,299	0	0	7,832	11,952	6,820	3,994	2,396	1,468	9,108
2028	13	332	328	387	17,263	3,848	1,125	164	5,137	0	0	6,515	10,747	5,840	3,265	1,873	1,100	8,049
2029	13	300	292	349	15,973	3,848	1,018	146	5,012	0	0	6,483	9,490	4,911	2,621	1,438	810	6,929
2030	13	272	260	315	14,805	3,848	922	130	4,899	0	0	6,465	8,340	4,111	2,094	1,099	593	5,905
2031	13	239	228	277	13,337	3,848	811	114	4,774	0	0	6,425	6,912	3,245	1,578	792	410	4,846
2032	11	200	134	223	11,013	3,256	679	67	4,002	0	0	5,494	5,519	2,467	1,145	550	272	4,040
2033	9	179	114	198	10,067	2,664	607	57	3,328	0	0	4,660	5,407	2,302	1,020	469	222	3,754
2034	9	163	105	181	9,405	2,664	554	53	3,271	0	0	4,671	4,733	1,919	812	357	162	3,208
2035	9	149	97	165	8,784	2,664	506	48	3,218	0	0	4,689	4,096	1,582	638	268	117	2,717
2036	9	136	89	151	8,206	2,664	462	45	3,171	0	0	4,712	3,495	1,285	495	199	83	2,276
2037	9	125	82	138	7,530	2,664	423	41	3,127	0	0	4,740	2,790	977	359	138	55	1,819
2038	8	108	61	118	6,609	2,368	366	31	2,764	0	0	4,274	2,335	779	274	101	39	1,558
2039	8	99	56	108	6,126	2,368	334	28	2,730	0	0	4,305	1,821	579	194	68	25	1,237
2040	6	76	46	83	4,740	1,776	256	23	2,055	0	0	3,305	1,435	434	139	47	16	982
2041	6	69	42	76	4,403	1,776	235	21	2,032	0	0	3,333	1,070	308	94	30	10	707
2042	6	64	39	70	4,053	1,776	215	19	2,011	0	0	3,365	688	189	55	17	5	410
2043	4	52	21	55	3,374	1,184	176	10	1,370	0	0	2,339	1,035	271	75	22	7	664
2044	4	48	19	51	3,138	1,184	161	9	1,355	0	0	2,358	779	194	52	15	4	528
2045	3	37	14	39	2,416	888	124	7	1,019	0	0	1,810	607	144	36	10	3	427
2046	2	26	10	28	1,720	592	89	5	686	0	0	1,243	477	108	26	7	2	348
2047	2	24	9	26	1,585	592	83	5	679	0	0	1,255	330	71	16	4	1	251
2048	2	23	9	24	1,484	592	76	4	673	0	0	1,268	217	44	10	2	1	181
2049	2	21	8	22	1,390	592	71	4	667	0	0	1,282	108	21	4	1	0	99
2050	2	19	8	21	1,302	592	66	4	661	0	50	1,395	(92)	(17)	(3)	(1)	(0)	(92)
2051	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total		**12,649**	**16,832**	**15,455**	**533,734**	**116,624**	**42,881**	**8,416**	**167,921**	**50,000**	**100**	**256,977**	**276,757**	**181,740**	**127,668**	**93,742**	**70,887**	**223,886**
						296.00	$3.39	0.50										
						M$/yr/well	$/STB	$/Mcf										

Note: Production Contract of Karimnan expires on September 09, 2036

Table 4d
Page 2

Forecast price &Costs

MIE Holdings Corporation

ADEK Block, Kazakhstan

Corporate Income Tax (CIT) and Excess Profit Tax (EPT)
December 31, 2015
(As of January 1, 2016)

Proved Plus Probable Developed Producing Consolidation

										Discounted @							Discounted @			
	Net Cash Flow (after Opex & Capex)	Total Capital	Non-deduct Sales	Non-deduct Transp.	Escalculated Non-deduct Capital	Taxable Income Before	Capital Deductions	Taxable Income	**Corporate Income Tax**	5%	10%	15%	20%	Net Income	EPT Ratio	**EPT Amount**	5%	10%	15%	20%
Year	$M	$M	$M	$M	M$/yr.	$M	$M	$M	$M	$	$	$	$	$M		$M	$	$	$	$
2015																				
2016	(32,877)	50,000	97	1,790	51,887	19,010	19,010	0	0	0	0	0	0	0	0.00	0	0	0	0	0
2017	27,495	0	59	1,057	1,139	28,633	21,043	7,590	1,518	1,411	1,316	1,231	1,155	6,072	0.29	0	0	0	0	0
2018	29,260	0	51	912	1,002	30,262	18,548	11,714	2,343	2,074	1,846	1,652	1,485	9,371	0.51	0	0	0	0	0
2019	29,640	0	45	795	892	30,532	16,198	14,334	2,867	2,417	2,054	1,758	1,514	11,467	0.71	0	0	0	0	0
2020	26,876	0	39	699	799	27,676	13,769	13,906	2,781	2,233	1,811	1,483	1,224	11,125	0.81	50	40	33	27	22
2021	23,932	0	35	619	721	24,653	11,705	12,949	2,590	1,980	1,533	1,201	950	10,359	0.89	260	199	154	121	95
2022	21,814	0	31	550	654	22,469	9,950	12,519	2,504	1,823	1,348	1,009	765	10,015	1.01	632	460	340	255	193
2023	19,910	0	28	491	596	20,506	8,458	12,048	2,410	1,671	1,179	845	614	9,638	1.14	1,125	781	551	395	287
2024	17,680	0	24	434	537	18,218	7,190	11,028	2,206	1,457	981	672	468	8,822	1.23	1,287	850	573	392	273
2025	14,922	0	22	391	494	15,416	6,060	9,337	1,867	1,175	755	495	330	7,469	1.23	1,153	725	466	306	204
2026	13,285	0	19	342	441	13,726	5,083	8,643	1,729	1,036	635	398	255	6,914	1.36	1,211	726	445	279	179
2027	11,988	0	17	307	403	12,391	4,355	8,036	1,607	917	537	322	197	6,429	1.48	1,237	706	413	248	152
2028	10,747	0	15	263	352	11,099	3,703	7,396	1,479	804	449	258	151	5,917	1.60	1,218	662	370	212	125
2029	9,490	0	13	238	325	9,815	3,027	6,788	1,358	703	375	206	116	5,430	1.79	1,203	623	332	182	103
2030	8,340	0	12	215	300	8,641	2,437	6,204	1,241	612	312	164	88	4,953	2.04	1,194	589	300	157	85
2031	6,912	0	11	190	269	7,181	1,951	5,266	1,053	494	240	121	62	4,212	2.16	1,013	475	231	116	60
2032	5,519	0	9	159	230	5,749	1,681	4,068	814	364	169	81	40	3,254	1.94	665	297	138	66	33
2033	5,407	0	8	142	210	5,616	1,577	4,039	808	344	152	70	33	3,232	2.05	844	360	159	73	35
2034	4,733	0	7	129	195	4,929	1,317	3,612	722	293	124	54	25	2,889	2.19	803	326	138	61	28
2035	4,096	0	7	118	182	4,277	1,087	3,190	638	246	99	42	18	2,552	2.35	741	286	115	49	21
2036	3,495	0	6	108	170	3,664	883	2,781	556	205	79	32	13	2,225	2.52	663	244	94	38	16
2037	2,790	0	6	99	158	2,948	679	2,269	454	159	58	22	9	1,815	2.67	518	181	67	26	10
2038	2,335	0	5	85	140	2,475	617	1,858	372	124	44	16	6	1,486	2.41	406	136	48	18	7
2039	1,821	0	4	78	130	1,951	486	1,465	293	93	31	11	4	1,172	2.41	291	92	31	11	4
2040	1,435	0	3	60	102	1,537	401	1,167	233	71	23	8	3	933	2.33	219	66	21	7	3
2041	1,070	0	3	55	95	1,165	341	898	180	52	16	5	2	718	2.11	183	53	16	5	2
2042	688	0	3	50	89	777	290	601	120	33	10	3	1	481	1.66	158	43	13	4	1
2043	1,035	0	2	41	74	1,109	246	863	173	45	13	4	1	691	2.80	199	52	14	4	1
2044	779	0	2	38	69	848	209	639	128	32	8	2	1	511	2.44	123	31	8	2	1
2045	607	0	2	29	54	661	178	483	97	23	6	2	0	387	2.17	83	20	5	1	0
2046	477	0	1	21	40	517	151	366	73	17	4	1	0	292	1.93	56	13	3	1	0
2047	330	0	1	19	38	368	129	239	48	10	2	1	0	192	1.49	31	7	2	0	0
2048	217	0	1	18	36	252	109	143	29	6	1	0	0	114	1.05	7	1	0	0	0
2049	106	0	1	17	34	142	93	49	10	2	0	0	0	39	0.42	0	0	0	0	0
2050	(92)	0	1	15	32	(61)	36	0	0	0	0	0	0	0	0.00	0	0	0	0	0
2051	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0	0	0	0	0
Total	**276,267**	**50,000**	**591**	**10,574**	**62,887**	**339,154**	**163,018**	**176,487**	**35,297**	**22,923**	**16,211**	**12,168**	**9,534**	**141,190**		**17,574**	**9,043**	**5,080**	**3,056**	**1,939**
			0.07	1.29																
			0.05	0.89																

Note: Production Contract of Kariman expires on September 09, 2036
Non-Taxable deduction of Sale Cost (US$0.07/Bbl in 2016 and US$0.05/Bbl in 2017 and after) and of transportation discount (US$1.29/Bbl in 2016 and US$0.89/BBL in 2017 and after) are for export oil.

Table 4e
Page 1

Forecast price &Costs

MIE Holdings Corporation
ADEK Block, Kazakhstan
Company Cost and Cash Flow Analysis
Total Proved Plus Probable Consolidation

Year	Well Count	oil Production MSTB	Gas Production MMscf	Oil + Gas Production MBOE	Net Revenue Before Opex & Capex M$/yr.	Opex Cost Schedule: Oil Fixed M$/yr.	Oil Variable M$/yr.	Gas Cost M$/yr.	Total Opex M$/yr.	Total Capital M$/yr.	Abandon-ment Cost M$/yr.	Escalculated Opex, Capex and ABN M$/yr.	Undiscounted Net Cash Flow (Profit) M$/yr.	Discounted @ 5% M$/yr.	10% M$/yr.	15% M$/yr.	20% M$/yr.	Undiscounted Net Cash Flow After CIT & EPT M$/yr.
2016	23	1,876	2,592	2,308	33,694	6,808	6,361	1,296	14,465	61,400	0	75,865	(42,171)	(41,154)	(40,208)	(39,324)	(38,496)	(42,171)
2017	24	1,810	2,336	2,200	53,145	7,104	6,137	1,168	14,409	12,100	0	27,039	26,106	24,263	22,628	21,168	19,859	23,552
2018	37	3,373	2,728	3,828	114,084	10,952	11,434	1,364	23,750	22,550	0	48,170	65,914	58,345	51,939	46,476	41,785	35,809
2019	49	4,464	5,111	5,316	176,144	14,504	15,134	2,556	32,194	13,600	0	48,597	127,547	107,524	91,368	78,204	67,381	69,355
2020	52	4,326	6,419	5,396	180,691	15,392	14,667	3,210	33,268	45,900	0	85,694	94,997	76,271	61,865	50,649	41,821	43,445
2021	61	4,812	8,037	6,151	208,792	18,056	16,313	4,018	38,387	25,500	0	70,536	138,256	105,717	81,851	64,098	50,721	68,644
2022	65	5,014	7,208	6,215	226,801	19,240	16,997	3,604	39,841	20,900	0	68,404	158,397	115,350	85,250	63,857	48,425	76,716
2023	69	5,654	6,715	6,773	267,068	20,424	19,167	3,358	42,948	21,200	100	73,801	193,267	134,641	94,561	67,752	49,238	85,921
2024	70	6,051	6,383	7,115	291,965	20,720	20,512	3,191	44,423	14,800	50	69,448	222,517	146,979	98,975	67,832	47,241	95,470
2025	71	5,685	5,894	6,667	271,963	21,016	19,273	2,947	43,236	3,100	100	55,495	216,469	136,175	87,531	57,381	38,298	94,645
2026	69	5,392	5,037	6,232	263,543	20,424	18,279	2,519	41,222	900	50	51,407	212,136	127,094	77,981	48,897	31,276	90,041
2027	68	4,714	4,214	5,417	239,274	20,128	15,982	2,107	38,217	3,200	200	51,745	187,529	107,002	62,669	37,587	23,040	78,084
2028	64	4,376	3,556	4,968	227,022	18,944	14,834	1,778	35,556	1,600	0	47,123	179,899	97,760	54,654	31,355	18,419	73,401
2029	64	4,095	3,441	4,669	217,484	18,944	13,883	1,720	34,547	400	50	45,272	172,212	89,127	47,562	26,100	14,693	68,502
2030	63	3,563	2,909	4,048	193,715	18,648	12,078	1,454	32,181	1,200	250	44,375	149,340	73,609	37,496	19,682	10,618	58,640
2031	58	3,286	2,464	3,697	182,345	17,168	11,139	1,232	29,539	1,200	200	41,640	140,705	66,051	32,116	16,125	8,337	54,071
2032	54	2,932	2,074	3,277	161,059	15,984	9,938	1,037	26,959	2,400	50	40,372	120,687	53,956	25,043	12,027	5,959	45,848
2033	53	2,881	1,995	3,214	161,949	15,688	9,767	997	26,452	400	250	37,950	124,000	52,797	23,391	10,745	5,102	46,248
2034	48	2,507	1,706	2,791	144,159	14,208	8,498	853	23,559	800	100	34,933	109,226	44,292	18,731	8,230	3,745	40,417
2035	46	2,300	1,615	2,569	135,379	13,616	7,797	808	22,221	0	150	32,590	102,789	39,697	16,025	6,735	2,937	37,671
2036	43	1,963	1,342	2,186	118,140	12,728	6,653	671	20,052	400	50	30,465	87,676	32,248	12,426	4,995	2,088	31,976
2037	42	1,939	1,249	2,147	116,635	12,432	6,572	624	19,628	800	150	31,189	85,446	29,931	11,009	4,253	1,695	30,309
2038	39	1,996	1,186	2,193	119,995	11,544	6,766	593	18,903	0	250	29,610	90,385	30,153	10,587	3,894	1,495	31,560
2039	34	1,677	958	1,844	100,850	10,064	5,686	499	16,249	800	200	27,201	73,649	23,400	7,842	2,759	1,015	25,441
2040	30	1,656	940	1,812	99,506	8,880	5,612	470	14,963	0	150	24,308	75,198	22,755	7,279	2,450	864	25,897
2041	27	1,391	780	1,521	83,576	7,992	4,714	390	13,096	0	200	21,814	61,762	17,799	5,435	1,750	593	21,312
2042	23	1,144	628	1,249	68,749	6,808	3,879	314	11,001	0	300	18,911	49,838	13,679	3,987	1,228	397	17,279
2043	17	945	500	1,029	56,780	5,032	3,204	250	8,486	0	0	14,485	42,295	11,056	3,076	906	281	14,673
2044	17	808	431	880	48,555	5,032	2,740	216	7,987	0	150	14,168	34,387	8,561	2,274	640	190	11,951
2045	14	670	362	730	40,261	4,144	2,272	181	6,597	0	50	11,803	28,457	6,747	1,710	461	133	9,915
2046	13	563	309	614	33,807	3,848	1,907	154	5,910	0	0	10,705	23,102	5,217	1,262	325	89	8,076
2047	13	482	267	527	28,979	3,848	1,635	134	5,617	0	0	10,377	18,602	4,099	924	228	60	6,512
2048	13	415	233	453	24,914	3,848	1,405	117	5,370	0	50	10,214	14,700	3,011	664	157	39	4,856
2049	12	341	198	374	20,512	3,552	1,157	99	4,808	0	50	9,338	11,174	2,180	459	103	25	3,644
2050	11	277	166	305	16,672	3,256	940	83	4,279	0	300	8,978	7,694	1,429	287	62	14	2,276
2051	5	173	97	189	10,376	1,480	585	49	2,114	0	150	4,527	5,848	1,035	198	41	9	1,695
2052	2	123	56	132	7,363	592	416	28	1,036	0	0	2,113	5,250	885	162	32	7	1,861
2053	2	106	49	114	6,365	592	360	24	976	0	0	2,031	4,334	696	122	23	5	1,536
2054	2	92	43	99	5,505	592	311	21	924	0	0	1,962	3,544	542	90	16	3	1,257
2055	2	79	37	86	4,765	592	269	19	880	0	50	2,013	2,753	401	64	11	2	909
2056	1	57	21	60	3,391	296	192	11	498	0	0	1,101	2,291	318	48	8	1	786
2057	1	48	18	52	2,905	296	164	9	469	0	0	1,057	1,848	244	35	6	1	635
2058	1	42	16	44	2,489	296	141	8	445	0	0	1,021	1,468	185	26	4	1	505
2059	1	36	13	38	2,133	296	121	7	423	0	0	992	1,141	137	18	3	0	394
2060	1	17	6	18	1,031	296	58	3	358	0	50	974	57	6	1	0	0	47
2061	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total		**96,150**	**92,381**	**111,547**	**4,774,536**	**436,304**	**325,948**	**46,191**	**808,443**	**255,150**	**3,700**	**1,341,815**	**3,432,721**	**1,831,585**	**1,101,414**	**719,911**	**499,402**	**1,399,612**
						296.00 M$/yr/well	$3.39 $/STB	0.50 $/Mcf										

Note: Production Contract of Kariman expires on September 09, 2036

Table 4e
Page 2

Forecast price &Costs

MIE Holdings Corporation

ADEK Block, Kazakhstan

Corporate Income Tax (CIT) and Excess Profit Tax (EPT)
January 1, 2016
(As of December 31, 2015)

Total Proved Plus Probable Consolidation

Year	Net Cash Flow (after Opex & Capex) $M	Total Capital $M	Non-deduct Sales $M	Non-deduct Transp. $M	Escalculated Non-deduct Capital M$/MT	Taxable Income Before $M	Capital Deductions $M	Taxable Income $M	Corporate Income Tax $M	Discounted @ 5% $	10% $	15% $	20% $	Net Income $M	EPT Ratio	EPT Amount $M	Discounted @ 5% $	10% $	15% $	20% $
2015																				
2016	(42,171)	61,400	117	2,154	63,671	21,500	21,500	0	0	0	0	0	0	0	0.00	0	0	0	0	0
2017	26,106	12,100	81	1,434	13,887	39,993	27,226	12,767	2,553	2,373	2,213	2,070	1,942	10,214	0.38	0	0	0	0	0
2018	65,914	22,550	150	2,672	26,397	92,311	26,560	65,751	13,150	11,640	10,362	9,272	8,336	52,600	1.98	16,955	15,008	13,360	11,955	10,749
2019	127,547	13,600	199	3,536	18,396	145,943	26,395	119,548	23,910	20,156	17,128	14,660	12,631	95,638	3.62	34,282	28,900	24,558	21,019	18,110
2020	94,997	45,900	193	3,427	53,602	148,599	35,176	113,423	22,685	18,213	14,773	12,095	9,987	90,738	2.58	28,867	23,177	18,799	15,391	12,708
2021	138,256	25,500	214	3,812	32,599	170,855	30,893	139,962	27,992	21,404	16,572	12,978	10,269	111,969	3.62	41,620	31,824	24,640	19,296	15,269
2022	158,397	20,900	223	3,971	28,261	186,658	29,097	157,561	31,512	22,948	16,960	12,704	9,634	126,049	4.33	50,169	36,535	27,001	20,226	15,338
2023	193,267	21,200	252	4,478	29,785	223,053	28,508	194,545	38,909	26,986	19,037	13,640	9,913	155,636	5.46	68,437	47,465	33,485	23,992	17,436
2024	222,517	14,800	269	4,793	23,272	245,789	25,781	220,008	44,002	29,064	19,572	13,413	9,342	176,006	6.83	83,046	54,854	36,938	25,315	17,631
2025	216,469	3,100	253	4,503	9,389	225,857	20,424	205,433	41,087	25,847	16,614	10,891	7,269	164,347	8.05	80,737	50,790	32,647	21,401	14,284
2026	212,136	900	240	4,271	6,596	218,732	17,134	201,598	40,320	24,156	14,822	9,294	5,944	161,278	9.41	81,775	48,993	30,061	18,849	12,056
2027	187,529	3,200	210	3,734	8,883	196,411	15,593	180,819	36,164	20,635	12,085	7,248	4,443	144,655	9.28	73,281	41,813	24,489	14,688	9,003
2028	179,899	1,600	195	3,466	6,672	186,571	13,266	173,305	34,661	18,835	10,530	6,041	3,549	138,644	10.45	71,837	39,037	21,824	12,521	7,355
2029	172,212	400	182	3,244	4,949	177,161	11,127	166,034	33,207	17,186	9,171	5,033	2,833	132,827	11.94	70,503	36,488	19,472	10,685	6,015
2030	149,340	1,200	159	2,822	5,516	154,857	9,855	145,002	29,000	14,294	7,281	3,822	2,062	116,001	11.77	61,700	30,412	15,491	8,131	4,387
2031	140,705	1,200	146	2,603	5,315	146,020	8,562	137,458	27,492	12,905	6,275	3,151	1,629	109,967	12.84	59,142	27,763	13,499	6,778	3,504
2032	120,687	2,400	130	2,322	6,661	127,348	7,809	119,539	23,908	10,688	4,961	2,382	1,180	95,631	12.25	50,931	22,770	10,568	5,075	2,515
2033	124,000	400	128	2,282	3,935	127,935	5,950	121,985	24,397	10,388	4,602	2,114	1,004	97,588	16.40	53,355	22,717	10,065	4,623	2,195
2034	109,226	800	112	1,986	4,138	113,363	5,366	107,998	21,600	8,759	3,704	1,628	741	86,398	16.10	47,209	19,143	8,096	3,557	1,619
2035	102,789	0	102	1,822	2,803	105,592	4,337	101,341	20,268	7,828	3,160	1,328	579	81,073	18.70	44,849	17,321	6,992	2,939	1,262
2036	87,676	400	87	1,555	3,034	90,710	3,848	86,862	17,372	6,390	2,462	990	414	69,490	18.06	38,327	14,097	5,432	2,184	913
2037	85,446	800	86	1,536	3,671	89,116	3,513	85,603	17,121	5,997	2,206	848	340	68,483	19.50	38,016	13,317	4,898	1,883	754
2038	90,365	0	89	1,581	2,581	92,966	2,824	90,142	18,028	6,014	2,112	777	298	72,114	25.53	40,797	13,610	4,779	1,758	675
2039	73,649	800	75	1,329	3,474	77,124	2,724	74,400	14,880	4,728	1,584	557	205	59,520	21.85	33,329	10,589	3,549	1,249	459
2040	75,198	0	74	1,311	2,228	77,426	2,154	75,272	15,054	4,555	1,457	490	173	60,218	27.96	34,246	10,363	3,315	1,116	393
2041	61,762	0	62	1,102	1,909	63,671	1,831	61,841	12,368	3,564	1,088	350	118	49,472	27.03	28,082	8,093	2,471	795	269
2042	49,838	0	51	906	1,602	51,440	1,556	49,884	9,977	2,738	798	246	80	39,907	25.65	22,583	6,198	1,807	556	180
2043	42,295	0	42	749	1,350	43,645	1,323	42,322	8,464	2,213	616	181	56	33,858	25.60	19,157	5,008	1,393	410	127
2044	34,387	0	36	640	1,177	35,564	1,124	34,440	6,888	1,715	455	128	38	27,552	24.51	15,548	3,871	1,028	290	86
2045	28,457	0	30	531	996	29,453	956	28,497	5,699	1,351	343	92	26	22,798	23.86	12,843	3,045	772	208	59
2046	23,102	0	25	446	853	23,955	812	23,143	4,629	1,045	253	65	18	18,514	22.79	10,398	2,348	568	146	40
2047	18,602	0	21	382	745	19,347	690	18,657	3,731	802	185	46	12	14,926	21.62	8,359	1,798	415	102	27
2048	14,700	0	18	328	654	15,353	547	15,000	3,000	614	135	32	8	12,000	21.93	6,844	1,402	309	73	18
2049	11,174	0	15	270	549	11,723	338	11,506	2,302	449	94	21	5	9,207	27.23	5,228	1,020	215	48	12
2050	7,694	0	12	220	455	8,149	287	8,338	1,668	310	62	13	3	6,670	23.21	3,751	697	140	30	7
2051	5,848	0	8	137	289	6,137	244	6,423	1,285	227	44	9	2	5,138	21.03	2,869	508	97	20	4
2052	5,250	0	5	97	209	5,459	208	5,252	1,050	177	32	6	1	4,201	20.23	2,339	394	72	14	3
2053	4,334	0	5	84	185	4,519	177	4,342	868	139	24	5	1	3,474	19.68	1,930	310	54	10	2
2054	3,544	0	4	73	163	3,707	150	3,557	711	109	18	3	1	2,845	18.96	1,576	241	40	7	1
2055	2,753	0	4	63	144	2,896	94	2,832	566	82	13	2	0	2,266	24.09	1,277	186	30	5	1
2056	2,291	0	3	45	105	2,395	80	2,315	463	64	10	2	0	1,852	23.16	1,041	144	22	4	1
2057	1,848	0	2	38	91	1,939	68	1,871	374	49	7	1	0	1,497	22.03	839	111	15	3	0
2058	1,468	0	2	33	80	1,548	58	1,490	298	37	5	1	0	1,192	20.63	665	84	12	2	0
2059	1,141	0	2	28	70	1,211	49	1,162	232	28	4	1	0	929	18.93	515	62	8	1	0
2060	57	0	1	14	34	91	42	49	10	1	0	0	0	39	0.94	0	0	0	0	0
2061	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0	0	0	0	0
Total	**3,432,721**	**255,150**	**3,641**	**64,887**	**381,372**	**3,814,093**	**396,252**	**3,419,280**	**683,856**	**367,706**	**223,832**	**148,632**	**105,087**	**2,735,424**			**1,349,253**	**692,503**	**403,428**	**257,357**	**175,488**
			0.07	1.29																
			0.05	0.89																

Note: Production Contract of Kariman expires on September 09, 2036
Non-Taxable deduction of Sale Cost (US$0.07/Bbl in 2016 and US$0.05/Bbl in 2017 and after) and of transportation discount (US$1.29/Bbl in 2016 and US$0.89/BBL in 2017 and after) are for export oil.

Table 4f
Page 1

Forecast Prices & Costs

MIE Holdings Corporation
ADEK Block, Kazakhstan
Company Cost and Cash Flow Analysis
Total Proved Plus Probable Plus Possible Consolidation

Year	Well Count	oil Production MSTB	Gas Production MMscf	Oil + Gas Production MBOE	Net Revenue Before Opex & Capex M$/yr.	Opex Cost Schedule: Oil Fixed M$/yr.	Oil Variable M$/yr.	Gas Cost M$/yr.	Total Opex M$/yr.	Total Capital M$/yr.	Abandonment Cost M$/yr.	Escalated Opex, Capex and ABN M$/yr.	Undiscounted Net Cash Flow (Profit) M$/yr.	Discounted @ 5% M$/yr.	10% M$/yr.	15% M$/yr.	20% M$/yr.	Undiscounted Net Cash Flow After CIT & EPT M$/yr.
2016	23	1,876	2,592	2,308	33,694	6,808	6,361	1,296	14,465	61,400	-	75,865	(42,171)	(41,154)	(40,208)	(39,324)	(38,496)	(42,171)
2017	24	1,810	2,336	2,200	53,145	7,104	6,137	1,168	14,409	12,100	-	27,039	26,106	24,263	22,628	21,168	19,859	23,552
2018	37	3,373	2,728	3,828	114,084	10,952	11,434	1,364	23,750	22,550	-	48,170	65,914	58,345	51,959	46,476	41,785	35,809
2019	47	4,476	5,168	5,337	176,638	13,912	15,173	2,584	31,669	14,500	-	48,995	127,643	107,605	91,437	78,263	67,431	69,190
2020	50	4,352	6,656	5,461	181,953	14,800	14,754	3,328	32,882	46,300	-	85,709	96,244	77,272	62,677	51,314	42,370	44,196
2021	59	4,855	8,334	6,244	210,870	17,464	16,458	4,167	38,089	38,400	-	84,450	126,420	96,666	74,844	58,611	46,379	62,326
2022	66	5,646	8,507	7,064	256,180	19,536	19,141	4,253	42,931	32,900	-	85,398	170,782	124,369	91,916	68,859	52,211	79,887
2023	73	6,746	8,302	8,130	315,742	21,608	22,868	4,151	48,628	21,200	100	80,325	235,417	163,275	115,184	82,529	59,976	103,025
2024	74	7,047	7,765	8,341	337,038	21,904	23,888	3,883	49,675	18,800	50	80,288	256,750	169,591	114,202	78,267	54,509	108,441
2025	77	6,685	7,130	7,873	316,664	22,792	22,661	3,565	49,018	7,500	100	67,664	249,000	156,639	100,686	66,004	44,053	107,146
2026	76	6,412	6,204	7,446	310,376	22,496	21,736	3,102	47,334	1,400	50	59,467	250,909	150,324	92,234	57,855	36,992	105,780
2027	75	5,705	5,199	6,571	285,788	22,200	19,339	2,600	44,138	4,900	200	61,222	224,566	128,135	75,046	45,011	27,591	92,559
2028	71	5,526	4,498	6,276	279,584	21,016	18,733	2,249	41,998	2,900	-	56,942	222,642	120,988	67,639	38,805	22,795	89,589
2029	71	5,477	4,347	6,202	290,680	21,016	18,568	2,174	41,757	2,300	-	56,993	233,687	120,943	64,541	35,417	19,938	90,154
2030	71	5,119	4,252	5,828	278,415	21,016	17,354	2,126	40,496	3,600	150	58,382	220,033	108,453	55,243	28,998	15,644	82,779
2031	68	5,051	4,271	5,763	280,779	20,128	17,125	2,136	39,388	2,200	200	56,241	224,537	105,403	51,251	25,732	13,384	82,447
2032	64	4,668	3,652	5,277	256,814	18,944	15,824	1,826	36,594	3,400	200	55,178	201,636	90,145	41,840	20,093	9,956	72,668
2033	60	4,504	3,254	5,046	253,341	17,760	15,267	1,627	34,654	1,200	250	50,554	202,786	86,343	38,253	17,572	8,344	72,556
2034	56	4,130	3,044	4,638	237,783	16,576	14,001	1,522	32,099	2,400	100	49,416	188,367	76,384	32,303	14,194	6,459	66,301
2035	54	3,880	2,985	4,377	228,624	15,984	13,152	1,492	30,629	0	150	44,839	183,786	70,977	28,652	12,042	5,251	64,695
2036	51	3,341	2,527	3,762	203,365	15,096	11,325	1,264	27,685	400	50	41,807	159,558	58,686	22,613	9,091	3,799	55,865
2037	50	3,149	2,277	3,529	189,729	14,800	10,676	1,139	26,615	800	150	41,779	147,950	51,826	19,062	7,330	2,936	51,010
2038	47	3,055	2,078	3,402	183,947	13,912	10,357	1,039	25,308	0	250	39,513	144,434	48,185	16,917	6,223	2,388	49,406
2039	42	2,606	1,772	2,901	156,897	12,432	8,834	886	22,152	1,200	200	37,139	119,758	38,050	12,752	4,486	1,650	40,445
2040	38	2,494	1,670	2,772	150,130	11,248	8,454	835	20,537	400	50	33,757	116,373	35,214	11,265	3,791	1,336	39,279
2041	37	2,171	1,484	2,418	130,705	10,952	7,359	742	19,053	400	100	32,079	98,626	28,423	8,679	2,794	944	33,259
2042	35	1,873	1,317	2,092	112,789	10,360	6,349	658	17,367	0	300	29,564	83,225	22,842	6,658	2,050	664	28,269
2043	29	1,552	1,089	1,733	93,462	8,584	5,261	545	14,390	0	-	24,561	68,901	18,010	5,011	1,476	458	23,448
2044	29	1,340	942	1,497	80,727	8,584	4,544	471	13,599	0	150	23,938	56,790	14,138	3,755	1,058	314	19,316
2045	26	1,132	804	1,266	68,159	7,696	3,836	402	11,934	0	100	21,371	46,788	11,093	2,812	758	216	15,929
2046	24	962	692	1,078	57,976	7,104	3,263	346	10,713	0	50	19,495	38,481	8,689	2,103	542	148	13,107
2047	23	821	597	921	49,483	6,808	2,784	298	9,891	0	-	18,274	31,209	6,711	1,550	382	100	10,641
2048	23	702	499	785	42,292	6,808	2,389	249	9,438	0	100	17,974	24,318	4,981	1,098	259	65	8,319
2049	21	570	382	634	34,307	6,216	1,932	191	8,339	0	150	16,318	17,990	3,509	739	167	40	6,230
2050	18	467	304	518	28,103	5,328	1,583	152	7,063	0	250	14,338	13,765	2,557	514	111	26	4,816
2051	13	349	230	387	20,983	3,848	1,182	115	5,145	0	50	10,389	10,594	1,874	359	74	16	3,785
2052	12	288	198	321	17,364	3,552	978	99	4,628	0	150	9,747	7,617	1,283	235	46	10	2,644
2053	9	212	130	234	12,777	2,664	720	65	3,449	0	200	7,592	5,184	832	145	27	6	1,267
2054	5	141	81	155	8,496	1,480	479	40	1,999	0	50	4,349	4,146	634	106	19	4	1,267
2055	4	110	56	119	6,603	1,184	373	28	1,585	0	100	3,647	2,956	430	69	12	2	806
2056	2	76	24	80	4,548	592	257	12	861	0	-	1,902	2,646	367	56	9	2	917
2057	2	66	21	69	3,945	592	223	10	826	0	-	1,859	2,085	275	40	6	1	724
2058	2	57	18	60	3,424	592	194	9	795	0	-	1,826	1,598	201	28	4	1	557
2059	2	50	15	52	2,973	592	168	8	768	0	-	1,799	1,174	141	19	3	0	411
2060	2	30	8	31	470	592	101	4	697	0	100	1,905	(1,435)	(164)	(21)	(3)	(0)	(1,435)
2061	0	0	0	0	0	0	0	0	0	0	-	0	0	0	0	0	0	0
Total		**124,952**	**120,439**	**145,025**	**6,359,843**	515,632	423,587	60,220	999,438	303,150	4,100	1,690,059	4,669,784	2,353,753	1,348,872	848,572	571,478	1,821,210
						296.00 M$/yr/well	$3.39 $/STB	0.50 $/Mcf										

Note: Production Contract of Kariman expires on September 09, 2036

Table 4f
Page 2

Forecast price &Costs

MIE Holdings Corporation

ADEK Block, Kazakhstan

Corporate Income Tax (CIT) and Excess Profit Tax (EPT)
January 1, 2016
(As of December 31, 2015)
Total Proved Plus Probable Plus Possible Consolidation

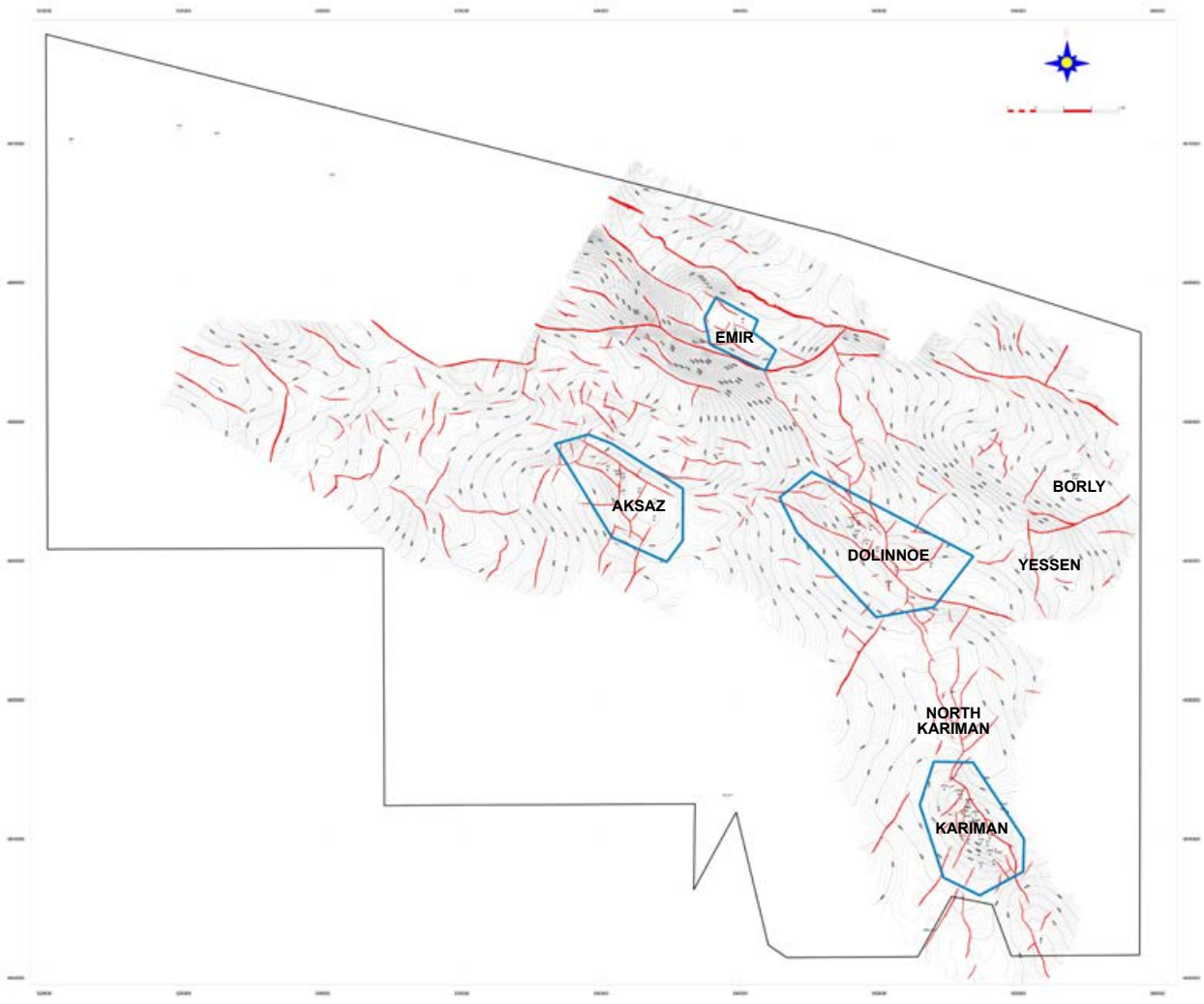
Year	Net Cash Flow (after Opex & Capex) $M	Total Capitol M$/yr.	Non-deduct Sales $M	Non-deduct Transp. $M	Escalculated Non-deduct Capital M$/yr.	Taxable Income Before $M	Capital Deductions $M	Taxable Income $M	Corporate Income Tax $M	Discounted @ 5% $	Discounted @ 10% $	Discounted @ 15% $	Discounted @ 20% $	Net Income $M	EPT Ratio	EPT Amount $M	Discounted @ 5% $	Discounted @ 10% $	Discounted @ 15% $	Discounted @ 20% $
2015																				
2016	(42,171)	61,400	117	2,154	63,671	21,500	21,500	0	0	0	0	0	0	0	0.00	0	0	0	0	0
2017	26,106	12,100	81	1,434	13,887	39,993	27,226	12,767	2,553	2,373	2,213	2,070	1,942	10,214	0.38	0	0	0	0	0
2018	65,914	22,550	150	2,672	26,397	92,311	26,560	65,751	13,150	11,640	10,362	9,272	8,336	52,600	1.98	16,955	15,008	13,360	11,955	10,749
2019	127,643	14,500	199	3,545	19,361	147,004	26,681	120,323	24,065	20,287	17,239	14,755	12,713	96,258	3.61	34,389	28,990	24,634	21,065	18,167
2020	96,244	46,300	194	3,447	54,058	150,302	35,406	114,896	22,979	18,449	14,965	12,252	10,116	91,916	2.60	29,068	23,338	18,930	15,496	12,797
2021	126,420	38,400	216	3,845	46,881	173,301	35,297	138,004	27,601	21,105	16,140	12,796	10,126	110,403	3.13	36,493	27,904	21,605	16,919	13,388
2022	170,782	32,900	251	4,472	42,370	213,152	34,758	178,395	35,679	25,983	19,203	14,384	10,908	142,716	4.11	55,216	40,210	29,718	22,260	16,881
2023	235,417	21,200	300	5,343	30,835	266,252	31,292	234,960	46,992	32,591	22,992	16,474	11,972	187,968	6.01	85,400	59,230	41,784	29,938	21,757
2024	256,750	18,800	314	5,562	28,934	285,685	29,554	256,131	51,226	33,836	22,785	15,616	10,676	204,905	6.93	97,083	64,126	43,182	29,595	20,611
2025	249,000	7,500	297	5,295	15,647	264,646	24,506	240,141	48,028	30,213	19,421	12,731	8,497	192,113	7.84	93,825	59,023	37,939	24,871	16,600
2026	250,909	1,400	285	5,079	8,245	259,154	19,997	239,157	47,831	28,657	17,583	11,025	7,052	191,326	9.57	97,298	58,293	35,767	22,427	14,345
2027	224,566	4,900	254	4,519	12,027	236,593	18,569	218,023	43,605	24,880	14,572	8,740	5,357	174,419	9.39	88,403	50,442	29,543	17,719	10,861
2028	222,642	2,900	245	4,377	9,541	232,183	15,973	216,210	43,242	23,498	13,137	7,537	4,427	172,968	10.83	89,811	48,805	27,285	15,653	9,195
2029	233,687	2,300	244	4,339	6,903	242,590	13,918	228,672	45,734	23,669	12,631	6,931	3,902	182,937	13.14	97,798	50,615	27,010	14,822	8,344
2030	220,033	3,600	228	4,055	10,401	230,434	12,809	217,625	43,525	21,453	10,928	5,736	3,095	174,100	13.59	93,729	46,199	23,533	12,353	6,664
2031	224,537	2,200	225	4,001	8,649	233,186	11,064	222,122	44,424	20,854	10,140	5,091	2,632	177,698	16.06	97,666	45,847	22,292	11,192	5,767
2032	201,636	3,400	208	3,697	10,028	211,664	9,641	202,023	40,405	18,064	8,384	4,026	1,995	161,619	16.76	88,563	39,594	18,377	8,825	4,373
2033	202,786	1,200	200	3,567	6,956	209,742	7,976	201,767	40,353	17,182	7,612	3,497	1,660	161,413	20.24	89,877	38,268	16,954	7,788	3,698
2034	188,367	2,400	184	3,272	8,363	196,730	7,572	189,158	37,832	15,341	6,488	2,851	1,297	151,326	19.98	84,235	34,158	14,445	6,347	2,888
2035	183,786	0	173	3,073	4,728	188,514	5,889	182,711	36,542	14,112	5,697	2,394	1,044	146,169	24.82	82,548	31,880	12,869	5,409	2,359
2036	159,558	400	149	2,646	4,748	164,305	5,167	159,138	31,828	11,706	4,511	1,813	758	127,310	24.64	71,865	26,432	10,185	4,095	1,711
2037	147,950	800	140	2,495	5,206	153,156	4,634	148,521	29,704	10,405	3,827	1,472	589	118,817	25.64	67,235	23,552	8,663	3,331	1,334
2038	144,434	0	136	2,420	3,951	148,386	3,778	144,608	28,922	9,649	3,388	1,246	478	115,586	30.62	66,106	22,054	7,743	2,848	1,093
2039	119,758	1,200	116	2,064	5,330	125,088	3,696	121,392	24,278	7,714	2,585	910	335	97,114	26.28	55,035	17,486	5,860	2,062	758
2040	116,373	400	111	1,975	3,999	120,372	3,060	117,312	23,462	7,100	2,271	764	269	93,850	30.66	53,632	16,229	5,192	1,747	616
2041	98,626	400	97	1,720	3,636	102,262	2,682	99,580	19,916	5,739	1,753	564	191	79,664	29.70	45,451	13,098	4,000	1,288	435
2042	83,225	0	83	1,483	2,622	85,847	2,199	83,648	16,730	4,592	1,338	412	133	66,918	30.43	38,227	10,492	3,058	942	305
2043	68,901	0	69	1,229	2,216	71,117	1,869	69,248	13,850	3,620	1,007	297	92	55,398	29.64	31,603	8,261	2,298	677	210
2044	56,790	0	60	1,062	1,952	58,742	1,589	57,153	11,431	2,846	756	213	63	45,722	28.78	26,043	6,483	1,722	485	144
2045	46,788	0	50	896	1,681	48,469	1,351	47,119	9,424	2,234	566	153	43	37,695	27.91	21,435	5,082	1,288	347	99
2046	38,461	0	43	762	1,458	39,939	1,148	38,791	7,758	1,752	424	109	30	31,033	27.03	17,615	3,978	963	248	68
2047	31,209	0	37	651	1,270	32,478	976	31,503	6,301	1,355	313	77	20	25,202	25.83	14,266	3,068	709	175	46
2048	24,318	0	31	556	1,107	25,425	829	24,596	4,919	1,007	222	52	13	19,677	23.72	11,060	2,269	500	118	30
2049	17,990	0	25	451	916	18,906	705	18,201	3,640	710	149	34	8	14,561	20.65	8,120	1,584	333	75	18
2050	13,765	0	21	370	766	14,531	599	13,932	2,786	518	104	22	5	11,145	18.60	6,163	1,145	230	50	11
2051	10,594	0	16	276	583	11,177	509	10,667	2,133	377	72	15	3	8,534	16.75	4,675	827	159	33	7
2052	7,617	0	13	228	492	8,109	408	7,701	1,540	260	48	9	2	6,161	15.10	3,433	578	106	21	4
2053	5,184	0	9	168	370	5,554	256	6,018	1,204	193	34	6	1	4,815	18.79	2,714	436	76	14	3
2054	4,146	0	6	112	251	4,397	218	4,489	898	137	23	4	1	3,591	16.49	1,982	303	51	9	2
2055	2,956	0	5	87	199	3,155	126	3,324	665	97	15	3	0	2,659	21.18	1,486	216	34	6	1
2056	2,646	0	3	60	140	2,786	107	2,679	536	74	11	2	0	2,143	20.08	1,193	165	25	4	1
2057	2,085	0	3	52	124	2,210	91	2,119	424	56	8	1	0	1,695	18.69	938	124	18	3	0
2058	1,598	0	3	45	110	1,708	77	1,631	326	41	6	1	0	1,305	16.92	715	90	12	2	0
2059	1,174	0	2	39	97	1,271	66	1,206	241	29	4	1	0	964	14.72	521	62	8	1	0
2060	(1,435)	0	1	24	60	(1,375)	0	0	0	0	0	0	0	0		0	0	0	0	0
2061	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0	0	0	0	0
Total	**4,669,784**	**303,150**	**4,514**	**80,415**	**473,167**	**5,142,951**	**452,328**	**4,693,409**	**938,682**	**476,400**	**276,127**	**176,359**	**120,986**	**3,754,727**		**1,909,893**	**925,944**	**512,463**	**313,237**	**206,361**
			0.07	1.29																
			0.05	0.89																

Note: Production Contract of Kariman expires on September 09, 2036
Non-Taxable deduction of Sale Cost (US$0.07/Bbl in 2016 and US$0.05/Bbl in 2017 and after) and of transportation discount (US$1.29/Bbl in 2016 and US$0.89/BBL in 2017 and after) are for export oil.

Chapman Petroleum Engineering Ltd.







LEGEND

- AREA OF INTEREST
- FAULT LINES
- CONTRACT AREAS
- LISENSE AREA

MIE HOLDINGS CORPORATION

ADEK BLOCK
(LICENSE TERRITORY)

MANGISTAU OBLAST, KAZAKHSTAN

ORIENTATION MAP

JAN. 2016 **JOB No. 6144**

46

Chapman Petroleum Engineering Ltd.

ADEK BLOCK (LICENCE AREA)
REPUBLIC OF KAZAKHSTAN
AKSAZ FIELD
INDEX

Discussion

Property Description
Geology
Petrophysical Data and Analysis
Reserves
Production
Product Prices
Capital Expenditures
Operating Costs
Tax
Economics

Attachments

Table 1: Schedule of Lands, Interests and Royalty Burdens

Figure 1: Field Map and Structure Top
a) Middle Triassic T2B
b) Middle Triassic T2C
c) Lower Triassic T1

Figure 2: Log Analysis Presentation
a) Aksaz-1, Triassic
b) Aksaz-2, Triassic
c) Aksaz-3, Triassic
d) Aksaz-4, Triassic
e) Aksaz-6, Triassic
f) Aksaz-106, Triassic

Table 2: Summary of Gross Reserves

Summary of Reserves and Reservoir Parameters
Proved Developed Non-Producing
a) Aksaz-1, Middle Triassic T2C (Removed from this version)
b) Aksaz-3, Middle Triassic T2C (Removed from this version)
c) Aksaz-3, Middle Triassic T2C (Removed from this version)
d) Aksaz-3, Middle Triassic T2C (Removed from this version)
e) Aksaz-4, Middle Triassic T2C (Removed from this version)
f) Aksaz-4, Middle Triassic T2C (Removed from this version)
g) Aksaz-4, Middle Triassic T2C (Removed from this version)

Proved Undeveloped
h) Aksaz-105, Middle Triassic T2C (Removed from this version)
i) Aksaz-105, Middle Triassic T2C (Removed from this version)
j) Aksaz-105, Middle Triassic T2C (Removed from this version)
k) Location-1, Middle Triassic T2C (Removed from this version)
l) Location-1, Middle Triassic T2C (Removed from this version)

Proved Plus Probable
m) Aksaz-1, Middle Triassic T2C (Removed from this version)
n) Aksaz-2, Middle Triassic T2C (Removed from this version)
o) Aksaz-4, Middle Triassic T2C (Removed from this version)
p) Aksaz-6, Middle Triassic T2C (Removed from this version)
q) Aksaz-6, Middle Triassic T2C (Removed from this version)

Probable Developed
r) Aksaz-1, Middle Triassic T2B (Removed from this version)
s) Aksaz-1, Middle Triassic T2C (Removed from this version)
t) Aksaz-2, Middle Triassic T2B (Removed from this version)
u) Aksaz-3, Middle Triassic T1 (Removed from this version)
v) Aksaz-4, Middle Triassic T2C (Removed from this version)
w) Aksaz-6, Middle Triassic T2B (Removed from this version)
x) Aksaz-106, Middle Triassic T2C (Removed from this version)

Probable Undeveloped
y) Location-2, Middle Triassic T2C (Removed from this version)
z) Location-2, Middle Triassic T2C (Removed from this version)
aa) Location-2, Middle Triassic T2C (Removed from this version)
ab) Location-2, Middle Triassic T2C (Removed from this version)
ac) Location-3, Middle Triassic T2C (Removed from this version)
ad) Location-3, Middle Triassic T2C (Removed from this version)
ae) Location-3, Middle Triassic T2C (Removed from this version)
af) Location-3, Middle Triassic T2C (Removed from this version)
ag) Location-4, Middle Triassic T2C (Removed from this version)
ah) Location-4, Middle Triassic T2C (Removed from this version)

Possible
ai) Location-1, Middle Triassic T2B (Removed from this version)

Figure 3: Production History Graphs
a) Aksaz-1, Middle Triassic T2
b) Aksaz-2, Middle Triassic T2
c) Aksaz-3, Middle Triassic T2
d) Aksaz-4, Middle Triassic T2
e) Aksaz-6, Middle Triassic T2
f) Group Production Plot, Middle Triassic T2

Table 3: Summary of Anticipated Capital Expenditures
a) Development
b) Abandonment and Restoration

Table 4: Summary of Company Reserves and Economics

a) Proved Developed Producing (Removed from this version)
b) Total Proved Developed (Removed from this version)
c) Total Proved (Removed from this version)
d) Proved Plus Probable Developed Producing (Removed from this version)
e) Proved Plus Probable Developed (Removed from this version)
f) Proved Plus Probable Undeveloped (Removed from this version)
g) Proved Plus Probable (Removed from this version)
h) Probable Plus Possible Developed (Removed from this version)
i) Probable Plus Possible Undeveloped (Removed from this version)
j) Proved Plus Probable Plus Possible (Removed from this version)

ADEK BLOCK (LICENCE AREA)
REPUBLIC OF KAZAKHSTAN
AKSAZ FIELD
DISCUSSION

Property Description

The Company owns a 100 percent working interest in a "Licence" and "Production Contract" referred to as the Aksaz 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 Production Contract was entered into on September 9, 2011.

The Licence and Production Contract granted the right to engage in exploration and development activities on the block. The Production Contract term is 25 years.

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 Aksaz field is one of seven known fields already discovered on the ADEK Block. Aksaz is a gas-condensate field, but for the purposes of this report is treated as an oil field with a high gas-oil ratio. The Company has re-entered Aksaz-1 and placed it on production from one zone, but currently shut-down the well. Well Aksaz-2 has been drilled, tested and placed on production from one zone. Deviated well Aksaz-2A (Sidetrack A) has been drilled, tested and placed on production from one zone, but is currently shut-down. Well Aksaz-3 has been drilled, tested and placed on production from one zone, but currently is shut-down. Well Aksaz-4 has also been re-entered and placed on production from one zone, but currently is also shut-down. Also, well Aksaz-6 has been drilled, tested

and placed on production from two zones, but currently is shut-down. There are two new wells, Aksaz-105 and Aksaz-106, currently drilled, but not placed on production yet.

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

Geology

The ADEK Block is located at the edge of the Mangistau Ustyrt Central High which contains several producing oilfields in the area. The main producing horizon is the Middle Triassic carbonate. The Aksaz structure lies in the articulation zone where the Beke-Bashkudsky high and Karagiin saddle transits into the Zhetbay-Uzen tectonic zone. In the north the structure aligns with the line of a regional fault, interpreted as a thrust. The productive Middle Triassic consists of mostly limestone in this structure.

The ADE Block is covered by several vintages of 2D seismic plus a recent 3-D survey. The Middle Triassic structure top is represented by the reflection horizons T2 and T1, which are presented on Figure 1.

The Jurassic, a clastic sand shale sequence with some carbonate, lies about 950m above the Triassic throughout the block. The Jurassic is a secondary opportunity for hydrocarbon potential as indicated by log analysis. Resource potential has been identified, but reserves have not been assigned or evaluated in this report.

Petrophysical Data and Analysis

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

The Chapman digital log analysis was made using HDS software over the Triassic reservoir.

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.

Sw cutoff was 40% along with a shale volume cutoff of 30%.

Net pay was identified in the Triassic as shown in the interpreted log.

Reserves

Proved developed producing oil reserves of 453 MSTB and marketable solution gas reserves of 4,661 MMscf have been estimated for the Middle Triassic T2C zone (completed intervals that are currently producing) in wells Aksaz-1, Aksaz-2, Aksaz-4 and Aksaz-6 based on production decline analysis.

Additional proved developed non-producing oil reserves of 909 MSTB and marketable solution gas reserves of 5,963 MMscf have been estimated for wells Aksaz-1, Aksaz-3 and Aksaz-4, based on reservoir parameters determined from digital log analysis and production data from the well, with assigned drainage area of 60 acres and a well specific recovery factor. These assumptions are based on the well performance.

Proved undeveloped oil reserves of 571 MSTB and marketable solution gas reserves of 3,583 MMscf have been assigned for one zone, Middle Triassic T2C, in Location-1 and Aksaz-105.

Incremental Probable Developed Producing oil reserves of 480 MSTB and marketable solution gas reserves of 4,515 MMscf have been estimated for the Middle Triassic T2C zone in wells Aksaz-1, Aksaz-2, Aksaz-4 and Aksaz-6, assuming a higher recovery factor.

Probable Developed Non-Producing oil reserves of 640 MSTB and marketable solution gas reserves of 5,779 MMscf have been assigned for the additional intervals in the existing wells Aksaz-1, Aksaz-2, Aksaz-3, Aksaz-4, Aksaz-6 and Aksaz-106 based on the reservoir parameters determined from well log analysis and assumed recovery factor and drainage area, and actual gas-oil ratio for each well.

Additional Probable Undeveloped oil reserves of 1,228 MSTB and marketable solution gas reserves of 9,179 MMscf have been estimated for one Middle Triassic T2C zone in one well and four locations based on analogy of the reservoir parameters to the existing wells and assumed recovery factors and drainage areas for each location.

Possible oil reserves of 488 MSTB and marketable solution gas reserves of 4,074 MMscf have been estimated for one drilled well and four undeveloped locations based on analogy to the existing wells.

Reserves assigned in this report have been restricted to the fault blocks which have been encountered by wells Aksaz-1, Aksaz-2, Aksaz-3, Aksaz-4, Aksaz-6, Aksaz-105 and Aksaz-106. Additional resource potential may exist on the surrounding fault block (Figure 1), which have not yet been drilled.

Also, the Jurassic has indicated significant possible reserves potential, based on log analysis, which has not been evaluated herein, but will be tested with the next well drilled. There is insufficient data at present to accurately quantify reserves however log analysis on Aksaz-1 demonstrates potential hydrocarbons as discussed above.

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 2 ai.

Production

Well Aksaz-1 commenced production in 2005 at an initial rate of 180 STB/d but was shut off in the middle of 2005 and after workovers and stimulation, came on production in December of 2007 at a rate of 205 STB/d. The well Aksaz-1 is currently producing (intermittent pumping) at a daily rate of 19 STB/d because of high GOR and insufficiency of the field gas utilizing system.

Well Aksaz-2 commenced production in the beginning of 2009 at a rate of 9 STB/d after successful stimulation is currently producing at a rate of 252 STB/d with a gas-oil ratio of 11,089 scf/STB.

Well Aksaz-3 commenced production in October 2007 at a rate of 360 STB/d and is currently not on production because of high GOR and insufficiency of the field gas utilizing system.

Well Aksaz-4 commenced production during late 2005 at an initial rate of up to about 100 STB/d, and is currently producing (intermittent pumping) at a daily rate of 40 STB/d because of high GOR and insufficiency of the field gas utilizing system.

Well Aksaz-6 commenced production in the beginning of 2009 at a rate of 40 STB/d, and is currently producing (intermittent pumping) at a daily rate of 76 STB/d because of high GOR and insufficiency of the field gas utilizing system.

Newly drilled wells Aksaz-105 and Aksaz-106 are expected to be placed on production in after completion of the Central Processing Facility.

One offset proved locations has been anticipated to commence production in 2019 at a rate averaging 100 STB/d.

Three probable undeveloped locations are expected to be drilled in 2019 and commence production in 2020 at an average initial rate of 260 STB/d per zone and a gas-oil ratio as presented in Table 2.

Initial rates for proved undeveloped, probable and possible locations are based on earlier tests in well Aksaz-1 where rates as high as 300 STB/d were achieved flowing against a back pressure of 800 psi. These wells will be drilled and completed with modern technology as opposed to the Aksaz -1 and 4 wells which are reentries of older wells.

The offset wells for the probable plus possible category have been scheduled to commence production at rates from 100 to 400 STB/d per well.

Production history graphs for individual wells and a Group Production Plot are presented on Figures 3a through 3f.

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 $37,185,000 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 $6,700,000 has been used to drill, complete, equip and tie-in each new well based on historical information in this area.

Abandonment and lease restoration costs of $550,000 ($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

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

Aksaz, Republic of Kazakhstan

Description	Rights Owned	Gross Acres	Appraised Interest Working %	Appraised Interest Royalty %	Royalty Burdens Basic %	Royalty Burdens Overriding %
License No.3737-4BC & Contract No.482	[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

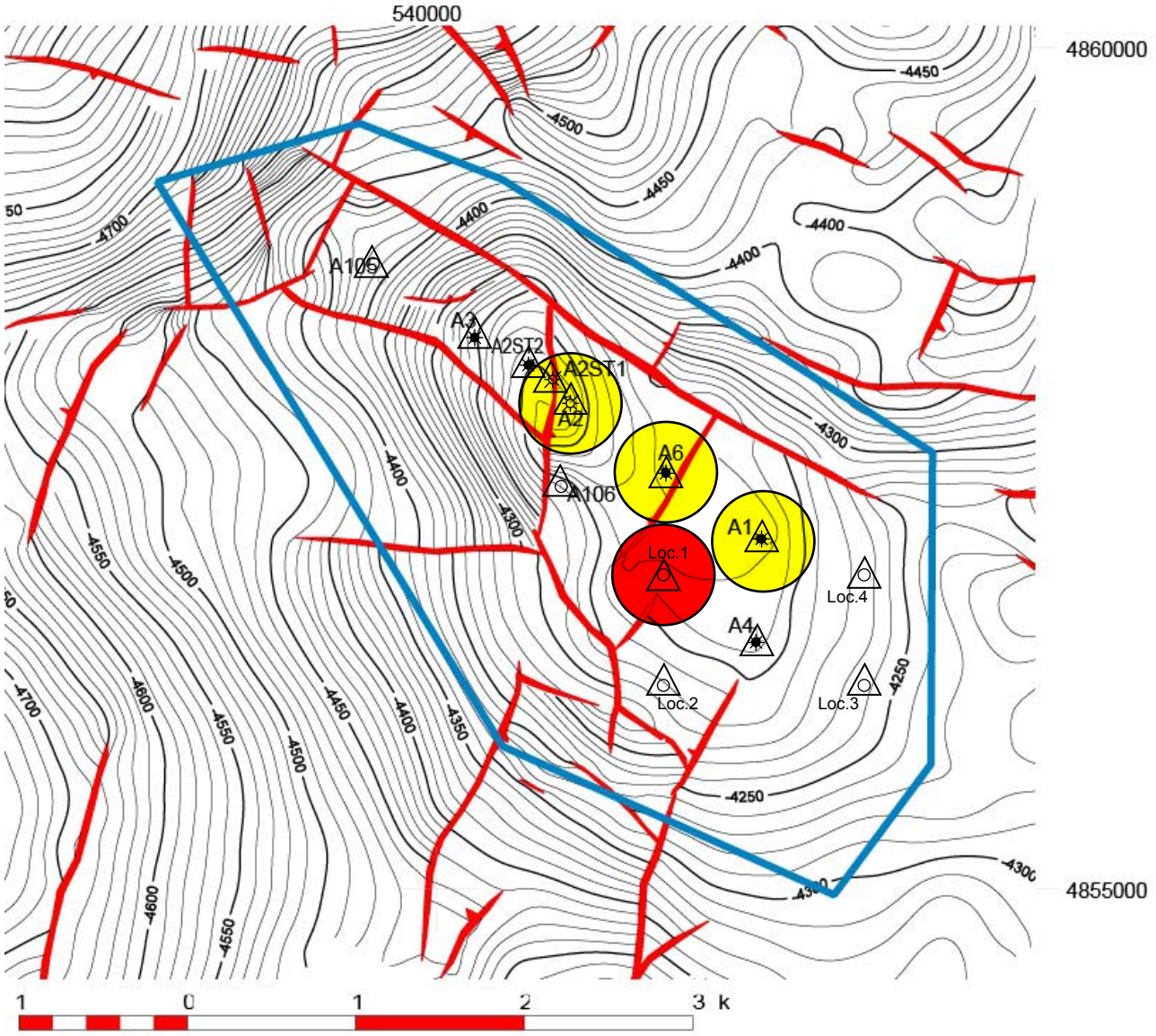
Export Rent Tax (ERT)

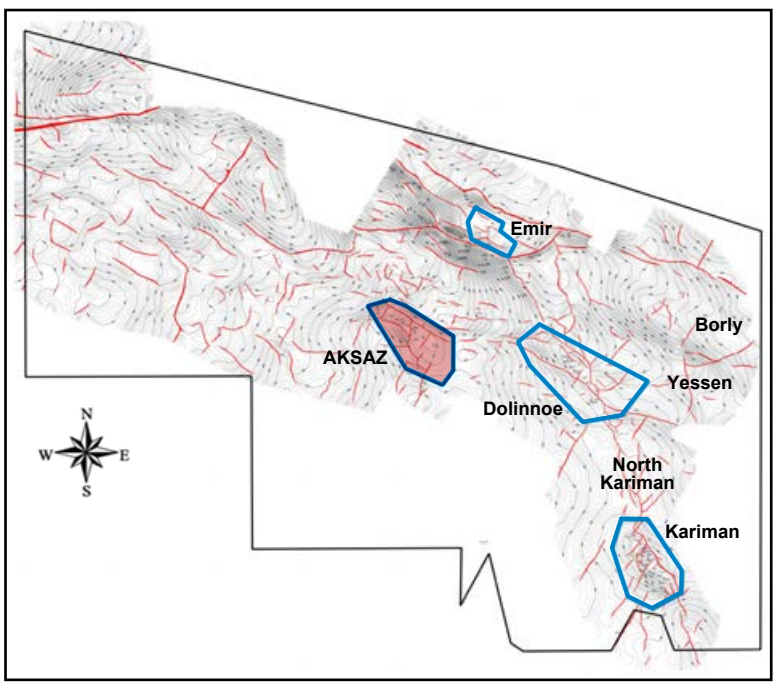
World Price (US$/BBL)	Rate %
Up to 40, Including	0
Up to 50, Including	7
Up to 60, Including	11
Up to 70, Including	14
Up to 80, Including	16
Up to 90, Including	17
Up to 100, Including	19
Up to 110, Including	21
Up to 120, Including	22
Up to 130, Including	23
Up to 140, Including	25
Up to 150, Including	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] Aksaz Field located in blocks XXXV-10-C(partially), XXXV-11-A(partially), D(partially).
Production Contact expires on September 9, 2036.





LEGEND

- FAULT LINES
- FIELD BOUNDARY
- ## STRUCTURAL ELEVATION (sL)- m
- PROPOSED LOCATIONS
- WELL OF INTEREST
- PROVED RESERVES
- PROBABLE RESERVES
- POSSIBLE RESERVES

MIE HOLDINGS CORPORATION

AKSAZ FIELD

ADEK BLOCK (LICENSE AREA)

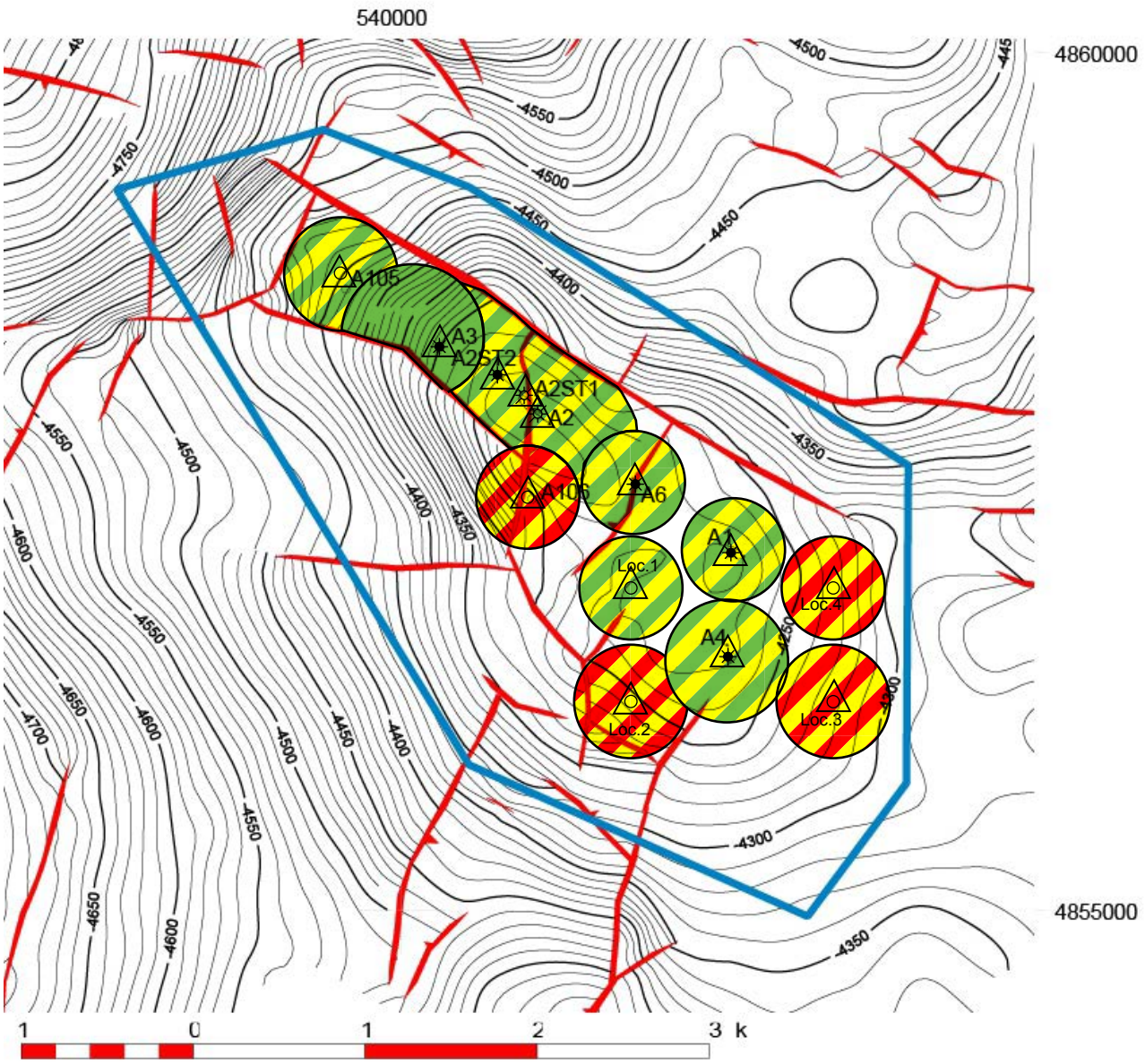
MANGISTAU OBLAST, KAZAKHSTAN

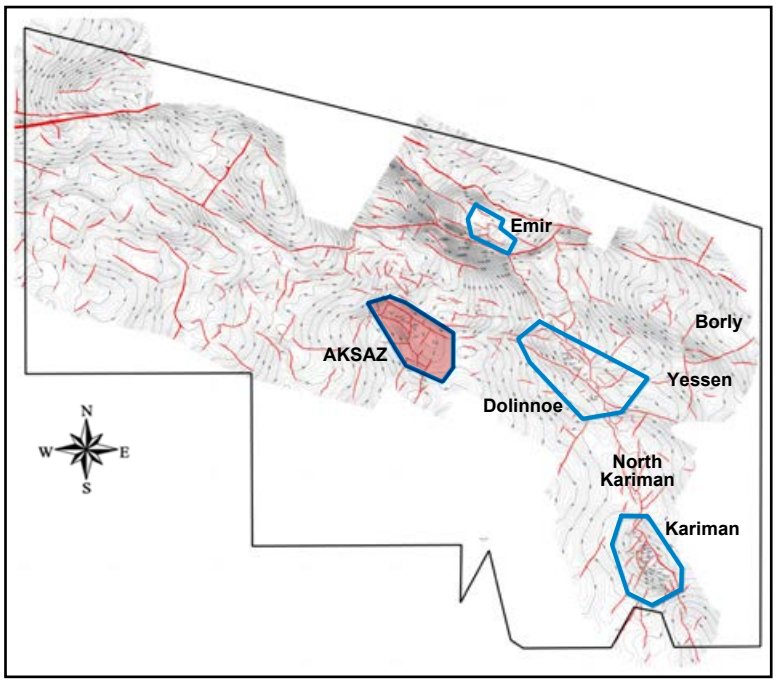
STRUCTURE ON MIDDLE TRIASSIC T2B

JAN. 2016 JOB No. 6144 FIGURE No. 1a

57

Chapman Petroleum Engineering Ltd.





LEGEND

- FAULT LINES
- FIELD BOUNDARY
- ## STRUCTURAL ELEVATION (sL)- m
- PROPOSED LOCATIONS
- WELL OF INTEREST
- PROVED RESERVES
- PROBABLE RESERVES
- POSSIBLE RESERVES

MIE HOLDINGS CORPORATION

AKSAZ FIELD

ADEK BLOCK (LICENSE AREA)

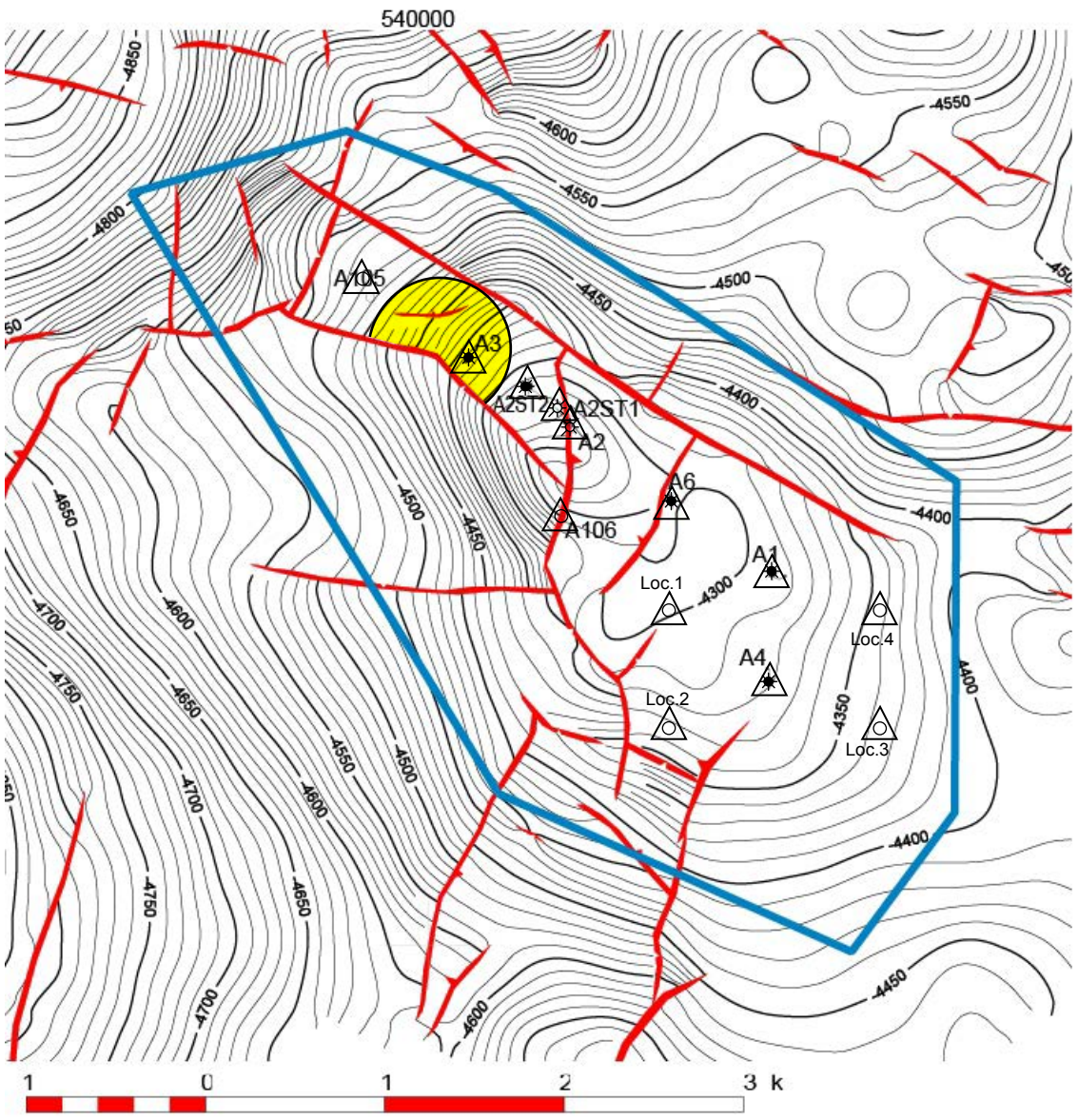
MANGISTAU OBLAST, KAZAKHSTAN

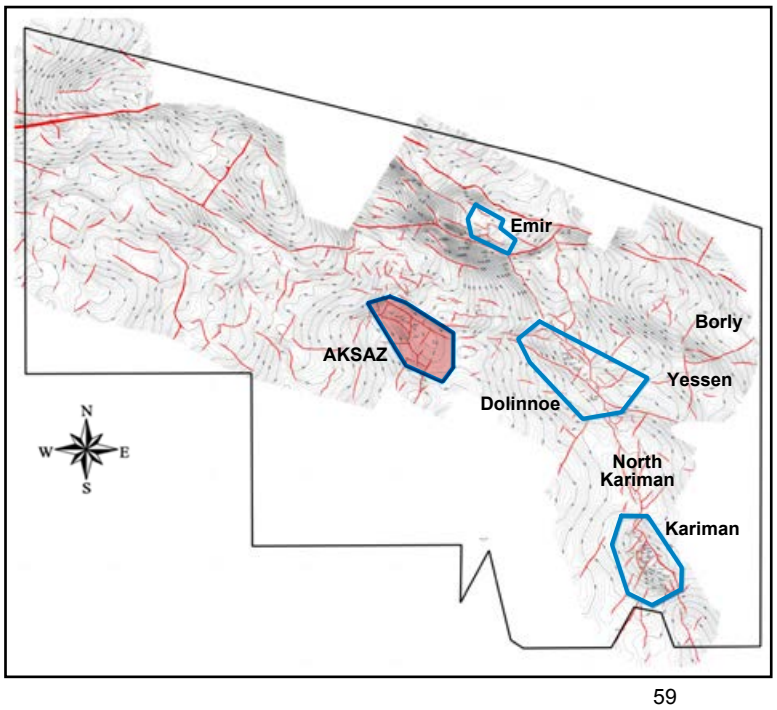
STRUCTURE ON MIDDLE TRIASSIC T2C

JAN. 2016 JOB No. 6144 FIGURE No. 1b

58

Chapman Petroleum Engineering Ltd.





LEGEND

- FAULT LINES
- FIELD BOUNDARY
- ## STRUCTURAL ELEVATION (sL)- m
- PROPOSED LOCATIONS
- WELL OF INTEREST
- PROVED RESERVES
- PROBABLE RESERVES
- POSSIBLE RESERVES

MIE HOLDINGS CORPORATION

AKSAZ FIELD

ADEK BLOCK (LICENSE AREA)

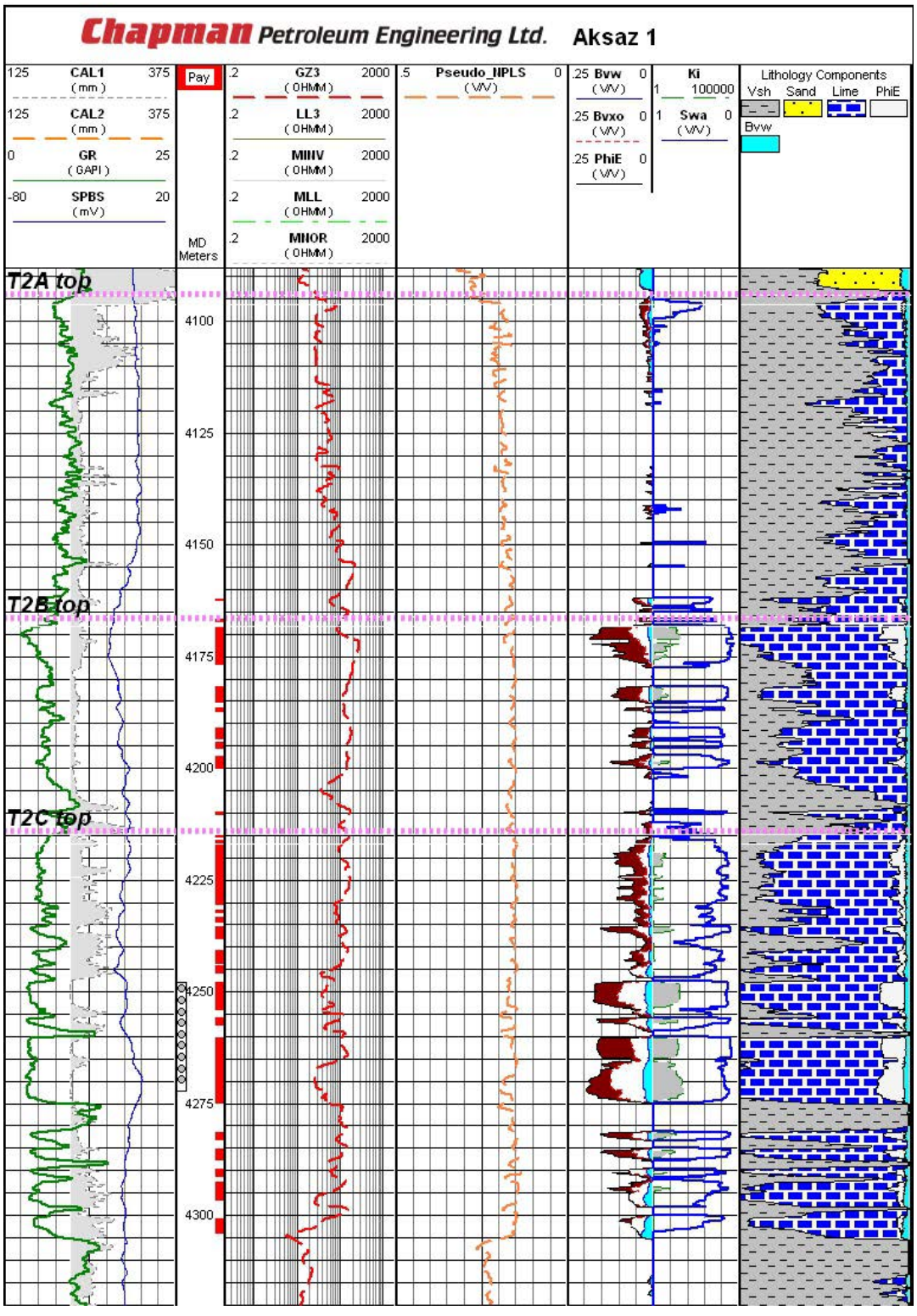
MANGISTAU OBLAST, KAZAKHSTAN

STRUCTURE ON TOP TRIASSIC T1

JAN. 2016 JOB No. 6144 FIGURE No. 1c

59

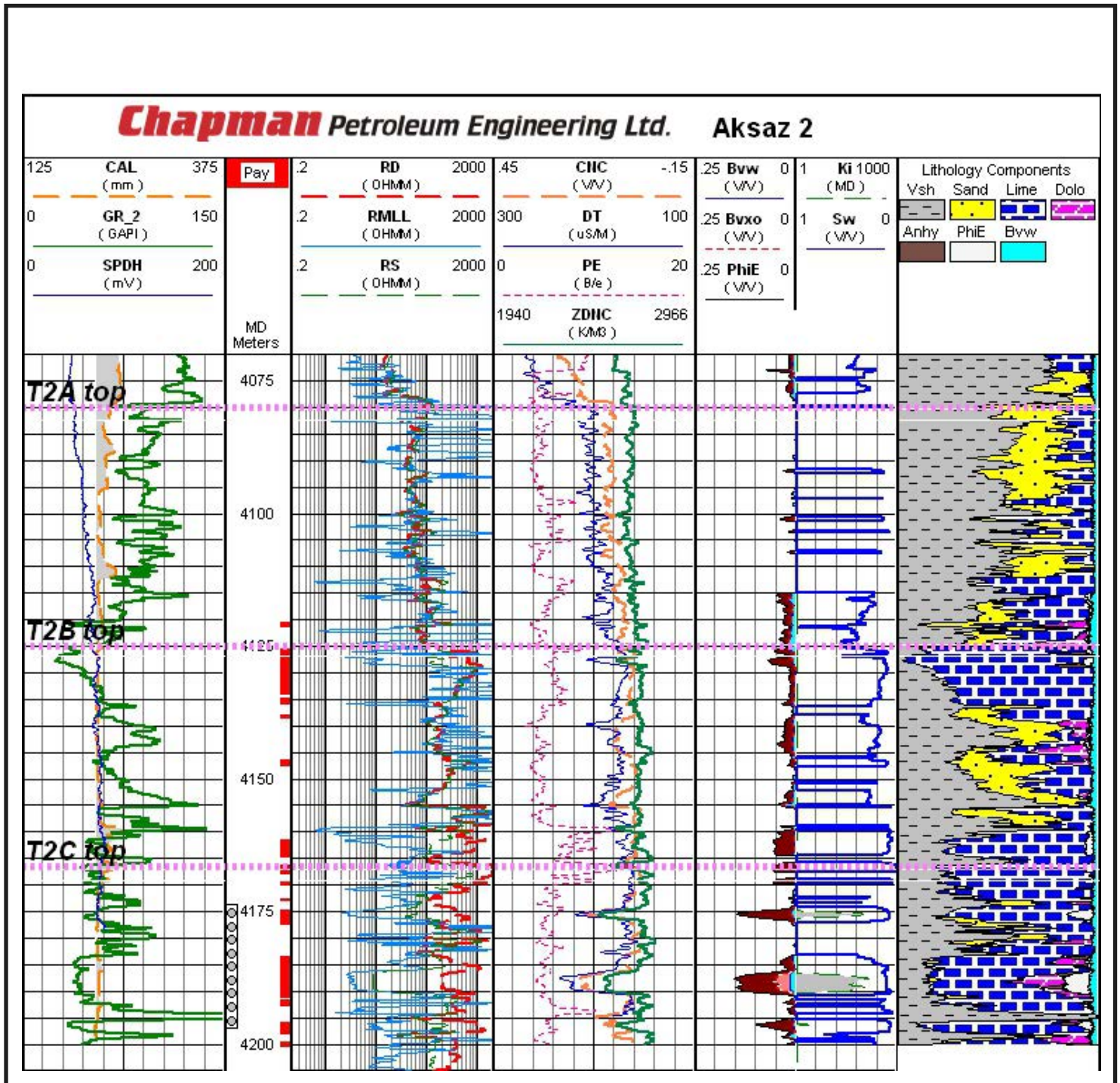
Chapman Petroleum Engineering Ltd.



MIE HOLDINGS CORPORATION
ADEK BLOCK OIL WELL LOG ANALYSIS MANGISTAU OBLAST, KAZAKHSTAN AKSAZ 1 TRIASSIC
JAN. 2016 JOB No. 6144 FIGURE No. 2a

60

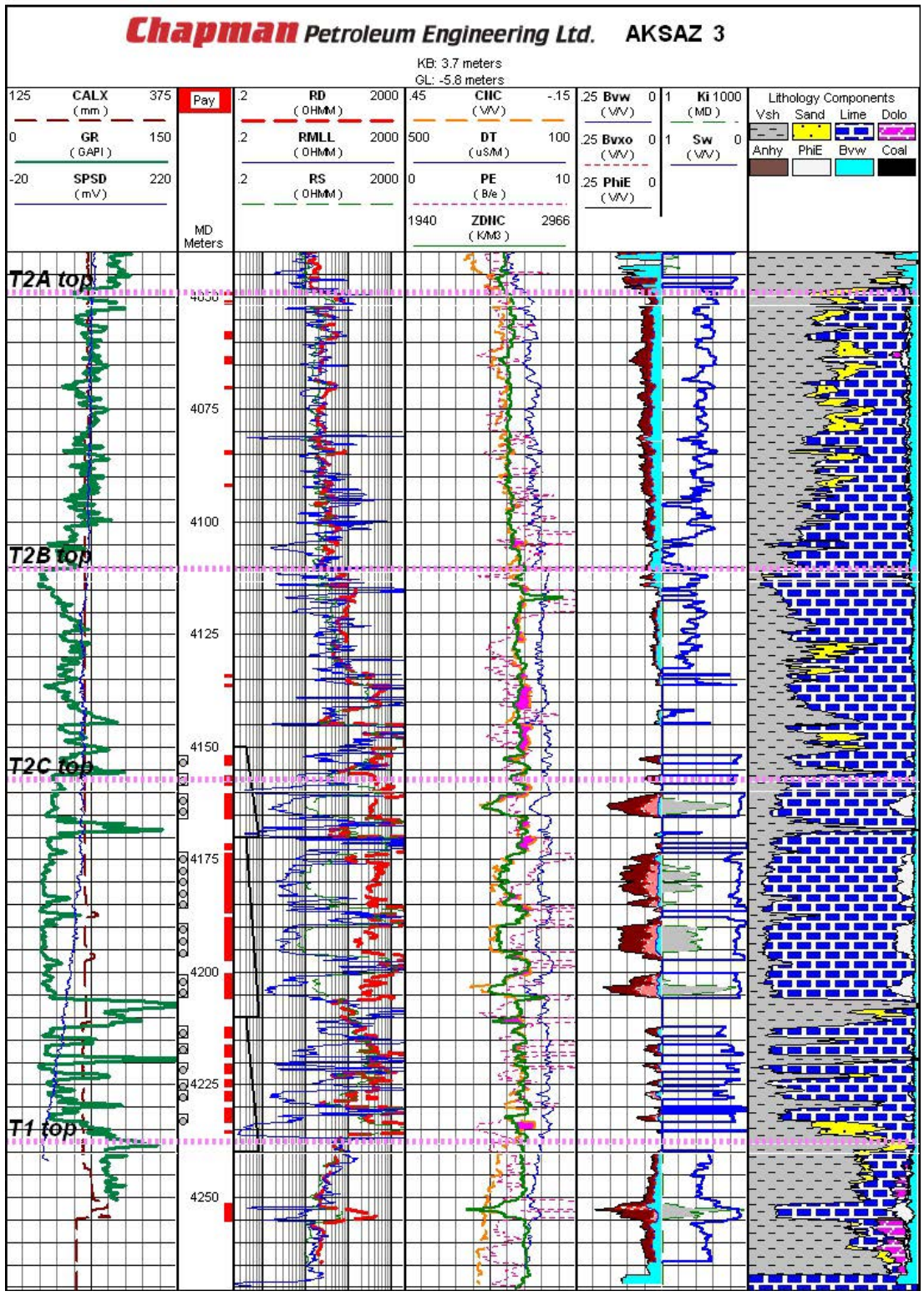
Chapman Petroleum Engineering Ltd.



MIE HOLDINGS CORPORATION		
ADEK BLOCK OIL WELL LOG ANALYSIS MANGISTAU OBLAST, KAZAKHSTAN AKSAZ 2 TRIASSIC		
JAN. 2016	JOB No. 6144	FIGURE No. 2b

61

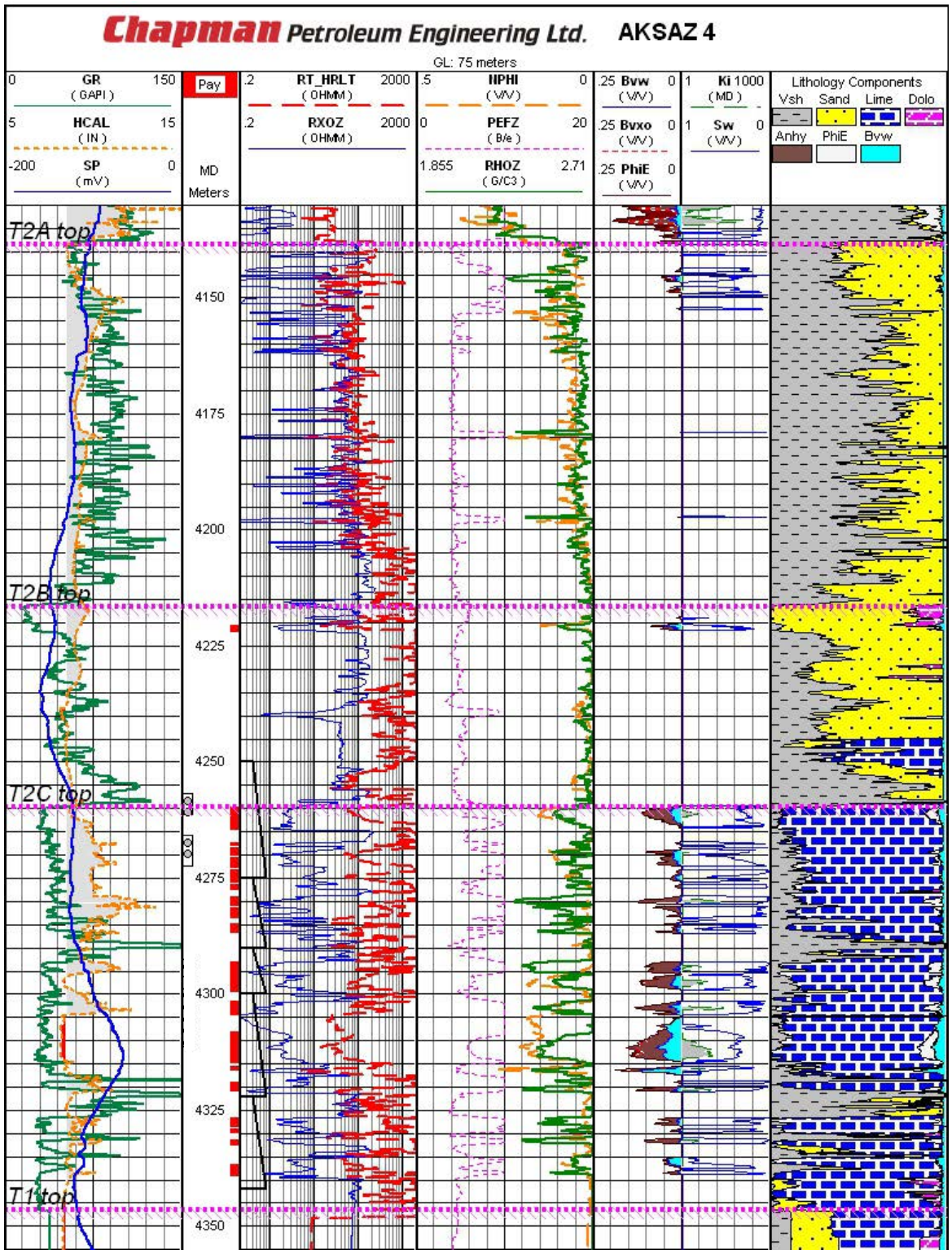
Chapman Petroleum Engineering Ltd.



MIE HOLDINGS CORPORATION
ADEK BLOCK OIL WELL LOG ANALYSIS MANGISTAU OBLAST, KAZAKHSTAN AKSAZ 3 TRIASSIC
JAN. 2016 JOB No. 6144 FIGURE No. 2c

62

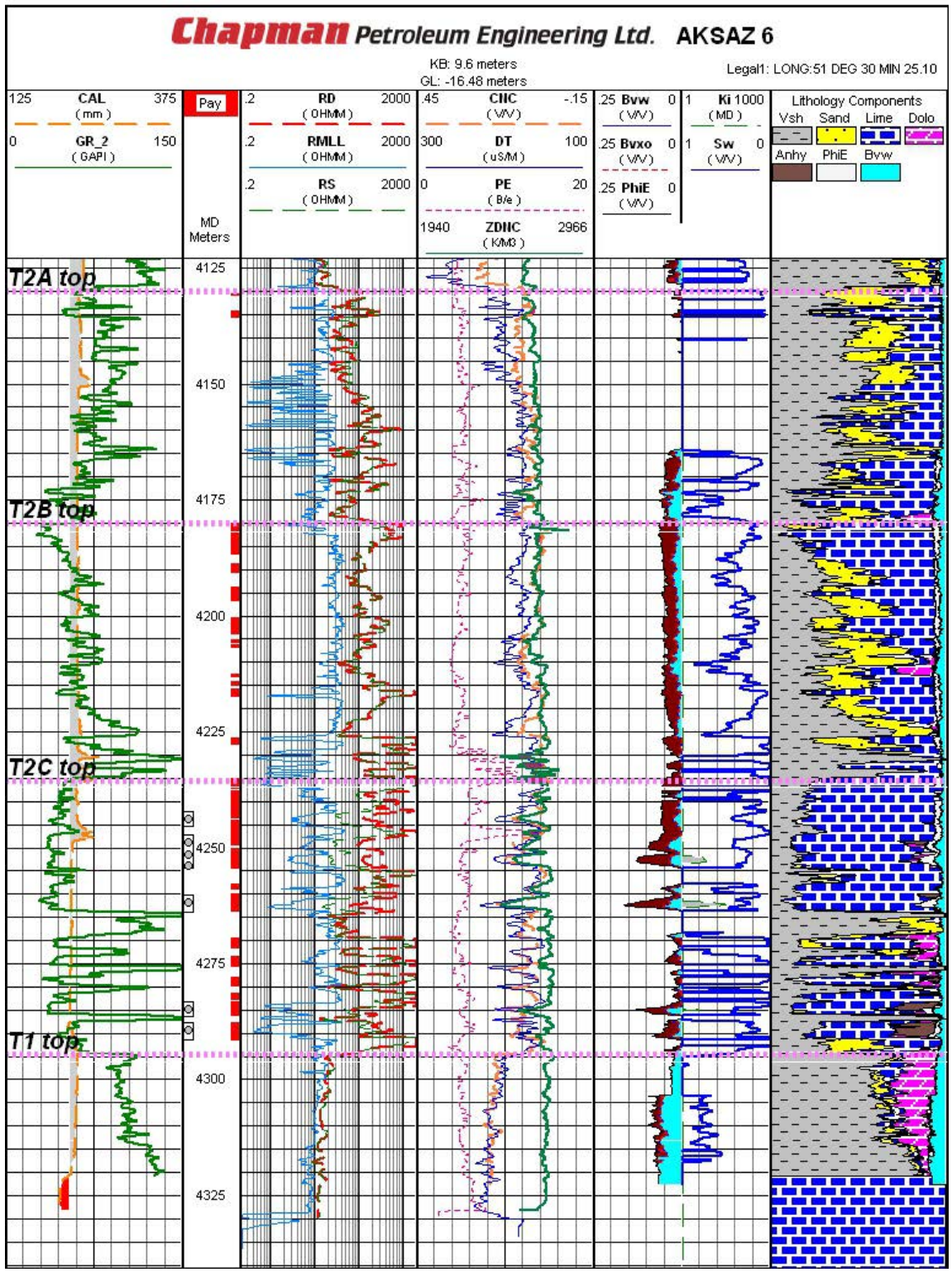
Chapman Petroleum Engineering Ltd.



MIE HOLDINGS CORPORATION
ADEK BLOCK OIL WELL LOG ANALYSIS MANGISTAU OBLAST, KAZAKHSTAN AKSAZ 4 TRIASSIC
JAN. 2016 JOB No. 6144 FIGURE No. 2d

63

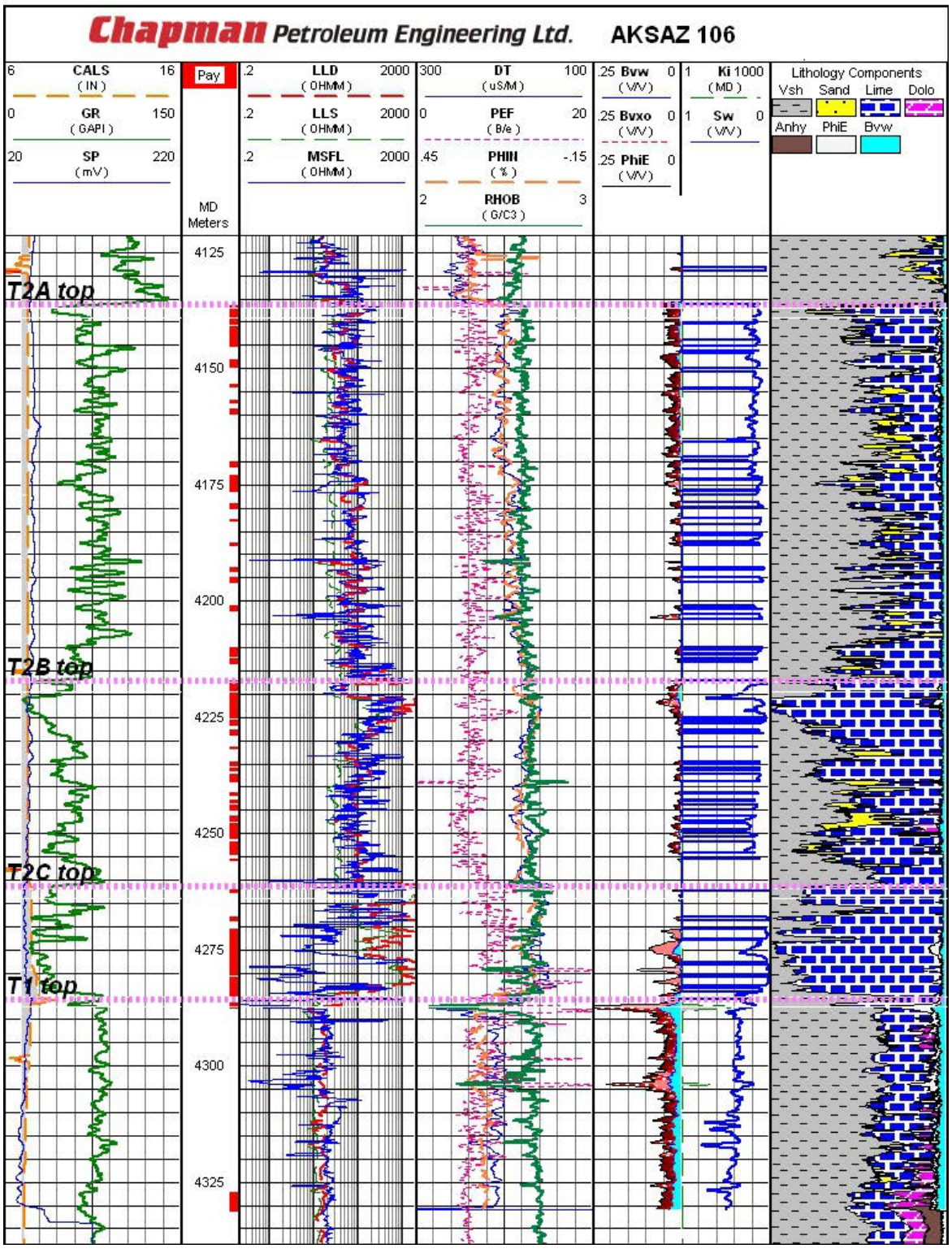
Chapman Petroleum Engineering Ltd.



MIE HOLDINGS CORPORATION
ADEK BLOCK OIL WELL LOG ANALYSIS MANGISTAU OBLAST, KAZAKHSTAN AKSAZ 6 TRIASSIC
JAN. 2016 JOB No. 6144 FIGURE No. 2e

64

Chapman Petroleum Engineering Ltd.



MIE HOLDINGS CORPORATION
ADEK BLOCK OIL WELL LOG ANALYSIS MANGISTAU OBLAST, KAZAKHSTAN AKSAZ 106 TRIASSIC
JAN. 2016 JOB No. 6144 FIGURE No. 2f

65

Chapman Petroleum Engineering Ltd.

Table 2

Summary of Gross Reserves
January 1, 2016

MIE Holdings Corporation

Aksaz, 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									
Aksaz-1	Middle Triassic T2C		19	55	109	108	1	1	Decline, Figure 3a
Aksaz-2	Middle Triassic T2C		252	55	619	241	379	379	Decline, Figure 3b
Aksaz-4	Middle Triassic T2C		40	55	170	151	19	19	Decline, Figure 3d
Aksaz-6	Middle Triassic T2C		76	55	96	42	54	54	Decline, Figure 3e
	Total Proved Developed Producing		**387**		**995**	**542**	**453**	**453**	
Proved Developed Non-producing									
Aksaz-1	Middle Triassic T2C		100	55	233	0	233	233	Table 2a
Aksaz-3	Middle Triassic T2C		300	55	815	437	379	379	Tables 2b, 2c & 2d
Aksaz-4	Middle Triassic T2C		100	55	339	42	297	297	Tables 2e, 2f & 2g
	Total Proved Developed Non-producing		**500**		**1,388**	**479**	**909**	**909**	
	Total Proved Developed		**887**		**2,383**	**1,021**	**1,362**	**1,362**	
Proved Undeveloped									
Aksaz-105	Middle Triassic T2C		300	55	484	0	484	484	Tables 2h, 2i & 2j
Location-1	Middle Triassic T2C		100	55	87	0	87	87	Tables 2k & 2l
	Total Proved Undeveloped		**400**		**571**	**0**	**571**	**571**	
	Total Proved		**1,287**		**2,954**	**1,021**	**1,933**	**1,933**	
Probable									
Probable Developed Producting									
Aksaz-1	Middle Triassic T2C	(incr.)	11	55	99	0	99	99	Table 2m
Aksaz-2	Middle Triassic T2C	(incr.)	0	55	133	0	133	133	Table 2n
Aksaz-4	Middle Triassic T2C	(incr.)	30	56	120	0	120	120	Table 2o
Aksaz-6	Middle Triassic T2C	(incr.)	0	55	128	0	128	128	Tables 2p & 2q
	Total Probable Developed Producing		**41**		**480**	**0**	**480**	**480**	
Probable Developed Non-Producting									
Aksaz-1	Middle Triassic T2B & T2C		200	55	384	0	384	384	Tables 2r & 2s
Aksaz-2	Middle Triassic T2B		50	55	34	0	34	34	Tables 2t
Aksaz-3	Lower Triassic T1		50	55	75	0	75	75	Table 2u
Aksaz-4	Middle Triassic T2C		50	55	32	0	32	32	Table 2v
Aksaz-6	Middle Triassic T2B		50	55	81	0	81	81	Table 2w
Aksaz-106	Middle Triassic T2C		50	55	35	0	35	35	Table 2x
	Total Probable Developed Non-Producing		**450**		**640**	**0**	**640**	**640**	
	Total Probable Developed		**491**		**1,120**	**0**	**1,120**	**1,120**	
Probable Undeveloped									
Aksaz-105	Middle Triassic T2C	(incr.)	100	55	161	0	161	161	Tables 2m, 2n & 2o
Location-1	Middle Triassic T2C	(incr.)	50	55	101	0	101	101	Tables 2p & 2q
Location-2	Middle Triassic T2C		200	55	279	0	279	279	Tables 2y, 2z, 2aa & 2ab
Location-3	Middle Triassic T2C		200	55	279	0	279	279	Tables 2ac, 2ad, 2ae & 2af
Location-4	Middle Triassic T2C		400	55	407	0	407	407	Tables 2ag & 2ah
	Total Probable Undeveloped		**950**		**1,228**	**0**	**1,228**	**1,228**	
	Total Probable		**1,441**		**2,348**	**0**	**2,348**	**2,348**	
	Total Proved Plus Probable		**2,728**		**5,302**	**1,021**	**4,281**	**4,281**	
Possible									
Aksaz-106	Middle Triassic T2C	(incr.)	30	55	17	0	17	17	Table 2x
Location-2	Middle Triassic T2C	(incr.)	50	55	93	0	93	93	Tables 2y, 2z, 2aa & 2ab
Location-3	Middle Triassic T2C	(incr.)	50	55	93	0	93	93	Tables 2ac, 2ad, 2ae & 2af
Location-4	Middle Triassic T2C	(incr.)	100	55	203	0	203	203	Tables 2ag & 2ah
Location-1	Middle Triassic T2B		50	55	81	0	81	81	Table 2ai
	Total Possible		**280**		**488**	**0**	**488**	**488**	
	Total Proved Plus Probable Plus Possible		**3,008**		**5,790**	**1,021**	**4,769**	**4,769**	

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

Table 2 Cont.

Summary of Gross Reserves
January 1, 2016

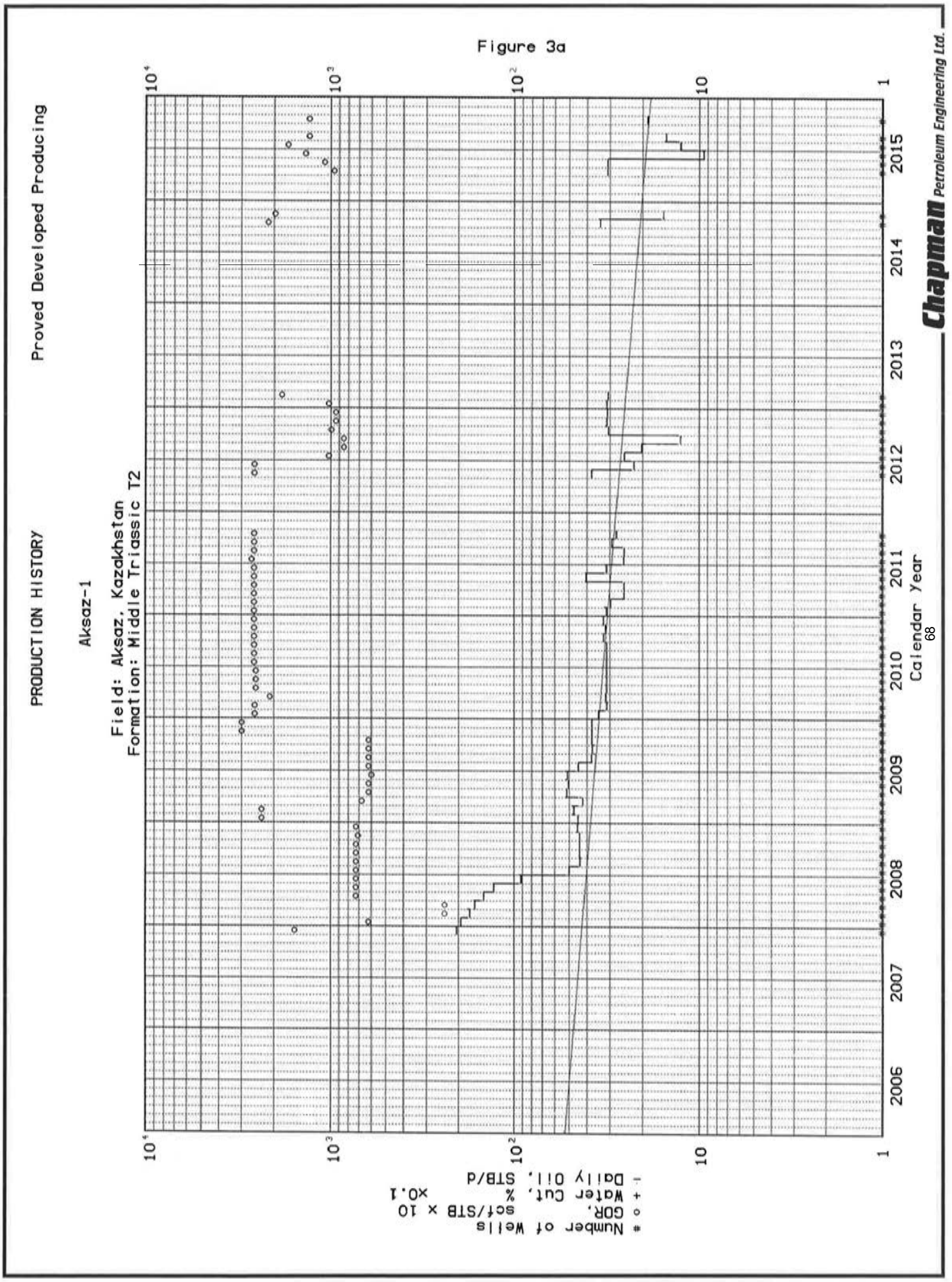
MIE Holdings Corporation

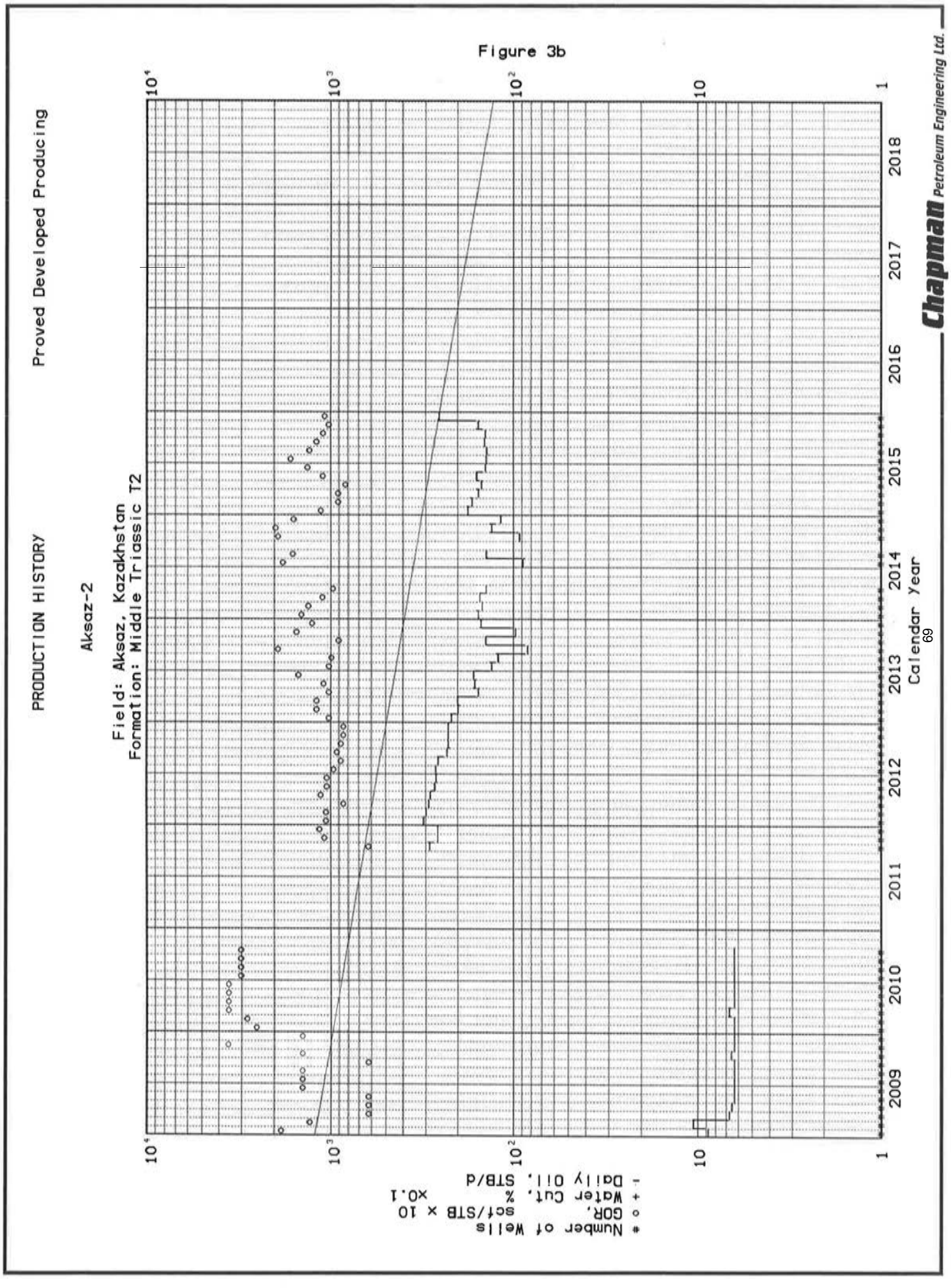
Aksaz, Republic of Kazakhstan

Description		EUR (raw) (MMscf)	Cumulative Production (MMscf)	Gross Reserves (raw) (MMscf)	Gross Reserves (sales) (MMscf)	Contract Reserves (sales)* (MMscf)	Reference
SOLUTION GAS							
Proved							
Proved Developed Producing							
Aksaz-1	Middle Triassic T2C	1,139	1,126	13	12	12	GOR : 10,408 scf/STB
Aksaz-2	Middle Triassic T2C	6,867	2,668	4,199	3,905	3,905	GOR : 11,089 scf/STB
Aksaz-4	Middle Triassic T2C	1,046	932	114	106	106	GOR : 6,157 scf/STB
Aksaz-6	Middle Triassic T2C	1,214	529	686	638	638	GOR : 12,627 scf/STB
	Total Proved Developed Producing	**10,266**	**5,254**	**6,012**	**4,661**	**4,661**	
Proved Developed Non-producing							
Aksaz-1	Middle Triassic T2C	2,428	0	2,428	2,258	2,258	GOR : 10,408 scf/STB
Aksaz-3	Middle Triassic T2C	4,639	2,485	2,154	2,003	2,003	GOR : 5,690 scf/STB
Aksaz-4	Middle Triassic T2C	2,090	261	1,830	1,702	1,702	GOR : 6,157 scf/STB
	Total Proved Developed Non-producing	**9,158**	**2,746**	**6,412**	**5,963**	**5,963**	
	Total Proved Developed	**19,423**	**7,999**	**11,424**	**10,624**	**10,624**	
Proved Undeveloped							
Aksaz-105	Middle Triassic T2C	5,510	2755	2,755	2,562	2,562	GOR : 5,690 scf/STB
Location-1	Middle Triassic T2C	2,195	1097	1,097	1,021	1,021	GOR : 12,627 scf/STB
	Total Proved Undeveloped	**7,705**	**3,853**	**3,853**	**3,583**	**3,583**	
	Total Proved	**27,128**	**11,852**	**15,276**	**14,207**	**14,207**	
Probable							
Probable Developed Producting							
Aksaz-1	Middle Triassic T2C	1,033	0	1,033	961	961	GOR : 10,408 scf/STB
Aksaz-2	Middle Triassic T2C	1,472	0	1,472	1,369	1,369	GOR : 11,089 scf/STB
Aksaz-4	Middle Triassic T2C	739	0	739	687	687	GOR : 6,157 scf/STB
Aksaz-6	Middle Triassic T2C	1,611	0	1,611	1,498	1,498	GOR : 12,627 scf/STB
	Total Probable Developed Producing	**4,854**	**0**	**4,854**	**4,515**	**4,515**	
Probable Developed Non-Producting							
Aksaz-1	Middle Triassic T2B & T2C	3,995	0	3,995	3,715	3,715	GOR : 10,408 scf/STB
Aksaz-2	Middle Triassic T2B	381	0	381	354	354	GOR : 11,109 scf/STB
Aksaz-3	Lower Triassic T1	426	0	426	396	396	GOR : 5,690 scf/STB
Aksaz-4	Middle Triassic T2C	197	0	197	183	183	GOR : 6,157 scf/STB
Aksaz-6	Middle Triassic T2B	1,018	0	1,018	947	947	GOR : 12,627 scf/STB
Aksaz-106	Middle Triassic T2C	198	0	198	184	184	GOR : 5,690 scf/STB
	Total Probable Developed Non-Producing	**6,214**	**0**	**6,214**	**5,779**	**5,779**	
	Total Probable Developed	**11,069**	**0**	**11,069**	**10,294**	**10,294**	
Probable Undeveloped							
Aksaz-105	Middle Triassic T2C	918	0	918	854	854	GOR : 5,690 scf/STB
Location-1	Middle Triassic T2C	1,276	0	1,276	1,187	1,187	GOR : 12,627 scf/STB
Location-2	Middle Triassic T2C	1,720	0	1,720	1,600	1,600	GOR : 6,157 scf/STB
Location-3	Middle Triassic T2C	1,720	0	1,720	1,600	1,600	GOR : 6,157 scf/STB
Location-4	Middle Triassic T2C	4,234	0	4,234	3,938	3,938	GOR : 10,408 scf/STB
	Total Probable Undeveloped	**9,869**	**0**	**9,869**	**9,179**	**9,179**	
	Total Probable	**20,938**	**0**	**20,938**	**19,472**	**19,472**	
	Total Proved Plus Probable	**48,067**	**11,853**	**36,215**	**33,679**	**33,679**	
Possible							
Aksaz-106	Middle Triassic T2C	99	0	99	92	92	GOR : 5,690 scf/STB
Location-2	Middle Triassic T2C	573	0	573	533	533	GOR : 6,157 scf/STB
Location-3	Middle Triassic T2C	573	0	573	533	533	GOR : 6,157 scf/STB
Location-4	Middle Triassic T2C	2,117	0	2,117	1,969	1,969	GOR : 10,408 scf/STB
Location-1	Middle Triassic T2B	1,018	0	1,018	947	947	GOR : 12,627 scf/STB
	Total Possible	**4,381**	**0**	**4,381**	**4,074**	**4,074**	
	Total Proved Plus Probable Plus Possible	**52,448**	**11,853**	**40,596**	**37,753**	**37,753**	

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

Figure 3a


PRODUCTION HISTORY
Proved Developed Producing
Aksaz-1
Field: Aksaz, Kazakhstan
Formation: Middle Triassic T2
Chapman Petroleum Engineering Ltd.
Calendar Year
Number of Wells
o GOR, scf/STB x 10
+ Water Cut, % x0.1
- Daily Oil, STB/d


Figure 3b
PRODUCTION HISTORY
Proved Developed Producing
Aksaz-2
Field: Aksaz, Kazakhstan
Formation: Middle Triassic T2
Chapman Petroleum Engineering Ltd.
Calendar Year
2009
2010
2011
2012
2013
2014
2015
2016
2017
2018
1
10
10²
10³
10⁴
* Number of Wells
° GOR, scf/STB x 10
+ Water Cut, % x0.1
- Daily Oil, STB/d

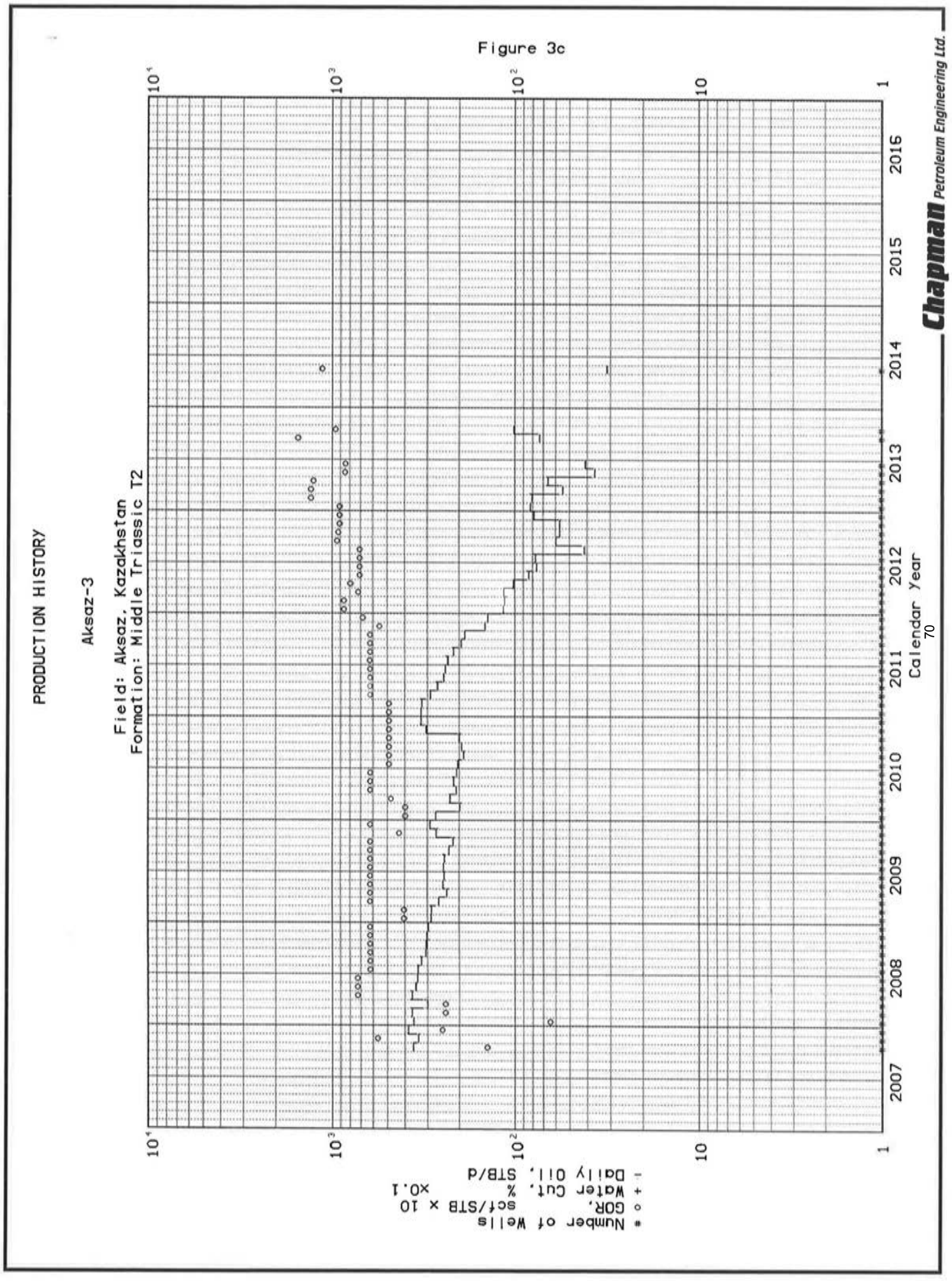

Figure 3c
PRODUCTION HISTORY
Aksaz-3
Field: Aksaz, Kazakhstan
Formation: Middle Triassic T2
Chapman Petroleum Engineering Ltd.
Calendar Year
2007
2008
2009
2010
2011
2012
2013
2014
2015
2016
1
10
10²
10³
10⁴
* Number of Wells
○ GOR, scf/STB x 10
+ Water Cut, % x0.1
- Daily Oil, STB/d

Figure 3d

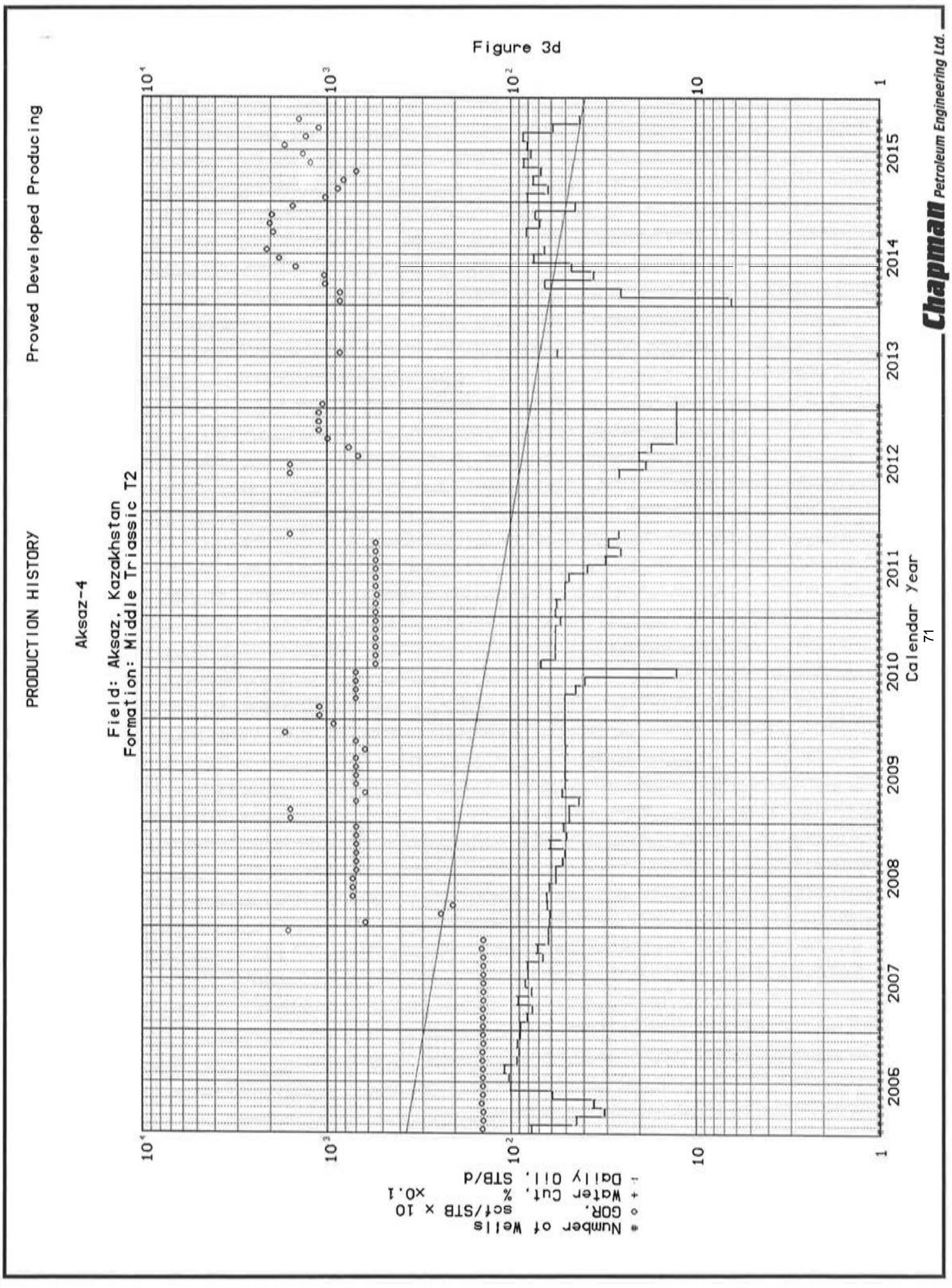
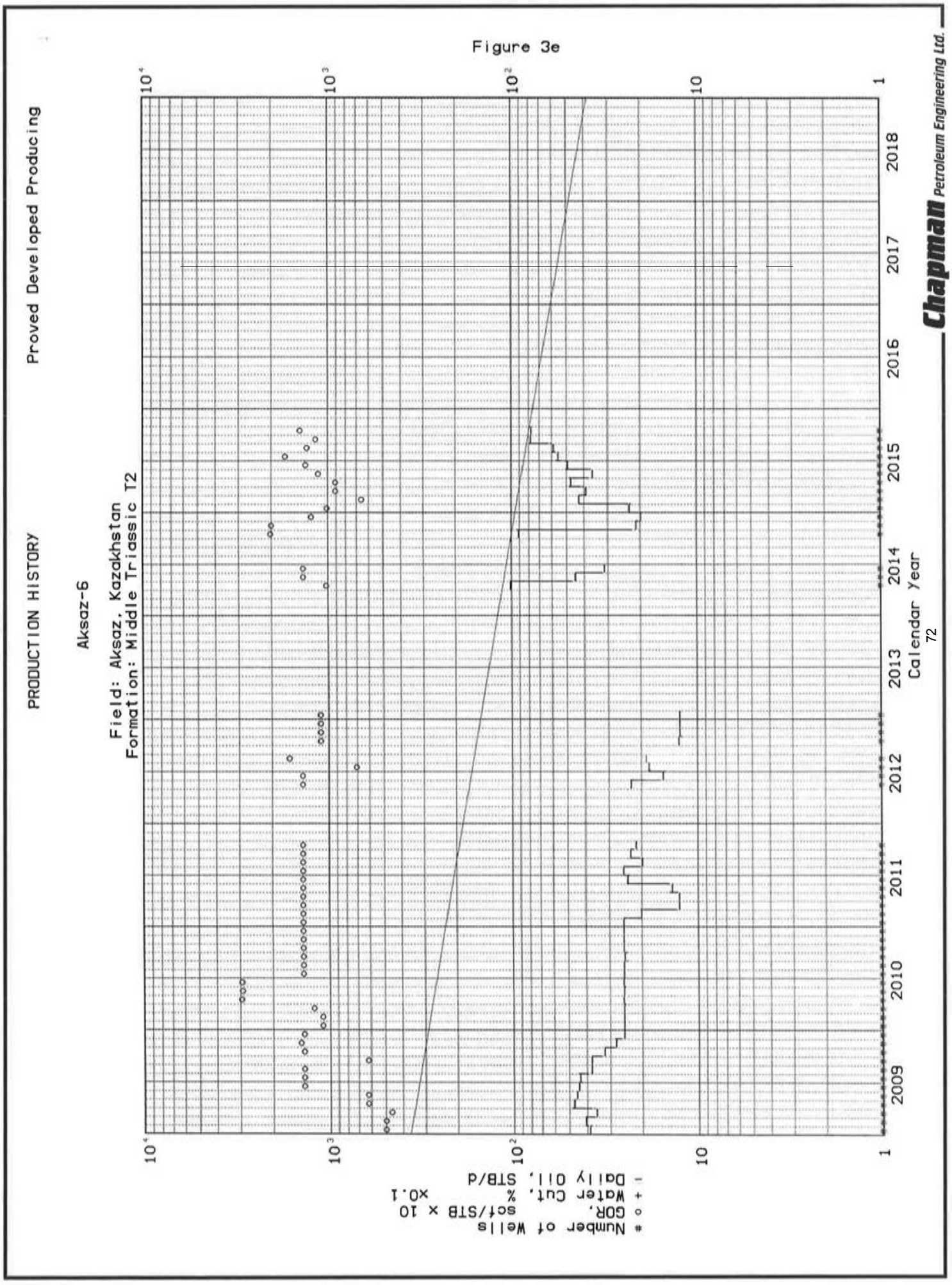

PRODUCTION HISTORY
Proved Developed Producing
Aksaz-4
Field: Aksaz, Kazakhstan
Formation: Middle Triassic T2
Chapman Petroleum Engineering Ltd.
Calendar Year
2006
2007
2008
2009
2010
2011
2012
2013
2014
2015
1
10
10²
10³
10⁴
* Number of Wells
◦ GOR, scf/STB x 10
+ Water Cut, % x0.1
· Daily Oil, STB/d

Figure 3e


PRODUCTION HISTORY
Proved Developed Producing
Aksaz-6
Field: Aksaz, Kazakhstan
Formation: Middle Triassic T2
Chapman Petroleum Engineering Ltd.
Calendar Year
2009
2010
2011
2012
2013
2014
2015
2016
2017
2018
1
10
10²
10³
10⁴
* Number of Wells
○ GOR, scf/STB x 10
+ Water Cut, % x0.1
- Daily Oil, STB/d

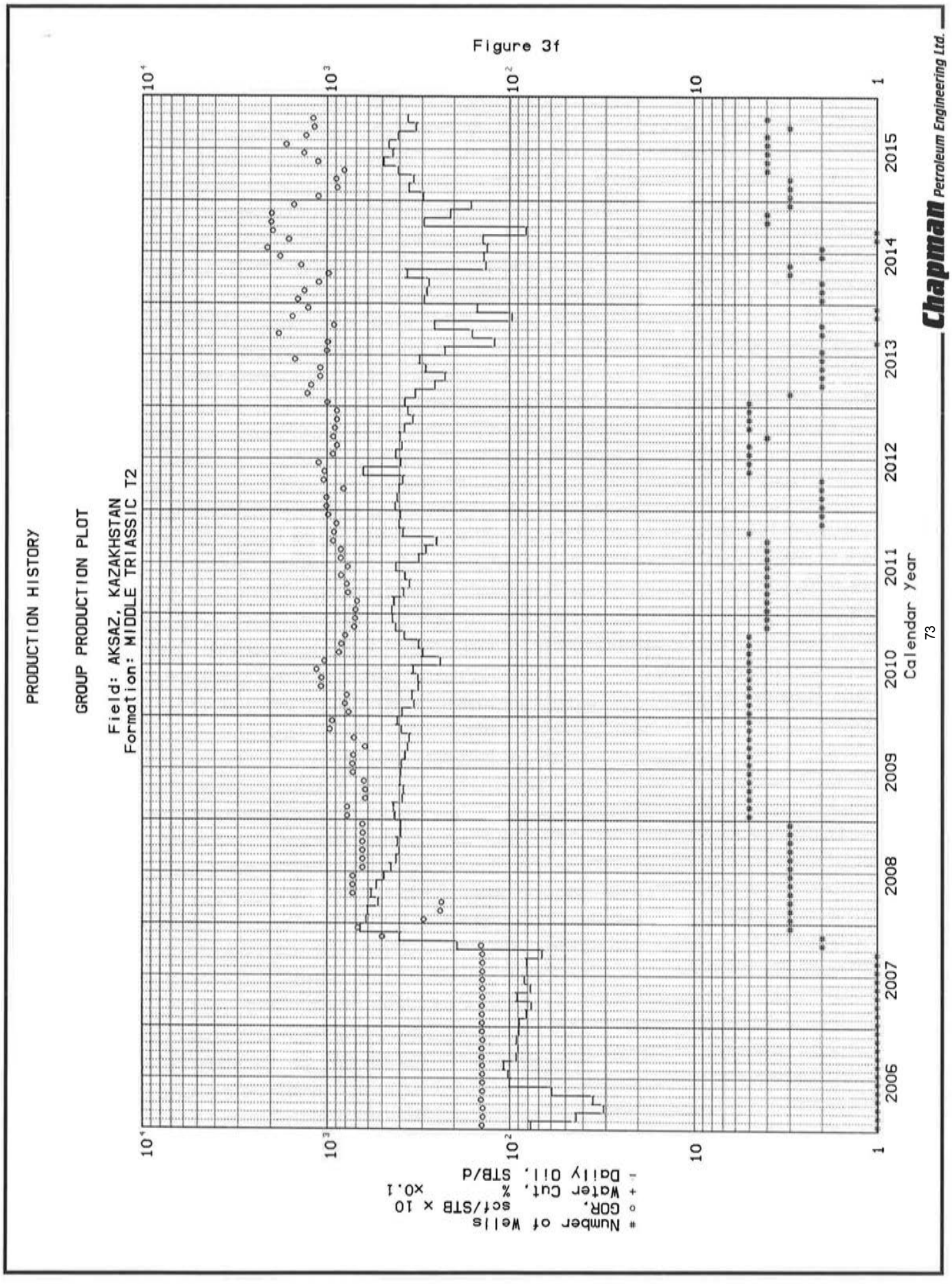

Figure 3f
PRODUCTION HISTORY
GROUP PRODUCTION PLOT
Field: AKSAZ, KAZAKHSTAN
Formation: MIDDLE TRIASSIC T2
Number of Wells
° GOR, scf/STB x 10
+ Water Cut, % x0.1
- Daily Oil, STB/d
10⁴
10³
10²
10
1
2006
2007
2008
2009
2010
2011
2012
2013
2014
2015
Calendar Year
Chapman Petroleum Engineering Ltd.

Table 3a

Summary of Anticipated Capital Expenditures
Development
January 1, 2016
MIE Holdings Corporation

Aksaz, Republic of Kazakhstan

Description	Date	Operation	Capital Interest %	Gross Capital M$	Net Capital M$
Proved					
Proved Developed Non-producing					
Aksaz-1	2018	Perforate and Place on Production addition intervals	100.0000	500	500
Aksaz-3	2018	Perforate and Place on Production addition intervals	100.0000	500	500
Aksaz-4	2018	Perforate and Place on Production addition intervals	100.0000	500	500
		Total Proved Developed Non-Producing		**1,500**	**1,500**
		Total Proved Developed		**1,500**	**1,500**
Proved Undeveloped					
Location-1	2018	Drill, Complete and Tie-in for Production	100.0000	6,700	6,700
Aksaz-105	2019	Complete and Tie-in for Production	100.0000	400	400
		Total Proved Undeveloped		**7,100**	**7,100**
Probable		**Total Proved**		**8,600**	**8,600**
Probable Developed					
Pipeline and Central Processing Facilities	2016	Build Pipeline and Central Processing Facilities	100.0000	3,685	3,685
Aksaz-1	2019	Complete and tie-in additional zones	100.0000	400	400
Aksaz-2	2019	Complete and tie-in additional zones	100.0000	400	400
Aksaz-3	2019	Complete and tie-in additional zones	100.0000	400	400
Aksaz-4	2019	Complete and tie-in additional zones	100.0000	400	400
Aksaz-6	2019	Complete and tie-in additional zones	100.0000	400	400
Aksaz-106	2018	Complete and Tie-in for Production	100.0000	400	400
		Total Probable Developed		**6,085**	**6,085**
Probable Undeveloped					
Location-1	2019	Stimulate Producing Intervals	100.0000	300	300
Aksaz-105	2020	Stimulate Producing Intervals	100.0000	300	300
Locations 2, 3 & 4	2020	Drill, Complete and Tie-in for Production	100.0000	20,100	20,100
		Total Probable Undeveloped		**20,700**	**20,700**
		Total Probable		**26,785**	**26,785**
		Total Proved Plus Probable		**35,385**	**35,385**
Possible					
Location 1	2019	Complete and tie-in additional intervals	100.0000	500	500
Aksaz-106	2019	Complete and tie-in additional intervals	100.0000	400	400
Locations 2, 3 & 4	2021	Stimulate Producing Intervals	100.0000	900	900
		Total Possible		**1,800**	**1,800**
		Total Proved Plus Probable Plus Possible		**37,185**	**37,185**

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

Aksaz, Republic of Kazakhstan

Description	Year	Well Parameters	Capital Interest %	Gross Capital M$	Net Capital M$
Aksaz-1		Multiple zone oil producing well	100.0000	50	50
Aksaz-2		Multiple zone oil producing well	100.0000	50	50
Aksaz-3		Multiple zone oil producing well	100.0000	50	50
Aksaz-4		Multiple zone oil producing well	100.0000	50	50
Aksaz-6		Multiple zone oil producing well	100.0000	50	50
Aksaz-106		Multiple zone oil producing well	100.0000	50	50
Location-105		Multiple zone oil producing well	100.0000	50	50
Four Locations		Multiple zone oil producing wells	100.0000	200	200
		Total Abandonment and Restoration		**550**	**550**

Table 4
Summary of Company Reserves and Economics
Before CIT & EPT
January 1, 2016

MIE Holdings Corporation

Aksaz, Kazakhstan

Forecast Prices & Costs

			Net To Appraised Interest										
			Reserves						Cumulative Cash Flow (BT) - M$				
			Light and Medium Oil MSTB		Sales Gas MMscf		NGL Mbbls		Discounted at:				
Description			Gross	Net	Gross	Net	Gross	Net	Undisc.	5%/year	10%/year	15%/year	20%/year
Proved Developed Producing													
Aksaz 1,2,4,6	Middle Triassic T2C		453	453	4,661	4,661	0	0	6,299	5,240	4,446	3,836	3,357
Total Proved Developed Producing			**453**	**453**	**4,661**	**4,661**	**0**	**0**	**6,299**	**5,240**	**4,446**	**3,836**	**3,357**
Proved Developed Non-Producing													
Aksaz 1,3,4	Middle Triassic T2C		909	909	5,963	5,963	0	0	30,938	21,849	15,978	12,019	9,253
Total Proved Developed Non-Producing			**909**	**909**	**5,963**	**5,963**	**0**	**0**	**30,938**	**21,849**	**15,978**	**12,019**	**9,253**
Total Proved Developed			**1,362**	**1,362**	**10,624**	**10,624**	**0**	**0**	**37,237**	**27,089**	**20,424**	**15,855**	**12,610**
Proved Undeveloped													
Locations 1 & Aksaz-105	Middle Triassic T2C		571	571	3,583	3,583	0	0	10,526	6,304	3,660	1,967	865
Total Proved Undeveloped			**571**	**571**	**3,583**	**3,583**	**0**	**0**	**10,526**	**6,304**	**3,660**	**1,967**	**865**
Total Proved			**1,933**	**1,933**	**14,207**	**14,207**	**0**	**0**	**47,763**	**33,393**	**24,084**	**17,822**	**13,475**
Probable													
Probable Developed Producing													
Aksaz 1,2,4,6	Middle Triassic T2C	Incr.	480	480	4,515	4,515	0	0	6,822	4,848	3,468	2,471	1,731
Total Probable Developed Producing			**480**	**480**	**4,515**	**4,515**	**0**	**0**	**6,822**	**4,848**	**3,468**	**2,471**	**1,731**
Probable Developed Non-Producing													
Aksaz 1,2,3,4,6 & 106	Middle Triassic T1,T2B & T2C	Incr.	640	640	5,779	5,779	0	0	20,103	14,175	10,245	7,564	5,686
Total Probable Developed Non-Producing			**640**	**640**	**5,779**	**5,779**	**0**	**0**	**20,103**	**14,175**	**10,245**	**7,564**	**5,686**
Total Probable Developed			**1,120**	**1,120**	**10,293**	**10,293**	**0**	**0**	**26,925**	**19,023**	**13,713**	**10,035**	**7,418**
Probable Undeveloped													
Locations 1 & Aksaz-105	Middle Triassic T2C	Incr.	262	262	2,041	2,041	0	0	7,935	5,441	3,837	2,771	2,041
Locations 2,3 & 4	Middle Triassic T2C		966	966	7,138	7,138	0	0	11,908	6,066	2,689	734	(385)
Total Probable Undeveloped			**1,228**	**1,228**	**9,179**	**9,179**	**0**	**0**	**19,843**	**11,507**	**6,526**	**3,505**	**1,656**
Total Probable			**2,348**	**2,348**	**19,472**	**19,472**	**0**	**0**	**46,768**	**30,530**	**20,240**	**13,539**	**9,074**
Total Proved Plus Probable			**4,281**	**4,281**	**33,679**	**33,679**	**0**	**0**	**94,531**	**63,923**	**44,324**	**31,361**	**22,548**
Possible													
Aksaz-106	Middle Triassic T2C	Incr.	17	17	92	92	0	0	4,709	2,591	1,492	890	544
Locations -2, 3 & 4	Middle Triassic T2C	Incr.	390	390	3,035	3,035	0	0	12,807	8,176	5,360	3,598	2,467
Location -1	Middle Triassic T2C		81	81	947	947	0	0	59	676	814	777	686
Total Possible			**488**	**488**	**4,074**	**4,074**	**0**	**0**	**17,574**	**11,443**	**7,666**	**5,265**	**3,696**
Total Proved Plus Probable Plus Possible			**4,769**	**4,769**	**37,753**	**37,753**	**0**	**0**	**112,105**	**75,366**	**51,989**	**36,626**	**26,244**

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
Summary of Company Reserves and Economics
After CIT & EPT
January 1, 2016

MIE Holdings Corporation

Aksaz, Kazakhstan

Forecast Prices & Costs

	Net To Appraised Interest										
	Oil MSTB		Sales Gas MMscf		BOE Mbbls		Cumulative Cash Flow - M$ Discounted at:				
Description	Gross	Net	Gross	Net	Gross	Net	Undisc.	5%/year	10%/year	15%/year	20%/year
Proved Developed Producing											
Total Proved Developed Producing (BT)	453	453	4,661	4,661	1,230	1,230	6,299	5,240	4,446	3,836	3,357
Corporate Income Tax	-	-	-	-	-	-	(266)	(223)	(188)	(161)	(139)
Excess profits Tax	-	-	-	-	-	-	0	0	0	0	0
Total Proved Developed Producing (AT)	**453**	**453**	**4,661**	**4,661**	**1,230**	**1,230**	**6,032**	**5,017**	**4,258**	**3,675**	**3,218**
Proved Developed Non-Producing											
Total Proved Developed Non-Producing (BT)	909	909	5,963	5,963	1,903	1,903	30,938	21,849	15,978	12,019	9,253
Corporate Income Tax	-	-	-	-	-	-	(6,146)	(4,430)	(3,301)	(2,528)	(1,979)
Excess profits Tax	-	-	-	-	-	-	(10,578)	(7,794)	(5,909)	(4,567)	(3,633)
Total Proved Developed Non-Producing (AT)	909	909	5,963	5,963	1,903	1,903	14,215	9,625	6,768	4,904	3,641
Total Proved Developed (AT)	1,362	1,362	10,624	10,624	3,132	3,132	20,247	14,643	11,026	8,579	6,860
Proved Undeveloped											
Total Proved Undeveloped (BT)	571	571	3,583	3,583	1,168	1,168	10,526	6,304	3,660	1,957	865
Corporate Income Tax	-	-	-	-	-	-	(2,354)	(1,704)	(1,261)	(951)	(730)
Excess profits Tax	-	-	-	-	-	-	(197)	(144)	(78)	(20)	25
Total Proved Undeveloped (AT)	571	571	3,583	3,583	1,168	1,168	7,974	4,456	2,322	996	159
Total Proved (AT)	**1,933**	**1,933**	**14,207**	**14,207**	**4,300**	**4,300**	**28,221**	**19,098**	**13,347**	**9,575**	**7,018**
Probable											
Probable Developed Producing											
Total Probable Developed Producing (BT)	480	480	4,515	4,515	1,232	1,232	6,822	4,848	3,468	2,471	1,731
Corporate Income Tax	-	-	-	-	-	-	(1,400)	(1,129)	(930)	(780)	(663)
Excess profits Tax	-	-	-	-	-	-	0	0	0	0	0
Total Probable Developed Producing (AT)	480	480	4,515	4,515	1,232	1,232	5,422	3,719	2,538	1,692	1,068
Probable Developed Non-Producing											
Total Probable Developed Non-Producing (BT)	640	640	5,779	5,779	1,603	1,603	20,103	14,175	10,245	7,564	5,686
Corporate Income Tax	-	-	-	-	-	-	(4,264)	(3,058)	(2,239)	(1,675)	(1,277)
Excess profits Tax	-	-	-	-	-	-	(9,642)	(6,965)	(5,145)	(3,875)	(2,969)
Total Probable Developed Non-Producing (AT)	640	640	5,779	5,779	1,603	1,603	6,177	4,152	2,862	2,013	1,440
Total Probable Developed (AT)	1,120	1,120	10,293	10,293	2,835	2,835	11,599	7,871	5,399	3,705	2,508
Probable Undeveloped											
Total Probable Undeveloped (BT)	1,228	1,228	9,179	9,179	2,758	2,758	19,843	11,507	6,526	3,505	1,656
Corporate Income Tax	-	-	-	-	-	-	(4,719)	(3,237)	(2,255)	(1,591)	(1,135)
Excess profits Tax	-	-	-	-	-	-	(382)	(54)	157	282	351
Total Probable Undeveloped (AT)	1,228	1,228	9,179	9,179	2,758	2,758	14,742	8,216	4,428	2,196	871
Total Probable (AT)	2,348	2,348	19,472	19,472	5,593	5,593	26,341	16,087	9,827	5,901	3,379
Total Proved Plus Probable (AT)	4,281	4,281	33,679	33,679	9,894	9,894	54,562	35,185	23,175	15,476	10,398
Possible											
Total Possible (BT)	488	488	4,074	4,074	1,167	1,167	17,574	11,443	7,666	5,265	3,696
Corporate Income Tax	-	-	-	-	-	-	(3,728)	(2,453)	(1,666)	(1,164)	(834)
Excess profits Tax	-	-	-	-	-	-	(6,189)	(4,079)	(2,749)	(1,890)	(1,322)
Total Possible (AT)	488	488	4,074	4,074	1,167	1,167	7,657	4,912	3,250	2,211	1,540
Total Proved Plus Probable Plus Possible (AT)	4,769	4,769	37,753	37,753	11,061	11,061	62,220	40,097	26,425	17,686	11,938

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.

ADEK BLOCK (LICENCE AREA)
REPUBLIC OF KAZAKHSTAN
DOLINNOE FIELD
INDEX

Discussion

Property Description
Geology
Petrophysical Data and Analysis
Reserves
Production
Product Prices
Capital Expenditures
Operating Costs
Tax
Economics

Attachments

Table 1: Schedule of Lands, Interests and Royalty Burdens

Figure 1: Field Map and Structure Top
a) Middle Triassic T2B
c) Middle Triassic T2C

Figure 2: Log Analysis Presentation
a) Dolinnoe-1, Middle Triassic T2
b) Dolinnoe-2, Middle Triassic T2
c) Dolinnoe-3, Middle Triassic T2
d) Dolinnoe-5, Middle Triassic T2
e) Dolinnoe-6, Middle Triassic T2
f) Dolinnoe-7, Middle Triassic T2
g) Dolinnoe-12ST, Middle Triassic T2
h) Dolinnoe-110, Middle Triassic T2
i) Dolinnoe-112, Middle Triassic T2

Table 2: Summary of Gross Reserves

Summary of Reserves and Reservoir Parameters
Proved Developed Producing
a) Dolinnoe-1, Middle Triassic T2C (Removed from this version)
b) Dolinnoe-2, Middle Triassic T2B (Removed from this version)
c) Dolinnoe-2, Middle Triassic T2C (Removed from this version)
d) Dolinnoe-7, Middle Triassic T2B (Removed from this version)
e) Dolinnoe-7, Middle Triassic T2C (Removed from this version)
f) Dolinnoe-110, Middle Triassic T2C (Removed from this version)
g) Dolinnoe-112, Middle Triassic T2C (Removed from this version)

Proved Developed Non-Producing
h) Dolinnoe-1, Middle Triassic T2B (Removed from this version)
i) Dolinnoe-3, Middle Triassic T2B (Removed from this version)

j) Dolinnoe-3, Middle Triassic T2C (Removed from this version)
k) Dolinnoe-6, Middle Triassic T2B (Removed from this version)
l) Dolinnoe-6, Middle Triassic T2C (Removed from this version)
m) Dolinnoe-110, Middle Triassic T2B (Removed from this version)
n) Dolinnoe-112, Middle Triassic T2B (Removed from this version)

Proved Undeveloped
o) Three Adjacent Locations, Middle Triassic T2B (Removed from this version)
p) Three Adjacent Locations, Middle Triassic T2C (Removed from this version)

Proved Plus Probable Plus Possible
q) Three Adjacent Locations, Middle Triassic T2B (Removed from this version)
r) Three Adjacent Locations, Middle Triassic T2C (Removed from this version)

Probable Developed
s) Dolinnoe-5, Middle Triassic T2C (Removed from this version)
t) Dolinnoe-112, Middle Triassic T2B (Removed from this version)

Possible
u) Dolinnoe-5, Middle Triassic T2B (Removed from this version)

Figure 3: Production History Graph
a) Dolinnoe-1, Middle Triassic T2
b) Dolinnoe-2, Middle Triassic T2
c) Dolinnoe-3, Middle Triassic T2
d) Dolinnoe-5, Middle Triassic T2
e) Dolinnoe-6, Middle Triassic T2
f) Dolinnoe-7, Middle Triassic T2
g) Dolinnoe-110, Middle Triassic T2
h) Dolinnoe-112, Middle Triassic T2
i) Group Production Plot, Middle Triassic T2

Table 3: Summary of Anticipated Capital Expenditures
a) Development
b) Abandonment and Restoration

Table 4: Summary of Company Reserves and Economics

a) Proved Developed Producing (Removed from this version)
b) Total Proved Developed (Removed from this version)
c) Total Proved (Removed from this version)
d) Proved Plus Probable Developed Producing (Removed from this version)
e) Probable Developed Non-Producing (Removed from this version)
f) Proved Plus Probable Developed (Removed from this version)
g) Probable Undeveloped (Removed from this version)
h) Proved Plus Probable (Removed from this version)
i) Proved Plus Probable Plus Possible Developed (Removed from this version)
j) Probable Plus Possible Developed (Removed from this version)
k) Probable Plus Possible Undeveloped (Removed from this version)
l) Proved Plus Probable Plus Possible (Removed from this version)

ADEK BLOCK (LICENCE AREA)
REPUBLIC OF KAZAKHSTAN
DOLINNOE FIELD
DISCUSSION

Property Description

The Company owns a 100 percent working interest in a "Licence" and "Production Contract" referred to as the Dolinnoe 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 Production Contract was entered into on September 9, 2011.

The Licence and Production Contract granted the right to engage in exploration and development activities on the block. The Production contract term is 25 years.

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 Dolinnoe Field is one of seven known fields already discovered on the ADEK Block. Dolinnoe-1 and 2 have been thoroughly tested and placed on production from one and two zones respectively. Wells Dolinnoe-3 is on production from two zones. Well Dolinnoe-5 was on production for a few months, but was shut-in for further stimulation, than placed on production and shut-in again. Well Dolinnoe-6 is currently shut-in due to drilling of the sidetrack. Well Dolinnoe-7 has been drilled, tested and placed on production and currently is producing from one zone. Wells Dolinnoe-110 is currently producing from one zone. Well Dolinnoe-112 was on production for a few months, but currently is shut-in.

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 at the edge of the Mangistau Ustyrt Central High which contains several producing oilfields in the area. The Dolinnoe field is a faulted anticline comprising several faulted blocks. The main producing horizon is the Middle Triassic carbonate.

Hydrocarbon traps are formed within the transition zone of the Beke-Bashkudsky high and Karagiin saddle. Dolinnoe borders upon regional fault which separates these two large tectonic elements.

The ADE Block is covered by several vintages of 2D seismic plus a recent 3-D survey. The middle Triassic structure top is represented by the reflection horizon T2, which is presented on Figures 1.

The Jurassic, a clastic sand shale sequence with some carbonate, lies about 950m above the Triassic throughout the block. The Jurassic is a secondary opportunity for hydrocarbon potential as indicated by log analysis in Dolinnoe-1 well. Resource potential has been identified but reserves have not been assigned or evaluated in this report.

Petrophysical Data and Analysis

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

The Chapman digital log analysis was made using HDS software over the Upper and Lower Triassic reservoirs.

The Gamma Ray was used as a shale indicator in the Dual water saturation equation with a carbonate selection for a, m, and n.
Sw cutoff was 40% along with a shale volume cutoff of 30%.

Net pay was identified in the Upper and Lower Triassic reservoirs as shown in the interpreted log.

Reserves

Proved developed producing reserves of 1,022 MSTB of oil and 2,461 MMscf of marketable solution gas have been estimated for producing intervals in the Middle Triassic T2 zones in wells Dolinnoe-1, 2, 7, 110 and 112, based on decline analysis of production decline analysis, and reflected in the rocktables.

Fluid property correlations have been utilized to determine the oil formation volume factor and solution gas oil ratio based on known oil density and reservoir pressure and temperature along with early production performance of the well.

Additional proved developed non-producing oil reserves of 2,969 MSTB and marketable solution gas reserves of 6,180 MMscf have been estimated for additional Triassic intervals in wells Dolinnoe-1, 3, 6, 110 and 112.

Reservoir parameters have been determined on the basis of detailed digital log analysis from each well as discussed earlier.

Proved undeveloped oil reserves of 2,212 MSTB and 3,832 MMscf of marketable solution gas have been assigned to three direct offset locations to be drilled directly adjacent to wells Dolinnoe-1 and 2, based on the same well bore parameters as wells 1 and 2, assuming a recovery factor of 20 percent and a drainage area of 60 acres.

Incremental probable developed producing oil reserves of 529 MSTB and marketable solution gas reserves of 1,189 MMscf have been assigned predominantly for producing intervals in the existing wells Dolinnoe-1, 2, 7, 110 and 112 assuming a higher recovery factor than for the Proved case.

Incremental probable developed no-producing oil reserves of 897 MSTB and marketable solution gas reserves of 1,756 MMscf have been assigned predominantly for non-producing intervals in the existing wells Dolinnoe-1, 3, 6, 110 and 112 assuming a higher recovery factor than for the Proved case (35 percent).

Additional probable developed non-producing oil reserves of 567 MSTB and marketable solution gas reserves of 1,578 MMscf have been assigned to the Middle Triassic T2C zone in the well Dolinnoe-5 and to the Middle Triassic T2B zone in the well Dolinnoe-12ST. Well Dolinnoe-5 commenced production in March 2008; produced for five days and was shut in for future workover. These

reserves are based on the reservoir parameters derived from independent log analysis assuming a recovery factor of 30 percent and a drainage area of 60 acres.

Incremental probable undeveloped oil reserves of 1,455 MSTB and marketable solution gas reserves of 2,521 MMscf have been assigned to three direct locations assuming a higher recovery factor than for the proved undeveloped case (30 percent).

Additional probable undeveloped oil reserves of 3,260 MSTB and marketable solution gas reserves of 5,648 MMscf have been estimated for four additional locations to be drilled on the same accumulation as encountered by Dolinnoe-1, 2, 3, 5, 6 and 7 based on 3D seismic mapping as shown on Figure 1. These reserves have been based on the analogy to the proved undeveloped locations with the assumption of a 20 percent recovery factor and 60 acres of drainage area.

Incremental possible oil reserves of 2,540 MSTB and marketable solution gas reserves of 4,713 MMscf have been assigned to the existing well Dolinnoe-5 and seven locations reflecting an increase in recovery factor.

Additional possible oil reserves of 3,448 MSTB and marketable solution gas reserves of 6,171 MMscf have been assigned to two zones in the well Dolinnoe-5 and additional four locations that have to be drilled outside of the proved and probable area, but within the defined accumulation.

Reserves assigned to the four additional locations are based on analogy to the proved undeveloped location, assuming equal drainage area and recovery factor.

Reserves in this report have been assigned to the accumulation which has been encountered by wells Dolinnoe-1, 2, 3, 5, 6, 7, 110 and 112 as presented by the geological and geophysical consultants responsible for the 3-D seismic interpretation as shown on Figure 1. Additional resource potential may exist on the surrounding fault blocks which have not yet been drilled.

Also, the Jurassic has indicated significant possible reserves potential, based on log analysis, which has not been evaluated herein. There is insufficient data at present to accurately quantify reserves however log analysis demonstrates hydrocarbon potential as discussed above.

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 2u.

Production

Well Dolinnoe-1 is currently producing 77 STB/d from the Middle Triassic T2C zone. Well Dolinnoe-2 is currently producing 74 STB/d from the Middle Triassic T2B and T2C zones. Well Dolinnoe-3 is currently shut down. Well Dolinnoe-7 is on production since September 2008 and the current rate is 133 STB/d Middle Triassic T2B zone. Well Dolinnoe-110 is currently producing 143 STB/d from the Middle Triassic T2C zone. Well Dolinnoe-112 is currently producing 87 STB/d from the Middle Triassic T2C zone.

Production history graphs for individual wells and a Group Production Plot are presented on Figures 3a through 3i. Initial rates for the non-producing wells are shown in Table 2.

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 $65,324,000 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 $6,300,000 has been used to drill, complete, equip and tie-in each new well based on historical information in this area.

Abandonment and lease restoration costs of $800,000 ($50,000 per well) net of salvage have been included after the depletion of the reserves, as presented in Table 3b.

Abandonment and lease restoration costs of $800,000 ($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

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 4l.

Table 1

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

MIE Holdings Corporation

Dolinnoe, Republic of Kazakhstan

Description	Rights Owned	Gross Acres	Appraised Interest Working %	Appraised Interest Royalty %	Royalty Burdens Basic %	Royalty Burdens Overriding %
License No.3735-4BC & Contract No.482	[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 2,017	5.00	2.50
up to 500,000	up to 4,033	7.00	3.50
up to 1,000,000	up to 8,067	8.00	4.00
up to 2,000,000	up to 16,134	9.00	4.50
up to 3,000,000	up to 24,201	10.00	5.00
up to 4,000,000	up to 32,268	11.00	5.50
up to 5,000,000	up to 40,335	12.00	6.00
up to 7,000,000	up to 56,469	13.00	6.50
up to 10,000,000	up to 80,670	15.00	7.50
over 10,000,000	over 80,670	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

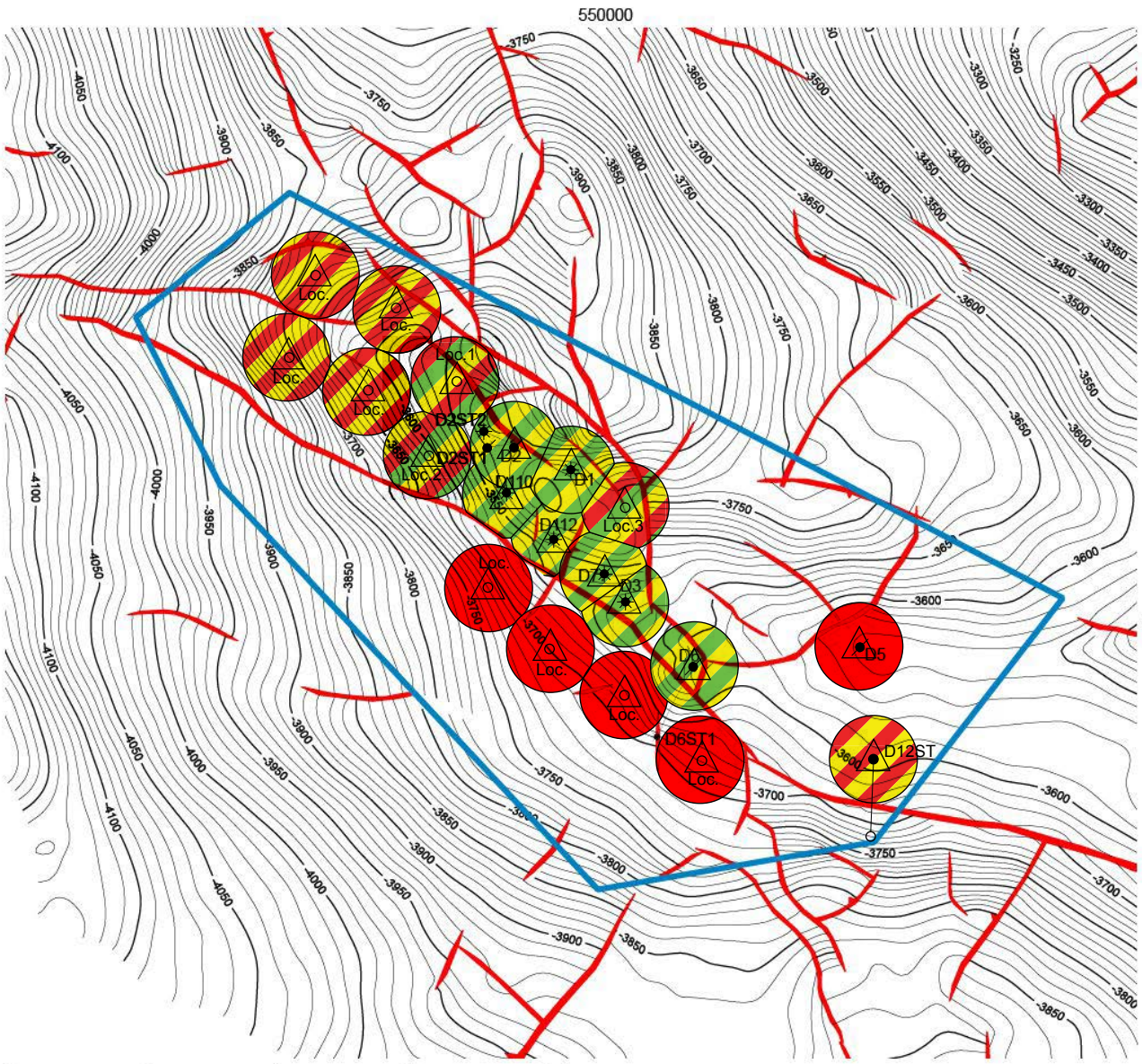
Export Rent Tax (ERT)

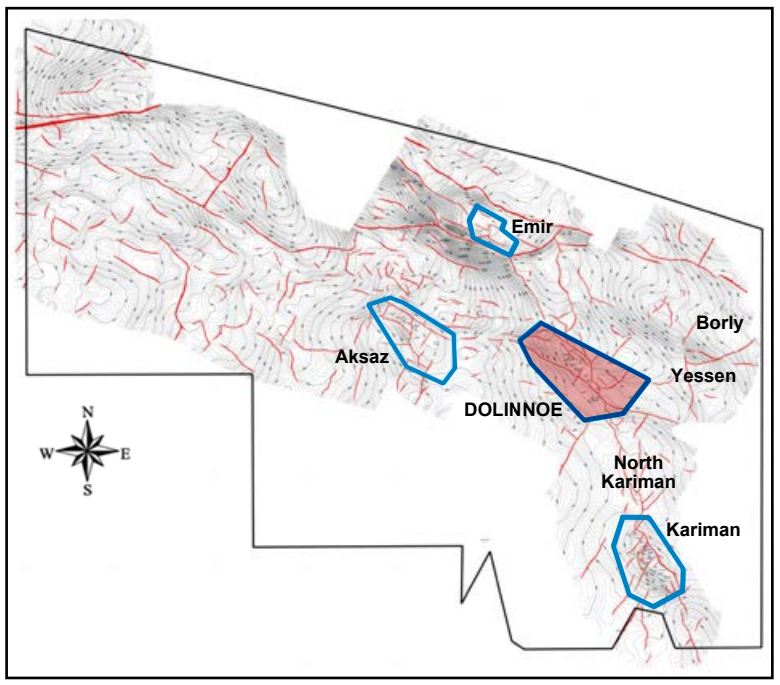
World Price (US$/BBL)	Rate %
Up to 40, Including	0
Up to 50, Including	7
Up to 60, Including	11
Up to 70, Including	14
Up to 80, Including	16
Up to 90, Including	17
Up to 100, Including	19
Up to 110, Including	21
Up to 120, Including	22
Up to 130, Including	23
Up to 140, Including	25
Up to 150, Including	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] Dolinnoe Field located in blocks XXXV-11-A(partially), D(partially). Production Contract expires on September 9, 2036.





LEGEND

- FAULT LINES
- AREA OF ASSIGNED RESERVES
- ## STRUCTURAL ELEVATION (sL)- m
- PROPOSED LOCATIONS
- WELL OF INTEREST

MIE HOLDINGS CORPORATION

DOLINNOE FIELD

ADEK BLOCK (LICENSE AREA)

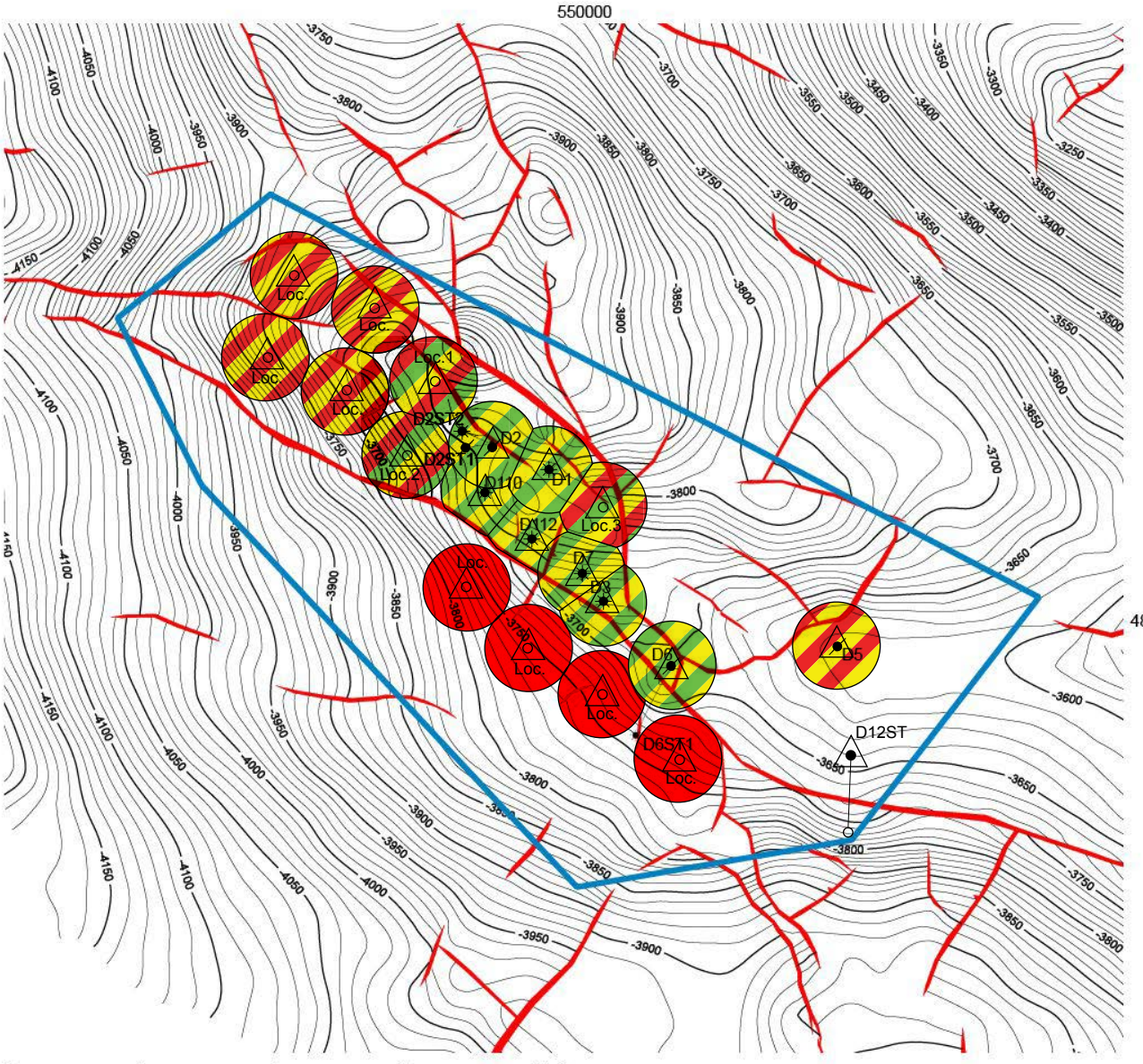
MANGISTAU OBLAST, KAZAKHSTAN

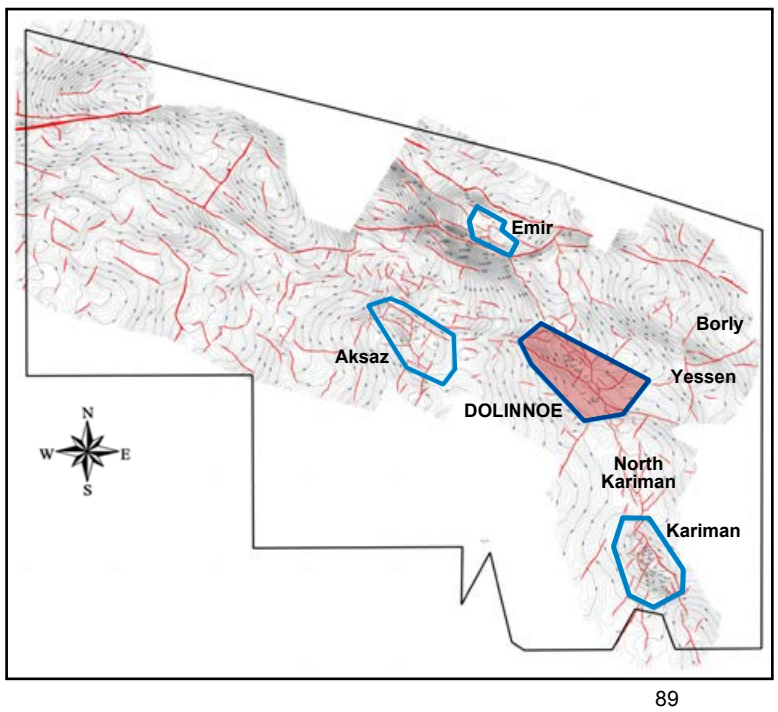
STRUCTURE ON MIDDLE TRIASSIC T2B

JAN. 2016 JOB No. 6144 FIGURE No. 1a

88

Chapman Petroleum Engineering Ltd.





LEGEND

- FAULT LINES
- AREA OF ASSIGNED RESERVES
- ## STRUCTURAL ELEVATION (sL)- m
- PROPOSED LOCATIONS
- WELL OF INTEREST

MIE HOLDINGS CORPORATION

DOLINNOE FIELD

ADEK BLOCK (LICENSE AREA)

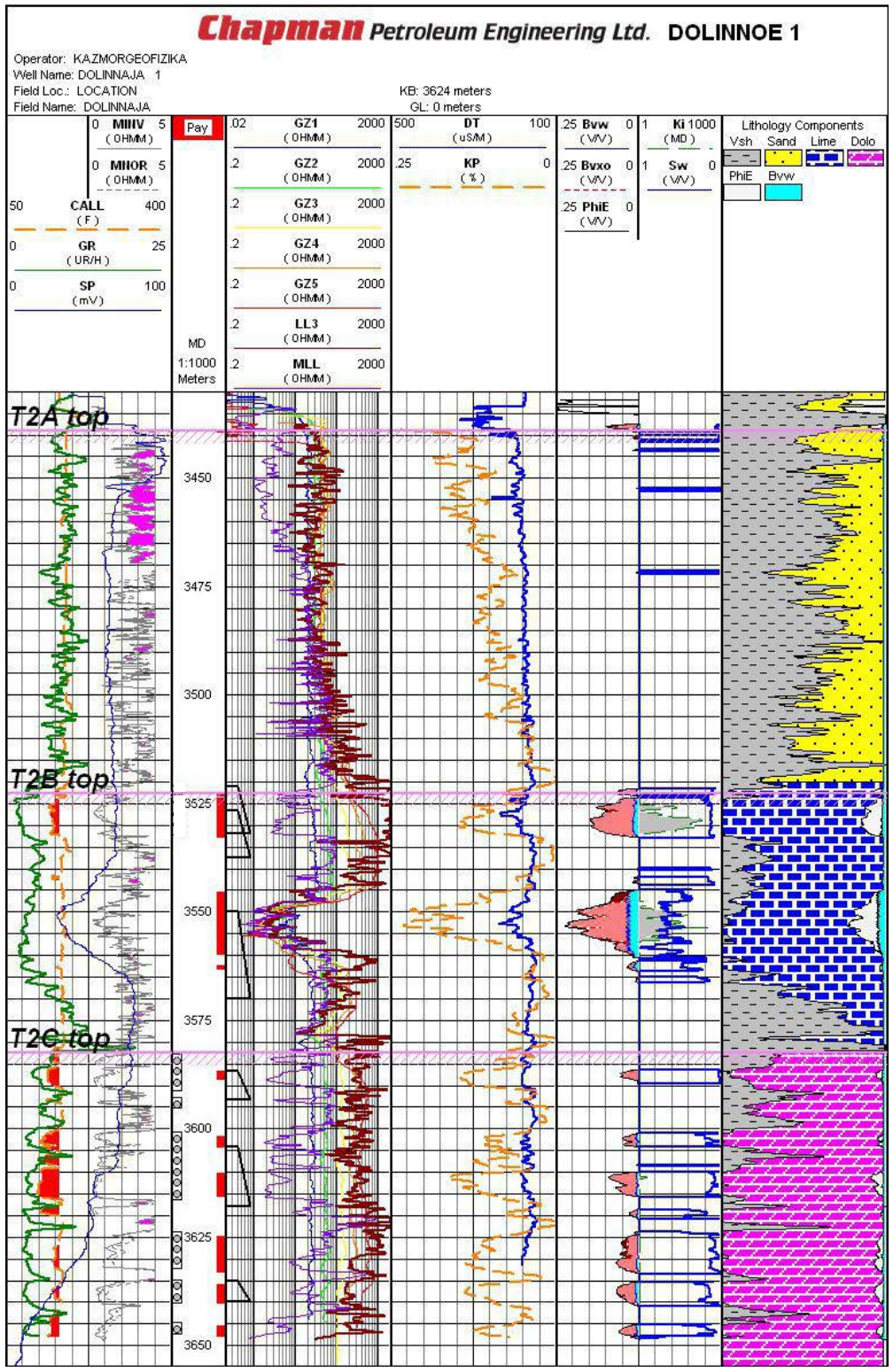
MANGISTAU OBLAST, KAZAKHSTAN

STRUCTURE ON MIDDLE TRIASSIC T2C

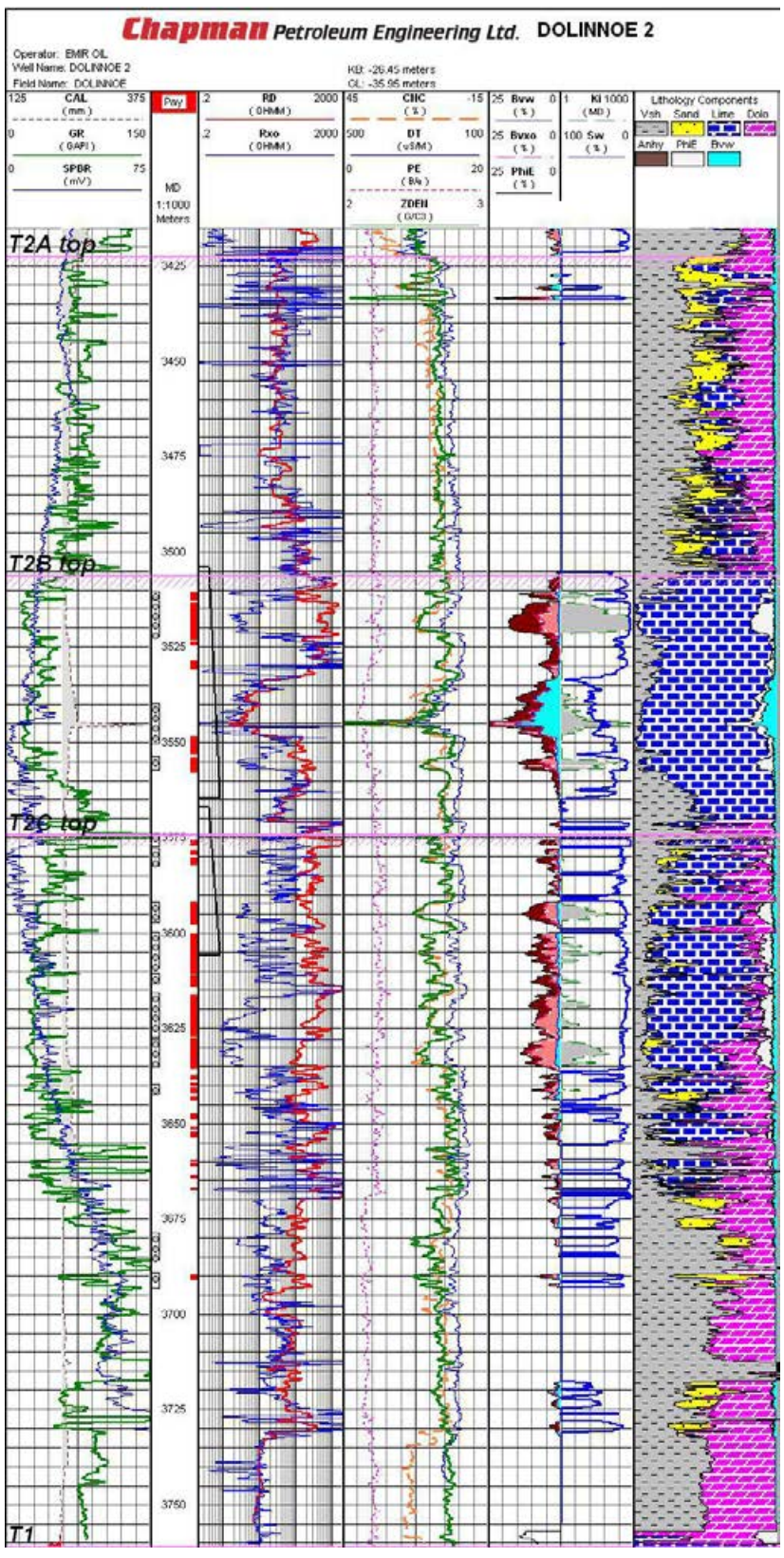
JAN. 2016 JOB No. 6144 FIGURE No. 1b

89

Chapman Petroleum Engineering Ltd.



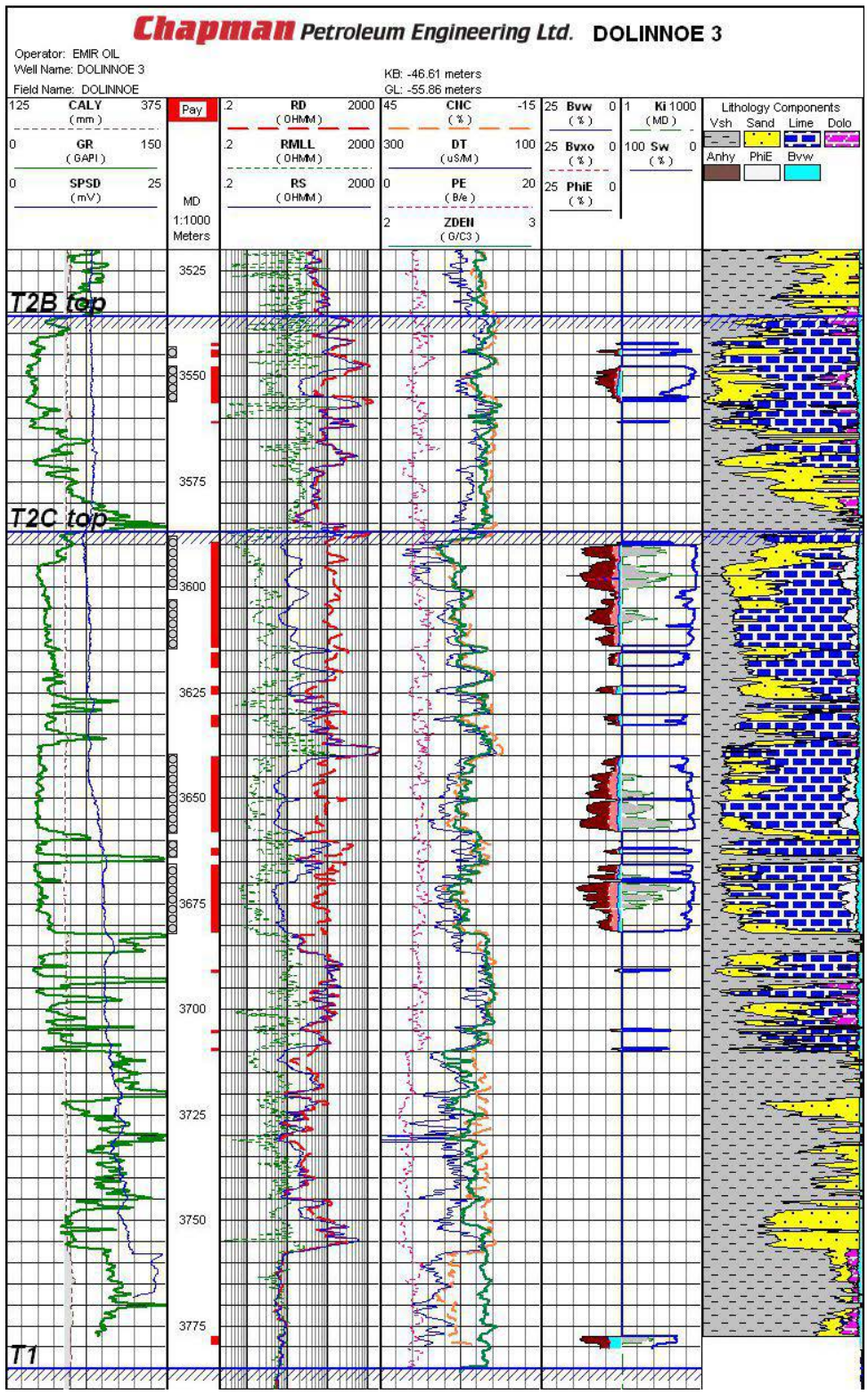
MIE HOLDINGS CORPORATION
ADEK BLOCK OIL WELL LOG ANALYSIS MANGISTAU OBLAST, KAZAKHSTAN DOLINNOE-1 MIDDLE TRIASSIC T2
JAN. 2016 JOB No. 6144 FIGURE No. 2a



MIE HOLDINGS CORPORATION
ADEK BLOCK OIL WELL LOG ANALYSIS MANGISTAU OBLAST, KAZAKHSTAN DOLINNOE-2 MIDDLE TRIASSIC T2
JAN. 2016 JOB No. 6144 FIGURE No. 2b

91

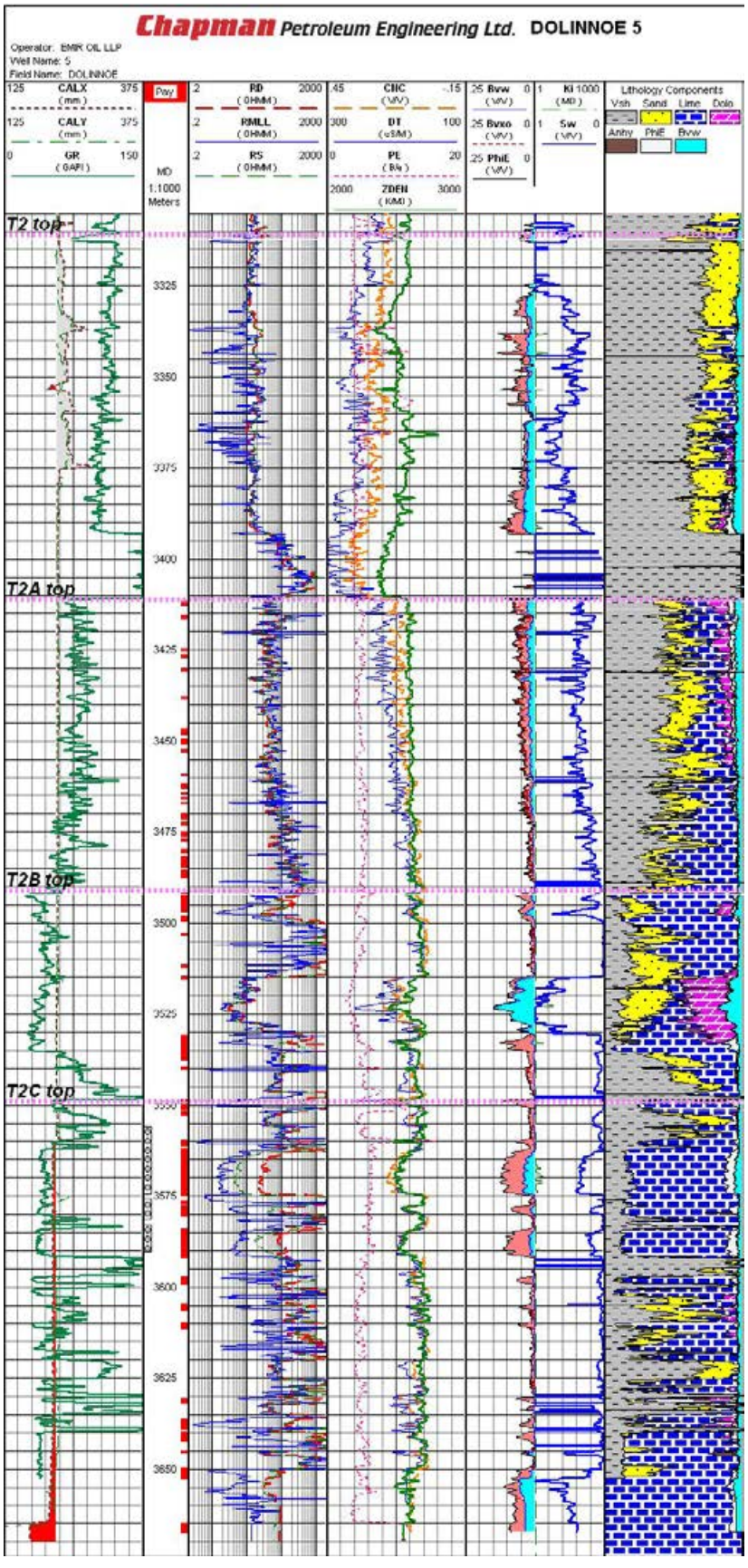
Chapman Petroleum Engineering Ltd.



MIE HOLDINGS CORPORATION
ADEK BLOCK **OIL WELL LOG ANALYSIS** MANGISTAU OBLAST, KAZAKHSTAN **DOLINNOE-3** MIDDLE TRIASSIC T2
JAN. 2016 JOB No. 6144 FIGURE No. 2c

92

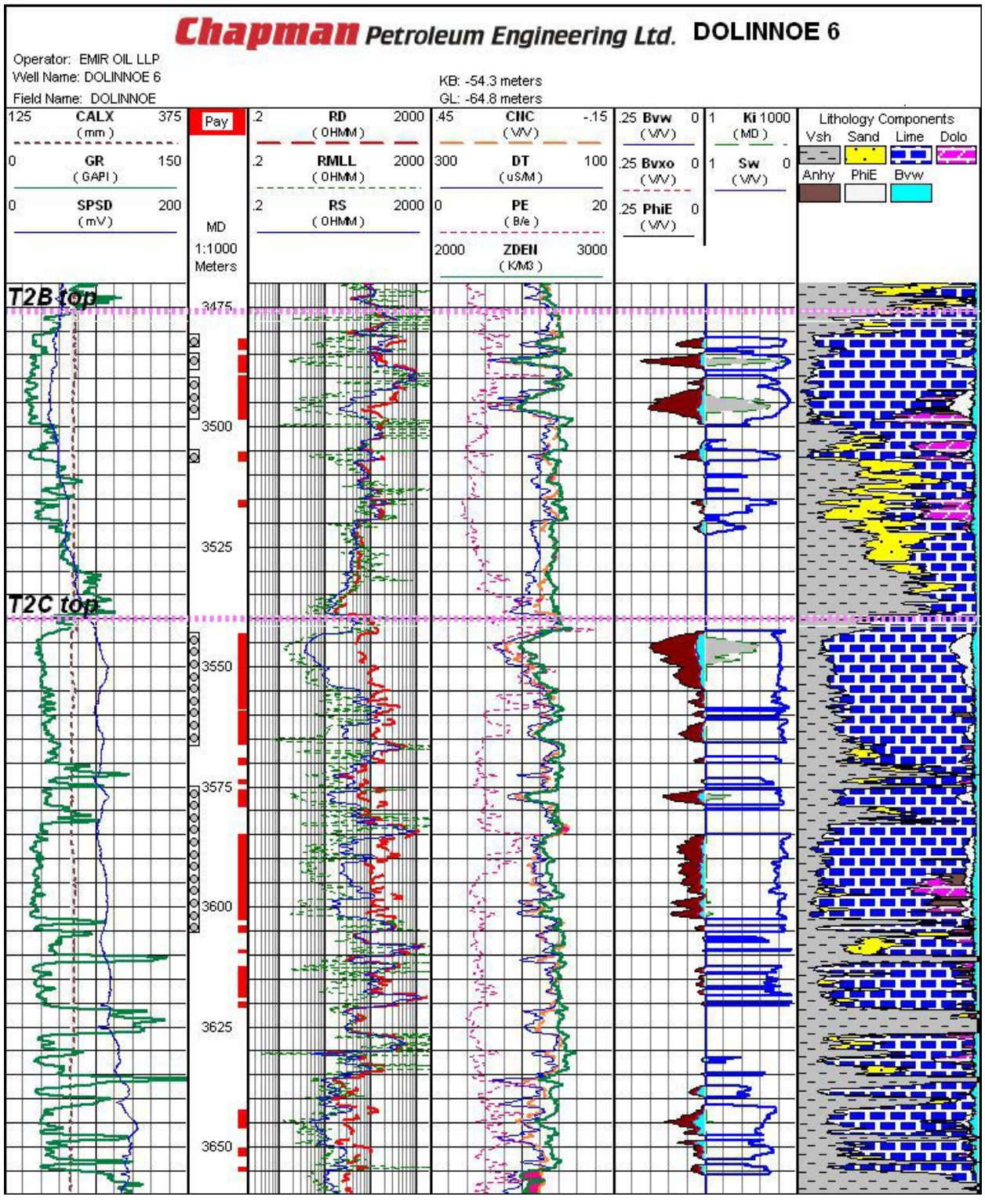
Chapman Petroleum Engineering Ltd.



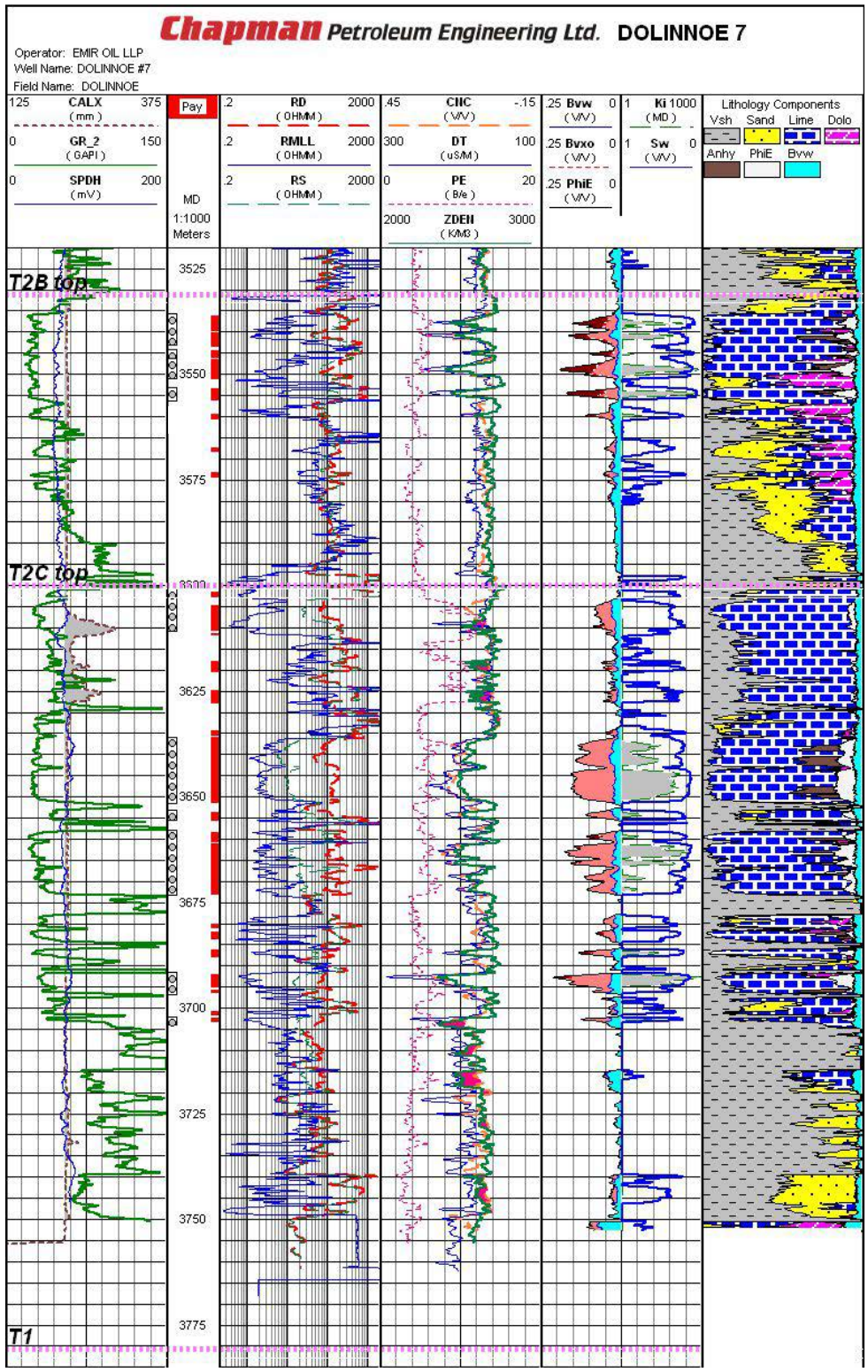
MIE HOLDINGS CORPORATION
ADEK BLOCK OIL WELL LOG ANALYSIS MANGISTAU OBLAST, KAZAKHSTAN DOLINNOE-5 MIDDLE TRIASSIC T2
JAN. 2016 JOB No. 6144 FIGURE No. 2d

93

Chapman Petroleum Engineering Ltd.



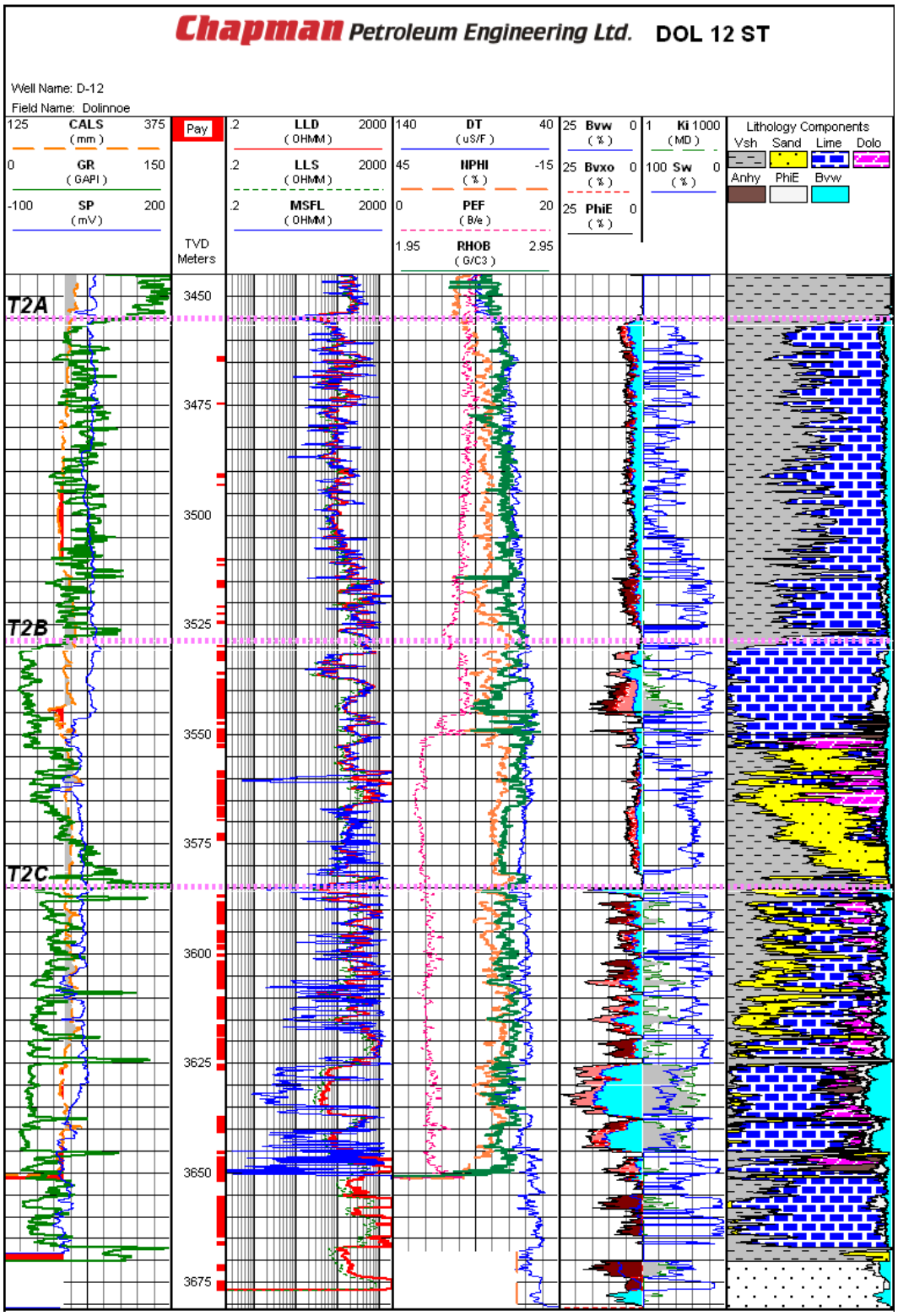
MIE HOLDINGS CORPORATION
ADEK BLOCK **OIL WELL LOG ANALYSIS** MANGISTAU OBLAST, KAZAKHSTAN **DOLINNOE-6** MIDDLE TRIASSIC T2
JAN. 2016 JOB No. 6144 FIGURE No. 2e



MIE HOLDINGS CORPORATION
ADEK BLOCK OIL WELL LOG ANALYSIS MANGISTAU OBLAST, KAZAKHSTAN DOLINNOE-7 MIDDLE TRIASSIC T2
JAN. 2016 JOB No. 6144 FIGURE No. 2f

95

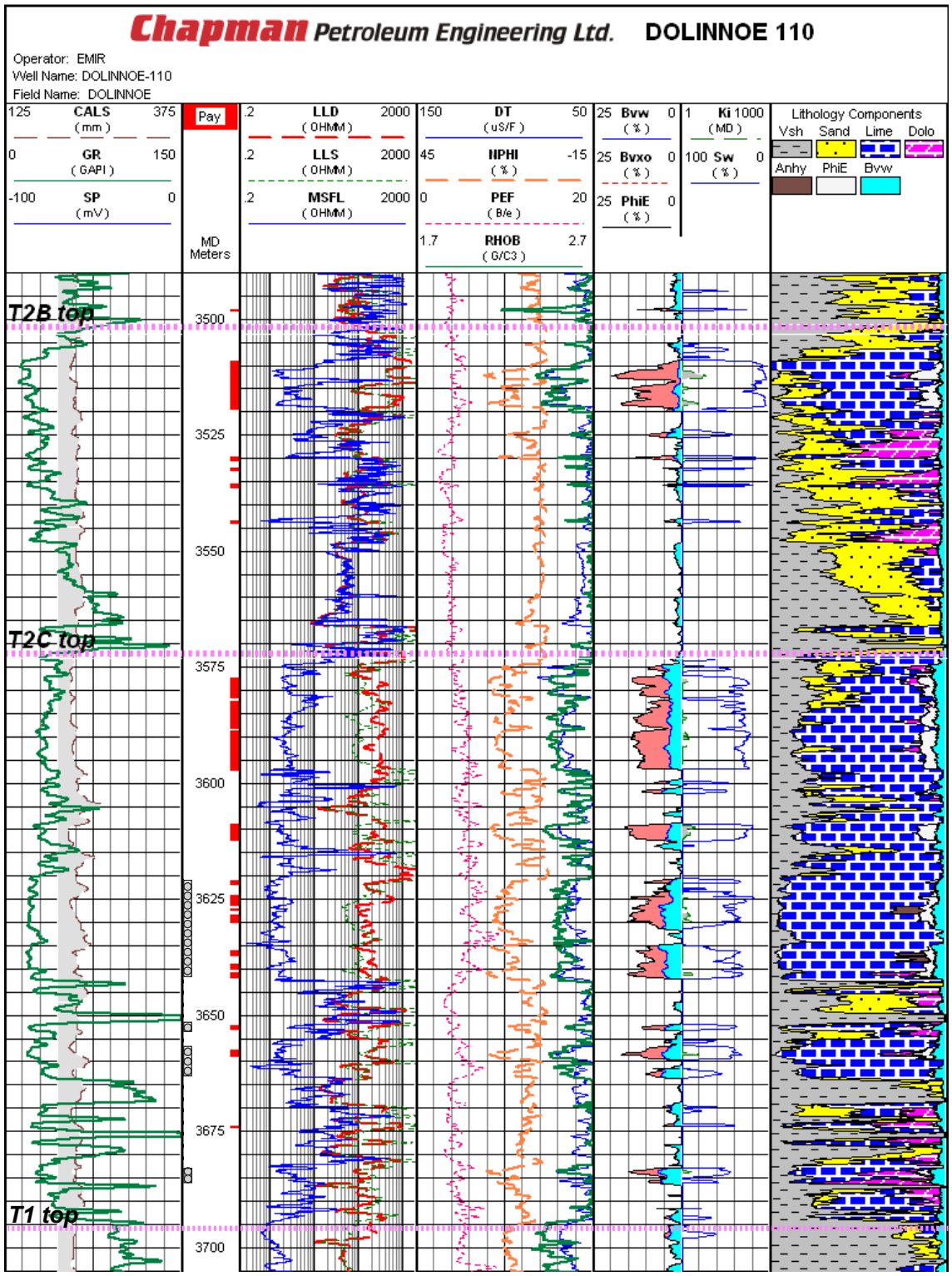
Chapman Petroleum Engineering Ltd.



MIE HOLDINGS CORPORATION
ADEK BLOCK OIL WELL LOG ANALYSIS MANGISTAU OBLAST, KAZAKHSTAN DOLINNOE-12ST MIDDLE TRIASSIC T2
JAN. 2016 JOB No. 6144 FIGURE No. 2g

96

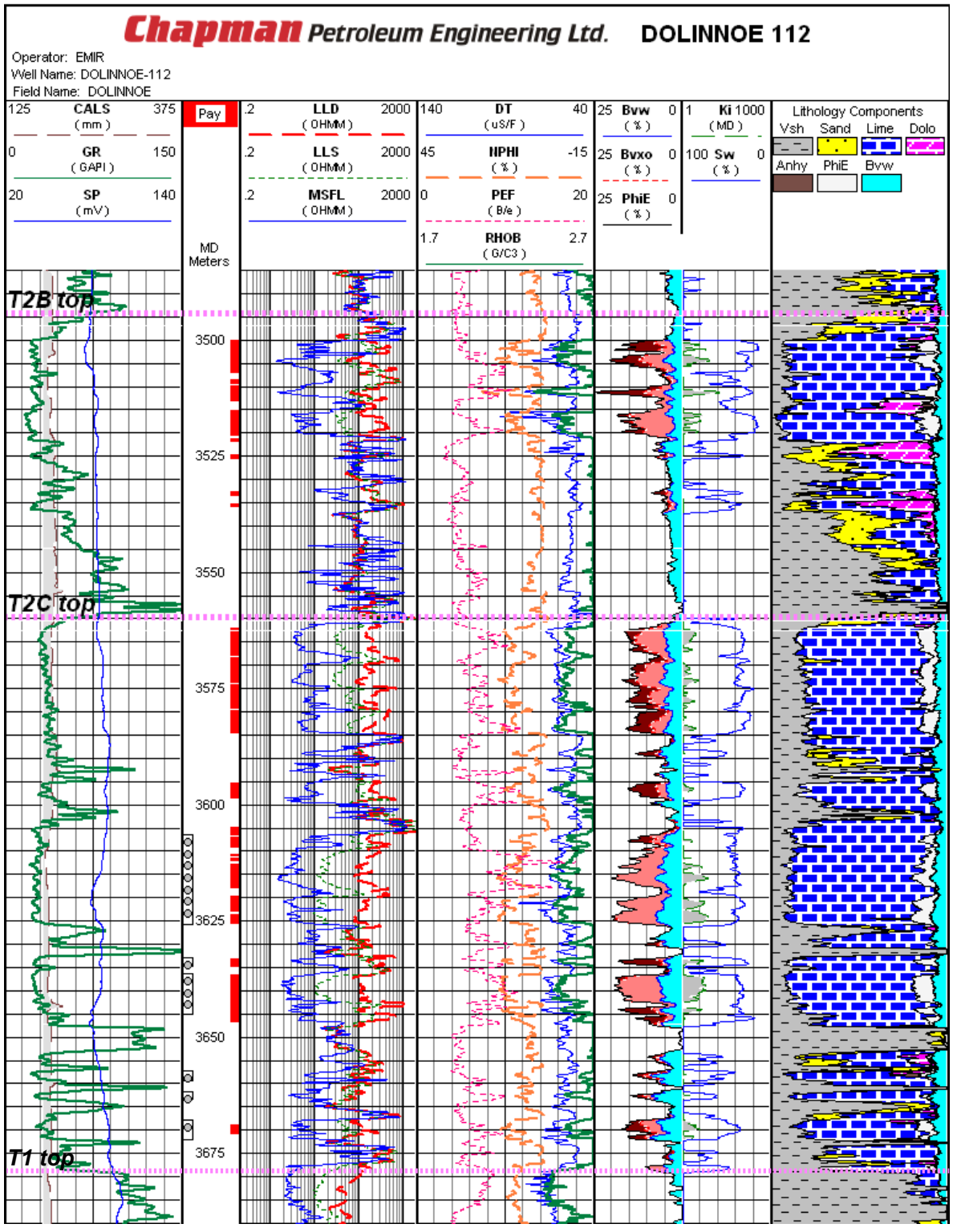
Chapman Petroleum Engineering Ltd.



MIE HOLDINGS CORPORATION
ADEK BLOCK OIL WELL LOG ANALYSIS MANGISTAU OBLAST, KAZAKHSTAN DOLINNOE-110 MIDDLE TRIASSIC T2
JAN. 2016 JOB No. 6144 FIGURE No. 2h

97

Chapman Petroleum Engineering Ltd.



MIE HOLDINGS CORPORATION
ADEK BLOCK OIL WELL LOG ANALYSIS MANGISTAU OBLAST, KAZAKHSTAN DOLINNOE-112 MIDDLE TRIASSIC T2
JAN. 2016 JOB No. 6144 FIGURE No. 2i

98

Chapman Petroleum Engineering Ltd.

Table 2

Summary of Gross Reserves
January 1, 2016

MIE Holdings Corporation

Dolinnoe, Republic of Kazakhstan

Description			Current or Initial Rate STB/d	API Gravity (Deg)	EUR (MSTB)	Cumulative Production (MSTB)	Gross Reserves (MSTB)	Contract Reserves (sales)* (MSTB)	Reference
LIGHT & MEDIUM OIL									
Proved									
Proved Developed Producing									
Dolinnoe-1	Middle Triassic T2C		77	55	493	335	158	158	Decline - Figure 3a, Table 2a
Dolinnoe-2	Middle Triassic T2B & T2C		74	45	382	240	142	142	Decline - Figure 3b, Tables 2b & 2c
Dolinnoe-7	Middle Triassic T2B & T2C		133	56	695	308	386	386	Decline - Figure 3b, Tables 2d & 2e
Dolinnoe-110	Middle Triassic T2C		143	56	330	161	169	169	Decline - Figure 3g, Table 2f
Dolinnoe-112	Middle Triassic T2C		87	56	325	157	168	168	Decline - Figure 3h, Table 2g
	Total Proved Developed Producing		**514**		**2,224**	**1,201**	**1,022**	**1,022**	
Proved Developed Non-Producing									
Dolinnoe-1	Middle Triassic T2B		250	55	618	102	516	492	Table 2h
Dolinnoe-3	Middle Triassic T2B & T2C		300	56	1,352	563	789	766	Tables 2i & 2ej
Dolinnoe-6	Middle Triassic T2B & T2C		400	45	1,259	95	1,164	1,072	Tables 2k & 2l
Dolinnoe-110	Middle Triassic T2B		100	56	112	0	112	112	Table 2m
Dolinnoe-112	Middle Triassic T2B		250	56	551	0	551	527	Table 2n
	Total Proved Developed Non-Producing		1,300		3,892	760	3,131	2,969	
	Total Proved Developed		**1,814**		**6,115**	**1,962**	**4,154**	**3,991**	
Proved Undeveloped									
Locations 1, 2 & 3	Middle Triassic T2B		450	45	1,063	0	1,063	962	Table 2o
Locations 1, 2 & 3	Middle Triassic T2C		450	45	1,382	0	1,382	1,250	Table 2p
	Total Proved Undeveloped		900		2,445	0	2,445	2,212	
	Total Proved		**2,714**		**8,560**	**1,962**	**6,598**	**6,203**	
Probable									
Probable Developed Producing									
Dolinnoe-1	Middle Triassic T2C	(incr.)	0	55	55	0	55	55	Table 2a
Dolinnoe-2	Middle Triassic T2B & T2C	(incr.)	0	55	169	0	169	169	Tables 2b & 2c
Dolinnoe-7	Middle Triassic T2B & T2C	(incr.)	0	56	196	0	196	196	Tables 2d & 2e
Dolinnoe-110	Middle Triassic T2C	(incr.)	0	56	40	0	40	40	Table 2f
Dolinnoe-112	Middle Triassic T2C	(incr.)	0	56	69	0	69	69	Table 2g
	Total Probable Developed Producing		**0**		**529**	**0**	**529**	**529**	
Probable Developed Non-Producing									
Dolinnoe-1	Middle Triassic T2B	(incr.)	100	55	103	0	103	127	Table 2h
Dolinnoe-3	Middle Triassic T2B & T2C	(incr.)	200	56	310	0	310	333	Tables 2i & 2ej
Dolinnoe-6	Middle Triassic T2B & T2C	(incr.)	200	56	210	0	210	302	Tables 2k & 2l
Dolinnoe-110	Middle Triassic T2B & T2C	(incr.)	50	56	19	0	19	19	Table 2m
Dolinnoe-112	Middle Triassic T2B & T2C	(incr.)	50	56	92	0	92	116	Table 2n
Dolinnoe-5	Middle Triassic T2C		250	56	500	3	496	496	Table 2s
Dolinnoe-12ST	Middle Triassic T2B		50	56	71	0	71	71	Table 2t
	Total Probable Developed Non-Producing		900		1,304	3	1,301	1,463	
	Total Probable Developed		**900**		**1,833**	**3**	**1,830**	**1,992**	
Probable Undeveloped									
Locations 1, 2 & 3	Middle Triassic T2B	(incr.)	300	45	531	0	531	632	Table 2o
Locations 1, 2 & 3	Middle Triassic T2C	(incr.)	330	45	691	0	691	823	Table 2p
Four Location	Middle Triassic T2B		800	45	1,417	0	1,417	1,417	analogy to Loc's 1, 2 & 3
Four Location	Middle Triassic T2C		800	45	1,843	0	1,843	1,843	analogy to Loc's 1, 2 & 3
	Total Probable Undeveloped		2,230		4,482	0	4,482	4,715	
	Total Probable		3,130		6,315	3	6,312	6,707	
	Total Proved Plus Probable		**5,844**		**14,875**	**1,965**	**12,910**	**12,910**	
Possible									
Locations 1, 2 & 3	Middle Triassic T2B	(incr.)	150	45	266	0	266	266	Table 2q
Locations 1, 2 & 3	Middle Triassic T2C	(incr.)	150	45	346	0	346	346	Table 2r
Dolinnoe-5	Middle Triassic T2C	(incr.)	50	56	263	0	263	263	Table 2s
Four Location	Middle Triassic T2B	(incr.)	300	45	708	0	708	708	analogy to Loc's 1, 2 & 3
Four Location	Middle Triassic T2C	(incr.)	300	45	921	0	921	921	analogy to Loc's 1, 2 & 3
Dolinnoe-5	Middle Triassic T2B		100	56	188	0	188	188	Table 2u
Dolinnoe-12ST	Middle Triassic T2B	(incr.)	50	56	36	0	36	36	Table 2t
Four Location	Middle Triassic T2B		800	45	1,417	0	1,417	1,417	analogy to Loc's 1, 2 & 3
Four Location	Middle Triassic T2C		800	45	1,843	0	1,843	1,843	analogy to Loc's 1, 2 & 3
	Total Possible		2,700		5,987	0	5,987	5,987	
	Total Proved Plus Probable Plus Possible		**8,544**		**20,862**	**1,965**	**18,897**	**18,897**	

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

Table 2 Cont.

Summary of Gross Reserves
January 1, 2016

MIE Holdings Corporation

Dolinnoe, Republic of Kazakhstan

Description		EUR (raw) (MMscf)	Cumulative Production (MMscf)	Gross Reserves (raw) (MMscf)	Gross Reserves (sales) (MMscf)	Gross Reserves (sales)* (MMscf)	Reference
SOLUTION GAS							
Proved							
Proved Developed Producing							
Dolinnoe-1	Middle Triassic T2C	1,001	680	321	299	299	GOR: 2,032 scf/STB
Dolinnoe-2	Middle Triassic T2B & T2C	712	447	265	246	246	GOR: 1,863 scf/STB
Dolinnoe-7	Middle Triassic T2B & T2C	1,826	811	1,016	945	945	GOR: 2,629 scf/STB
Dolinnoe-110	Middle Triassic T2C	1,051	514	537	499	499	GOR: 3,186 scf/STB
Dolinnoe-112	Middle Triassic T2C	984	476	508	473	473	GOR: 3,033 scf/STB
	Total Proved Developed Producing	**5,575**	**2,928**	**2,647**	**2,461**	**2,461**	
Proved Developed Non-Producing							
Dolinnoe-1	Middle Triassic T2B	1,255	207	1,048	974	929	GOR: 2,032 scf/STB
Dolinnoe-3	Middle Triassic T2B & T2C	2,093	872	1,221	1,135	1,103	GOR: 1,548 scf/STB
Dolinnoe-6	Middle Triassic T2B & T2C	2,942	222	2,720	2,529	2,329	GOR: 2,337 scf/STB
Dolinnoe-110	Middle Triassic T2B	358	0	358	333	333	GOR: 3,186 scf/STB
Dolinnoe-112	Middle Triassic T2B	1,671	0	1,671	1,554	1,486	GOR: 3,033 scf/STB
	Total Proved Developed Non-Producing	**8,319**	**1,301**	**7,017**	**6,526**	**6,180**	
	Total Proved Developed	**13,893**	**4,230**	**9,664**	**8,987**	**8,642**	
Proved Undeveloped							
Locations 1, 2 & 3	Middle Triassic T2B	1,979	0	1,979	1,841	1,666	GOR: 1,863 scf/STB
Locations 1, 2 & 3	Middle Triassic T2C	2,575	0	2,575	2,395	2,166	GOR: 1,863 scf/STB
	Total Proved Undeveloped	**4,555**	**0**	**4,555**	**4,236**	**3,832**	
	Total Proved	**18,448**	**4,230**	**14,218**	**13,223**	**12,474**	
Probable							
Probable Developed Producing							
Dolinnoe-1	Middle Triassic T2C	113	0	113	105	105	GOR: 2,032 scf/STB
Dolinnoe-2	Middle Triassic T2B & T2C	315	0	315	293	293	GOR: 1,863 scf/STB
Dolinnoe-7	Middle Triassic T2B & T2C	514	0	514	478	478	GOR: 2,629 scf/STB
Dolinnoe-110	Middle Triassic T2C	128	0	128	119	119	GOR: 3,186 scf/STB
Dolinnoe-112	Middle Triassic T2C	208	0	200	194	194	GOR: 3,033 scf/STB
	Total Probable Developed Producing	**1,278**	**0**	**1,278**	**1,189**	**1,189**	
Probable Developed Non-Producing							
Dolinnoe-1	Middle Triassic T2B	209	0	209	195	239	GOR: 2,032 scf/STB
Dolinnoe-3	Middle Triassic T2B & T2C	480	0	480	446	479	GOR: 1,548 scf/STB
Dolinnoe-6	Middle Triassic T2B & T2C	490	0	490	456	656	GOR: 2,337 scf/STB
Dolinnoe-110	Middle Triassic T2B & T2C	60	0	60	55	55	GOR: 3,186 scf/STB
Dolinnoe-112	Middle Triassic T2B & T2C	279	0	279	259	327	GOR: 3,033 scf/STB
Dolinnoe-5	Middle Triassic T2C	1,494	10	1,484	1,380	1,380	GOR: 2,990 scf/STB
Dolinnoe-12ST	Middle Triassic T2B	213	0	213	198	198	GOR: 2,990 scf/STB
	Total Probable Developed Non-Producing	**3,224**	**10**	**3,214**	**2,989**	**3,335**	
	Total Probable Developed	**4,502**	**10**	**4,492**	**4,178**	**4,523**	
Probable Undeveloped							
Locations 1, 2 & 3	Middle Triassic T2B	990	0	990	920	1,095	GOR: 1,863 scf/STB
Locations 1, 2 & 3	Middle Triassic T2C	1,288	0	1,288	1,197	1,426	GOR: 1,863 scf/STB
Four Location	Middle Triassic T2B	2,639	0	2,639	2,455	2,455	GOR: 1,863 scf/STB
Four Location	Middle Triassic T2C	3,433	0	3,433	3,193	3,193	GOR: 1,863 scf/STB
	Total Probable Undeveloped	**8,350**	**0**	**8,350**	**7,766**	**8,169**	
	Total Probable	**12,852**	**10**	**12,842**	**11,943**	**12,692**	
	Total Proved Plus Probable	**31,300**	**4,239**	**27,060**	**25,166**	**25,166**	
Possible							
Locations 1, 2 & 3	Middle Triassic T2B	495	0	495	460	460	GOR: 1,863 scf/STB
Locations 1, 2 & 3	Middle Triassic T2C	644	0	644	599	599	GOR: 1,863 scf/STB
Dolinnoe-5	Middle Triassic T2C	786	0	786	731	731	GOR: 2,990 scf/STB
Four Location	Middle Triassic T2B	1,320	0	1,320	1,227	1,227	GOR: 1,863 scf/STB
Four Location	Middle Triassic T2C	1,717	0	1,717	1,597	1,597	GOR: 1,863 scf/STB
Dolinnoe-5	Middle Triassic T2B	563	0	563	523	523	GOR: 2,990 scf/STB
Dolinnoe-12ST	Middle Triassic T2B	106	0	106	99	99	GOR: 2,990 scf/STB
Four Location	Middle Triassic T2B	2,639	0	2,639	2,455	2,455	GOR: 1,863 scf/STB
Four Location	Middle Triassic T2C	3,433	0	3,433	3,193	3,193	GOR: 1,863 scf/STB
	Total Possible	**11,702**	**0**	**11,702**	**10,883**	**10,883**	
	Total Proved Plus Probable Plus Possible	**43,002**	**4,239**	**38,763**	**36,049**	**36,049**	

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

Figure 3a

PRODUCTION HISTORY Proved Developed Producing

Dolinnoe-1

Field: Dolinnoe, Kazakhstan
Formation: Middle Triassic T2

* Number of Wells
° GOR, scf/STB x 10
+ Water Cut, % x0.1
- Daily Oil, STB/d

10^3 10^2 10 1

2006 2007 2008 2009 2010 2011 2012 2013 2014 2015

Calendar Year

Chapman Petroleum Engineering Ltd.

101

Figure 3b

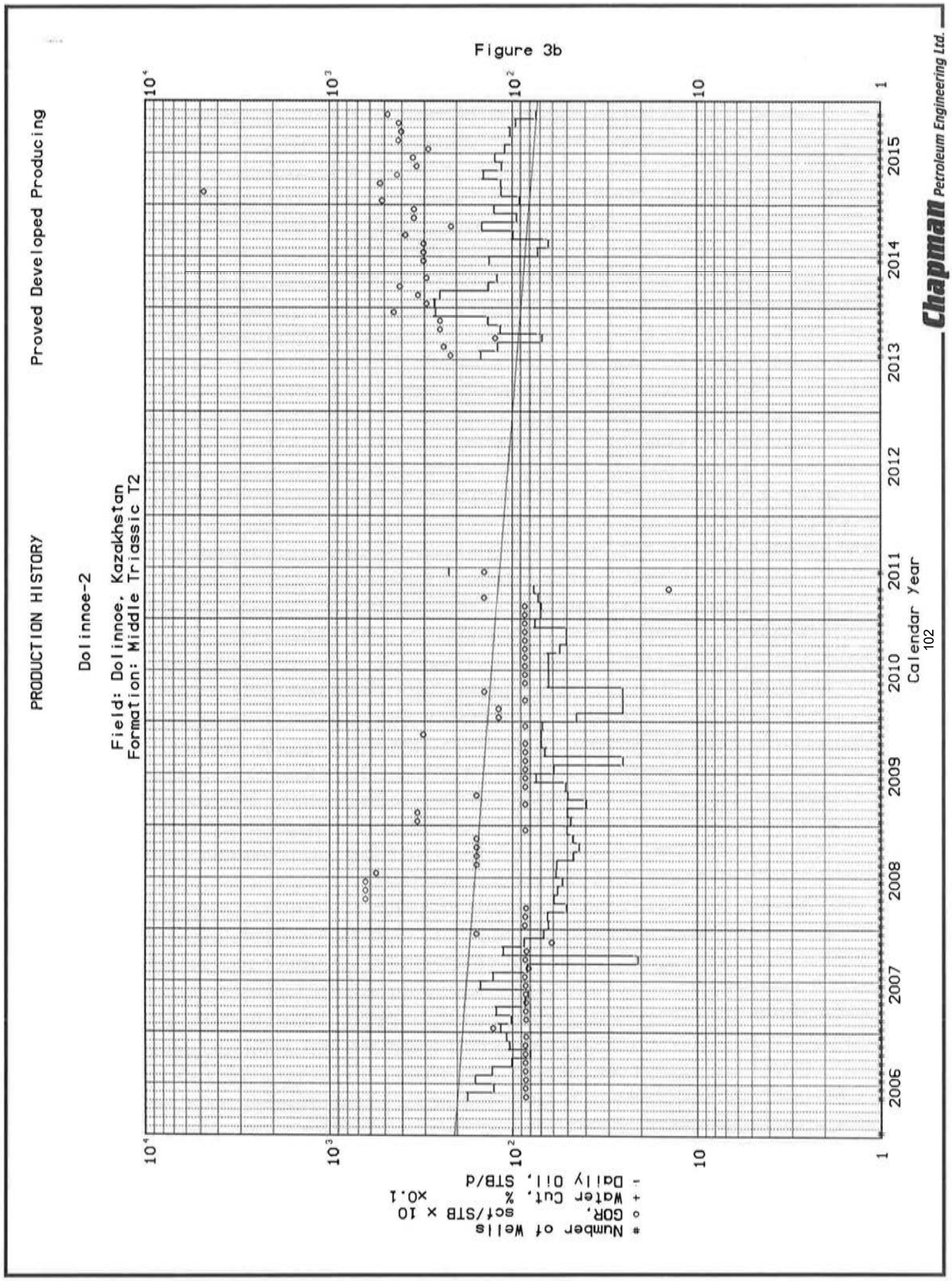

PRODUCTION HISTORY
Proved Developed Producing
Dolinnoe-2
Field: Dolinnoe, Kazakhstan
Formation: Middle Triassic T2
Number of Wells
o GOR, sct/STB x 10
+ Water Cut, % x0.1
- Daily Oil, STB/d
10⁴
10³
10²
10
1
2006
2007
2008
2009
2010
2011
2012
2013
2014
2015
Calendar Year
Chapman Petroleum Engineering Ltd.

Figure 3c

PRODUCTION HISTORY

Dolinnoe-3

Field: Dolinnoe, Kazakhstan
Formation: Middle Triassic T2

Chapman Petroleum Engineering Ltd.

* Number of Wells
° GOR, scf/STB x 10
+ Water Cut, % x0.1
- Daily Oil, STB/d

Calendar Year

103

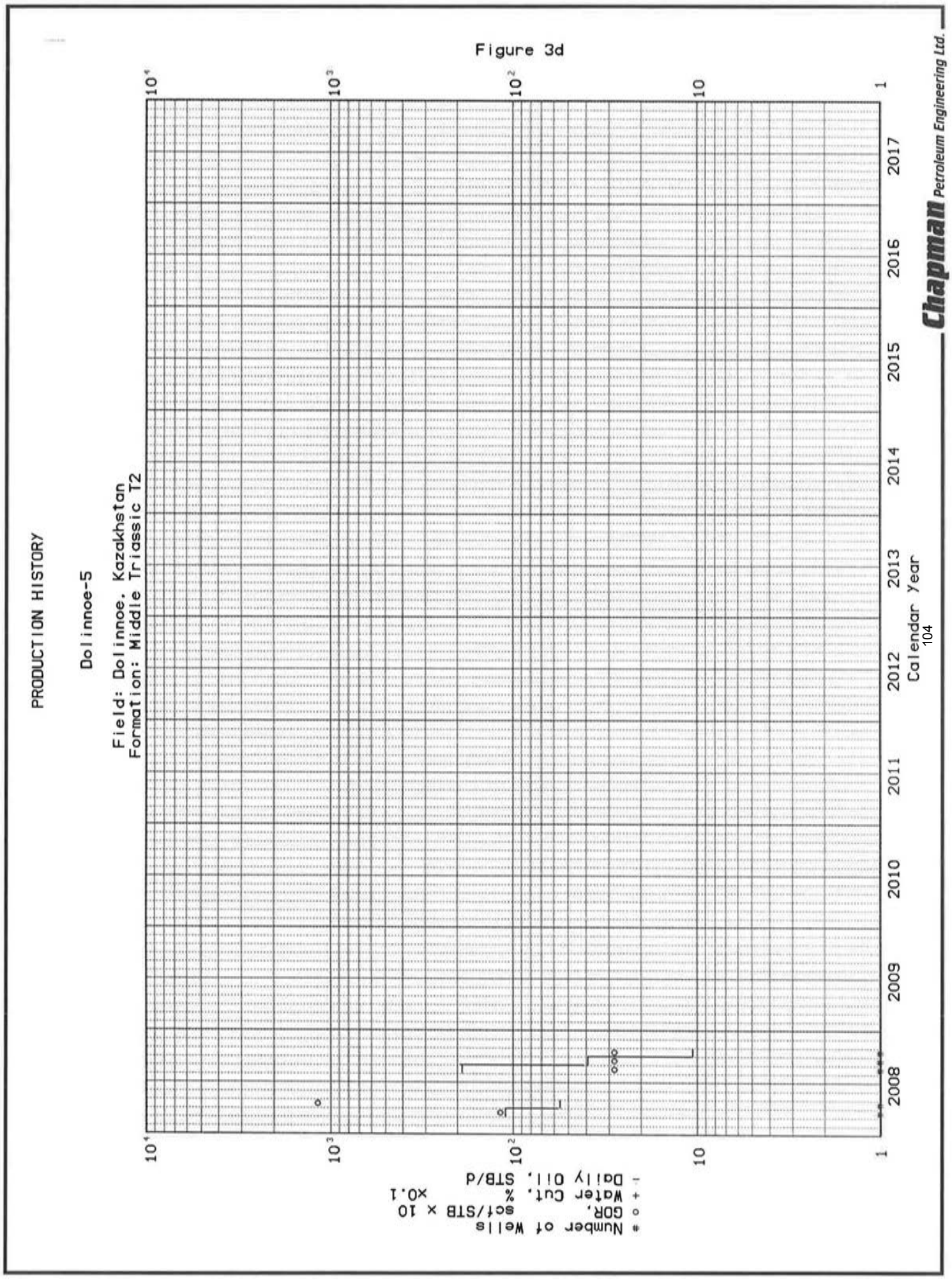

Figure 3d
PRODUCTION HISTORY
Dolinnoe-5
Field: Dolinnoe, Kazakhstan
Formation: Middle Triassic T2
10⁴
10³
10²
10
1
2008
2009
2010
2011
2012
2013
2014
2015
2016
2017
Calendar Year
Chapman Petroleum Engineering Ltd.
104
* Number of Wells
o GOR, scf/STB x 10
+ Water Cut, % x0.1
- Daily Oil, STB/d

Figure 3e

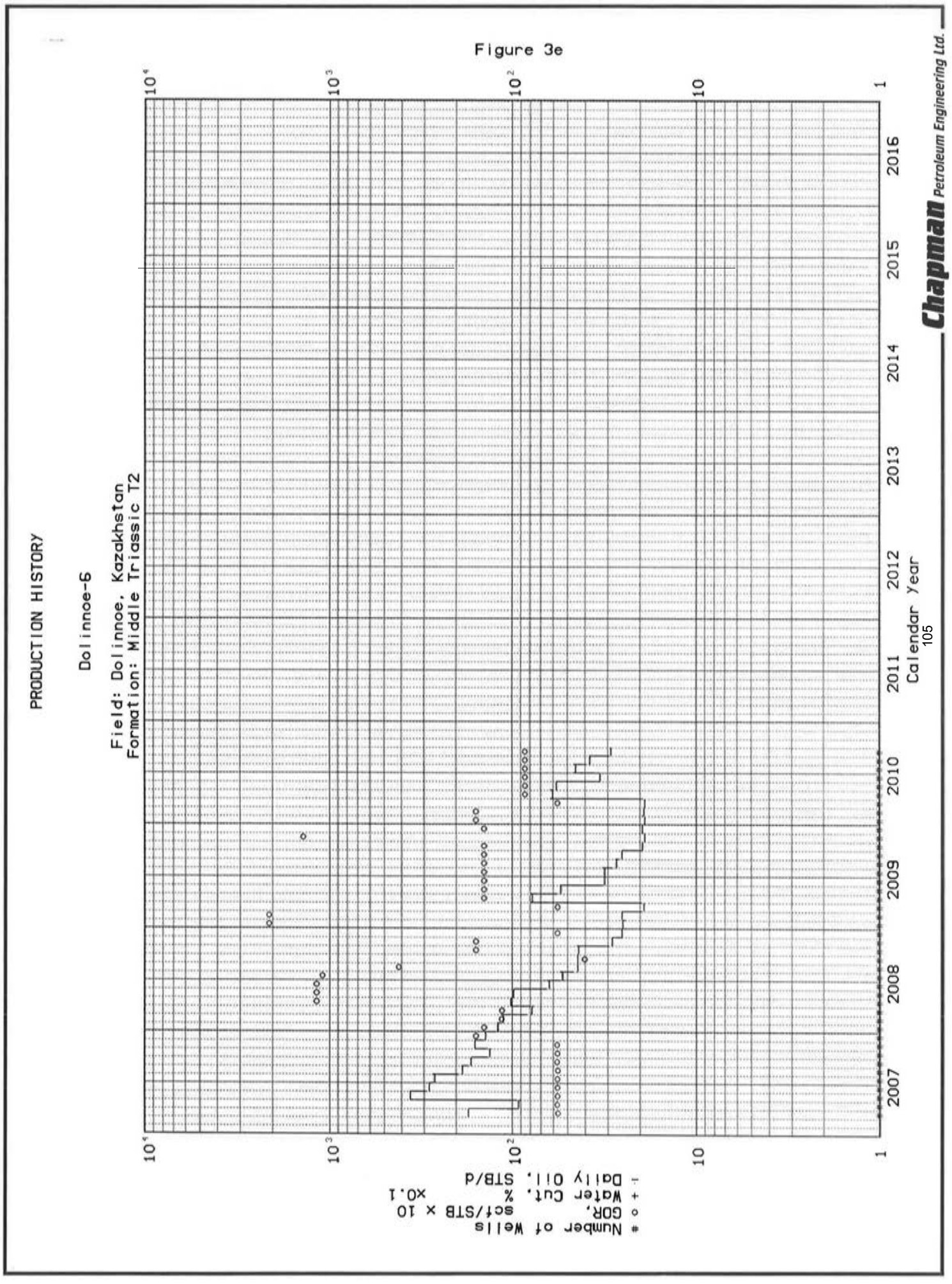

PRODUCTION HISTORY
Dolinnoe-6
Field: Dolinnoe, Kazakhstan
Formation: Middle Triassic T2
Chapman Petroleum Engineering Ltd.
Calendar Year
Number of Wells
° GOR, scf/STB x 10
+ Water Cut, % x0.1
- Daily Oil, STB/d

Figure 3f

PRODUCTION HISTORY

Proved Developed Producing

Dolinnoe-7

Field: Dolinnoe, Kazakhstan
Formation: Middle Triassic T2

10^3
10^2
10
1

2008 2009 2010 2011 2012 2013 2014 2015 2016 2017

Calendar Year

Chapman Petroleum Engineering Ltd.

* Number of Wells
° GOR, sc1/STB x 10
+ Water Cut, % x0.1
- Daily Oil, STB/d

Figure 3g

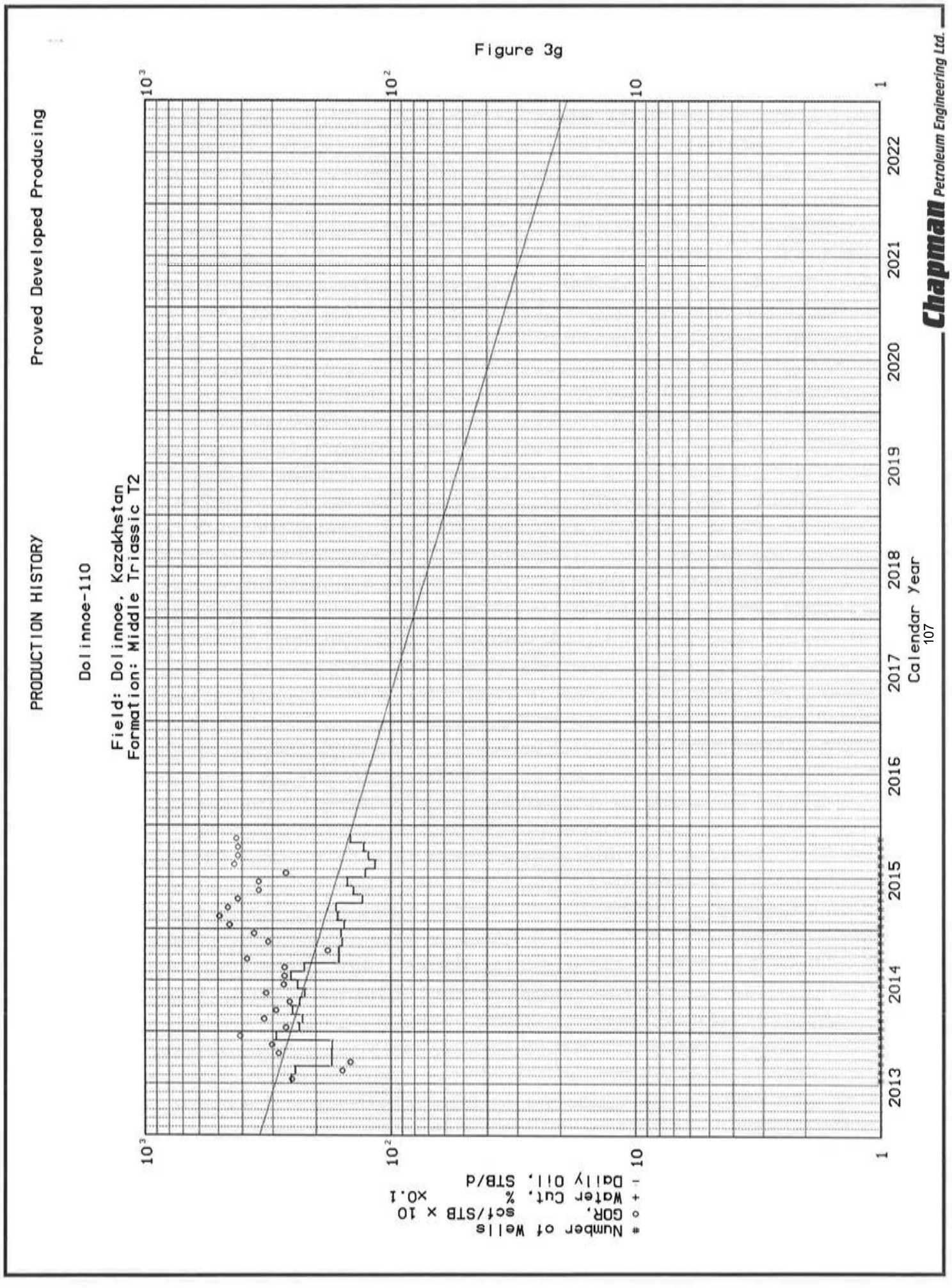

PRODUCTION HISTORY
Proved Developed Producing
Dolinnoe-110
Field: Dolinnoe, Kazakhstan
Formation: Middle Triassic T2
* Number of Wells
° GOR, scf/STB x 10
+ Water Cut, % x0.1
- Daily Oil, STB/d
10³
10²
10
1
2013
2014
2015
2016
2017
2018
2019
2020
2021
2022
Calendar Year
Chapman Petroleum Engineering Ltd.

Figure 3h

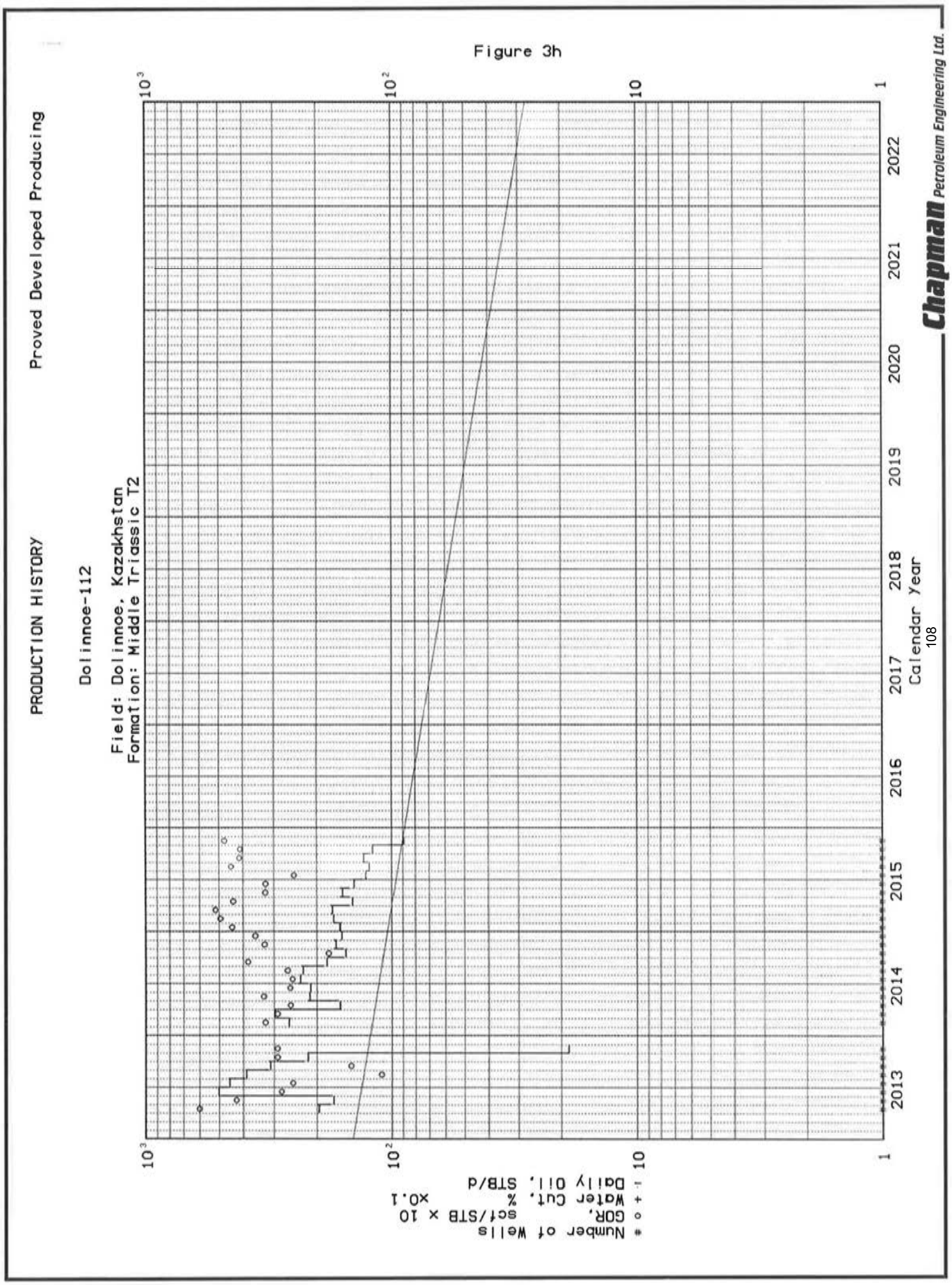

PRODUCTION HISTORY
Proved Developed Producing
Dolinnoe-112
Field: Dolinnoe, Kazakhstan
Formation: Middle Triassic T2
Chapman Petroleum Engineering Ltd.
* Number of Wells
o GOR, sc†/STB x 10
+ Water Cut, % x0.1
- Daily Oil, STB/d
10³
10²
10
1
2013
2014
2015
2016
2017
2018
2019
2020
2021
2022
Calendar Year

Figure 3i

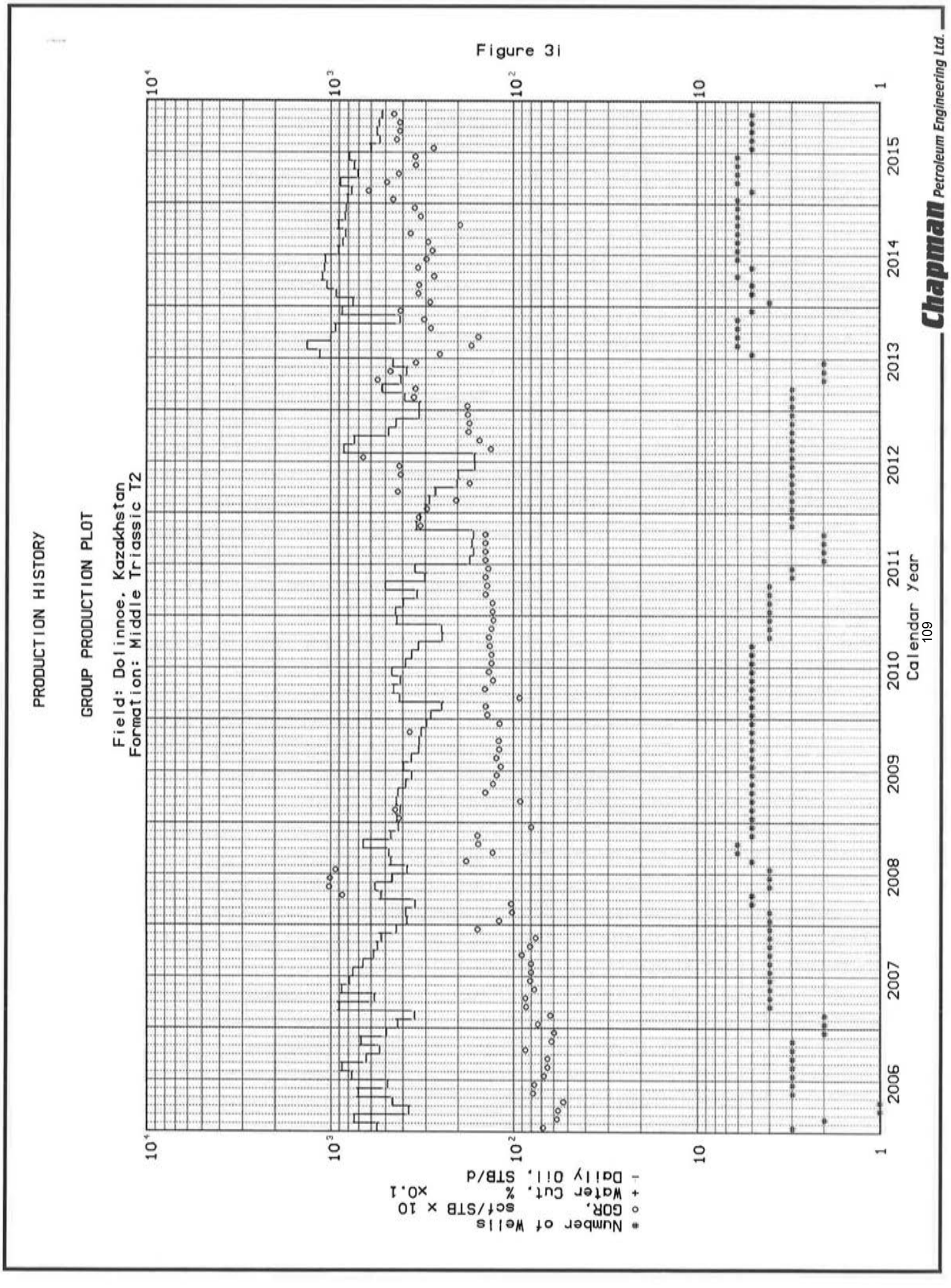

PRODUCTION HISTORY
GROUP PRODUCTION PLOT
Field: Dolinnoe, Kazakhstan
Formation: Middle Triassic T2
Daily Oil, STB/d
Water Cut, %
GOR, scf/STB x 10
Number of Wells
x0.1
Calendar Year
Chapman Petroleum Engineering Ltd.

Table 3a

Summary of Anticipated Capital Expenditures
Development
January 1, 2016
MIE Holdings Corporation

Dolinnoe, Republic of Kazakhstan

Description	Date	Operation	Capital Interest %	Gross Capital M$	Net Capital M$
Proved					
Proved Developed Non-Producing					
Dolinnoe-1	2022	Complete, Tie-in and Place on Production Additional Intervals	100.0000	500	500
Dolinnoe-3	2018	Place on Production	100.0000	200	200
Dolinnoe-6	2018	Place on Production	100.0000	200	200
Dolinnoe-110	2020	Complete, Tie-in and Place on Production Additional Intervals	100.0000	500	500
Dolinnoe-112	2021	Complete, Tie-in and Place on Production Additional Intervals	100.0000	500	500
		Total Proved Developed Non-Producing		**1,900**	**1,900**
		Total Proved Developed		**1,900**	**1,900**
Proved Undeveloped					
Three Locations	2016-2022	Drill, Complete, Tie-in and Place on Production	100.0000	18,900	18,900
		Total Proved Undeveloped		**18,900**	**18,900**
		Total Proved		**20,800**	**20,800**
Probable					
Probable Developed Producing					
Pipeline and Central Processing Facilities	2016	Build Pipeline and Central Processing Facilities	100.0000	6,124	6,124
		Total Probable Developed Producing		**6,124**	**6,124**
Probable Developed Non-Producing					
Dolinnoe-1	2028	Stimulate Producing Intervals	100.0000	400	400
Dolinnoe-3	2028	Stimulate Producing Intervals	100.0000	400	400
Dolinnoe-5	2018	Side Track: Drill, Complete, Tie-in and Place on Production	100.0000	3,500	3,500
Dolinnoe-6	2028	Stimulate Producing Intervals	100.0000	400	400
Dolinnoe-12ST	2029	Place on Production	100.0000	400	400
Dolinnoe-110	2025	Stimulate Producing Intervals	100.0000	400	400
Dolinnoe-112	2029	Stimulate Producing Intervals	100.0000	400	400
		Total Probable Developed Non-Producing		**5,900**	**5,900**
		Total Probable Developed		**12,024**	**12,024**
Probable Undeveloped					
Three Locations	2032-2034	Stimulate Producing Intervals	100.0000	1,200	1,200
Four Locations	2023-2024	Drill, Complete, Tie-in and Place on Production	100.0000	25,200	25,200
		Total Probable Undeveloped		**26,400**	**26,400**
		Total Probable		**38,424**	**38,424**
		Total Proved Plus Probable		**59,224**	**59,224**
Possible					
Three Locations	2039-2041	Stimulate Producing Intervals	100.0000	1,200	1,200
Dolinnoe-5	2025	Stimulate Producing Intervals	100.0000	400	400
Dolinnoe-12	2020	Stimulate Producing Intervals	100.0000	400	400
Dolinnoe-5	2027	Complete, Tie-in and Place on Production Additional Intervals	100.0000	500	500
Four Locations	2033-2034	Stimulate Producing Intervals	100.0000	1,600	1,600
Four Locations	2029-2030	Complete, Tie-in and Place on Production Additional Intervals	100.0000	2,000	2,000
		Total Possible		**6,100**	**6,100**
		Total Proved Plus Probable Plus Possible		**65,324**	**65,324**

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

Dolinnoe, Republic of Kazakhstan

Description	Year	Well Parameters	Capital Interest %	Gross Capital M$	Net Capital M$
Light & Medium Oil					
Dolinnoe-1		Multiple zone oil producing well	100.0000	50	50
Dolinnoe-2		Multiple zone oil producing well	100.0000	50	50
Dolinnoe-3		Multiple zone oil producing well	100.0000	50	50
Dolinnoe-5		Multiple zone oil producing well	100.0000	50	50
Dolinnoe-6		Multiple zone oil producing well	100.0000	50	50
Dolinnoe-7		Multiple zone oil producing well	100.0000	50	50
Dolinnoe-12		Multiple zone oil producing well	100.0000	50	50
Dolinnoe-110		Multiple zone oil producing well	100.0000	50	50
Dolinnoe-112		Multiple zone oil producing well	100.0000	50	50
Seven Locations		Multiple zone oil producing well	100.0000	350	350
		Total		**800**	**800**

Table 4
Summary of Company Reserves and Economics
Before CIT & EPT
January 1, 2016
MIE Holdings Corporation
Dolinnoe, Kazakhstan

Forecast Prices & Costs

			Net To Appraised Interest										
			Reserves						Cumulative Cash Flow (BT) - M$				
			Light and Medium Oil MSTB		Sales Gas MMscf		NGL Mbbls		Discounted at:				
Description			Gross	Net	Gross	Net	Gross	Net	Undisc.	5%/year	10%/year	15%/year	20%/year
Proved Developed Producing													
Dolinnoe 1,2,7,110,112	Middle Triassic T2B & T2C		1,022	1,022	2,461	2,461	0	0	13,062	10,859	9,236	8,000	7,032
Total Proved Developed Producing			**1,022**	**1,022**	**2,461**	**2,461**	**0**	**0**	**13,062**	**10,859**	**9,236**	**8,000**	**7,032**
Proved Developed Non-Producing													
Dolinnoe 1,3,6,110,112	Middle Triassic T2B & T2C		2,969	2,969	6,180	6,180	0	0	115,332	72,973	48,806	34,141	24,772
Total Proved Developed Non-Producing			**2,969**	**2,969**	**6,180**	**6,180**	**0**	**0**	**115,332**	**72,973**	**48,806**	**34,141**	**24,772**
Total Proved Developed			**3,991**	**3,991**	**8,642**	**8,642**	**0**	**0**	**128,393**	**83,833**	**58,042**	**42,141**	**31,803**
Proved Undeveloped													
Locations 1, 2 & 3	Middle Triassic T2B & T2C		2,212	2,212	3,832	3,832	0	0	58,601	33,099	19,435	11,686	7,066
Total Proved Undeveloped			**2,212**	**2,212**	**3,832**	**3,832**	**0**	**0**	**58,601**	**33,099**	**19,435**	**11,686**	**7,066**
Total Proved			**6,203**	**6,203**	**12,474**	**12,474**	**0**	**0**	**186,995**	**116,932**	**77,477**	**53,827**	**38,869**
Probable													
Probable Developed Producing													
Dolinnoe 1,2,7,110,112	Middle Triassic T2B & T2C	Incr.	529	529	1,189	1,189	0	0	5,495	1,963	(143)	(1,453)	(2,298)
Total Probable Developed Producing			**529**	**529**	**1,189**	**1,189**	**0**	**0**	**5,495**	**1,963**	**(143)**	**(1,453)**	**(2,298)**
Probable Developed Non-Producing													
Dolinnoe 1,3,6,110,112	Middle Triassic T2B & T2C	Incr.	896	896	1,756	1,756	0	0	37,849	16,498	7,365	3,273	1,376
Donlinnoe-5, 12ST	Middle Triassic T2B & T2C		567	567	1,578	1,578	0	0	12,181	8,167	5,596	3,892	2,730
Total Probable Developed Non-Producing			**1,463**	**1,463**	**3,334**	**3,334**	**0**	**0**	**50,030**	**24,665**	**12,961**	**7,165**	**4,106**
Total Probable Developed			**1,992**	**1,992**	**4,523**	**4,523**	**0**	**0**	**55,524**	**26,629**	**12,818**	**5,712**	**1,808**
Probable Undeveloped													
Locations 1, 2 & 3	Middle Triassic T2B & T2C	Incr.	1,455	1,455	2,521	2,521	0	0	58,326	18,012	5,179	947	(443)
Locations 4,5,6 & 7	Middle Triassic T2B & T2C		3,260	3,260	5,648	5,648	0	0	92,603	46,585	24,360	13,118	7,215
Total Probable Undeveloped			**4,715**	**4,715**	**8,169**	**8,169**	**0**	**0**	**150,928**	**64,597**	**29,539**	**14,066**	**6,772**
Total Probable			**6,707**	**6,707**	**12,692**	**12,692**	**0**	**0**	**206,452**	**91,226**	**42,357**	**19,778**	**8,579**
Total Proved Plus Probable			**12,910**	**12,910**	**25,166**	**25,166**	**0**	**0**	**393,447**	**208,158**	**119,834**	**73,605**	**47,449**
Possible													
Locations -1, 2 & 3	Middle Triassic T2B & T2C	Incr.	1,019	1,019	1,764	1,764	0	0	43,274	7,316	5	(1,108)	(1,102)
Donlinnoe-5, 12ST	Middle Triassic T2B & T2C	Incr.	298	298	829	829	0	0	12,616	6,401	3,552	2,122	1,347
Locations 4,5,6 & 7	Middle Triassic T2B & T2C	Incr.	1,630	1,630	2,823	2,823	0	0	74,019	26,516	10,357	4,397	2,022
Dolinnoe-5 & 4 Locations	Middle Triassic T2B & T2C		3,040	3,040	5,466	5,466	0	0	160,635	89,529	32,131	15,829	8,437
Total Possible			**5,987**	**5,987**	**10,883**	**10,883**	**0**	**0**	**290,544**	**109,762**	**46,045**	**21,240**	**10,703**
Total Proved Plus Probable Plus Possible			**18,897**	**18,897**	**36,049**	**36,049**	**0**	**0**	**683,991**	**317,920**	**165,879**	**94,845**	**58,152**

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
Summary of Company Reserves and Economics
After CIT & EPT
January 1, 2016
MIE Holdings Corporation
Dolinnoe, Kazakhstan

Forecast Prices & Costs

Net To Appraised Interest

Description	Oil MSTB Gross	Oil MSTB Net	Sales Gas MMscf Gross	Sales Gas MMscf Net	BOE Mbbls Gross	BOE Mbbls Net	Cumulative Cash Flow - M$ Undisc.	Discounted at: 5%/year	10%/year	15%/year	20%/year
Proved Developed Producing											
Total Proved Developed Producing (BT)	1,022	1,022	2,461	2,461	1,433	1,433	13,062	10,859	9,236	8,000	7,032
Corporate Income Tax	-	-	-	-	-	-	0	0	0	0	0
Excess profits Tax	-	-	-	-	-	-	0	0	0	0	0
Total Proved Developed Producing (AT)	**1,022**	**1,022**	**2,461**	**2,461**	**1,433**	**1,433**	**13,062**	**10,859**	**9,236**	**8,000**	**7,032**
Proved Developed Non-Producing											
Total Proved Developed Non-Producing (BT)	2,969	2,969	6,180	6,180	3,999	3,999	115,332	72,973	48,806	34,141	24,772
Corporate Income Tax	-	-	-	-	-	-	(22,449)	(14,317)	(9,652)	(6,805)	(4,976)
Excess profits Tax	-	-	-	-	-	-	(39,604)	(24,616)	(16,165)	(11,107)	(7,922)
Total Proved Developed Non-Producing (AT)	**2,969**	**2,969**	**6,180**	**6,180**	**3,999**	**3,999**	**53,279**	**34,040**	**22,989**	**16,229**	**11,874**
Total Proved Developed (AT)	**3,991**	**3,991**	**8,642**	**8,642**	**5,431**	**5,431**	**66,340**	**44,900**	**32,225**	**24,229**	**18,906**
Proved Undeveloped											
Total Proved Undeveloped (BT)	2,212	2,212	3,832	3,832	2,851	2,851	58,601	33,099	19,435	11,686	7,066
Corporate Income Tax	-	-	-	-	-	-	(12,391)	(7,546)	(4,883)	(3,331)	(2,377)
Excess profits Tax	-	-	-	-	-	-	(14,956)	(8,260)	(4,789)	(2,899)	(1,826)
Total Proved Undeveloped (AT)	**2,212**	**2,212**	**3,832**	**3,832**	**2,851**	**2,851**	**31,254**	**17,293**	**9,763**	**5,456**	**2,863**
Total Proved (AT)	**6,203**	**6,203**	**12,474**	**12,474**	**8,282**	**8,282**	**97,594**	**62,193**	**41,988**	**29,685**	**21,769**
Probable											
Probable Developed Producing											
Total Probable Developed Producing (BT)	529	529	1,189	1,189	727	727	5,495	1,963	(143)	(1,453)	(2,298)
Corporate Income Tax	-	-	-	-	-	-	(208)	(152)	(114)	(87)	(67)
Excess profits Tax	-	-	-	-	-	-	0	0	0	0	0
Total Probable Developed Producing (AT)	**529**	**529**	**1,189**	**1,189**	**727**	**727**	**5,287**	**1,811**	**(257)**	**(1,540)**	**(2,366)**
Probable Developed Non-Producing											
Total Probable Developed Non-Producing (BT)	1,463	1,463	3,334	3,334	2,019	2,019	50,030	24,665	12,961	7,165	4,106
Corporate Income Tax	-	-	-	-	-	-	(11,428)	(5,997)	(3,444)	(2,145)	(1,432)
Excess profits Tax	-	-	-	-	-	-	(18,091)	(8,276)	(3,967)	(1,973)	(1,009)
Total Probable Developed Non-Producing (AT)	**1,463**	**1,463**	**3,334**	**3,334**	**2,019**	**2,019**	**20,510**	**10,393**	**5,550**	**3,047**	**1,665**
Total Probable Developed (AT)	**1,992**	**1,992**	**4,523**	**4,523**	**2,746**	**2,746**	**25,797**	**12,204**	**5,293**	**1,507**	**(701)**
Probable Undeveloped											
Total Probable Undeveloped (BT)	4,715	4,715	8,169	8,169	6,076	6,076	150,928	64,597	29,539	14,066	6,772
Corporate Income Tax	-	-	-	-	-	-	(31,192)	(13,989)	(6,800)	(3,494)	(1,851)
Excess profits Tax	-	-	-	-	-	-	(49,681)	(20,524)	(9,078)	(4,214)	(2,011)
Total Probable Undeveloped (AT)	**4,715**	**4,715**	**8,169**	**8,169**	**6,076**	**6,076**	**70,055**	**30,084**	**13,660**	**6,357**	**2,909**
Total Probable (AT)	**6,707**	**6,707**	**12,692**	**12,692**	**8,822**	**8,822**	**95,852**	**42,288**	**18,953**	**7,865**	**2,208**
Total Proved Plus Probable (AT)	**12,910**	**12,910**	**25,166**	**25,166**	**17,104**	**17,104**	**193,447**	**104,480**	**60,941**	**37,550**	**23,977**
Possible											
Total Possible (BT)	5,987	5,987	10,883	10,883	7,801	7,801	290,544	109,762	46,045	21,240	10,703
Corporate Income Tax	-	-	-	-	-	-	(59,737)	(22,642)	(9,536)	(4,418)	(2,237)
Excess profits Tax	-	-	-	-	-	-	(135,974)	(51,392)	(21,497)	(9,853)	(4,916)
Total Possible (AT)	**5,987**	**5,987**	**10,883**	**10,883**	**7,801**	**7,801**	**94,833**	**35,728**	**15,013**	**6,970**	**3,551**
Total Proved Plus Probable Plus Possible (AT)	**18,897**	**18,897**	**36,049**	**36,049**	**24,905**	**24,905**	**288,279**	**140,208**	**75,954**	**44,519**	**27,528**

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.

ADEK BLOCK (LICENCE AREA)
REPUBLIC OF KAZAKHSTAN
EMIR FIELD
INDEX

Discussion

Property Description
Geology
Petrophysical Data and Analysis
Reserves
Production
Product Prices
Capital Expenditures
Operating Costs
Tax
Economics

Attachments

Table 1: Schedule of Lands, Interests and Royalty Burdens

Figure 1: Field Map and Structure Top
a) Triassic T3+T2Upper
b) Middle Triassic T2A
c) Middle Triassic T2B
d) Middle Triassic T2C

Figure 2: Log Analysis Presentation
a) Emir-1, Middle Triassic T2
b) Emir-2, Upper Triassic T3
c) Emir-2, Middle Triassic T2
d) Emir-5, Upper Triassic T3
e) Emir-5, Middle Triassic T2
f) Emir-6, Upper Triassic T3
g) Emir-6, Middle Triassic T2

Table 2: Summary of Gross Reserves

Summary of Reserves and Reservoir Parameters
Proved Developed Non-Producing
a) Emir-1, Middle Triassic T2A (Removed from this version)
b) Emir-5, Middle Triassic T2C (Removed from this version)

Proved Undeveloped
c) Location-1, Middle Triassic T2A (Removed from this version)
d) Location-2, Middle Triassic T2C (Removed from this version)

Proved Plus Probable
e) Emir-6, Middle Triassic T2C (Removed from this version)

Probable Developed

f) Emir-1, Middle Triassic T2B (Removed from this version)
g) Emir-2, Triassic T3+T2Upper (Removed from this version)
h) Emir-2, Middle Triassic T2A (Removed from this version)
i) Emir-2, Middle Triassic T2B (Removed from this version)
j) Emir-5, Middle Triassic T2B (Removed from this version)
k) Emir-6, Middle Triassic T2A (Removed from this version)
l) Emir-6, Middle Triassic T2B (Removed from this version)

Possible

m) Emir-5, Triassic T3 (Removed from this version)
n) Emir-6, Triassic T3+T2Upper (Removed from this version)
o) Location-1, Middle Triassic T2B (Removed from this version)
p) Location-2, Middle Triassic T2A (Removed from this version)
q) Location-2, Middle Triassic T2B (Removed from this version)

Figure 3: Production History Graphs

a) Emir-1, Middle Triassic T2
b) Emir-2, Upper Triassic T3 and Middle Triassic T2
c) Emir-6, Middle Triassic T2
d) Group Production Plot, Upper Triassic T3 and Middle Triassic T2

Table 3: Summary of Anticipated Capital Expenditures

a) Development
b) Abandonment and Restoration

Table 4: Summary of Company Reserves and Economics

a) Proved Developed Producing (N/A) (Removed from this version)
b) Total Proved Developed (Removed from this version)
c) Total Proved (Removed from this version)
d) Proved Plus Probable Developed Producing (Removed from this version)
e) Probable Developed Non-Producing (Removed from this version)
f) Proved Plus Probable Developed (Removed from this version)
g) Proved Plus Probable (Removed from this version)
h) Probable Plus Possible Developed (Removed from this version)
i) Proved Plus Probable Plus Possible (Removed from this version)

ADEK BLOCK (LICENCE AREA)
REPUBLIC OF KAZAKHSTAN
EMIR FIELD
DISCUSSION

Property Description

The Company owns a 100 percent working interest in a "Licence" and "Exploration Contract" referred to as the Emir 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. Since this time, the terms have been reviewed and a Production Contact has been granted.

The Licence and Production Contract granted the right to engage in exploration and development activities on the block. The Production Contract term is 25 years and it expires on March 1, 2030.

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 Emir Field is one of seven known fields already discovered on the ADEK Block. The Company has re-entered well Emir-1, which was placed on production but currently is shut-in waiting on a workover and stimulation. Well Emir-2 was drilled, tested in one zone and placed on production from this zone at the rate of 50 STB/d, and currently is shut-in. Well Emir-6 commenced production in August 2007 at a rate of 30 STB/d and currently is shut-in. The Company has plans to work over and stimulate all three wells.

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 at the edge of the Mangistau Ustyrt Central High which contains several producing oilfields in the area. The main producing horizon is the Middle Triassic carbonate

The Emir structure is an articulation zone where the Beke-Bashkudsky high and Karagiin saddle transits into the Zhetybay-Uzen tectonic zone. In the north the structure aligns with the line of a regional fault, interpreted as a thrust.

The ADEK Block is covered by several vintages of 2D seismic plus a recent 3-D survey. The Middle Triassic structure top is represented by the reflection horizon T2, which is presented on Figures 1.

The Jurassic, a clastic sand shale sequence with some carbonate, lies about 950m above the Triassic throughout the block. The Jurassic is a secondary opportunity for hydrocarbon potential as indicated by log analysis. Resource potential has been identified but reserves have not been assigned or evaluated in this report.

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.

Sw cutoff was 40% along with a shale volume cutoff of 30%.

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

Reserves

Proved Developed Non-Producing oil reserves of 785 MSTB and marketable solution gas reserves of 143 MMscf have been estimated for the Middle Triassic T2C zone in wells Emir-1 and Emir-5, based on reservoir parameters determined from digital log analysis and production data from the wells, with assigned recovery factor and drainage area of 80 acres.

Proved Undeveloped oil reserves of 678 MSTB and marketable solution gas reserves of 131 MMscf have been estimated for the Middle Triassic T2A and T2C zones in two adjacent locations, based on reservoir parameters determined from digital log analysis, with assigned recovery factor of 15 percent and drainage area of 80 acres.

Incremental Probable Developed Producing oil reserves of 174 MSTB and marketable solution gas reserves of 19 MMscf have been estimated for the Middle Triassic T2C zone in wells Emir-6, based on reservoir parameters determined from digital log analysis and production data from the wells, with assigned increased recovery factor of 16.3 percent and drainage area of 80 acres. These assumptions are based on the well performance.

Incremental Probable Developed Non-Producing oil reserves of 444 MSTB and marketable solution gas reserves of 82 MMscf have been estimated for the Middle Triassic T2A and T2C zones in wells Emir-1 and Emir-5, based on reservoir parameters determined from digital log analysis and production data from the wells, with assigned higher that in Proved Developed Non-Producing category recovery factor and drainage area of 80 acres

Probable Developed Non-Producing oil reserves of 3,915 MSTB and marketable solution gas reserves of 557 MMscf have been estimated for the Upper and Middle Triassic zones in wells Emir-1, Emir-2, Emir-5 and Emir-6, based on reservoir parameters determined from digital log analysis and production data from the wells, with assigned recovery factor and drainage area of 80 acres.

Incremental Probable Undeveloped oil reserves of 379 MSTB and marketable solution gas reserves of 76 MMscf have been estimated for two adjacent locations in the same interval as the Proved Undeveloped Reserves based on increased recovery factor from 20 to 30 percent.

Incremental Possible oil reserves of 3,698 MSTB and marketable solution gas reserves of 479 MMscf have been estimated for wells Emir-1, Emir-2, Emir-5 and Emir-6 in the same interval as the Probable Developed Non-Producing Reserves based on increased recovery factor from 20 to 30 percent.

Additional Possible oil reserves of 2,286 MSTB and marketable solution gas reserves of 307 MMscf have been estimated for wells Emir-5 and Emir-6 and two adjacent locations in the Upper Triassic T3 and Middle Triassic T2 zone based on reservoir parameters determined from digital log analysis, with assigned recovery factor of 30 percent and drainage area of 80 acres.

As mentioned above, reserves assigned in this report have been restricted to the fault block which has been encountered by wells Emir-1, Emir-2, Emir-5 and Emir-6. Additional resource potential may exist on the surrounding fault blocks (Figure 1) which has not yet been drilled.

Also, the Jurassic has indicated significant possible reserves potential, based on log analysis, which has not been evaluated herein, but will be tested with additional wells. There is insufficient data at present to accurately quantify reserves, however log analysis on Emir-1 demonstrates potential hydrocarbon as discussed above.

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 2q.

Production

Emir-1 was placed on production in 2004 flowing at average of 100 STB/d against a wellhead back pressure of greater than 500 psi from a 45 meter perforated interval. During the drilling and testing phase of this well the well was killed with heavy mud of unknown chemical content which caused damage to the formation in the immediate wellbore. The well eventually became unproductive, likely due to the damage and is shut-in waiting on remedial action. Prior to killing the well it had flowed at a rate of 2,377 STB/d (378 m^3/d) of oil and mud, for a short time before it was killed with heavy fluid. Currently, well is shut down.

Well Emir-6 is currently producing at a rate of 76 STB/d.

Production history graphs for individual wells and a Group Production Plot are presented on Figures 3a through 3d.

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 $19,139,000 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 $5,200,000 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 $300,000 ($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

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 4i.

Table 1

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

MIE Holdings Corporation

Emir, Republic of Kazakhstan

Description	Rights Owned	Gross Acres	Appraised Interest Working %	Appraised Interest Royalty %	Royalty Burdens Basic %	Royalty Burdens Overriding %
Contract No.482, Addendum 11 License Al No. 1552	[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

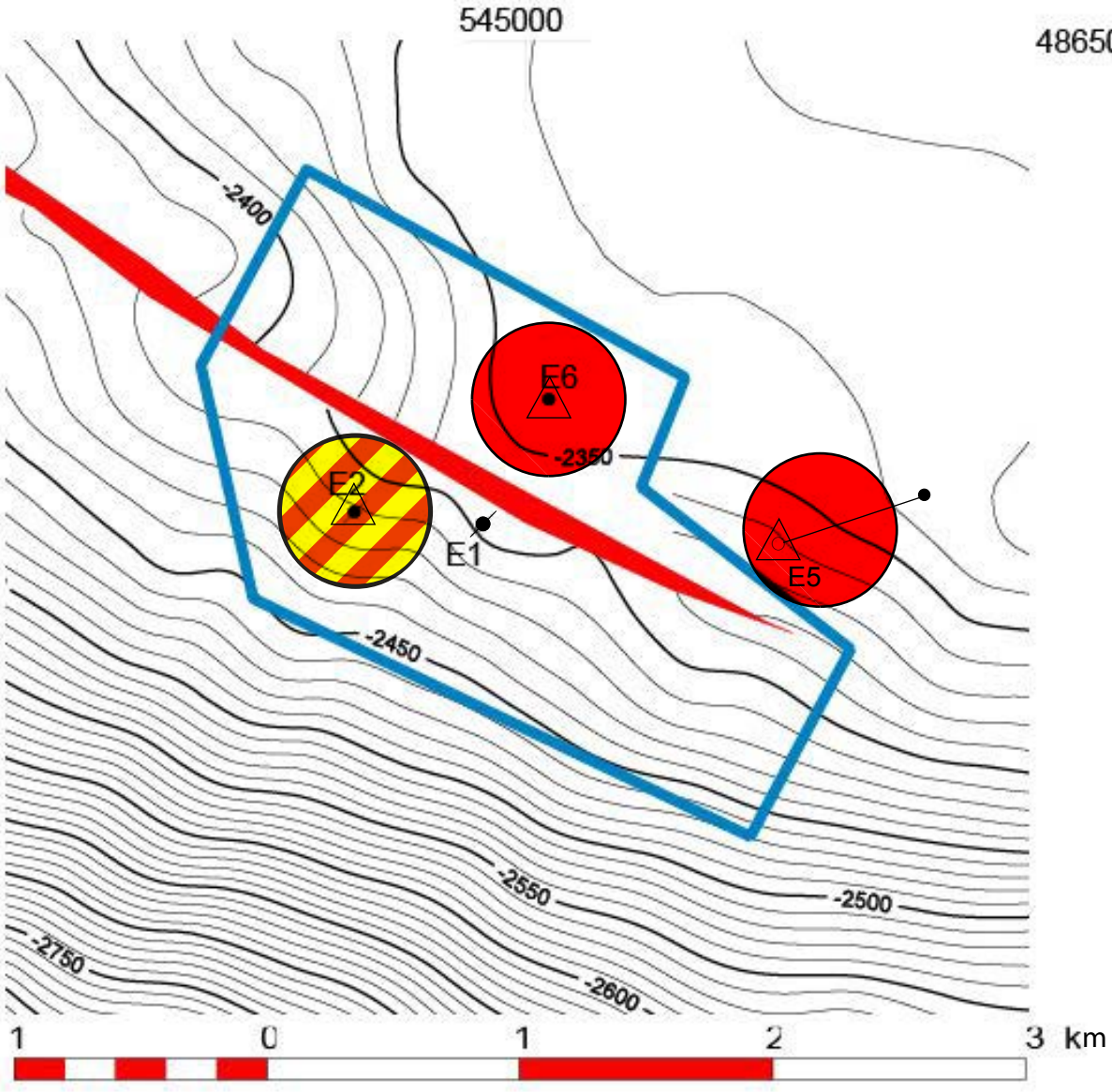
Export Rent Tax (ERT)

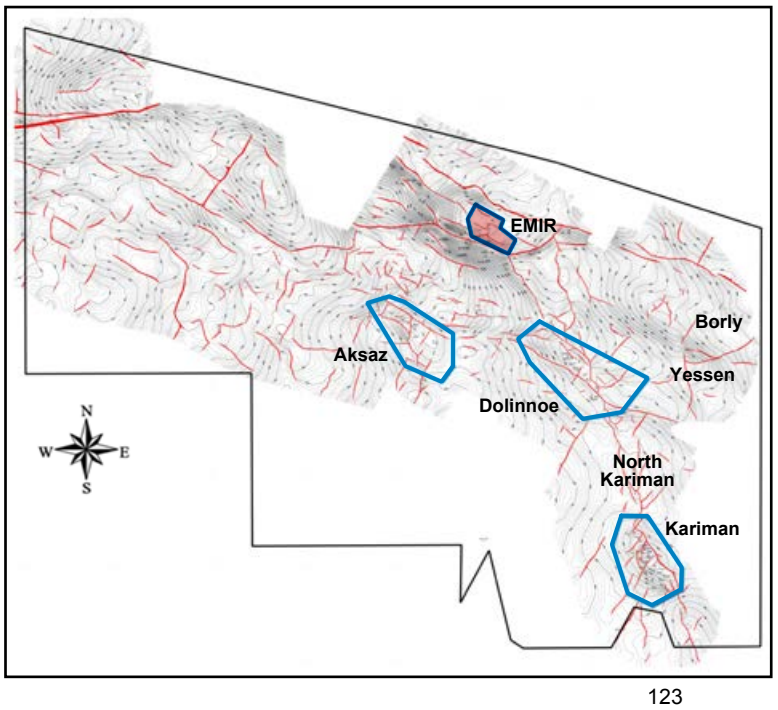
World Price (US$/BBL)	Rate %
Up to 40, Including	0
Up to 50, Including	7
Up to 60, Including	11
Up to 70, Including	14
Up to 80, Including	16
Up to 90, Including	17
Up to 100, Including	19
Up to 110, Including	21
Up to 120, Including	22
Up to 130, Including	23
Up to 140, Including	25
Up to 150, Including	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] Emir Field located in blocks XXXV-10-C(partially), XXXVI-11-A(partially). Production Contract expires on March 1, 2030.





LEGEND

- FAULT LINES
- FIELD BOUNDARY
- ## STRUCTURAL ELEVATION (sL)- m
- PROPOSED LOCATIONS
- WELL OF INTEREST
- PROVED RESERVES
- PROBABLE RESERVES
- POSSIBLE RESERVES

MIE HOLDINGS CORPORATION

EMIR FIELD

ADEK BLOCK (LICENSE AREA)

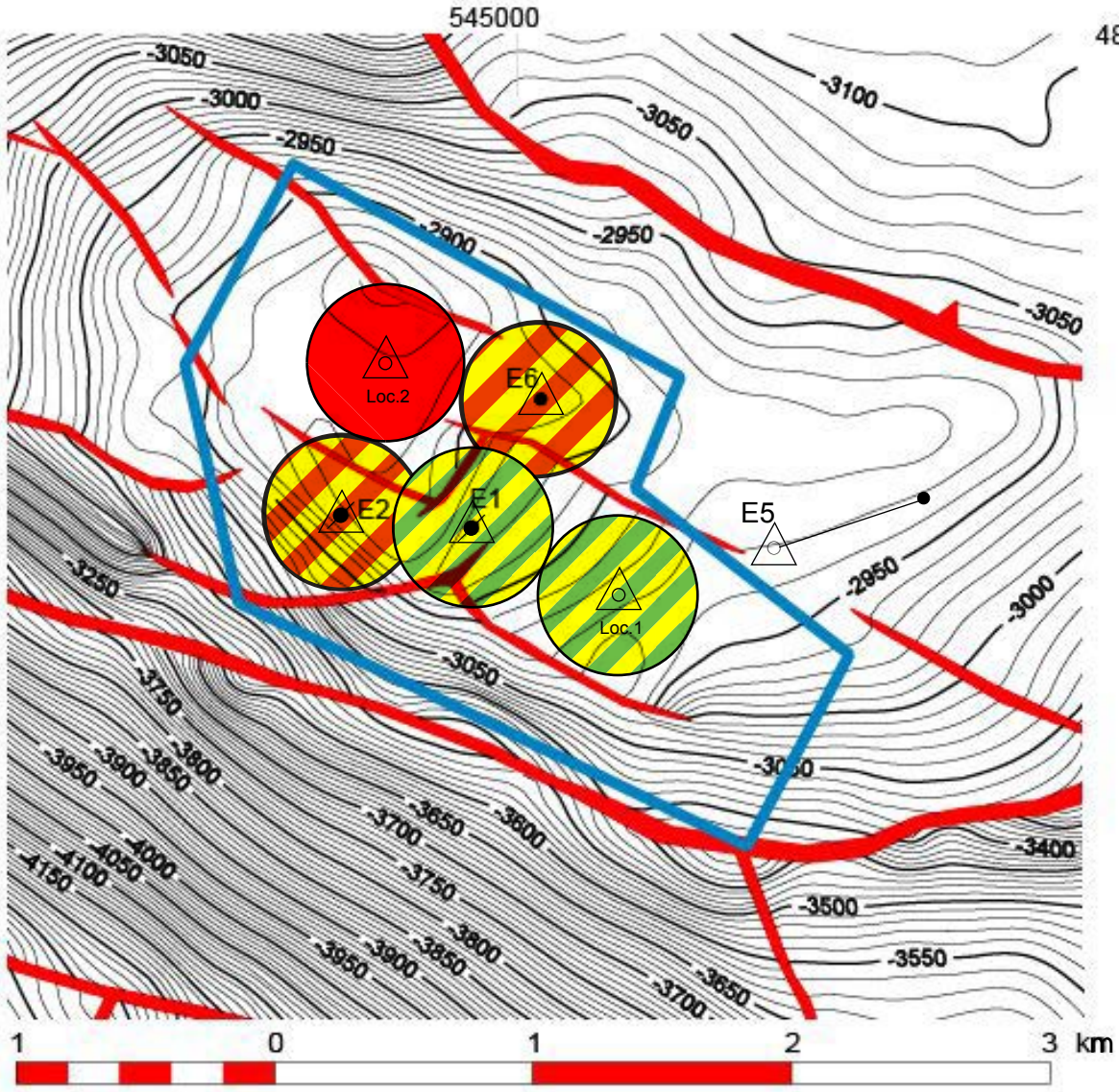
MANGISTAU OBLAST, KAZAKHSTAN

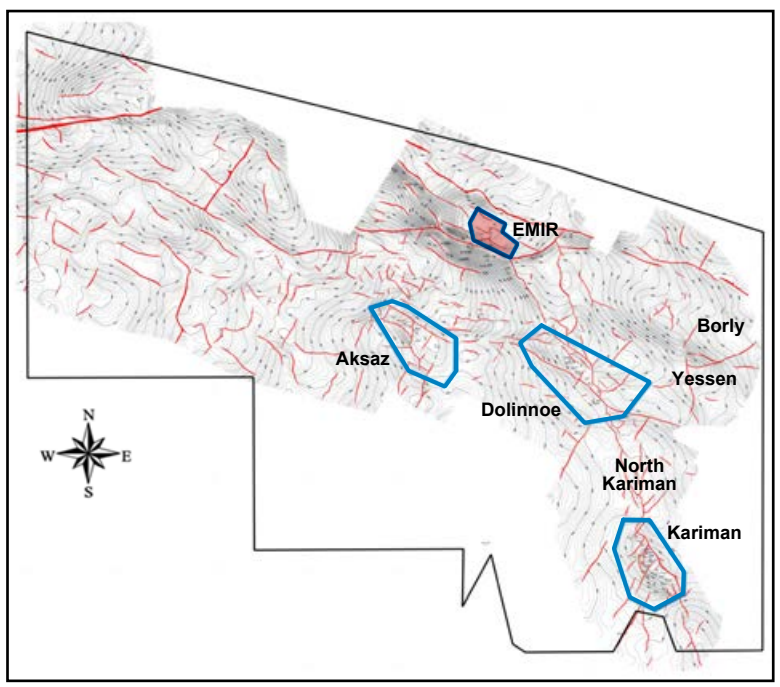
STRUCTURE ON TRIASSIC T3 + T2 UPPER

JAN. 2016 JOB No. 6144 FIGURE No. 1a

123

Chapman Petroleum Engineering Ltd.





LEGEND

- FAULT LINES
- FIELD BOUNDARY
- ## STRUCTURAL ELEVATION (sL)- m
- PROPOSED LOCATIONS
- WELL OF INTEREST
- PROVED RESERVES
- PROBABLE RESERVES
- POSSIBLE RESERVES

MIE HOLDINGS CORPORATION

EMIR FIELD

ADEK BLOCK (LICENSE AREA)

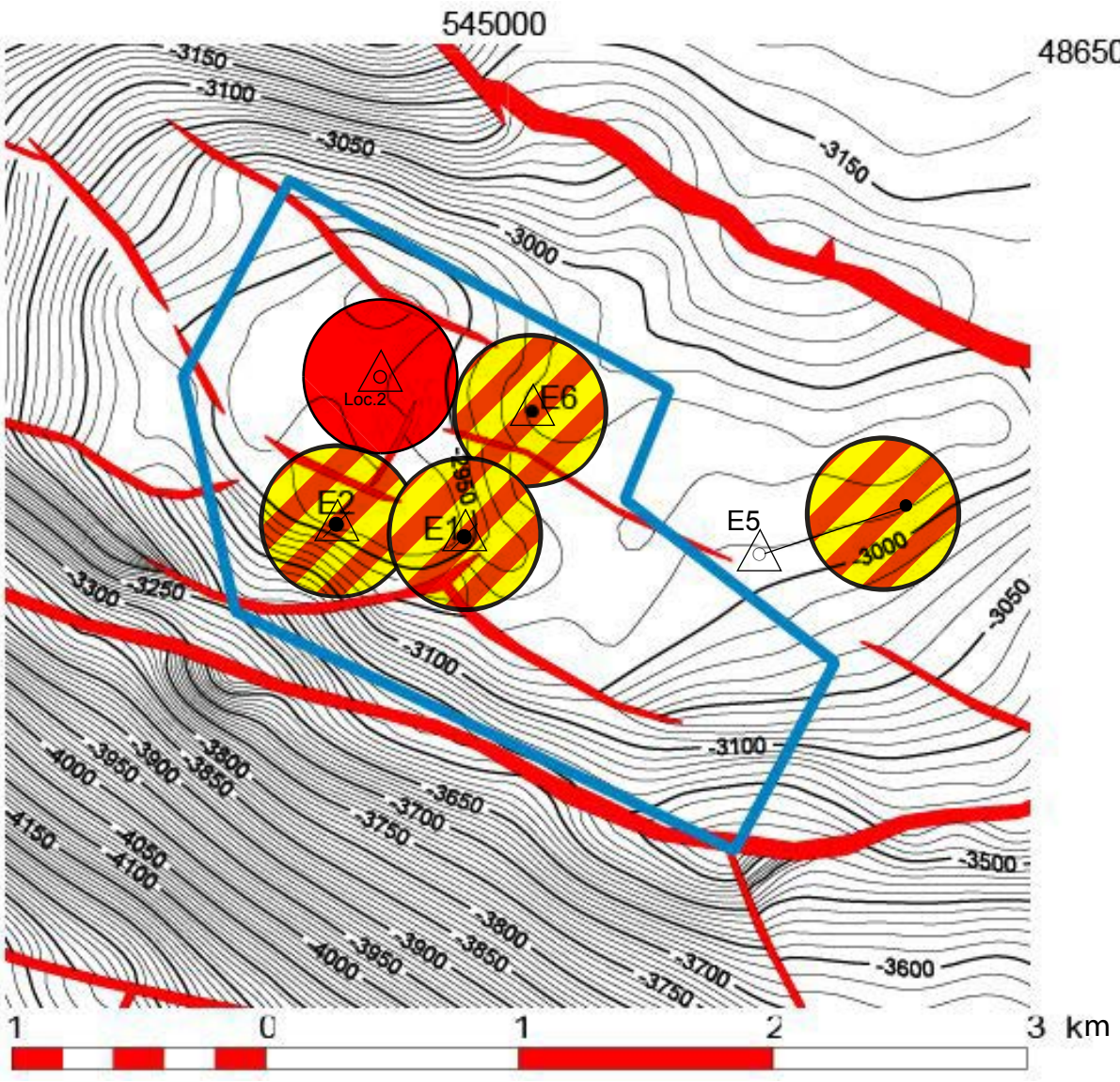
MANGISTAU OBLAST, KAZAKHSTAN

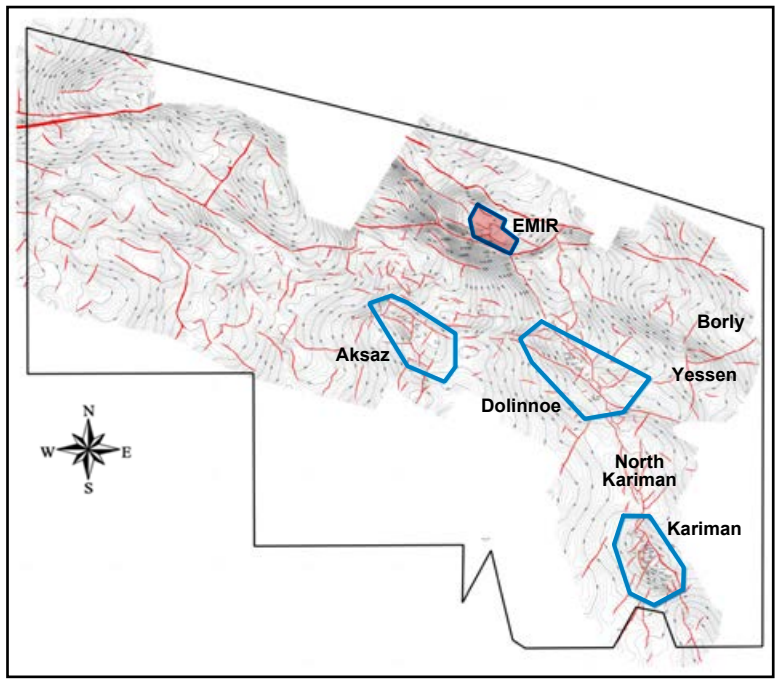
STRUCTURE ON MIDDLE TRIASSIC T2A

JAN. 2016 JOB No. 6144 FIGURE No. 1b

124

Chapman Petroleum Engineering Ltd.





LEGEND

- FAULT LINES
- FIELD BOUNDARY
- ## STRUCTURAL ELEVATION (sL)- m
- PROPOSED LOCATIONS
- WELL OF INTEREST
- PROVED RESERVES
- PROBABLE RESERVES
- POSSIBLE RESERVES

MIE HOLDINGS CORPORATION

EMIR FIELD

ADEK BLOCK (LICENSE AREA)

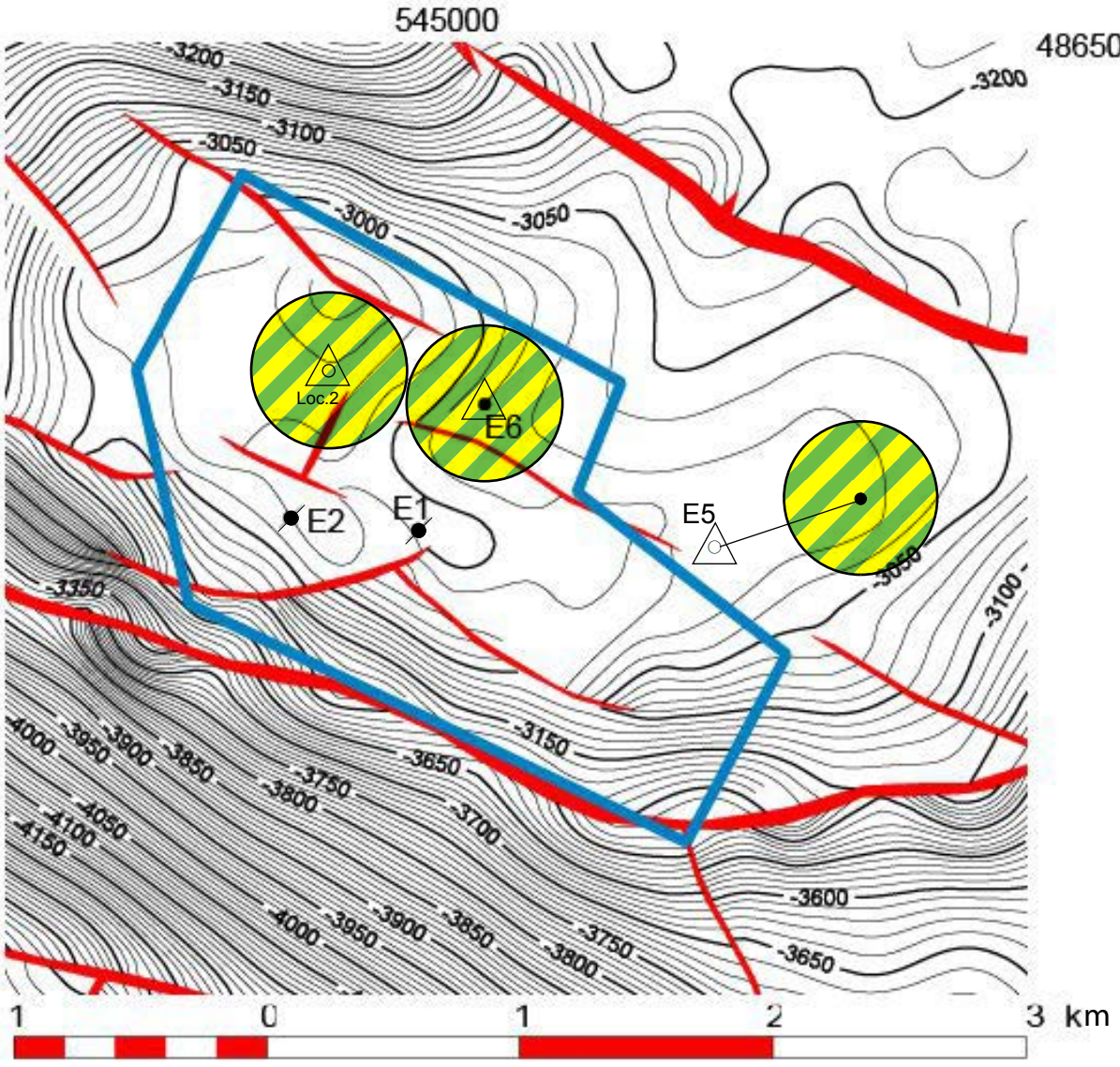
MANGISTAU OBLAST, KAZAKHSTAN

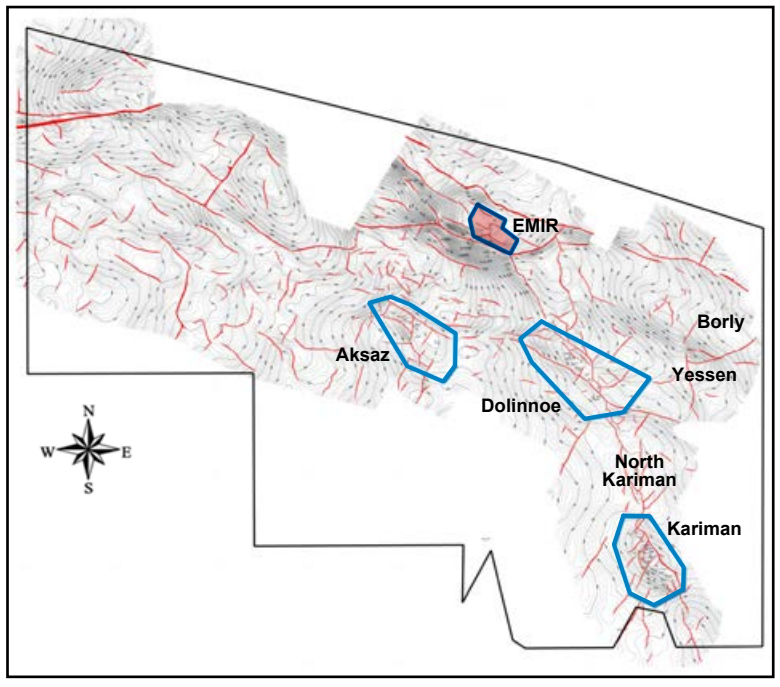
STRUCTURE ON MIDDLE TRIASSIC T2B

JAN. 2016 JOB No. 6144 FIGURE No. 1c

125

Chapman Petroleum Engineering Ltd.





LEGEND

- FAULT LINES
- FIELD BOUNDARY
- ## STRUCTURAL ELEVATION (sL)- m
- PROPOSED LOCATIONS
- WELL OF INTEREST
- PROVED RESERVES
- PROBABLE RESERVES
- POSSIBLE RESERVES

MIE HOLDINGS CORPORATION

EMIR FIELD

ADEK BLOCK (LICENSE AREA)

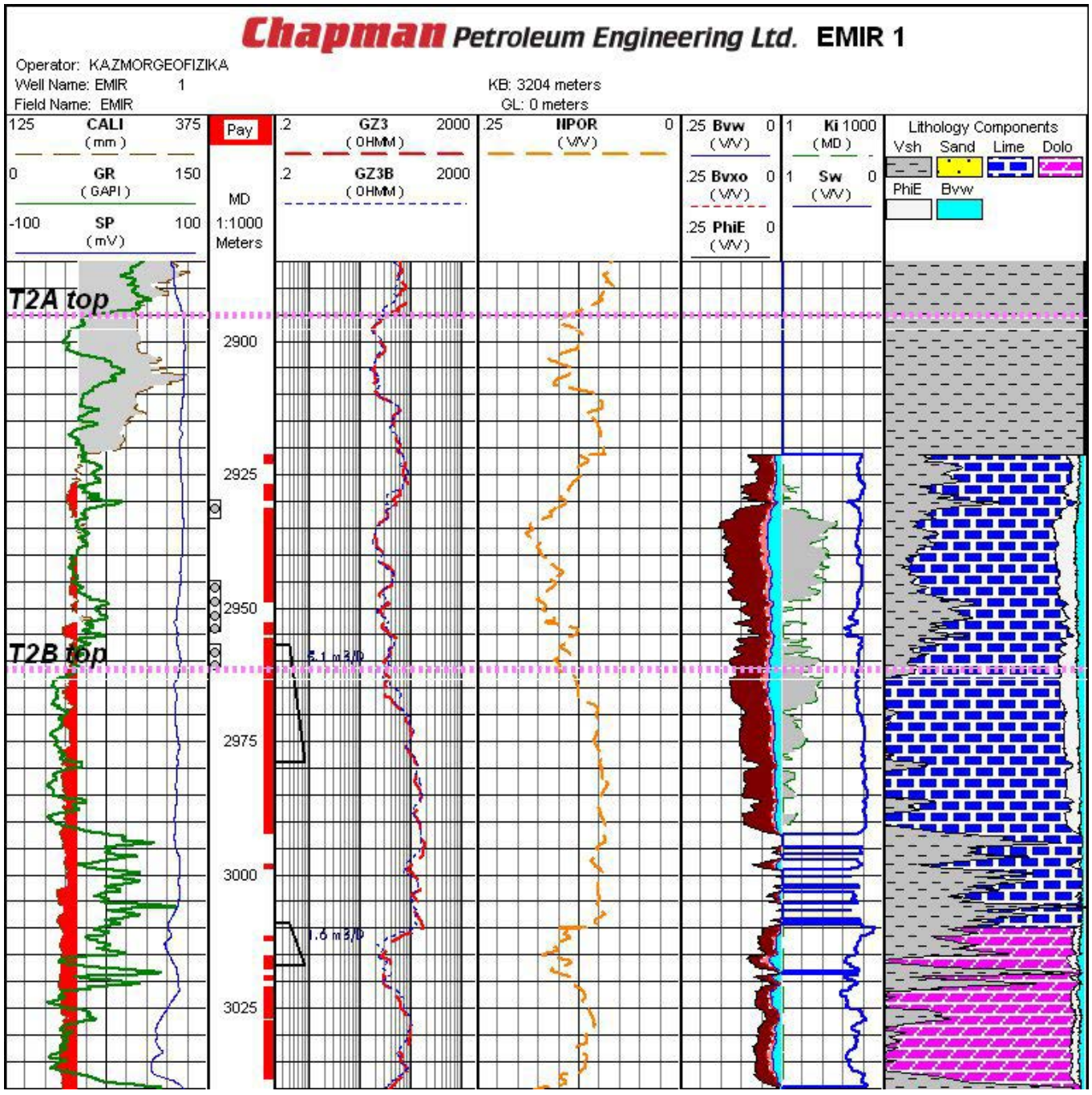
MANGISTAU OBLAST, KAZAKHSTAN

STRUCTURE ON MIDDLE TRIASSIC T2C

JAN. 2016 JOB No. 6144 FIGURE No. 1d

126

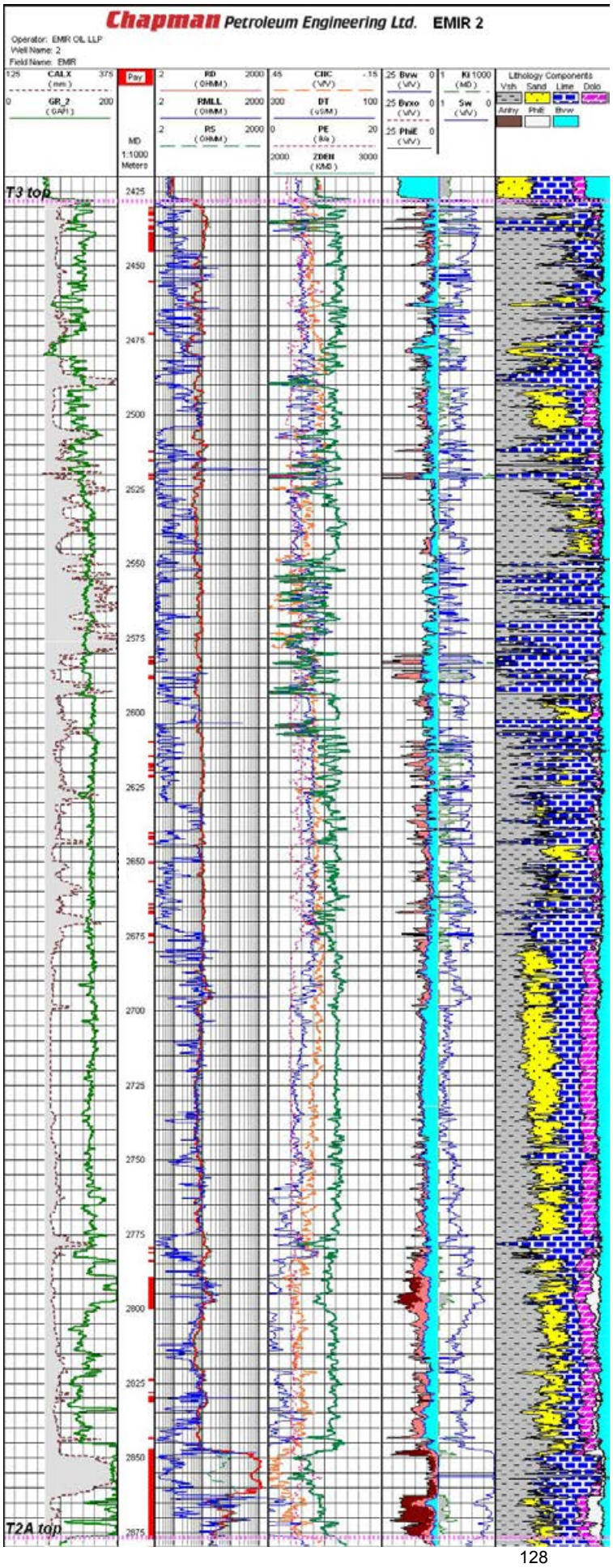
Chapman Petroleum Engineering Ltd.



MIE HOLDINGS CORPORATION
ADEK BLOCK OIL WELL LOG ANALYSIS MANGISTAU OBLAST, KAZAKHSTAN EMIR-1 MIDDLE TRIASSIC T2
JAN. 2016 JOB No. 6144 FIGURE No. 2a

127

Chapman Petroleum Engineering Ltd.



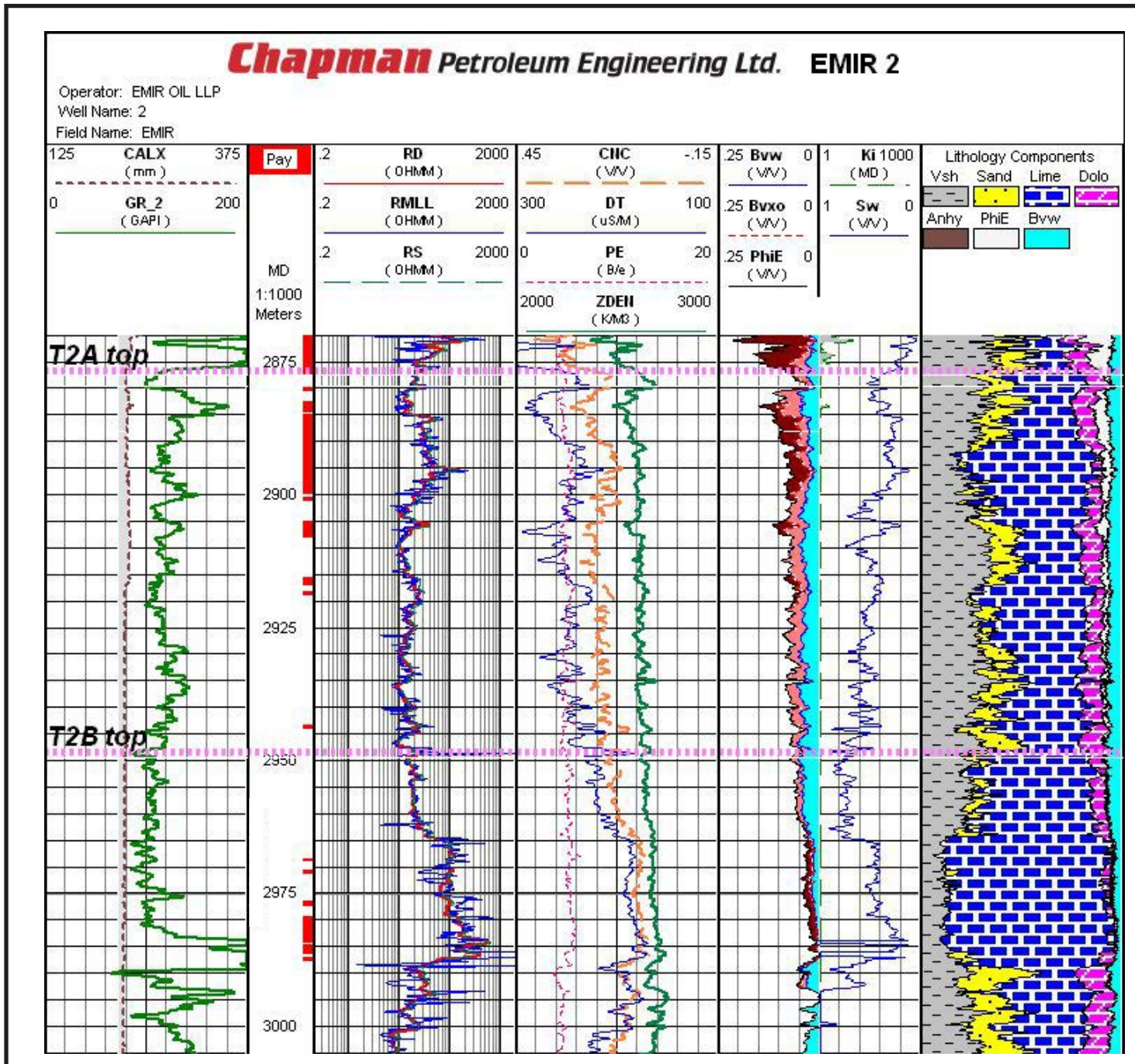
128

MIE HOLDINGS CORPORATION

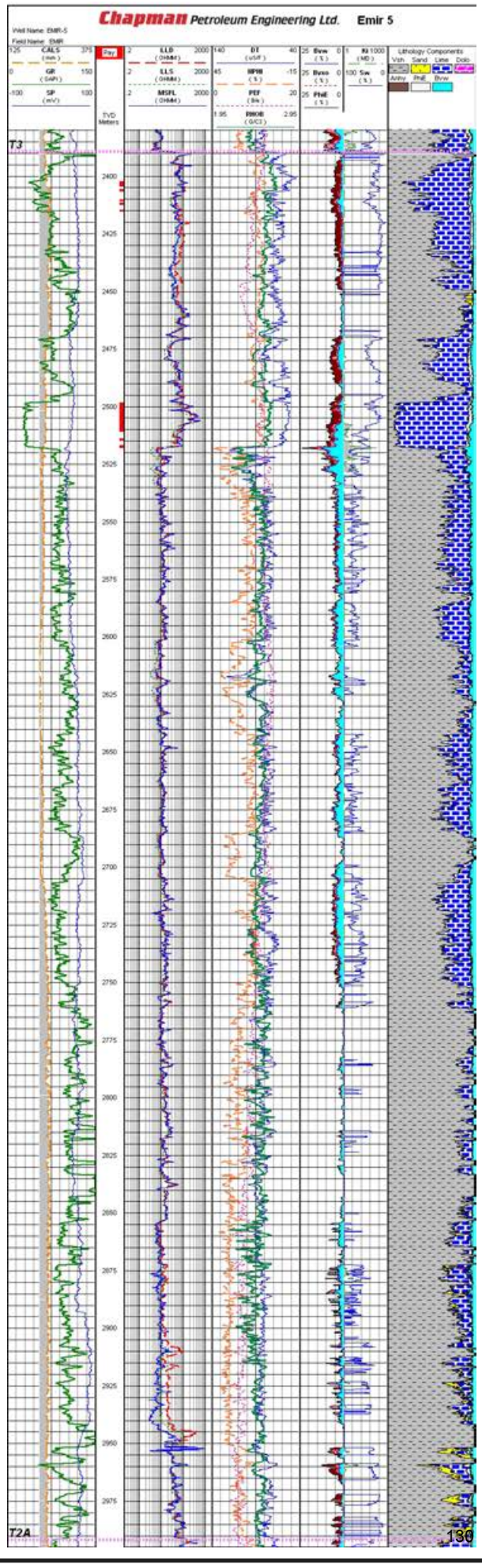
ADEK BLOCK
OIL WELL LOG ANALYSIS
MANGISTAU OBLAST, KAZAKHSTAN
EMIR-2
UPPER TRIASSIC T3

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

Chapman Petroleum Engineering Ltd.



MIE HOLDINGS CORPORATION
ADEK BLOCK OIL WELL LOG ANALYSIS MANGISTAU OBLAST, KAZAKHSTAN EMIR-2 MIDDLE TRIASSIC T2
JAN. 2016 JOB No. 6144 FIGURE No. 2c

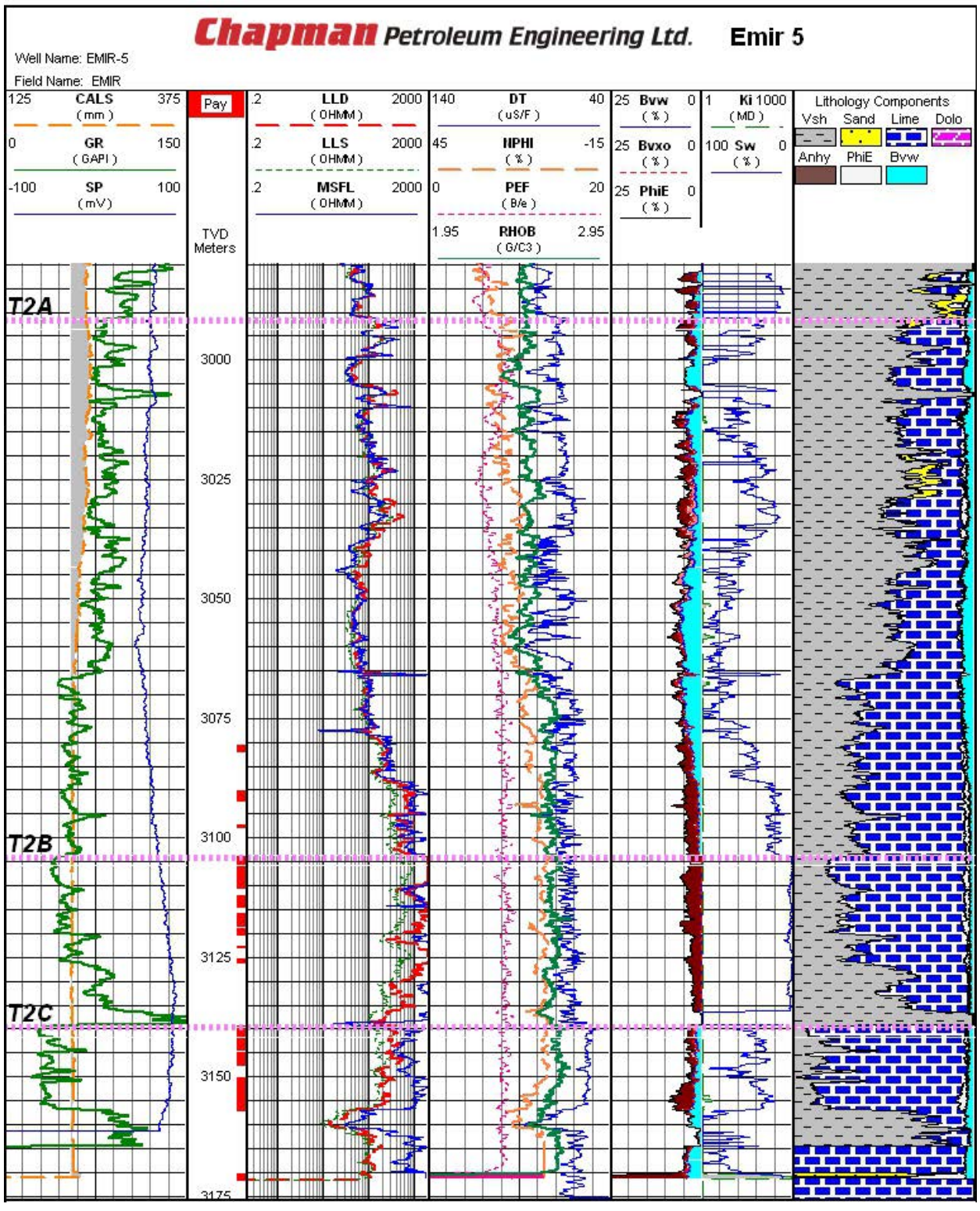


MIE HOLDINGS CORPORATION

ADEK BLOCK
OIL WELL LOG ANALYSIS
MANGISTAU OBLAST, KAZAKHSTAN
EMIR-5
UPPER TRIASSIC T3

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

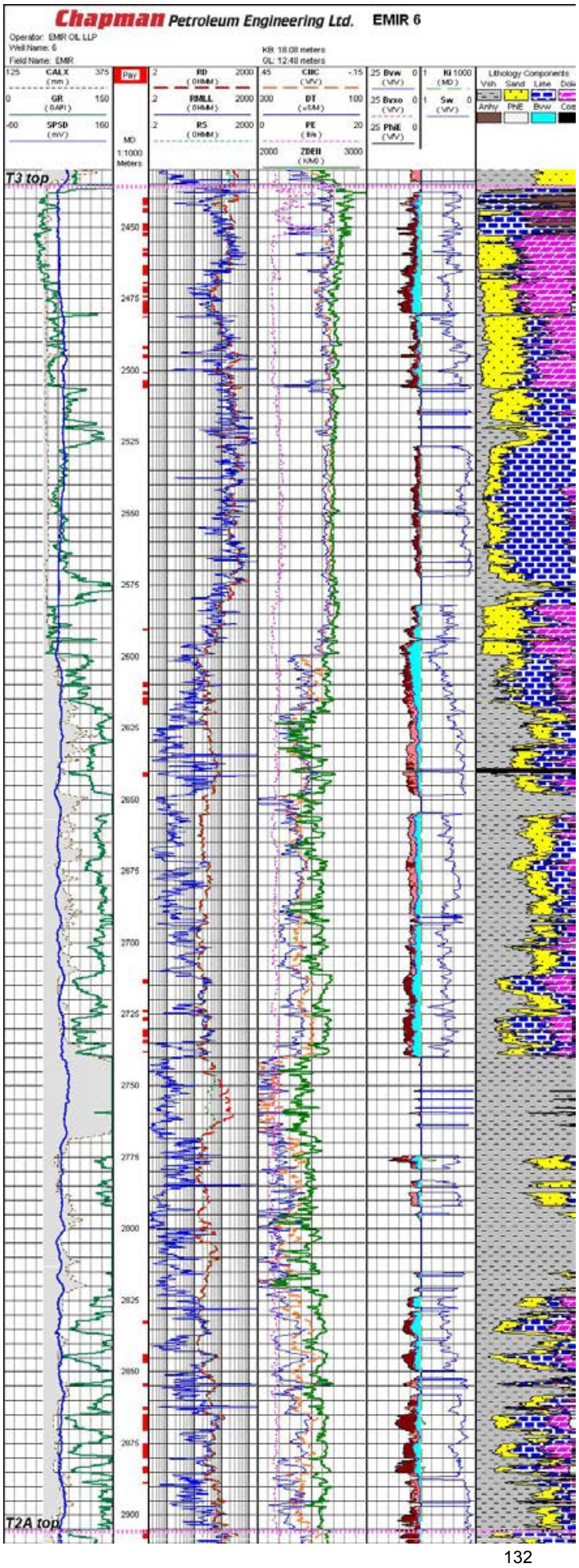
Chapman Petroleum Engineering Ltd.



MIE HOLDINGS CORPORATION
ADEK BLOCK **OIL WELL LOG ANALYSIS** MANGISTAU OBLAST, KAZAKHSTAN **EMIR-5** MIDDLE TRIASSIC T2
JAN. 2016 JOB No. 6144 FIGURE No. 2e

131

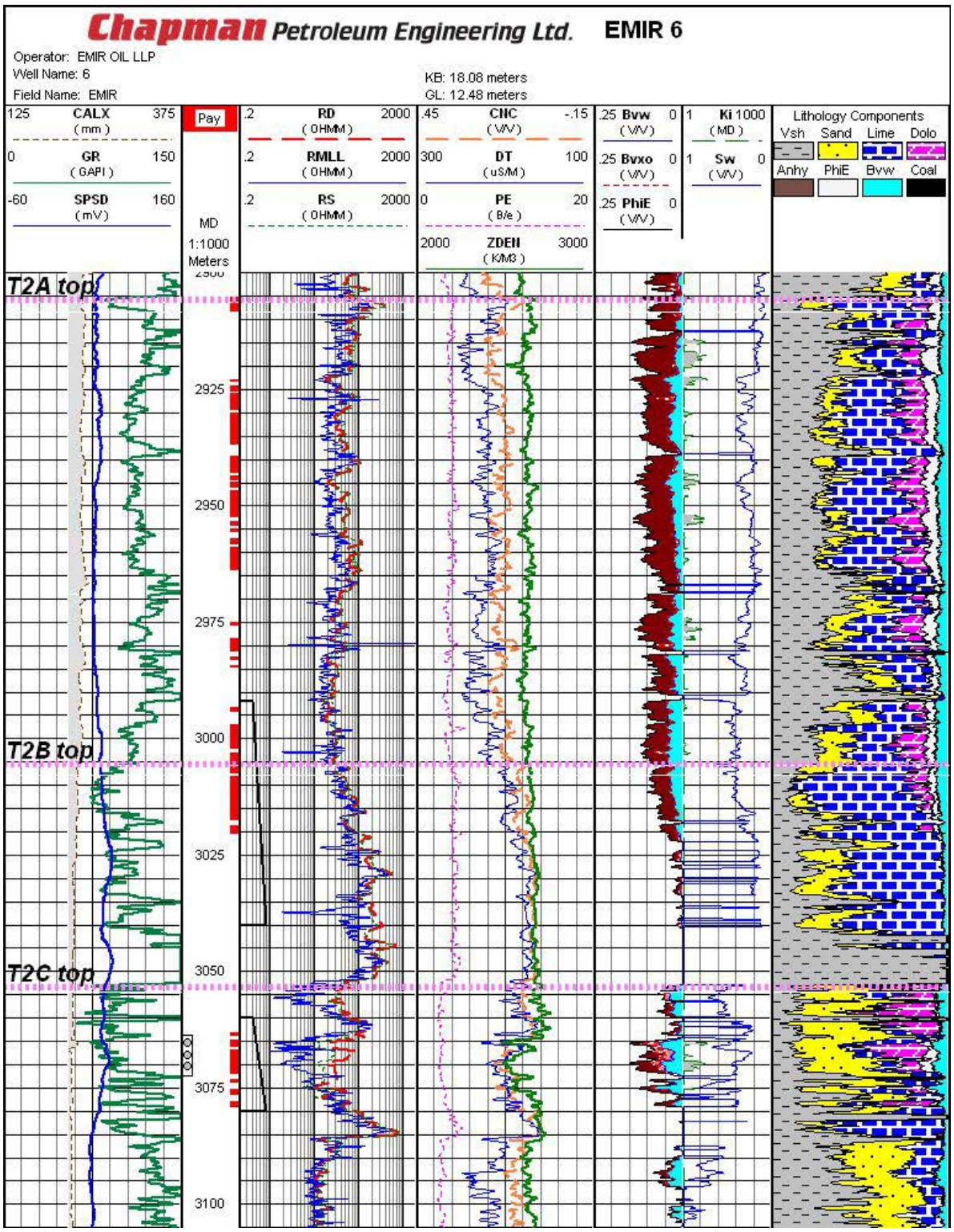
Chapman Petroleum Engineering Ltd.



MIE HOLDINGS CORPORATION
ADEK BLOCK OIL WELL LOG ANALYSIS MANGISTAU OBLAST, KAZAKHSTAN EMIR-6 UPPER TRIASSIC T3
JAN. 2016 JOB No. 6144 FIGURE No. 2f

132

Chapman Petroleum Engineering Ltd.



MIE HOLDINGS CORPORATION
ADEK BLOCK **OIL WELL LOG ANALYSIS** MANGISTAU OBLAST, KAZAKHSTAN **EMIR-6** MIDDLE TRIASSIC T2
JAN. 2016 JOB No. 6144 FIGURE No. 2g

133

Chapman Petroleum Engineering Ltd.

Table 2

Summary of Gross Reserves
January 1, 2016

MIE Holdings Corporation

Emir, 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									
Emir-6	Middle Triassic T2C		76	40	13	13	0	0	Decline, Figure 3c
	Proved Developed Producing		**76**		**13**	**13**	**0**	**0**	
Proved Developed Non-Producing									
Emir-1	Middle Triassic T2A		250	40	636	6	629	531	Table 2a
Emir-5	Middle Triassic T2C		150	40	258	0	258	253	Table 2b
	Proved Developed Non-Producing		**400**		**894**	**6**	**887**	**785**	
Proved Undeveloped									
Location-1	Middle Triassic T2A		300	40	636	0	636	526	Table 2c
Location-2	Middle Triassic T2C		100	40	157	0	157	152	Table 2d
	Total Proved Undeveloped		**400**		**793**	**0**	**793**	**678**	
	Total Proved		**876**		**1,700**	**20**	**1,681**	**1,463**	
Probable									
Probable Developed Producing									
Emir-6	Middle Triassic T2C	(incr.)	0	40	174	0	174	174	Table 2e
	Total Probable Developed Producing		**0**		**174**	**0**	**174**	**174**	
Probable Developed Non-Producing									
Emir-1	Middle Triassic T2A	(incr.)	100	40	212	0	212	310	Table 2a
Emir-5	Middle Triassic T2C	(incr.)	100	40	129	0	129	134	Table 2c
Emir-1	Middle Triassic T2B		600	40	1,123	0	1,123	1,123	Table 2f
Emir-2	Upper T3 & Middle T2 Triassic		600	40	1,586	0	1,586	1,586	Tables 2g, 2h & 2i
Emir-5	Middle Triassic T2B		100	40	248	0	248	248	Table 2j
Emir-6	Middle Triassic T2A & T2B		400	40	959	0	959	959	Tables 2k & 2l
	Total Probable Developed Non-Producing		**1,900**		**4,256**	**0**	**4,256**	**4,359**	
	Total Probable Developed		**1,900**		**4,430**	**0**	**4,430**	**4,533**	
Probable Undeveloped									
Location-1	Middle Triassic T2A	(incr.)	200	40	212	0	212	321	Table 2c
Location-2	Middle Triassic T2C	(incr.)	50	40	52	0	52	58	Table 2d
	Total Probable Undeveloped		**250**		**264**	**0**	**264**	**379**	
	Total Probable		**2,150**		**4,695**	**0**	**4,695**	**4,912**	
	Total Proved Plus Probable		**3,026**		**6,395**	**20**	**6,375**	**6,375**	
Possible									
Emir-1	Middle Triassic T2B	(incr.)	200	40	561	0	561	561	Table 2f
Emir-2	Upper T3 & Middle T2 Triassic	(incr.)	600	40	2,534	0	2,534	2,534	Tables 2g, 2h & 2i
Emir-5	Middle Triassic T2B	(incr.)	100	40	124	0	124	124	Table 2j
Emir-6	Middle Triassic T2A & T2B	(incr.)	200	40	479	0	479	479	Tables 2k & 2l
Emir-5	Middle Triassic T3		100	40	121	0	121	121	Table 2m
Emir-6	Upper T3 & Middle T2 Triassic		500	40	1,125	0	1,125	1,125	Table 2n
Location-1	Middle Triassic T2B		50	40	561	0	561	561	Table 2o
Location-2	Middle Triassic T2A & T2B		100	40	479	0	479	479	Tables 2p & 2q
	Total Possible		**1,850**		**5,986**	**0**	**5,986**	**5,986**	
	Total Proved Plus Probable Plus Possible		**4,876**		**12,381**	**20**	**12,361**	**12,361**	

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

Table 2 Cont.

Summary of Gross Reserves
January 1, 2016

MIE Holdings Corporation

Emir, 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							
Proved							
Proved Developed Producing							
Emir-6	Middle Triassic T2C	2	2	0	0	0	GOR : 115 scf/STB
	Proved Developed Producing	**2**	**2**	**0**	**0**		
Proved Developed Non-Producing							
Emir-1	Middle Triassic T2A	149	1	148	138	116	GOR : 235 scf/STB
Emir-5	Middle Triassic T2C	30	0	30	28	27	GOR : 115 scf/STB
	Proved Developed Non-Producing	**179**	**1**	**178**	**165**	**143**	
Proved Undeveloped							
Location-1	Middle Triassic T2A	149	0	149	139	115	GOR : 235 scf/STB
Location-2	Middle Triassic T2C	18	0	18	17	16	GOR : 115 scf/STB
	Total Proved Undeveloped	**168**	**0**	**168**	**156**	**131**	
	Total Proved	**348**	**3**	**345**	**321**	**274**	
Probable							
Probable Developed Producing							
Emir-6	Middle Triassic T2C	20	0	20	19	19	GOR : 115 scf/STB
	Total Probable Developed Producing	**20**	**0**	**20**	**19**	**19**	
Probable Developed Non-Producing							
Emir-1	Middle Triassic T2A	50	0	50	46	68	GOR : 235 scf/STB
Emir-5	Middle Triassic T2C	15	0	15	14	14	GOR : 115 scf/STB
Emir-1	Middle Triassic T2B	264	0	264	245	245	GOR : 235 scf/STB
Emir-2	Upper T3 & Middle T2 Triassic	197	0	197	183	183	GOR : 124 scf/STB
Emir-5	Middle Triassic T2B	28	0	28	26	26	GOR : 115 scf/STB
Emir-6	Middle Triassic T2A & T2B	110	0	110	103	103	GOR : 115 scf/STB
	Total Probable Developed Non-Producing	**664**	**0**	**664**	**617**	**639**	
	Total Probable Developed	**684**	**0**	**684**	**636**	**658**	
Probable Undeveloped							
Location-1	Middle Triassic T2A	50	0	50	46	70	GOR : 235 scf/STB
Location-2	Middle Triassic T2C	6	0	6	6	6	GOR : 115 scf/STB
	Total Probable Undeveloped	**56**	**0**	**56**	**52**	**76**	
	Total Probable	**740**	**0**	**740**	**688**	**734**	
	Total Proved Plus Probable	**1,088**	**3**	**1,085**	**1,009**	**1,009**	
Possible							
Emir-1	Middle Triassic T2B	132	0	132	123	123	GOR : 235 scf/STB
Emir-2	Upper T3 & Middle T2 Triassic	314	0	314	292	292	GOR : 124 scf/STB
Emir-5	Middle Triassic T2B	14	0	14	13	13	GOR : 115 scf/STB
Emir-6	Middle Triassic T2A & T2B	55	0	55	51	51	GOR : 115 scf/STB
Emir-5	Middle Triassic T3	14	0	14	13	13	GOR : 115 scf/STB
Emir-6	Upper T3 & Middle T2 Triassic	129	0	129	120	120	GOR : 115 scf/STB
Location-1	Middle Triassic T2B	132	0	132	123	123	GOR : 235 scf/STB
Location-2	Middle Triassic T2A & T2B	55	0	55	51	51	GOR : 115 scf/STB
	Total Possible	**846**	**0**	**846**	**787**	**787**	
	Total Proved Plus Probable Plus Possible	**1,934**	**3**	**1,931**	**1,796**	**1,796**	

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

Figure 3a

PRODUCTION HISTORY

Emir-1

Field: Emir, Kazakhstan
Formation: Middle Triassic T2

Chapman Petroleum Engineering Ltd.

Calendar Year

2010 2011 2012 2013 2014 2015 2006 2007 2008 2009

10^3 10^2 10 1

* Number of Wells
° GOR, scf/STB x 10
+ Water Cut, % x0.1
- Daily Oil, STB/d

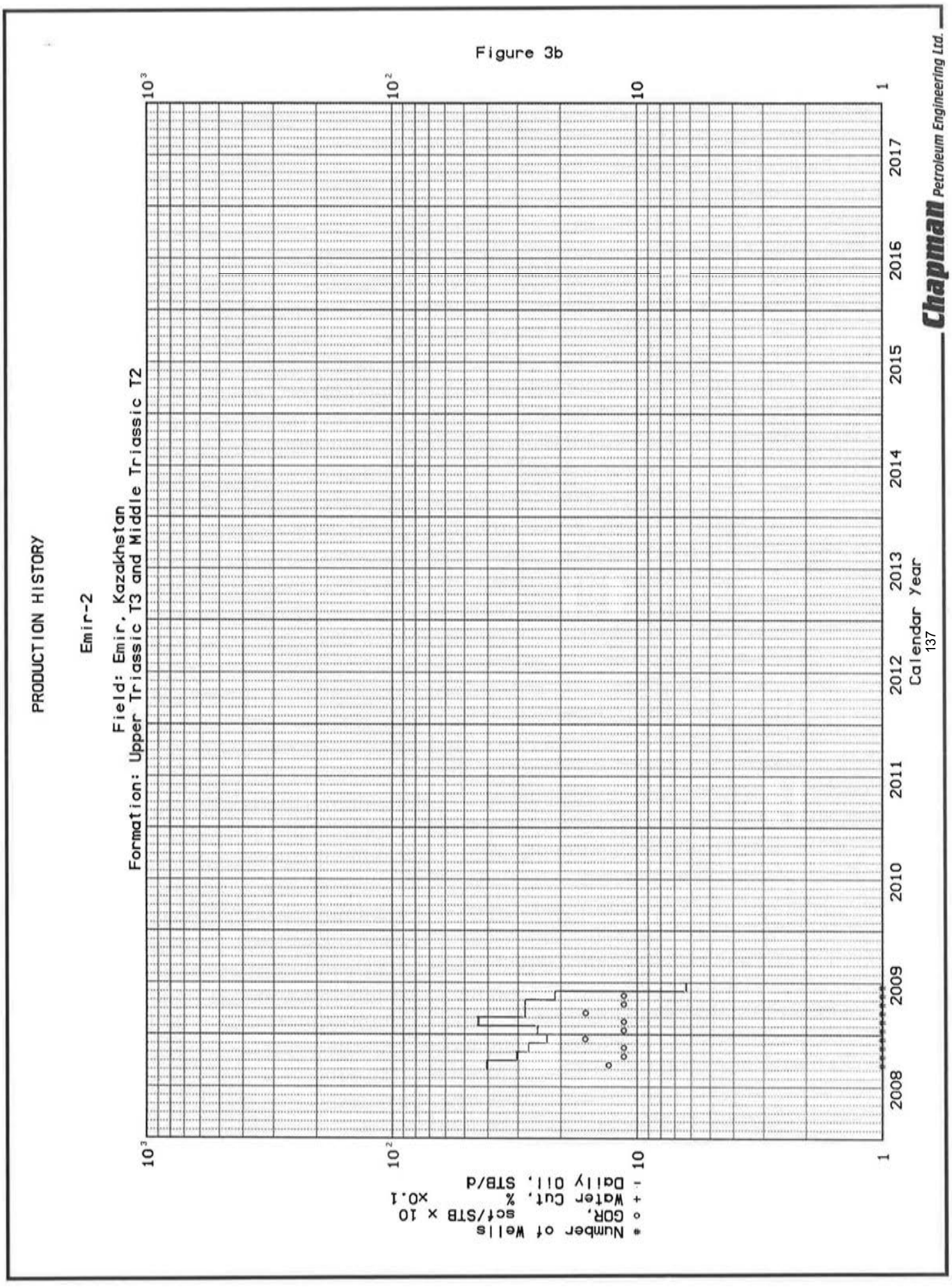

Figure 3b
PRODUCTION HISTORY
Emir-2
Field: Emir, Kazakhstan
Formation: Upper Triassic T3 and Middle Triassic T2
Chapman Petroleum Engineering Ltd.
Calendar Year
2008
2009
2010
2011
2012
2013
2014
2015
2016
2017
1
10
10²
10³
* Number of Wells
o GOR, scf/STB x 10
+ Water Cut, % x0.1
- Daily Oil, STB/d

Figure 3c

PRODUCTION HISTORY Proved Developed Producing

Field: Emir, Kazakhstan
Formation: Middle Triassic T2

Emir-6

10^3 10^2 10 1

2007 2008 2009 2010 2011 2012 2013 2014 2015 2016

Calendar Year

* Number of Wells
° GOR, scf/STB x 10
+ Water Cut, % x0.1
- Daily Oil, STB/d

Chapman Petroleum Engineering Ltd.

Figure 3d

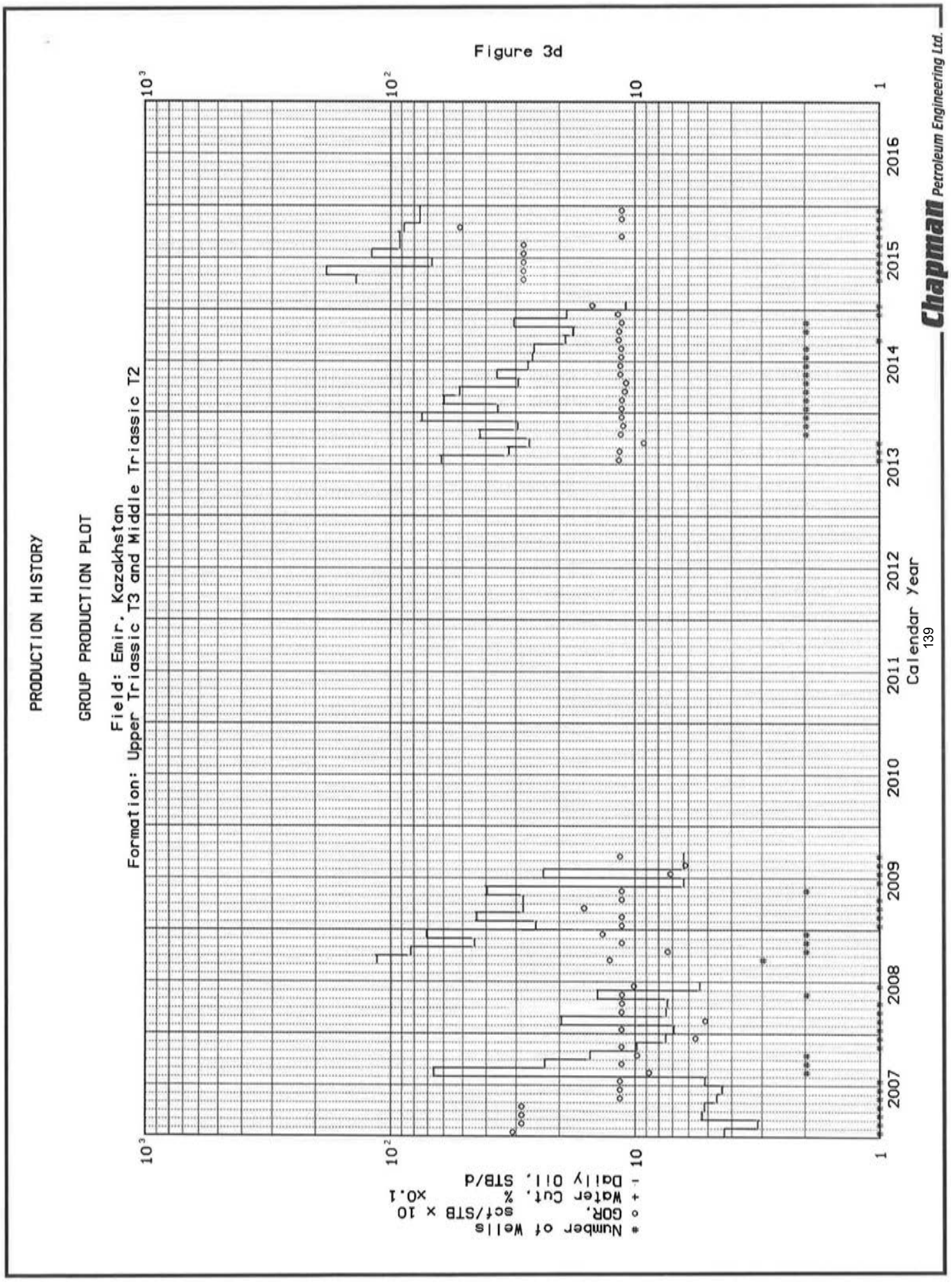

PRODUCTION HISTORY
GROUP PRODUCTION PLOT
Field: Emir, Kazakhstan
Formation: Upper Triassic T3 and Middle Triassic T2
Chapman Petroleum Engineering Ltd.
Calendar Year
2007
2008
2009
2010
2011
2012
2013
2014
2015
2016
1
10
10²
10³
Number of Wells
° GOR, scf/STB x 10
+ Water Cut, % x0.1
- Daily Oil, STB/d

Table 3a

Summary of Anticipated Capital Expenditures
Development
January 1, 2016
MIE Holdings Corporation

Emir, Republic of Kazakhstan

Description	Date	Operation	Capital Interest %	Gross Capital M$	Net Capital M$
Proved					
Proved Developed Non-Producing					
Emir-1	2018	Place back on Production	100.0000	100	100
Emir-5	2018	Stimulate and Place back on Production	100.0000	450	450
		Total Proved Developed Producing		**550**	**550**
Proved Undeveloped					
Location-1	2020	Drill, Test, Complete and Tie-in for Production	100.0000	5,200	5,200
Location-2	2021	Drill, Test, Complete and Tie-in for Production	100.0000	5,200	5,200
		Total Undeveloped		**10,400**	**10,400**
		Total Proved		**10,950**	**10,950**
Probable					
Probable Developed Producing					
Pipeline and Central Processing Facilities	2016	Build Pipeline and Central Processing Facilities	100.0000	689	689
		Total Probable Developed		**689**	**689**
Probable Developed Non-Producing					
Emir-1	2022	Stimulate Producing Intervals	100.0000	350	350
Emir-5	2022	Stimulate Producing Intervals	100.0000	350	350
Emir-1	2022	Recomplete and tie-in additional intervals	100.0000	500	500
Emir-2	2023	Recomplete and tie-in additional intervals	100.0000	500	500
Emir-5	2024	Recomplete and tie-in additional intervals	100.0000	500	500
Emir-6	2025	Recomplete and tie-in additional intervals	100.0000	500	500
		Total Probable Developed		**2,700**	**2,700**
Probable Undeveloped					
Location-1	2025	Stimulate Producing Intervals	100.0000	400	400
Location-2	2026	Stimulate Producing Intervals	100.0000	400	400
		Total Probable Undeveloped		**800**	**800**
		Total Probable		**4,189**	**4,189**
		Total Proved Plus Probable		**15,139**	**15,139**
Possible					
Emir-1	2027	Stimulate Producing Intervals	100.0000	500	500
Emir-2	2028	Stimulate Producing Intervals	100.0000	500	500
Emir-5	2029	Stimulate Producing Intervals	100.0000	500	500
Emir-6	2030	Stimulate Producing Intervals	100.0000	500	500
Emir-5	2031	Recomplete and tie-in additional intervals	100.0000	500	500
Emir-6	2031	Recomplete and tie-in additional intervals	100.0000	500	500
Location-1	2032	Recomplete and tie-in additional intervals	100.0000	500	500
Location-2	2032	Recomplete and tie-in additional intervals	100.0000	500	500
		Total Possible		**4,000**	**4,000**
		Total Proved Plus Probable Plus Possible		**19,139**	**19,139**

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

Table 3b

Summary of Anticipated Capital Expenditures
Abandonment and Restoration

January 1, 2016

MIE Holdings Corporation

Emir, Republic of Kazakhstan

Description	Year	Well Parameters	Capital Interest %	Gross Capital M$	Net Capital M$
Emir -1		Oil well Abandonment and Restoration	100.0000	50	50
Emir -2		Oil well Abandonment and Restoration	100.0000	50	50
Emir -5		Oil well Abandonment and Restoration	100.0000	50	50
Emir -6		Oil well Abandonment and Restoration	100.0000	50	50
Location-1		Oil well Abandonment and Restoration	100.0000	50	50
Location-2		Oil well Abandonment and Restoration	100.0000	50	50
		Total Abandonment and Restoration		**300**	**300**

Table 4
Summary of Company Reserves and Economics
Before CIT & EPT
January 1, 2016
MIE Holdings Corporation
Emir, Kazakhstan

Forecast Prices & Costs

			Net To Appraised Interest										
			Reserves						Cumulative Cash Flow (BT) - M$				
			Light and Medium Oil MSTB		Sales Gas MMscf		NGL Mbbls		Discounted at:				
Description			Gross	Net	Gross	Net	Gross	Net	Undisc.	5%/year	10%/year	15%/year	20%/year
Proved Developed Producing													
Emir -6	Middle Triassic T2C		0	0	0	0	0	0	0	0	0	0	0
Total Proved Developed Producing			**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Proved Developed Non-Producing													
Emir -1,5	Middle Triassic T2A & T2C		785	785	143	143	0	0	23,022	16,654	12,392	9,446	7,352
Total Proved Developed Non-Producing			**785**	**785**	**143**	**143**	**0**	**0**	**23,022**	**16,654**	**12,392**	**9,446**	**7,352**
Total Proved Developed			**785**	**785**	**143**	**143**	**0**	**0**	**23,022**	**16,654**	**12,392**	**9,446**	**7,352**
Proved Undeveloped													
Locations 1 & 2	Middle Triassic T2A & T2C		678	678	131	131	0	0	10,970	6,086	3,290	1,667	719
Total Proved Undeveloped			**678**	**678**	**131**	**131**	**0**	**0**	**10,970**	**6,086**	**3,290**	**1,667**	**719**
Total Proved			**1,463**	**1,463**	**274**	**274**	**0**	**0**	**33,992**	**22,740**	**15,681**	**11,112**	**8,070**
Probable													
Probable Developed Producing													
Emir -6	Middle Triassic T2C	Incr.	174	174	19	19	0	0	1,180	852	610	427	287
Total Probable Developed Producing			**174**	**174**	**19**	**19**	**0**	**0**	**1,180**	**852**	**610**	**427**	**287**
Probable Developed Non-Producing													
Emir - 1, 5	Middle Triassic T2A,& T2C	Incr.	444	444	82	82	0	0	16,804	9,450	5,525	3,510	2,279
Emir -1,2,5,6	Upper T3, Middle Triassic T2,T2A,& T2B		3,915	3,915	557	557	0	0	173,659	89,645	49,784	29,264	17,997
Total Probable Developed Non-Producing			**4,359**	**4,359**	**639**	**639**	**0**	**0**	**190,464**	**99,095**	**55,409**	**32,775**	**20,277**
Total Probable Developed			**4,533**	**4,533**	**658**	**658**	**0**	**0**	**191,643**	**99,947**	**56,019**	**33,202**	**20,564**
Probable Undeveloped													
Locations 1 & 2	Middle Triassic T2A & T2C	Incr.	379	379	76	76	0	0	11,634	5,154	2,330	1,053	461
Total Probable Undeveloped			**379**	**379**	**76**	**76**	**0**	**0**	**11,634**	**5,154**	**2,330**	**1,053**	**461**
Total Probable			**4,912**	**4,912**	**735**	**735**	**0**	**0**	**203,278**	**105,101**	**58,349**	**34,255**	**21,025**
Total Proved Plus Probable			**6,375**	**6,375**	**1,009**	**1,009**	**0**	**0**	**237,269**	**127,841**	**74,030**	**45,367**	**29,095**
Possible													
Emir-1,2,5,6		Incr.	3,699	3,699	479	479	0	0	181,829	89,565	29,700	13,760	6,827
Locations -1, 2	Upper T3, Middle Triassic T2,T2A,T2B & T2C		2,287	2,287	308	308	0	0	118,454	39,961	14,802	5,891	2,479
Total Possible			**5,986**	**5,986**	**787**	**787**	**0**	**0**	**300,283**	**109,526**	**44,502**	**19,672**	**9,306**
Total Proved Plus Probable Plus Possible			**12,361**	**12,361**	**1,796**	**1,796**	**0**	**0**	**537,552**	**237,367**	**118,532**	**65,039**	**38,401**

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

Emir, Kazakhstan

	Net To Appraised Interest						Cumulative Cash Flow - M$				
	Oil MSTB		Sales Gas MMscf		BOE Mbbls		Discounted at:				
Description	Gross	Net	Gross	Net	Gross	Net	Undisc.	5%/year	10%/year	15%/year	20%/year
Proved Developed Producing											
Total Proved Developed Producing (BT)	0	0	0	0	0	0	0	0	0	0	0
Corporate Income Tax	-	-	-	-	-	-	0	0	0	0	0
Excess profits Tax	-	-	-	-	-	-	0	0	0	0	0
Total Proved Developed Producing (AT)	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Proved Developed Non-Producing											
Total Proved Developed Non-Producing (BT)	785	785	143	143	808	808	23,022	16,654	12,392	9,446	7,352
Corporate Income Tax	-	-	-	-	-	-	(3,318)	(2,396)	(1,784)	(1,363)	(1,064)
Excess profits Tax	-	-	-	-	-	-	(853)	(618)	(458)	(347)	(268)
Total Proved Developed Non-Producing (AT)	**785**	**785**	**143**	**143**	**808**	**808**	**18,851**	**13,641**	**10,150**	**7,736**	**6,020**
Total Proved Developed (AT)	**785**	**785**	**143**	**143**	**808**	**808**	**18,851**	**13,641**	**10,150**	**7,736**	**6,020**
Proved Undeveloped											
Total Proved Undeveloped (BT)	678	678	131	131	700	700	10,970	6,086	3,290	1,667	719
Corporate Income Tax	-	-	-	-	-	-	(2,835)	(1,825)	(1,206)	(816)	(562)
Excess profits Tax	-	-	-	-	-	-	(1,949)	(1,278)	(857)	(585)	(407)
Total Proved Undeveloped (AT)	**678**	**678**	**131**	**131**	**700**	**700**	**6,186**	**2,983**	**1,227**	**266**	**(250)**
Total Proved (AT)	**1,463**	**1,463**	**274**	**274**	**1,509**	**1,509**	**25,037**	**16,624**	**11,377**	**8,002**	**5,769**
Probable											
Probable Developed Producing											
Total Probable Developed Producing (BT)	174	174	19	19	177	177	1,180	852	610	427	287
Corporate Income Tax	-	-	-	-	-	-	0	0	0	0	0
Excess profits Tax	-	-	-	-	-	-	0	0	0	0	0
Total Probable Developed Producing (AT)	**174**	**174**	**19**	**19**	**177**	**177**	**1,180**	**852**	**610**	**427**	**287**
Probable Developed Non-Producing											
Total Probable Developed Non-Producing (BT)	4,359	4,359	639	639	4,465	4,465	190,464	99,095	55,409	32,775	20,277
Corporate Income Tax	-	-	-	-	-	-	(38,926)	(20,354)	(11,452)	(6,822)	(4,254)
Excess profits Tax	-	-	-	-	-	-	(91,176)	(47,773)	(26,906)	(16,032)	(9,993)
Total Probable Developed Non-Producing (AT)	**4,359**	**4,359**	**639**	**639**	**4,465**	**4,465**	**60,362**	**30,968**	**17,052**	**9,921**	**6,029**
Total Probable Developed (AT)	**4,533**	**4,533**	**658**	**658**	**4,643**	**4,643**	**61,541**	**31,820**	**17,661**	**10,348**	**6,317**
Probable Undeveloped											
Total Probable Undeveloped (BT)	379	379	76	76	392	392	11,634	5,154	2,330	1,053	461
Corporate Income Tax	-	-	-	-	-	-	(1,938)	(944)	(475)	(247)	(132)
Excess profits Tax	-	-	-	-	-	-	166	225	284	289	263
Total Probable Undeveloped (AT)	**379**	**379**	**76**	**76**	**392**	**392**	**9,863**	**4,435**	**2,138**	**1,094**	**591**
Total Probable (AT)	**4,912**	**4,912**	**735**	**735**	**5,035**	**5,035**	**71,404**	**36,255**	**19,800**	**11,442**	**6,908**
Total Proved Plus Probable (AT)	**6,375**	**6,375**	**1,009**	**1,009**	**6,543**	**6,543**	**96,441**	**52,879**	**31,176**	**19,444**	**12,677**
Possible											
Total Possible (BT)	5,986	5,986	787	787	6,117	6,117	300,263	109,526	44,502	19,672	9,306
Corporate Income Tax	-	-	-	-	-	-	(61,549)	(22,526)	(9,188)	(4,078)	(1,937)
Excess profits Tax	-	-	-	-	-	-	(142,953)	(52,158)	(21,207)	(9,384)	(4,444)
Total Possible (AT)	**5,986**	**5,986**	**787**	**787**	**6,117**	**6,117**	**95,780**	**34,842**	**14,106**	**6,210**	**2,925**
Total Proved Plus Probable Plus Possible (AT)	**12,361**	**12,361**	**1,796**	**1,796**	**12,660**	**12,660**	**192,221**	**87,721**	**45,282**	**25,654**	**15,602**

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.

ADEK BLOCK (LICENCE AREA)
REPUBLIC OF KAZAKHSTAN
KARIMAN FIELD
INDEX

Discussion

Property Description
Geology
Petrophysical Data and Analysis
Reserves
Production
Product Prices
Capital Expenditures
Operating Costs
Tax
Economics

Attachments

Table 1: Schedule of Lands, Interests and Royalty Burdens

Figure 1: Field Map and Structure Top
a) Upper Triassic T3
b) Middle Triassic T2Upper
c) Middle Triassic T2A
d) Middle Triassic T2B
e) Middle Triassic T2C

Figure 2: Log Analysis Presentation
a) Kariman-1, Upper Triassic T3 & Middle Triassic T2 Upper
b) Kariman-1ST2, Upper Triassic T3
c) Kariman-1ST2, Middle Triassic T2
d) Kariman-2, Upper Triassic T3
e) Kariman-2, Middle Triassic T2
f) Kariman-3ST2, Middle Triassic T2
g) Kariman-4, Middle Triassic T2
h) Kariman-5, Upper Triassic T3
i) Kariman-5, Middle Triassic T2
j) Kariman-6, Middle Triassic T2
k) Kariman-6ST3, Upper Triassic T3
l) Kariman-6ST3, Middle Triassic T2
m) Kariman-7, Middle Triassic T2
n) Kariman-8, Upper Triassic T3
o) Kariman-8, Middle Triassic T2
p) Kariman-10, Upper Triassic T3
q) Kariman-10, Middle Triassic T2
r) Kariman-11, Middle Triassic T2
s) Kariman-12, Middle Triassic T2
t) Kariman-113, Middle Triassic T2
u) Kariman-114, Middle Triassic T2
v) Kariman-116, Upper Triassic T3

w) Kariman-116, Middle Triassic T2
x) Kariman-117, Middle Triassic T2
y) Kariman-118, Upper Triassic T3
z) Kariman-118, Middle Triassic T2
aa) Kariman-119, Upper Triassic T3
ab) Kariman-119, Middle Triassic T2
ac) Kariman-120, Middle Triassic T2
ad) Kariman-121, Middle Triassic T2
ae) Kariman-124, Middle Triassic T2

Table 2: Summary of Gross Reserves

Summary of Reserves and Reservoir Parameters

Proved Developed Producing

a) Kariman-3ST2, Middle Triassic T2B (Removed from this version)
b) Kariman-5, Upper Triassic T3 (Removed from this version)
c) Kariman-5, Middle Triassic T2 Upper (Removed from this version)
d) Kariman-6ST3, Middle Triassic T2B (Removed from this version)
e) Kariman-6ST3, Middle Triassic T2C (Removed from this version)
f) Kariman-8, Middle Triassic T2B (Removed from this version)
g) Kariman-11ST1, Middle Triassic T2B (Removed from this version)
h) Kariman-11ST1, Middle Triassic T2C (Removed from this version)
i) Kariman-12, Middle Triassic T2B (Removed from this version)
j) Kariman-12, Middle Triassic T2C (Removed from this version)
k) Kariman-113, Middle Triassic T2B (Removed from this version)
l) Kariman-116, Middle Triassic T2C (Removed from this version)

Proved Developed Non-Producing

m) Kariman-1ST2, Upper Triassic T3 (Removed from this version)
n) Kariman-1ST2, Middle Triassic T2B (Removed from this version)
o) Kariman-1ST2, Middle Triassic T2C (Removed from this version)
p) Kariman-2, Middle Triassic T2Upper (Removed from this version)
q) Kariman-2, Middle Triassic T2B (Removed from this version)
r) Kariman-2, Middle Triassic T2C (Removed from this version)
s) Kariman-3ST2, Upper Triassic T3 (Removed from this version)
t) Kariman-4, Middle Triassic T2Upper (Removed from this version)
u) Kariman-4, Middle Triassic T2B (Removed from this version)
v) Kariman-4, Middle Triassic T2C (Removed from this version)
w) Kariman-5, Middle Triassic T2B (Removed from this version)
x) Kariman-5, Middle Triassic T2C (Removed from this version)
y) Kariman-6ST3, Upper Triassic T3 (Removed from this version)
z) Kariman-6ST3, Middle Triassic T2Upper (Removed from this version)
aa) Kariman-7, Middle Triassic T2B (Removed from this version)
ab) Kariman-7, Middle Triassic T2C (Removed from this version)
ac) Kariman-8, Middle Triassic T2C (Removed from this version)
ad) Kariman-10, Upper Triassic T3 (Removed from this version)
ae) Kariman-10, Middle Triassic T2 Upper (Removed from this version)
af) Kariman-10, Middle Triassic T2B (Removed from this version)
ag) Kariman-10, Middle Triassic T2C (Removed from this version)
ah) Kariman-11ST1, Middle Triassic T2Upper (Removed from this version)
ai) Kariman-12, Upper Triassic T3 (Removed from this version)
aj) Kariman-13, Middle Triassic T2C (Removed from this version)
ak) Kariman-114, Middle Triassic T2B (Removed from this version)
al) Kariman-114, Middle Triassic T2C (Removed from this version)
am) Kariman-116, Upper Triassic T3 (Removed from this version)
an) Kariman-116, Middle Triassic T2B (Removed from this version)

ao) Kariman-118, Middle Triassic T2Upper (Removed from this version)
ap) Kariman-118, Middle Triassic T2B (Removed from this version)
aq) Kariman-118, Middle Triassic T2C (Removed from this version)
ar) Kariman-119, Middle Triassic T2Upper (Removed from this version)
as) Kariman-119, Middle Triassic T2B (Removed from this version)
at) Kariman-119, Middle Triassic T2C (Removed from this version)
au) Kariman-120, Middle Triassic T2B (Removed from this version)
av) Kariman-120, Middle Triassic T2C (Removed from this version)
aw) Kariman-121, Middle Triassic T2Upper (Removed from this version)
ax) Kariman-121, Middle Triassic T2B (Removed from this version)
ay) Kariman-121, Middle Triassic T2C (Removed from this version)
az) Kariman-123, Middle Triassic T2Upper (Removed from this version)
ba) Kariman-123, Middle Triassic T2B (Removed from this version)
bb) Kariman-123, Middle Triassic T2C (Removed from this version)
bc) Kariman-124, Middle Triassic T2B (Removed from this version)

Proved Undeveloped
bd) Kariman-6, Middle Triassic T2C (Removed from this version)
be) Location-1, Middle Triassic T2 Upper (Removed from this version)
bf) Location-1, Middle Triassic T2B (Removed from this version)
bg) Location-1, Middle Triassic T2C (Removed from this version)
bh) Location-2, Middle Triassic T2 Upper (Removed from this version)
bi) Location-2, Middle Triassic T2B (Removed from this version)
bj) Location-2, Middle Triassic T2C (Removed from this version)
bk) Location-3, Middle Triassic T2 Upper (Removed from this version)
bl) Location-3, Middle Triassic T2B (Removed from this version)
bm) Location-3, Middle Triassic T2C (Removed from this version)

Probable Developed
bn) Kariman-1ST2, Middle Triassic T2 Upper (Removed from this version)
bo) Kariman-1ST2, Middle Triassic T2A (Removed from this version)
bp) Kariman-2, Middle Triassic T2A (Removed from this version)
bq) Kariman-3ST2, Middle Triassic T2A (Removed from this version)
br) Kariman-4, Middle Triassic T2A (Removed from this version)
bs) Kariman-5, Middle Triassic T2A (Removed from this version)
bt) Kariman-6ST3, Middle Triassic T2A (Removed from this version)
bu) Kariman-7, Middle Triassic T2 Upper (Removed from this version)
bv) Kariman-7, Middle Triassic T2A (Removed from this version)
bw) Kariman-8, Middle Triassic T2A (Removed from this version)
bx) Kariman-10, Middle Triassic T2A (Removed from this version)
by) Kariman-11ST1, Middle Triassic T2A (Removed from this version)
bz) Kariman-12, Middle Triassic T2 Upper (Removed from this version)
ca) Kariman-12, Middle Triassic T2A (Removed from this version)
cb) Kariman-13, Middle Triassic T2A (Removed from this version)
cc) Kariman-13, Middle Triassic T2B (Removed from this version)
cd) Kariman-113, Middle Triassic T2A (Removed from this version)
ce) Kariman-114, Middle Triassic T2A (Removed from this version)
cf) Kariman-116, Middle Triassic T2A (Removed from this version)
cg) Kariman-117ST, Middle Triassic T2A (Removed from this version)
ch) Kariman-117ST, Middle Triassic T2B (Removed from this version)
ci) Kariman-117ST, Middle Triassic T2C (Removed from this version)
cj) Kariman-118, Upper Triassic T3 (Removed from this version)
ck) Kariman-118, Middle Triassic T2A (Removed from this version)
cl) Kariman-119, Upper Triassic T3 (Removed from this version)
cm) Kariman-119, Middle Triassic T2A (Removed from this version)
cn) Kariman-120, Middle Triassic T2A (Removed from this version)

co) Kariman-121, Middle Triassic T2A (Removed from this version)
cp) Kariman-123, Middle Triassic T2A (Removed from this version)
cq) Kariman-124, Middle Triassic T2A (Removed from this version)

Probable Undeveloped
cr) Location-1, Upper Triassic T3 (Removed from this version)
cs) Location-1, Middle Triassic T2A (Removed from this version)
ct) Location-2, Upper Triassic T3 (Removed from this version)
cu) Location-2, Middle Triassic T2A (Removed from this version)
cv) Location-3, Middle Triassic T2A (Removed from this version)
cw) Location-5, Middle Triassic T2 Upper (Removed from this version)
cx) Location-5, Middle Triassic T2B (Removed from this version)
cy) Location-5, Middle Triassic T2C (Removed from this version)
cz) Location-6, Middle Triassic T2 Upper (Removed from this version)
da) Location-6, Middle Triassic T2B (Removed from this version)
db) Location-6, Middle Triassic T2C (Removed from this version)
dc) Location-8, Middle Triassic T2B (Removed from this version)

Possible
dd) Kariman-113, Middle Triassic T2 Upper (Removed from this version)
de) Location-5, Upper Triassic T3 (Removed from this version)
df) Location-5, Middle Triassic T2A (Removed from this version)
dg) Location-6, Upper Triassic T3 (Removed from this version)
dh) Location-6, Middle Triassic T2A (Removed from this version)
di) Location-8, Middle Triassic T2A (Removed from this version)

Figure 3: Production History Graphs
a) Kariman-1, Middle Triassic T2, Rate vs. Time Plot
b) Kariman-2, Middle Triassic T2, Rate vs. Time Plot
c) Kariman-3, Middle Triassic T2, Rate vs. Time Plot
d) Kariman-4, Middle Triassic T2, Rate vs. Time Plot
e) Kariman-5, Middle Triassic T2, Rate vs. Time Plot
f) Kariman-6, Middle Triassic T2, Rate vs. Time Plot
g) Kariman-7, Middle Triassic T2, Rate vs. Time Plot
h) Kariman-8, Middle Triassic T2, Rate vs. Time Plot
i) Kariman-10, Middle Triassic T2, Rate vs. Time Plot
j) Kariman-11, Middle Triassic T2, Rate vs. Time Plot
k) Kariman-12, Middle Triassic T2, Rate vs. Time Plot
l) Kariman-113, Middle Triassic T2, Rate vs. Time Plot
m) Kariman-114, Middle Triassic T2, Rate vs. Time Plot
n) Kariman-116, Middle Triassic T2, Rate vs. Time Plot
o) Kariman-117, Middle Triassic T2, Rate vs. Time Plot
p) Kariman-118, Middle Triassic T2, Rate vs. Time Plot
q) Kariman-119, Middle Triassic T2, Rate vs. Time Plot
r) Kariman-120, Middle Triassic T2, Rate vs. Time Plot
s) Kariman-121, Middle Triassic T2, Rate vs. Time Plot
t) Kariman-124, Middle Triassic T2, Rate vs. Time Plot
u) Group Production Plot, Middle Triassic T2, Rate vs. Time Plot

Table 3: Summary of Anticipated Capital Expenditures
a) Development
b) Abandonment and Restoration

Table 4: Summary of Company Reserves and Economics
a) Proved Developed Producing (Removed from this version)
b) Total Proved Developed (Removed from this version)

c) Total Proved (Removed from this version)
d) Proved Plus Probable Developed Producing (Removed from this version)
e) Probable Developed Non-Producing (Removed from this version)
f) Proved Plus Probable Developed (Removed from this version)
g) Probable Undeveloped (Removed from this version)
h) Proved Plus Probable (Removed from this version)
i) Possible (Removed from this version)
j) Proved Plus Probable Plus Possible (Removed from this version)

ADEK BLOCK (LICENCE AREA)
REPUBLIC OF KAZAKHSTAN
KARIMAN FIELD
DISCUSSION

Property Description

The Company owns a 100 percent working interest in a "Licence" and "Production Contract" referred to as the Kariman 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 Production Contract was entered into on September 9, 2011.

The Licence and Production Contract granted the right to engage in exploration and development activities on the block. The Production contract term is 25 years.

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.

Five fields have been discovered on the ADEK Block, which are on production from the Triassic formation.

The Kariman field, earlier known as an Extended Territory, is the one of the fields of the ADEK Block. The Company has drilled twelve wells: Kariman-1, 2, 3, 4, 5, 6, 7, 8, 10, 11, 12,13, 113, 114, 116, 117, 118, 119, 120, 121, 123 and 124 and several sidetracks. Currently, there are eight wells are on production: wells Kariman-3ST2, Kariman-5, Kariman-6ST3, Kariman-8, Kariman-11ST1, Kariman-12, Kariman-113 and Kariman-116 are producing from several zones of the Upper Triassic T3 and Middle Triassic T2.

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

Geology

The ADEK Block is located at the edge of the Mangistau Ustyrt Central High which contains several producing oilfields in the area. The Kariman field which contains 64,247 acres (260 km^2) lies to the east adjacent to the original Block. The typical reservoir is a faulted anticline comprising several faulted blocks. The main producing horizon is the Middle Triassic carbonate.

Hydrocarbon traps are formed within the transition zone of the Beke – Bashkudsky high and Karagiin saddle.

The productive Middle Triassic consists of limestone in the upper portion and dolomite in the lower portion. In this area sandstone has been encountered in the Upper Triassic. The Triassic is located at a depth between 3,150 and 3,500 meters.

Petrophysical Data and Analysis

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

The Chapman digital log analysis was made using HDS software over the Upper and Lower Triassic reservoirs.

For Kariman-7, The Gamma Ray was used as a shale indicator in the Dual water saturation equation with a carbonate selection for a, m, and n.

Sw cutoff was 40% along with a shale volume cutoff of 50%.

Net pay was identified in the Upper and Lower Triassic reservoirs as shown in the interpreted log.

Reserves

Proved developed producing oil reserves of 4,466 MSTB and marketable solution gas reserves of 1,827 MMscf have been estimated for the Upper Triassic T3 and Middle Triassic T2 Zones (completed

producing intervals) in currently producing wells based on production decline analysis. Assumptions for the drainage area and recovery factor are presented in Tables 2a through 2l.

Additional proved developed non-producing oil reserves of 12,970 MSTB and marketable solution gas reserves of 5,083 MMscf have been estimated for additional Triassic intervals in wells Kariman-1ST2, 2, 3ST1, 4, 5, 6ST3, 7, 8, 10, 11ST1, 12, 13, 114, 116, 118, 119, 120, 121, 123 and 124.

Proved Undeveloped oil reserves of 2,664 MSTB and marketable solution gas reserves of 1,126 MMscf have been assigned for well Kariman-6 (Middle Triassic T2C) and three locations directly adjacent to wells Kariman-4 and 5 based on the reservoir parameters, drainage areas, recovery factors and gas-oil ratios of these wells.

Probable developed oil reserves of 25,325 MSTB and marketable solution gas reserves of 9,729 MMscf have been assigned to existing wells for producing and non-producing intervals.

Marketable solution gas reserves have been estimated for existing wells based on each well's actual gas-oil ratio as presented in Table 2.

Probable undeveloped oil reserves of 4,658 MSTB and marketable solution gas reserves of 1,846 MMscf have been assigned for Middle Triassic T2C in Kariman-6 and for the Upper Triassic T3 and Middle Triassic T2 zones in six locations.

Possible oil reserves of 1,687 MSTB and marketable solution gas reserves of 645 MMscf have been estimated for one interval in well Kariman-113, three intervals in well Kariman-117ST (incremental reserves) and three adjacent locations based on analogy to the adjacent locations and the wells Kariman-4 and 5 based on reservoir parameters, drainage area, a recovery factor and gas-oil ratio of these wells and locations.

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

Production

Well Kariman-1ST2 is currently shut down.

Well Kariman-2 commenced production during early 2007 at an initial rate of up to 2,000 STB/d and is currently shut down.

Well Kariman-3ST1 was drilled and placed on production in 2010, but is currently producing at a rate of 36 STB/d.

Well Kariman-4 was placed on production in August 2007 at an initial rate of 1,600 STB/d, but currently is shut down.

Well Kariman-5 is currently producing at a rate of 203 STB/d. The well commenced production in January 2008 with an initial rate of 210 STB/d.

Wells Kariman-6ST3 was drilled in 2010 and is currently producing from two zones at a rate of 239 STB/d.

Well Kariman-7 commenced production in April 2008 at an initial rate of 800 STB/d and is currently shut down.

Well Kariman-8 commenced production in June 2008 at an initial rate of 400 STB/d and is currently producing from one zone at a rate of 321 STB/d.

Well Kariman-10 commenced production in June 2008 at an initial rate of 420 STB/d and is currently shut down.

Well Kariman-11ST1 was drilled in 2011 and placed on production in March 2011 at an initial rate of 859 STB/d and is currently producing at a rate of 208 STB/d from two zones.

Well Kariman-12 was drilled in 2013 and is currently producing from zone at a rate of 274 STB/d.

Well Kariman-113 was drilled in 2013 and is currently producing from zone at a rate of 739 STB/d.

Well Kariman-114 was drilled in 2013 and is currently shut down.

Well Kariman-116 was drilled in 2013 and is currently producing from one zone at a rate of 164 STB/d.

Well Kariman-118 was drilled in 2012 and is currently shut down.

Well Kariman-119 was drilled in 2012 and is currently shut down.

Well Kariman-124 was drilled in 2014 and is currently shut down.

Additional zones in all existing wells are expected to be completed and placed on production according the schedule. Rates for the additional zones are shown in Table 2.

Production history graphs for individual wells and the Group Production Plot are presented on Figures 3a through 3u.

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 $97,562,000 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 $6,500,000 has been used to drill, complete, equip and tie-in each new well based on historical information in this area.

Abandonment and lease restoration costs of $1,400,000 ($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

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

Kariman, Republic of Kazakhstan

Description	Rights Owned	Gross Acres	Appraised Interest Working %	Appraised Interest Royalty %	Royalty Burdens Basic %	Royalty Burdens Overriding %
License No.3736-4BC & Contract No.482	[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 1,861	5.00	2.50
up to 500,000	up to 3,722	7.00	3.50
up to 1,000,000	up to 7,444	8.00	4.00
up to 2,000,000	up to 14,889	9.00	4.50
up to 3,000,000	up to 22,333	10.00	5.00
up to 4,000,000	up to 29,777	11.00	5.50
up to 5,000,000	up to 37,222	12.00	6.00
up to 7,000,000	up to 52,111	13.00	6.50
up to 10,000,000	up to 74,444	15.00	7.50
over 10,000,000	over 74,444	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

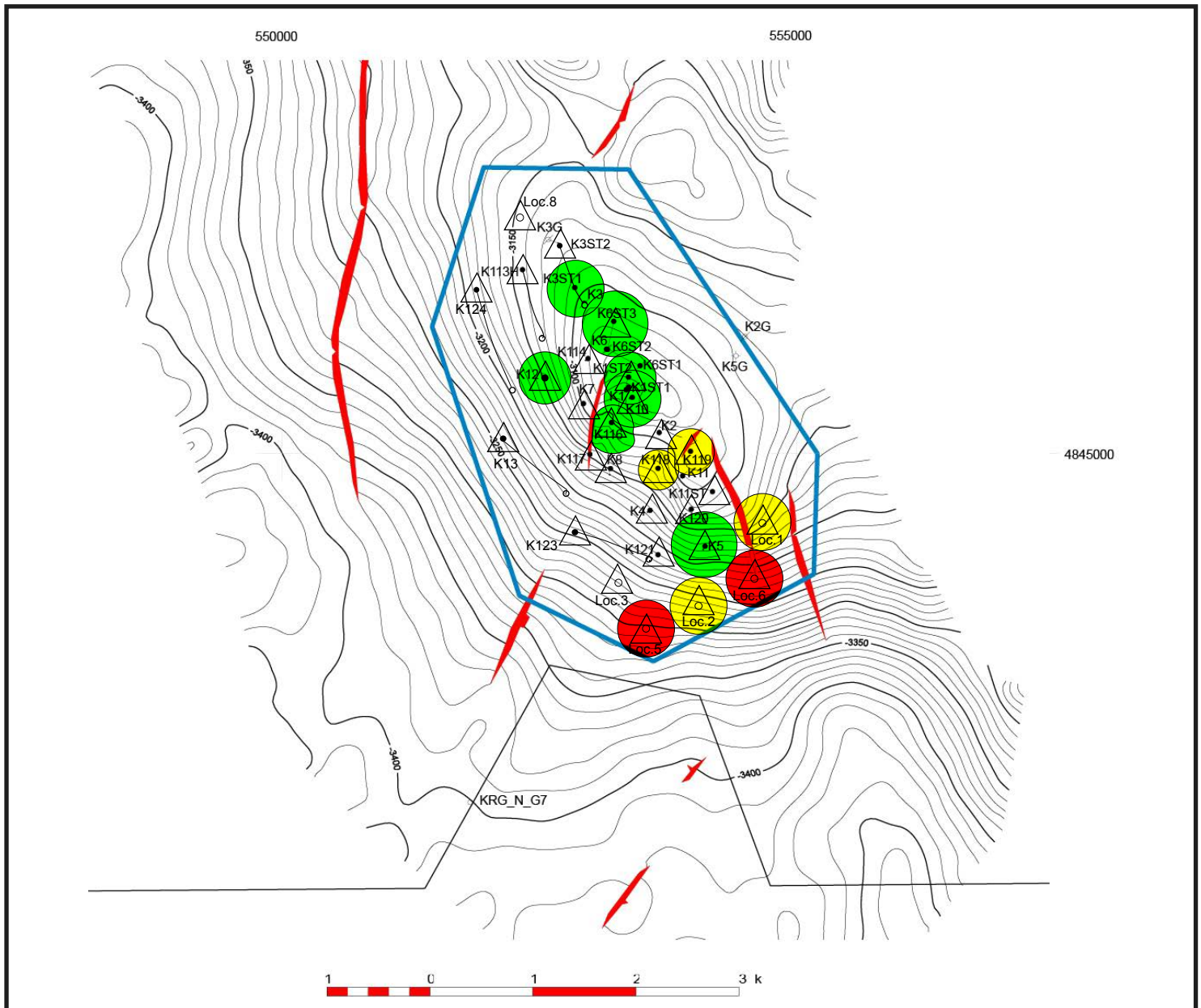
Export Rent Tax (ERT)

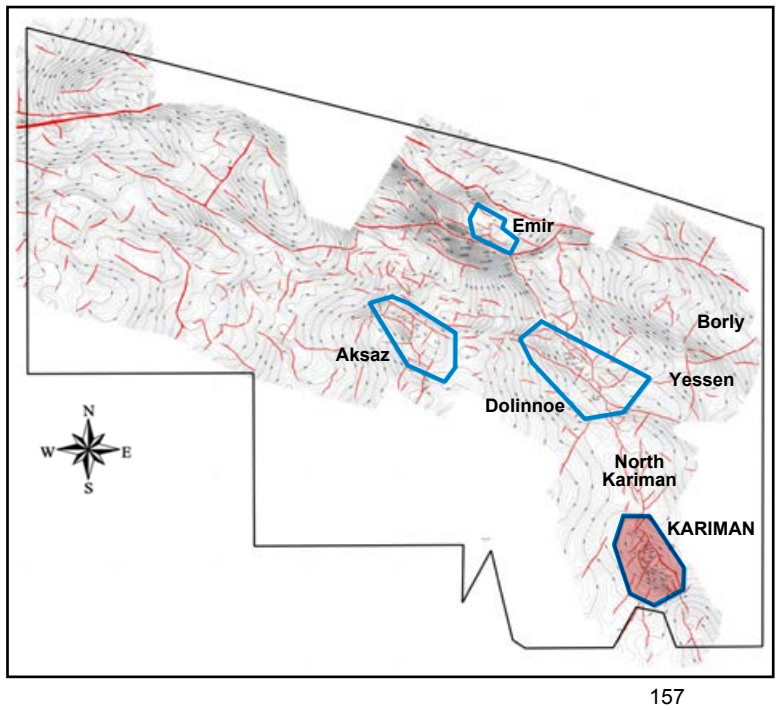
World Price (US$/BBL)	Rate %
Up to 40, Including	0
Up to 50, Including	7
Up to 60, Including	11
Up to 70, Including	14
Up to 80, Including	16
Up to 90, Including	17
Up to 100, Including	19
Up to 110, Including	21
Up to 120, Including	22
Up to 130, Including	23
Up to 140, Including	25
Up to 150, Including	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] Kariman Field located in blocks XXXV-11-D(partially), E(partially). Production Contract expires on September 9, 2036.





LEGEND

- FAULT LINES
- FIELD BOUNDARY
- ## STRUCTURAL ELEVATION (sL)- m
- PROPOSED LOCATIONS
- WELL OF INTEREST
- PROVED RESERVES
- PROBABLE RESERVES
- POSSIBLE RESERVES

MIE HOLDINGS CORPORATION

KARIMAN FIELD

ADEK BLOCK (LICENSE AREA)

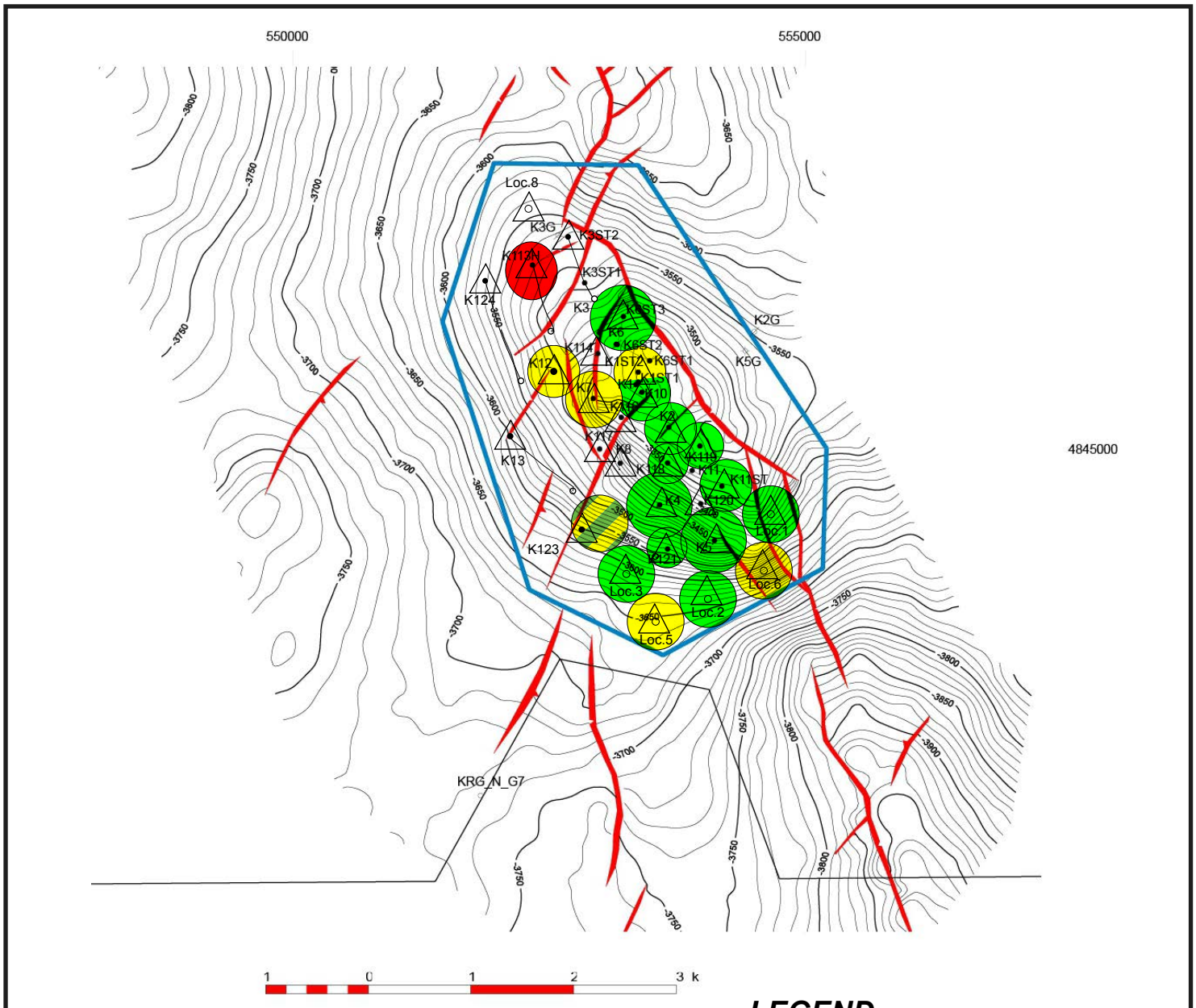
MANGISTAU OBLAST, KAZAKHSTAN

STRUCTURE ON UPPER TRIASSIC T3

JAN. 2016 JOB No. 6144 FIGURE No. 1a

157

Chapman Petroleum Engineering Ltd.



LEGEND

- FAULT LINES
- FIELD BOUNDARY
- ## STRUCTURAL ELEVATION (sL)- m
- PROPOSED LOCATIONS
- WELL OF INTEREST
- PROVED RESERVES
- PROBABLE RESERVES
- POSSIBLE RESERVES

MIE HOLDINGS CORPORATION

KARIMAN FIELD

ADEK BLOCK (LICENSE AREA)

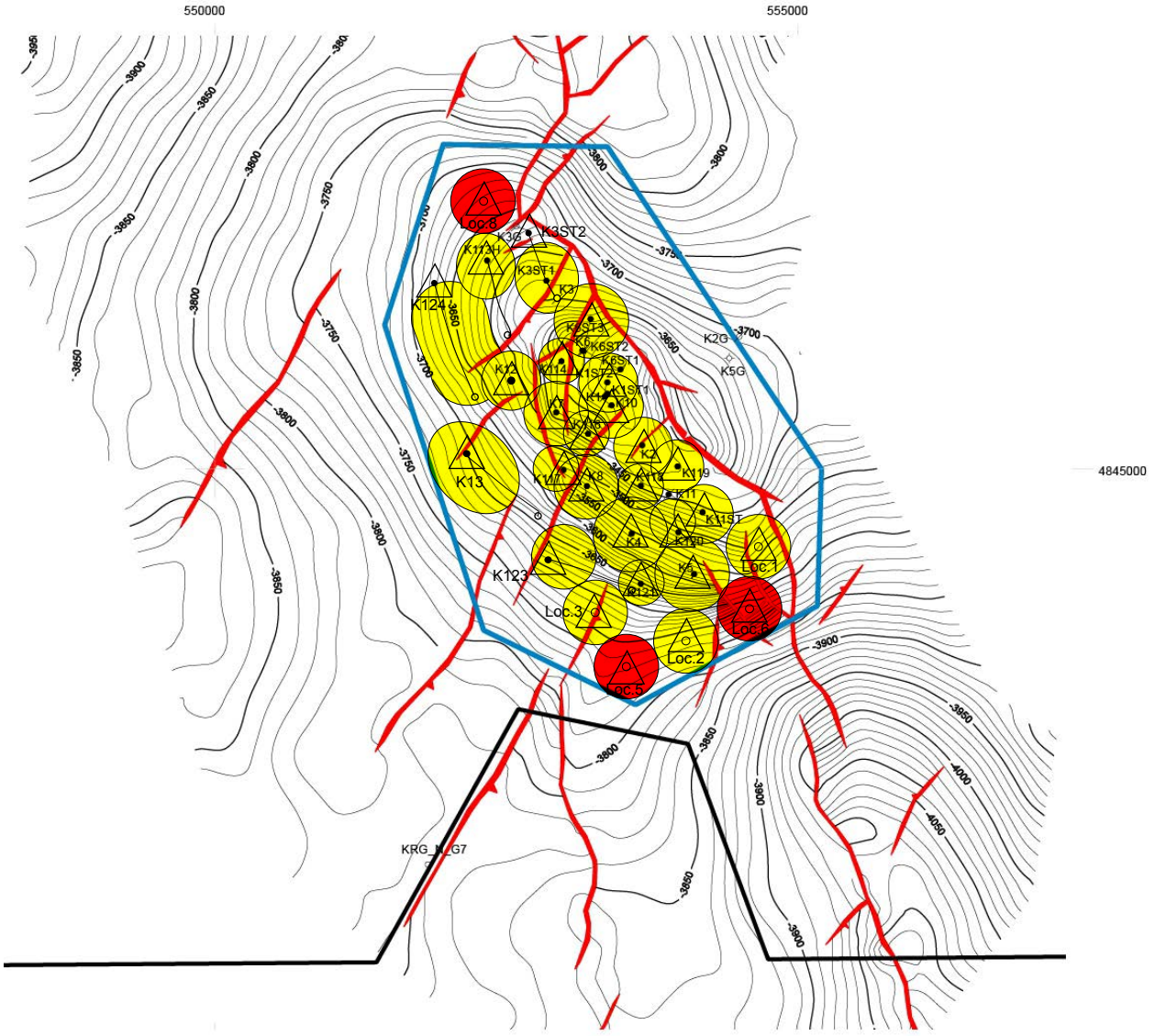
MANGISTAU OBLAST, KAZAKHSTAN

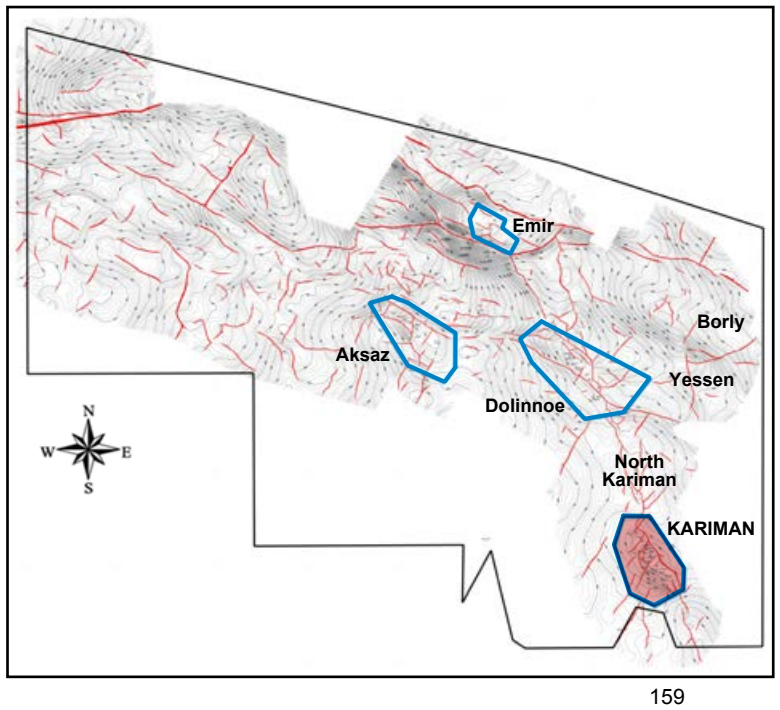
STRUCTURE ON MIDDLE TRIASSIC T2 UPPER

JAN. 2016 JOB No. 6144 FIGURE No. 1b

158

Chapman Petroleum Engineering Ltd.





LEGEND

- FAULT LINES
- FIELD BOUNDARY
- ## STRUCTURAL ELEVATION (sL)- m
- PROPOSED LOCATIONS
- WELL OF INTEREST
- PROVED RESERVES
- PROBABLE RESERVES
- POSSIBLE RESERVES

MIE HOLDINGS CORPORATION

KARIMAN FIELD

ADEK BLOCK (LICENSE AREA)

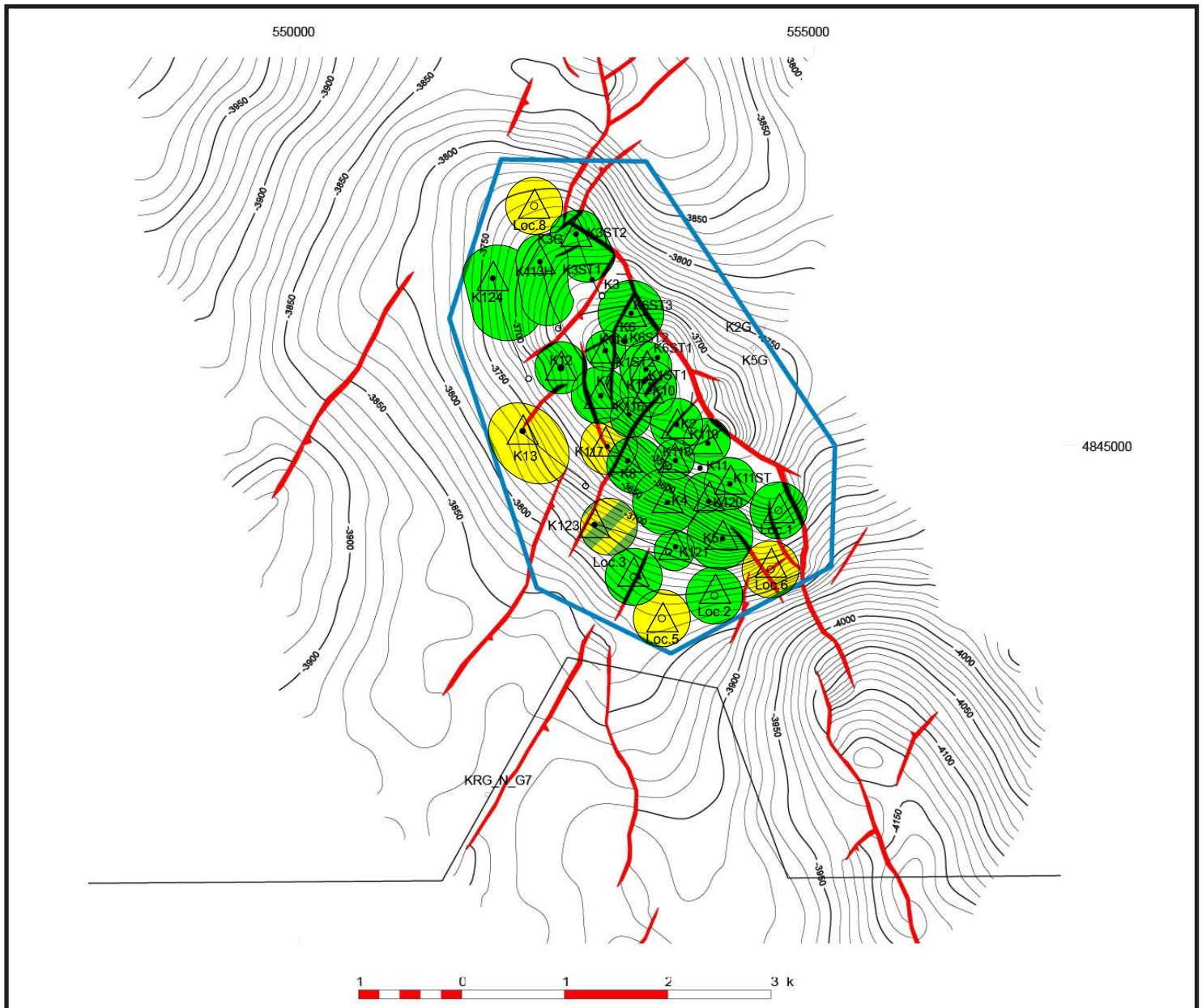
MANGISTAU OBLAST, KAZAKHSTAN

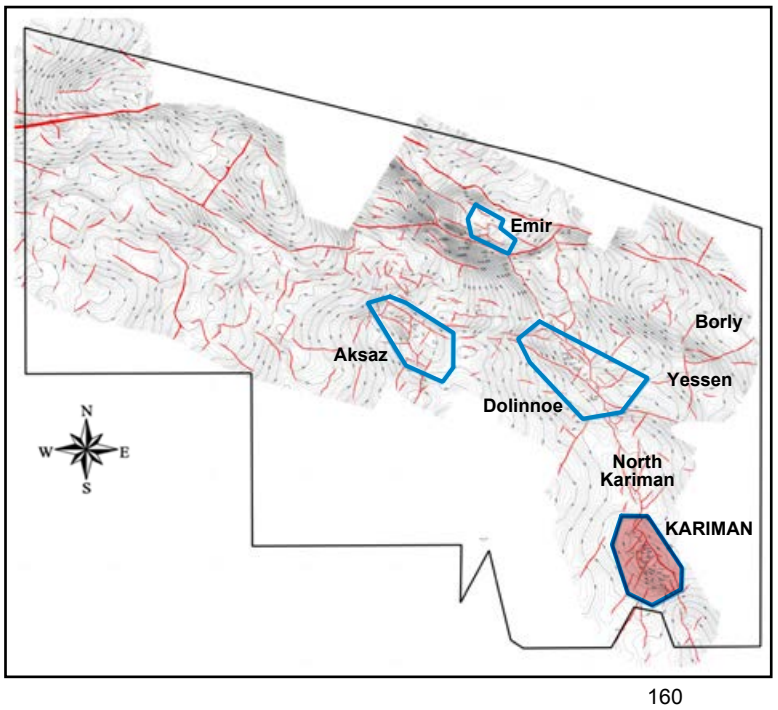
STRUCTURE ON MIDDLE TRIASSIC T2A

JAN. 2016 JOB No. 6144 FIGURE No. 1c

159

Chapman Petroleum Engineering Ltd.





LEGEND

- FAULT LINES
- FIELD BOUNDARY
- ## STRUCTURAL ELEVATION (sL)- m
- PROPOSED LOCATIONS
- WELL OF INTEREST
- PROVED RESERVES
- PROBABLE RESERVES
- POSSIBLE RESERVES

MIE HOLDINGS CORPORATION

KARIMAN FIELD

ADEK BLOCK (LICENSE AREA)

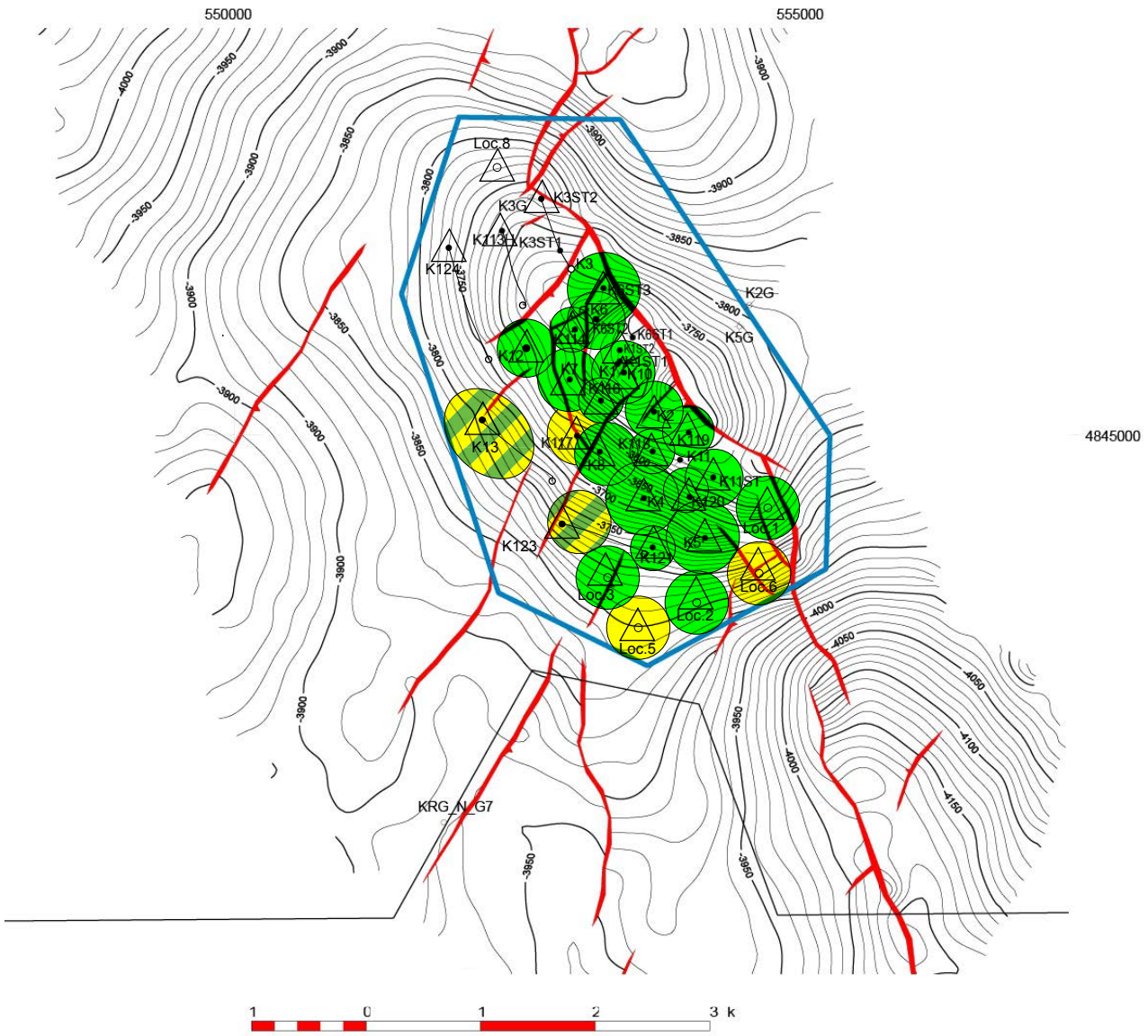
MANGISTAU OBLAST, KAZAKHSTAN

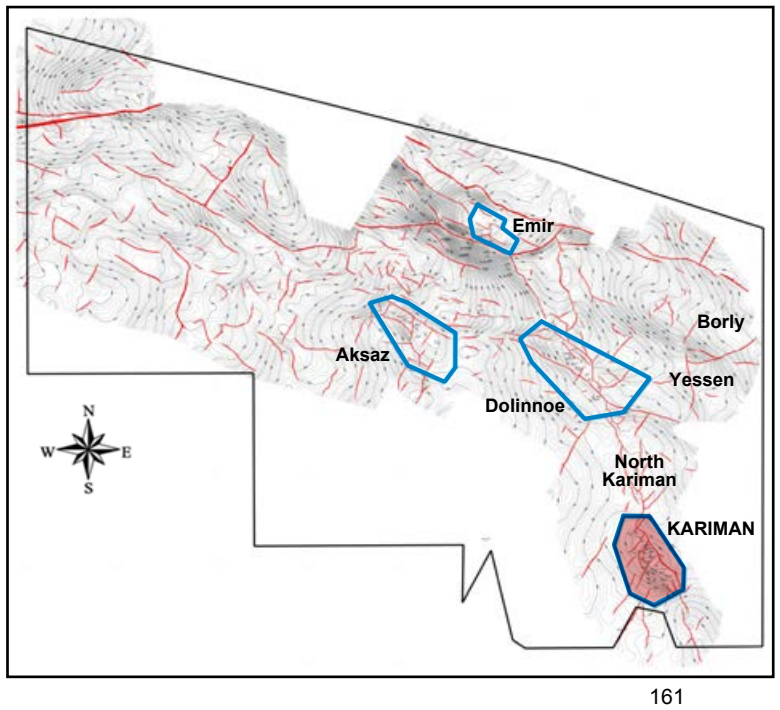
STRUCTURE ON MIDDLE TRIASSIC T2B

JAN. 2016 JOB No. 6144 FIGURE No. 1d

160

Chapman Petroleum Engineering Ltd.





LEGEND

- FAULT LINES
- FIELD BOUNDARY
- ## STRUCTURAL ELEVATION (sL)- m
- PROPOSED LOCATIONS
- WELL OF INTEREST
- PROVED RESERVES
- PROBABLE RESERVES
- POSSIBLE RESERVES

MIE HOLDINGS CORPORATION

KARIMAN FIELD

ADEK BLOCK (LICENSE AREA)

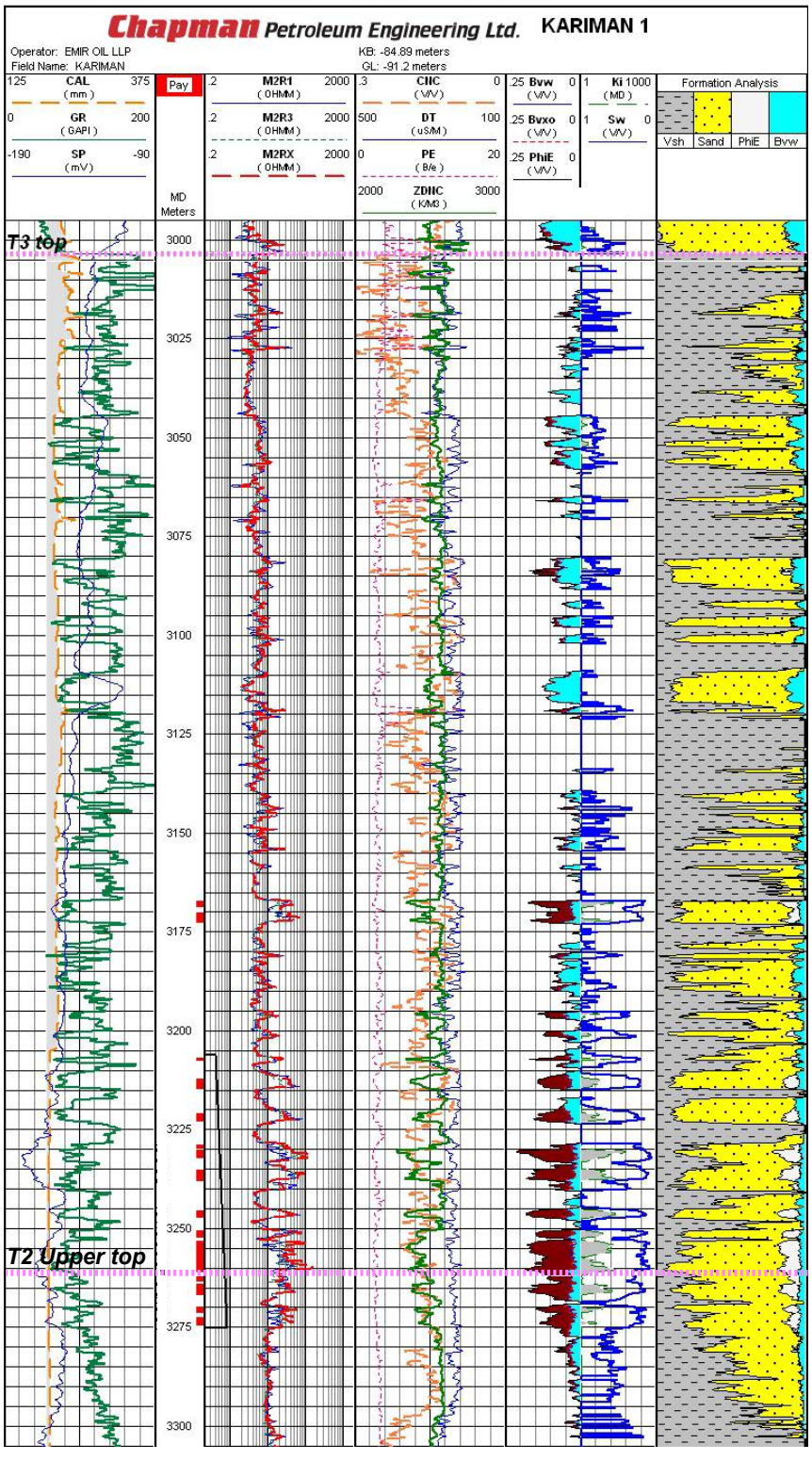
MANGISTAU OBLAST, KAZAKHSTAN

STRUCTURE ON MIDDLE TRIASSIC T2C

JAN. 2016 JOB No. 6144 FIGURE No. 1e

161

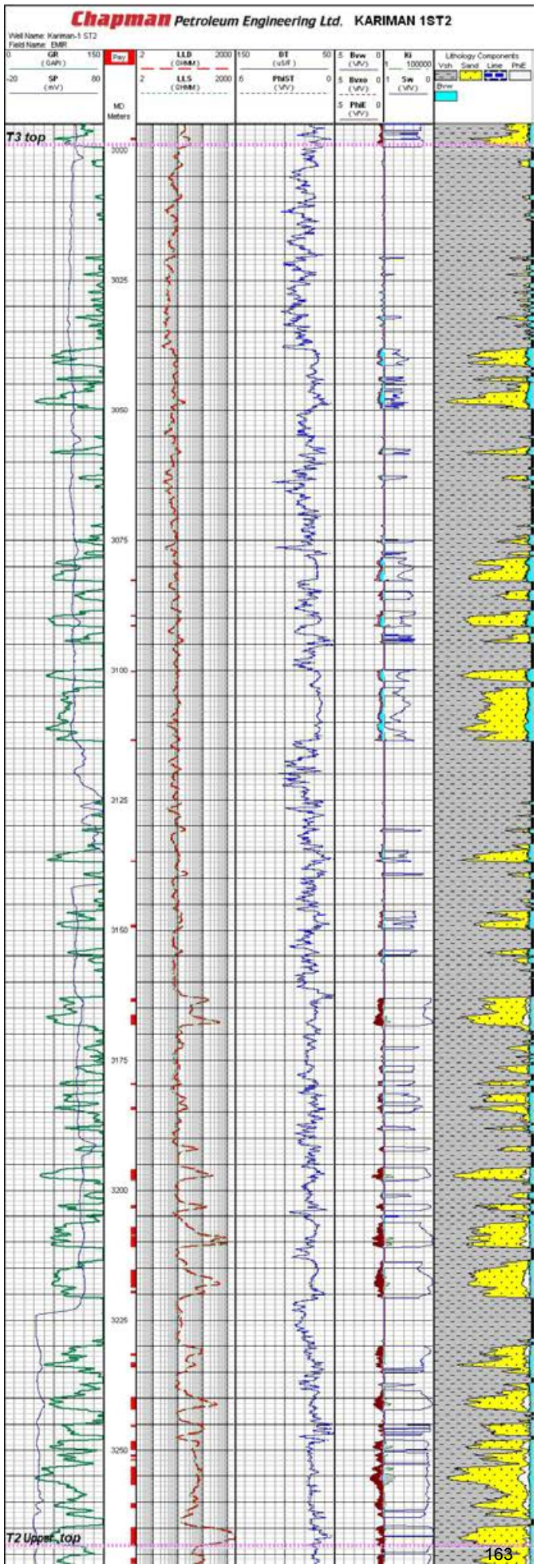
Chapman Petroleum Engineering Ltd.



MIE HOLDINGS CORPORATION

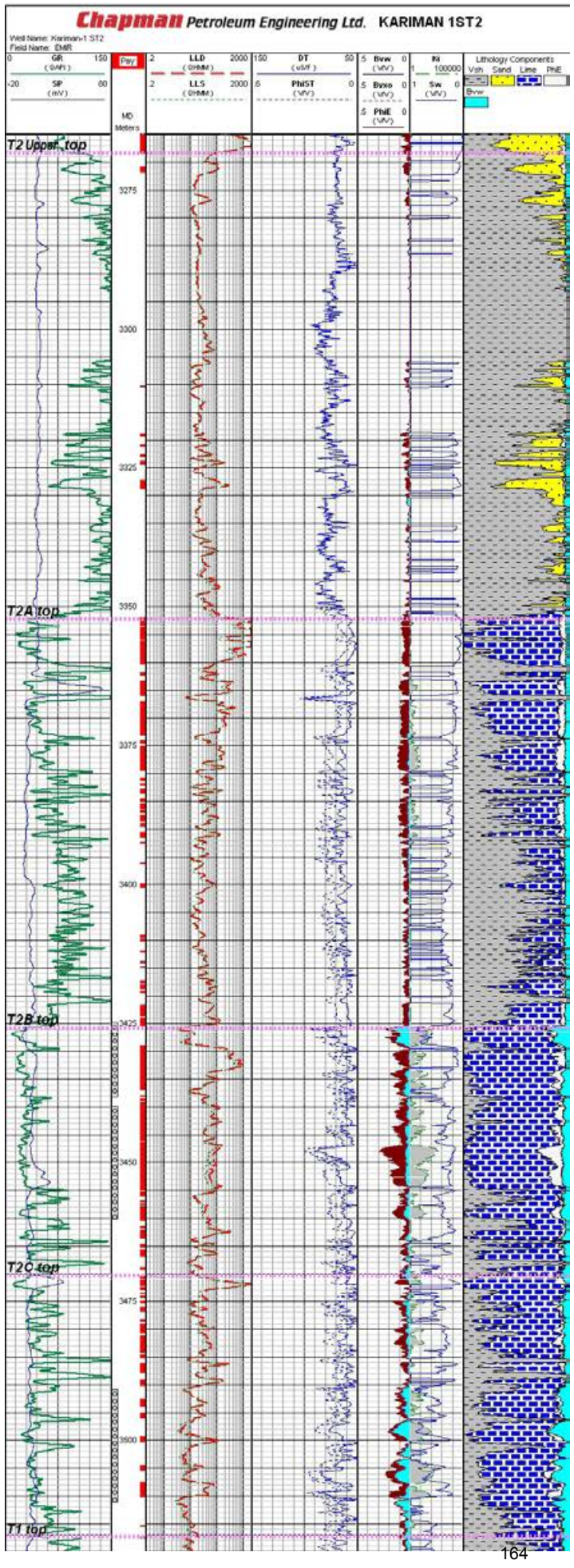
ADEK BLOCK
OIL WELL LOG ANALYSIS
MANGISTAU OBLAST, KAZAKHSTAN
KARIMAN 1
UPPER TRIASSIC T3, MIDDLE TRIASSIC T2 UPPER

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



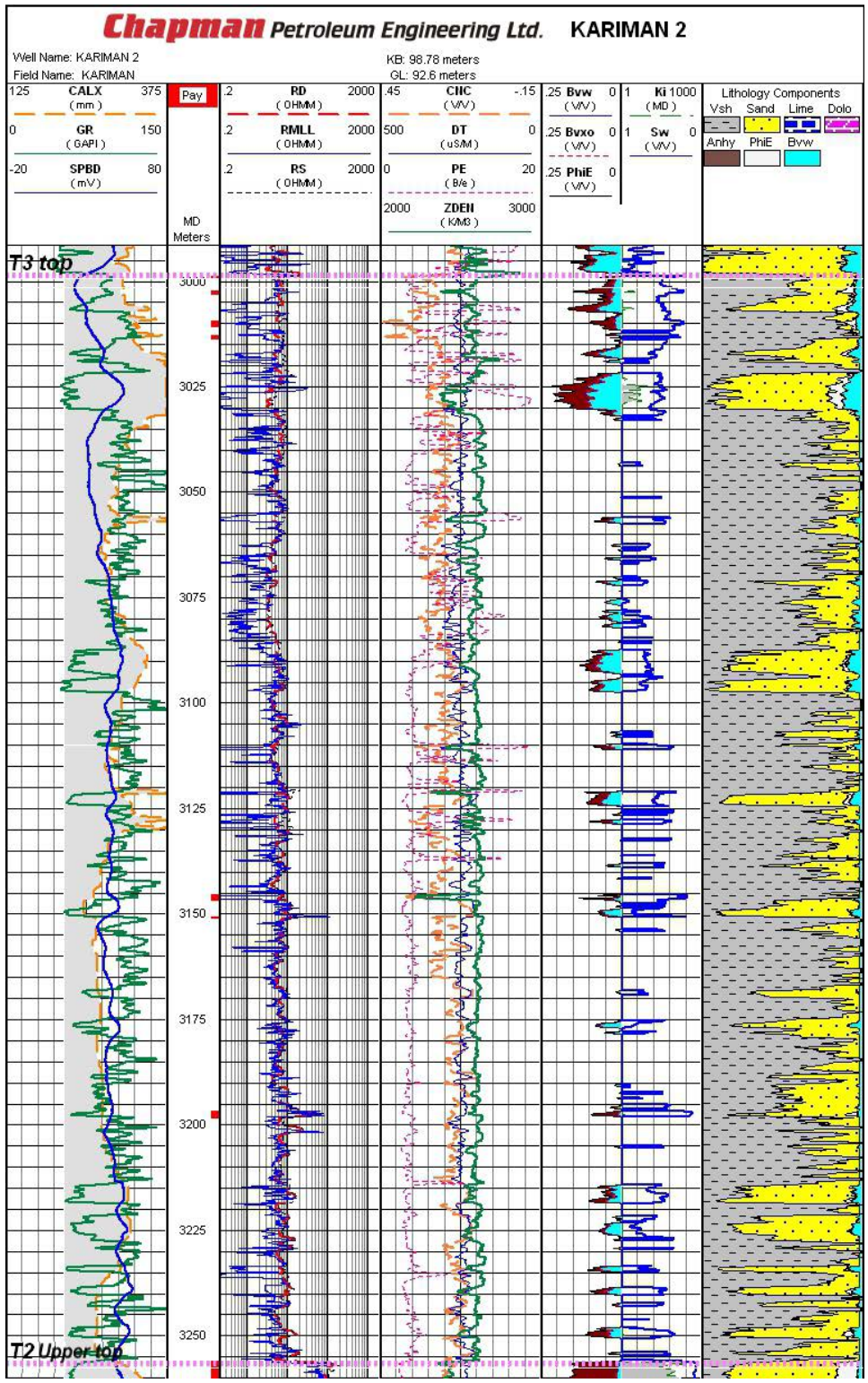
MIE HOLDINGS CORPORATION
ADEK BLOCK OIL WELL LOG ANALYSIS MANGISTAU OBLAST, KAZAKHSTAN KARIMAN-1 ST2 UPPER TRIASSIC T3
JAN. 2016 JOB No. 6144 FIGURE No. 2b

Chapman Petroleum Engineering Ltd.

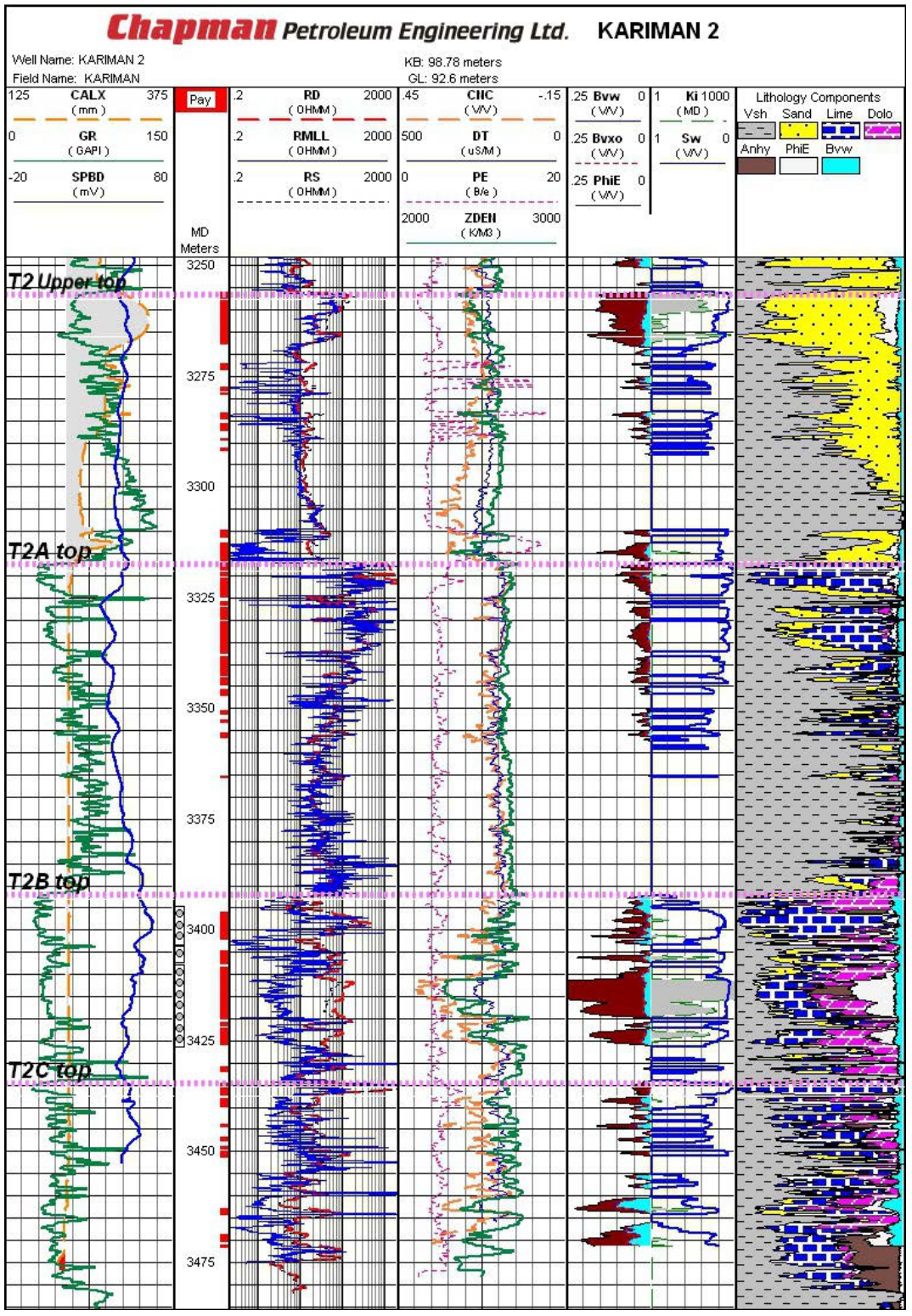


MIE HOLDINGS CORPORATION
ADEK BLOCK OIL WELL LOG ANALYSIS MANGISTAU OBLAST, KAZAKHSTAN KARIMAN-1 ST2 MIDDLE TRIASSIC T2
JAN. 2016 JOB No. 6144 FIGURE No. 2c

Chapman Petroleum Engineering Ltd.



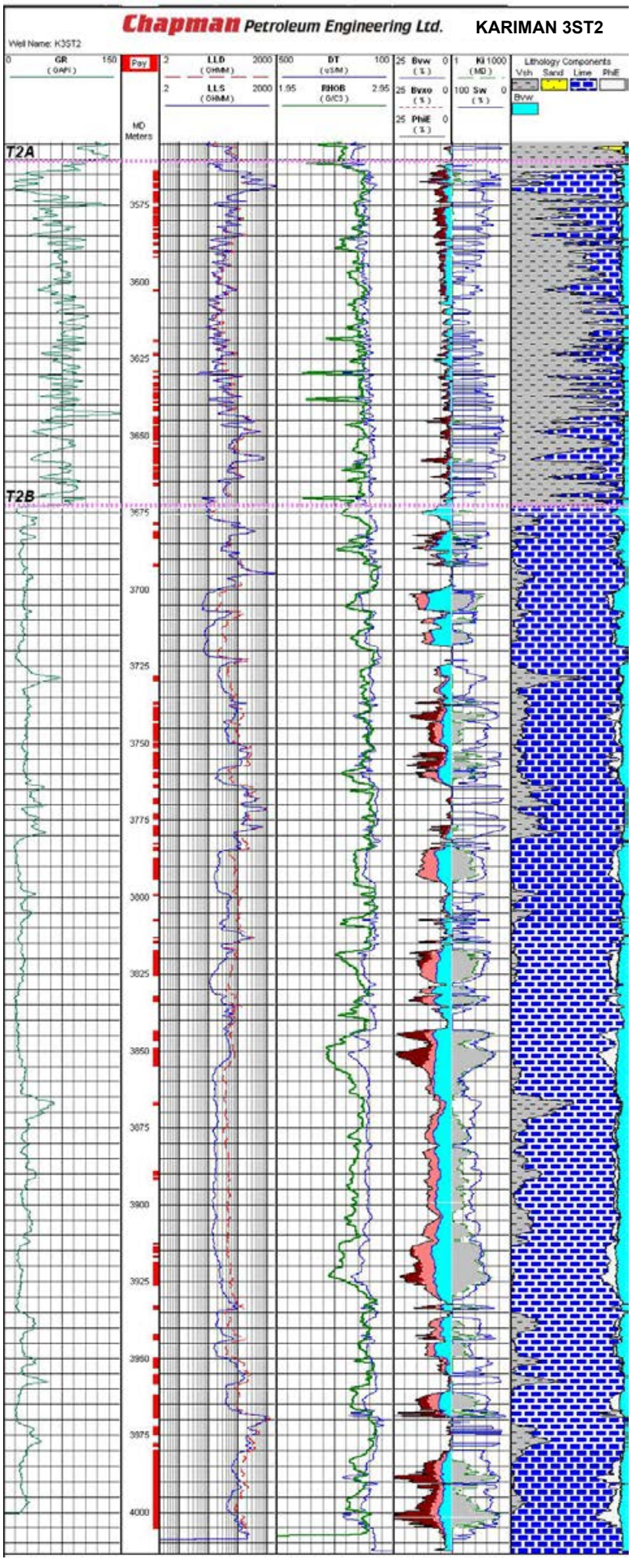
MIE HOLDINGS CORPORATION
ADEK BLOCK OIL WELL LOG ANALYSIS MANGISTAU OBLAST, KAZAKHSTAN KARIMAN 2 UPPER TRIASSIC T3
JAN. 2016 JOB No. 6144 FIGURE No. 2d



MIE HOLDINGS CORPORATION
ADEK BLOCK OIL WELL LOG ANALYSIS MANGISTAU OBLAST, KAZAKHSTAN KARIMAN 2 MIDDLE TRIASSIC T2
JAN. 2016 JOB No. 6144 FIGURE No. 2e

166

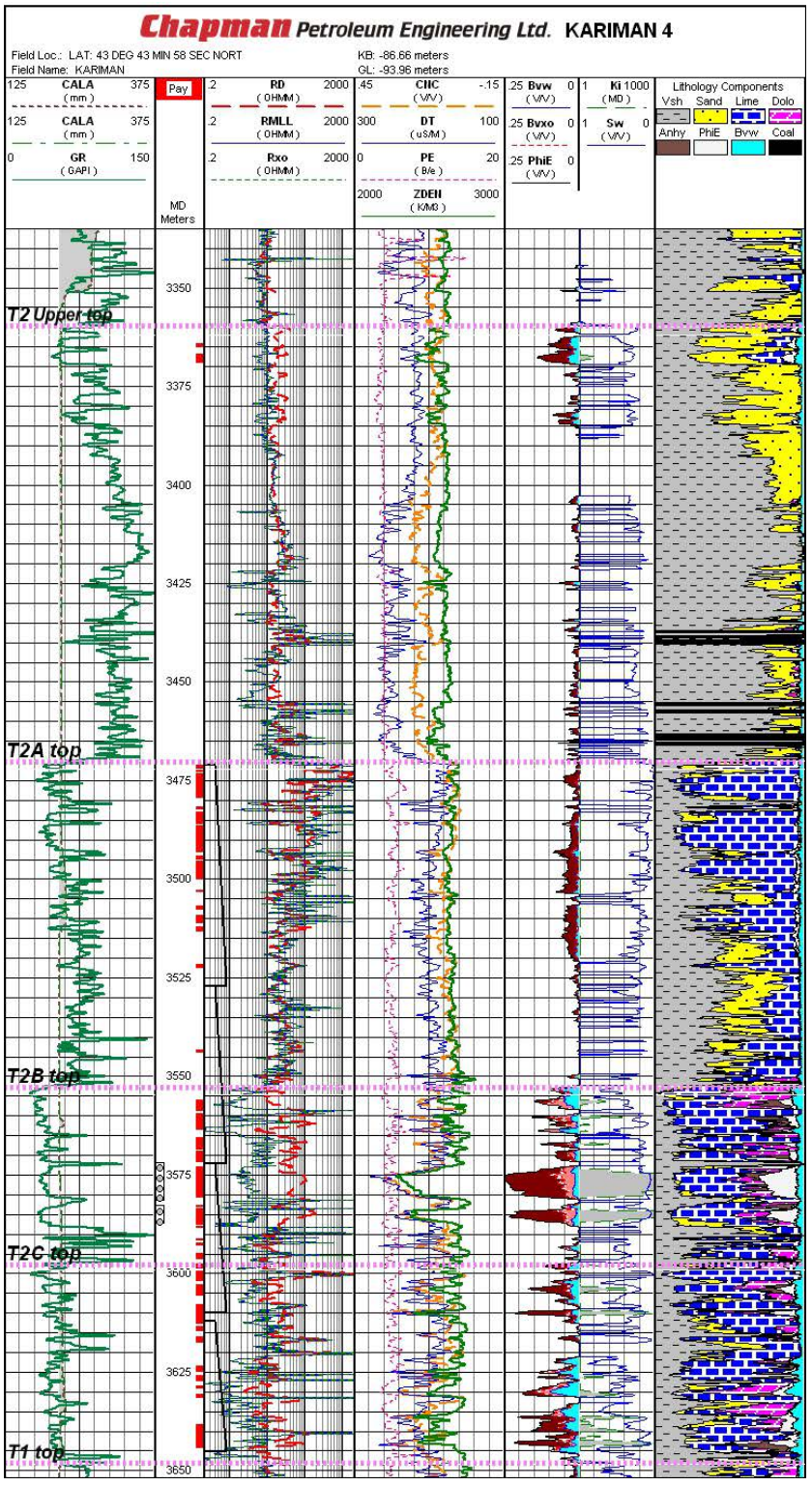
Chapman Petroleum Engineering Ltd.



MIE HOLDINGS CORPORATION
ADEK BLOCK **OIL WELL LOG ANALYSIS** MANGISTAU OBLAST, KAZAKHSTAN **KARIMAN 3ST2** MIDDLE TRIASSIC T2
JAN. 2016 JOB No. 6144 FIGURE No. 2f

167

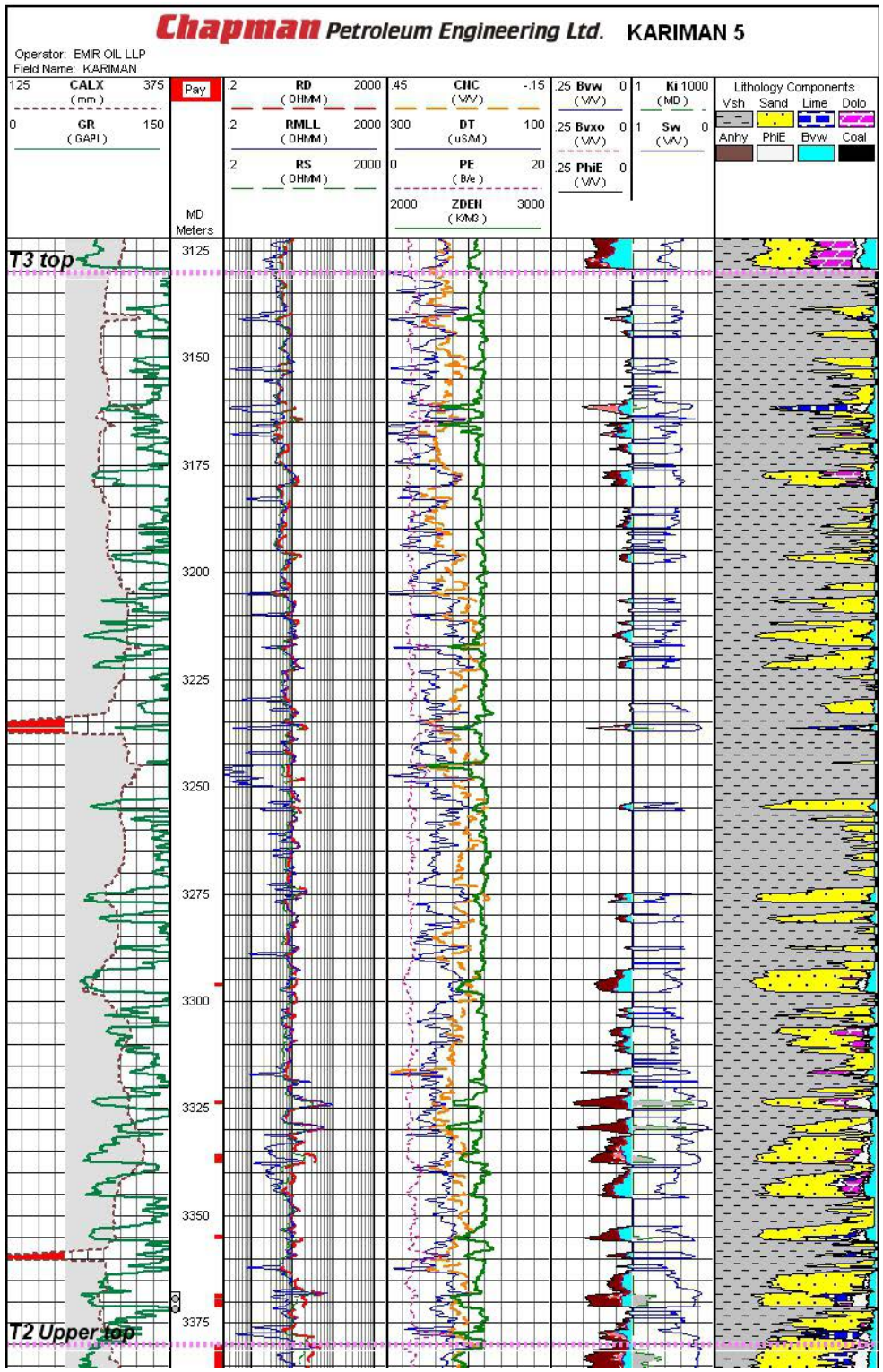
Chapman Petroleum Engineering Ltd.



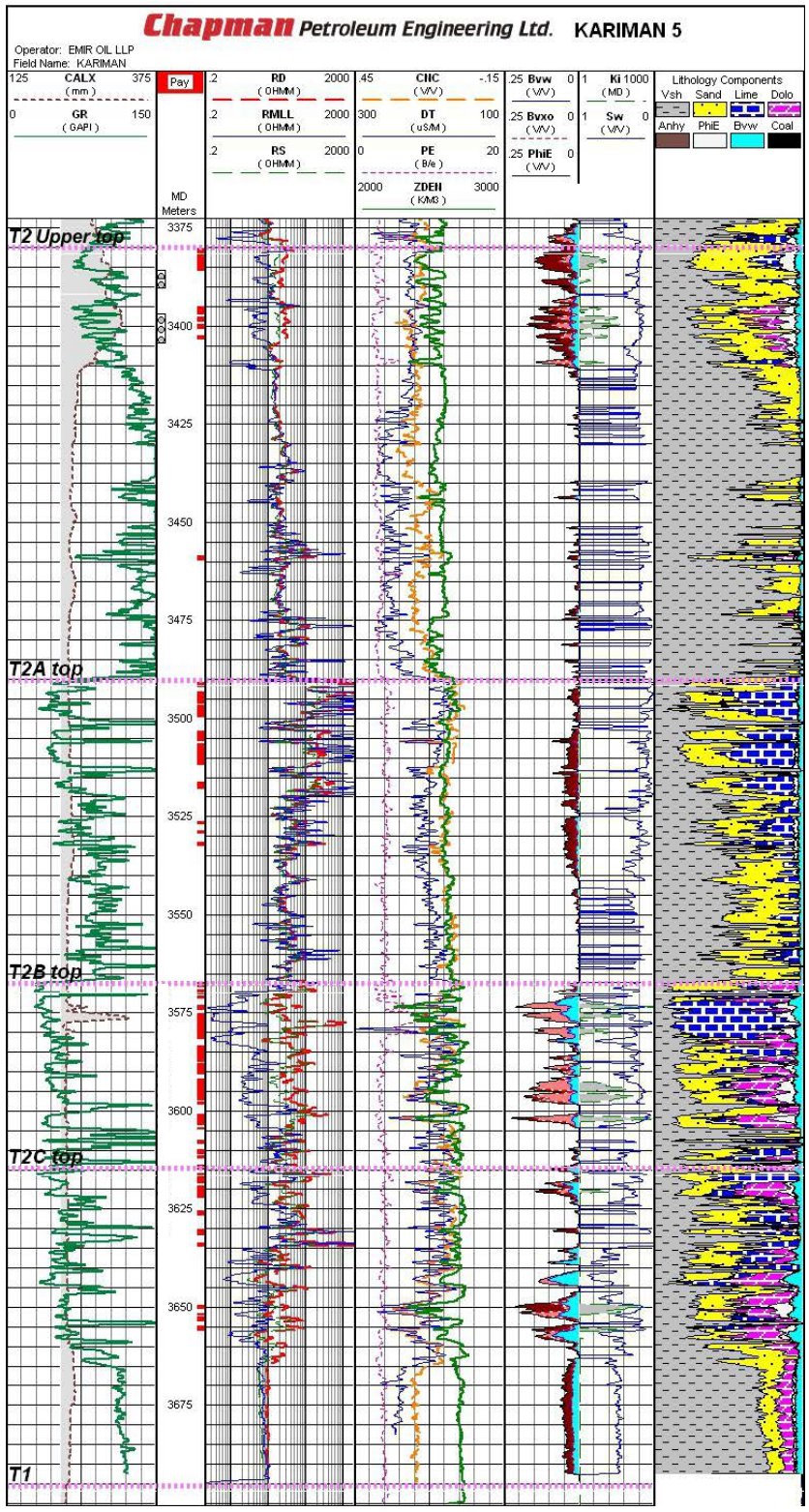
MIE HOLDINGS CORPORATION		
ADEK BLOCK OIL WELL LOG ANALYSIS MANGISTAU OBLAST, KAZAKHSTAN KARIMAN 4 MIDDLE TRIASSIC T2		
JAN. 2016	JOB No. 6144	FIGURE No. 2g

168

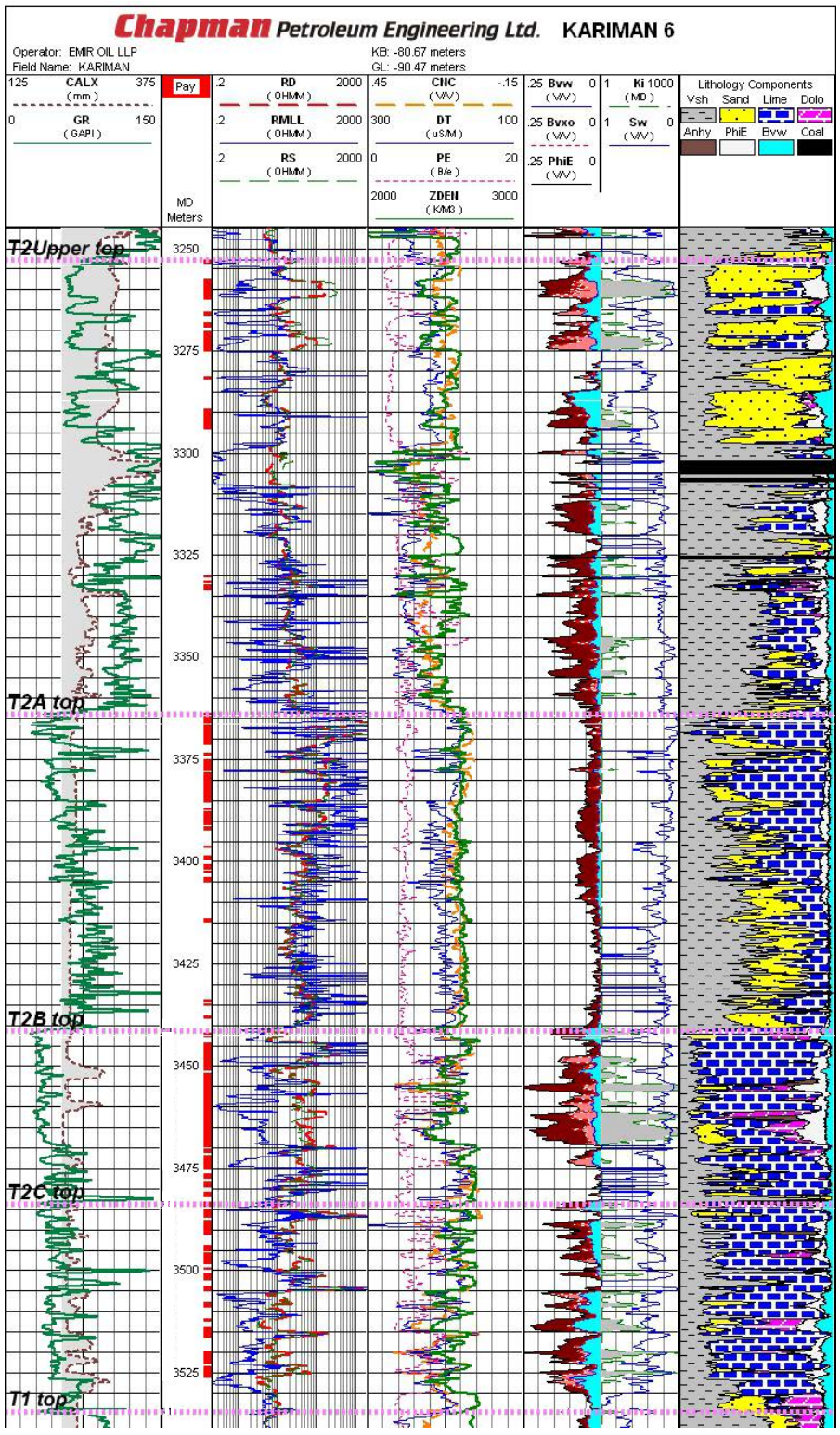
Chapman Petroleum Engineering Ltd.



MIE HOLDINGS CORPORATION
ADEK BLOCK **OIL WELL LOG ANALYSIS** MANGISTAU OBLAST, KAZAKHSTAN **KARIMAN 5** UPPER TRIASSIC T3
JAN. 2016 JOB No. 6144 FIGURE No. 2h



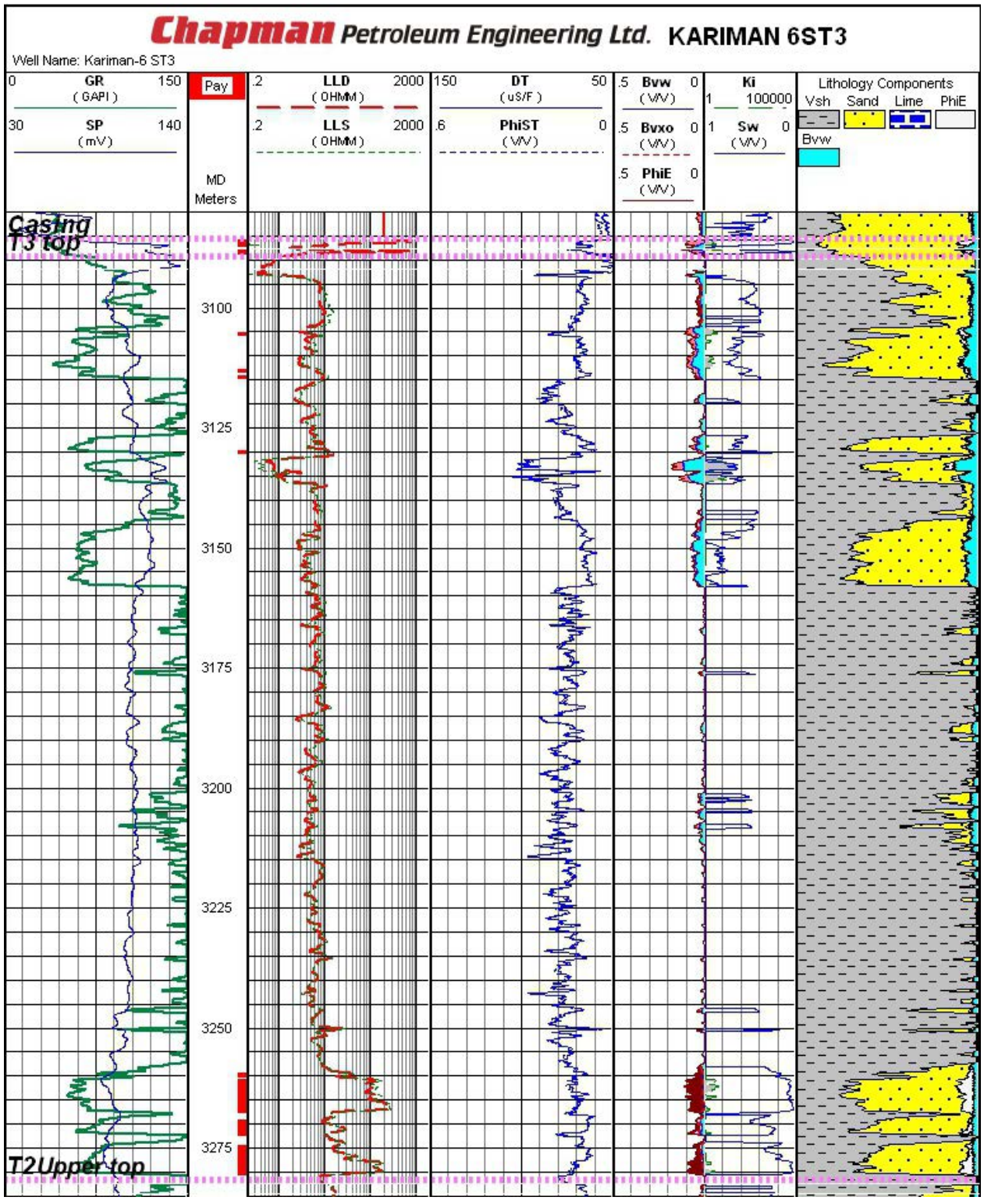
MIE HOLDINGS CORPORATION
ADEK BLOCK OIL WELL LOG ANALYSIS MANGISTAU OBLAST, KAZAKHSTAN KARIMAN 5 MIDDLE TRIASSIC T2
JAN. 2016 JOB No. 6144 FIGURE No. 2i



MIE HOLDINGS CORPORATION		
ADEK BLOCK OIL WELL LOG ANALYSIS MANGISTAU OBLAST, KAZAKHSTAN KARIMAN 6 MIDDLE TRIASSIC T2		
JAN. 2016	JOB No. 6144	FIGURE No. 2j

171

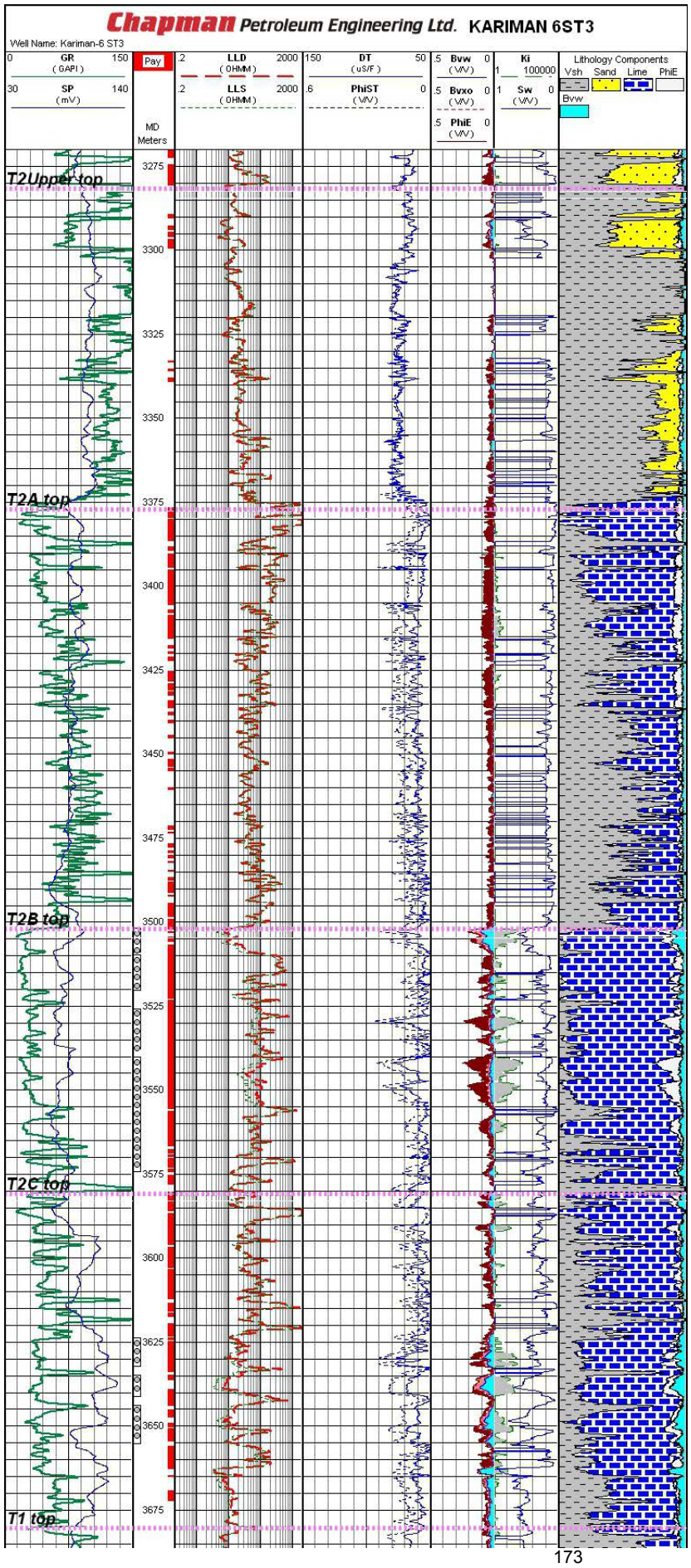
Chapman Petroleum Engineering Ltd.



MIE HOLDINGS CORPORATION
ADEK BLOCK OIL WELL LOG ANALYSIS MANGISTAU OBLAST, KAZAKHSTAN KARIMAN 6ST3 UPPER TRIASSIC T3
JAN. 2016 JOB No. 6144 FIGURE No. 2k

172

Chapman Petroleum Engineering Ltd.



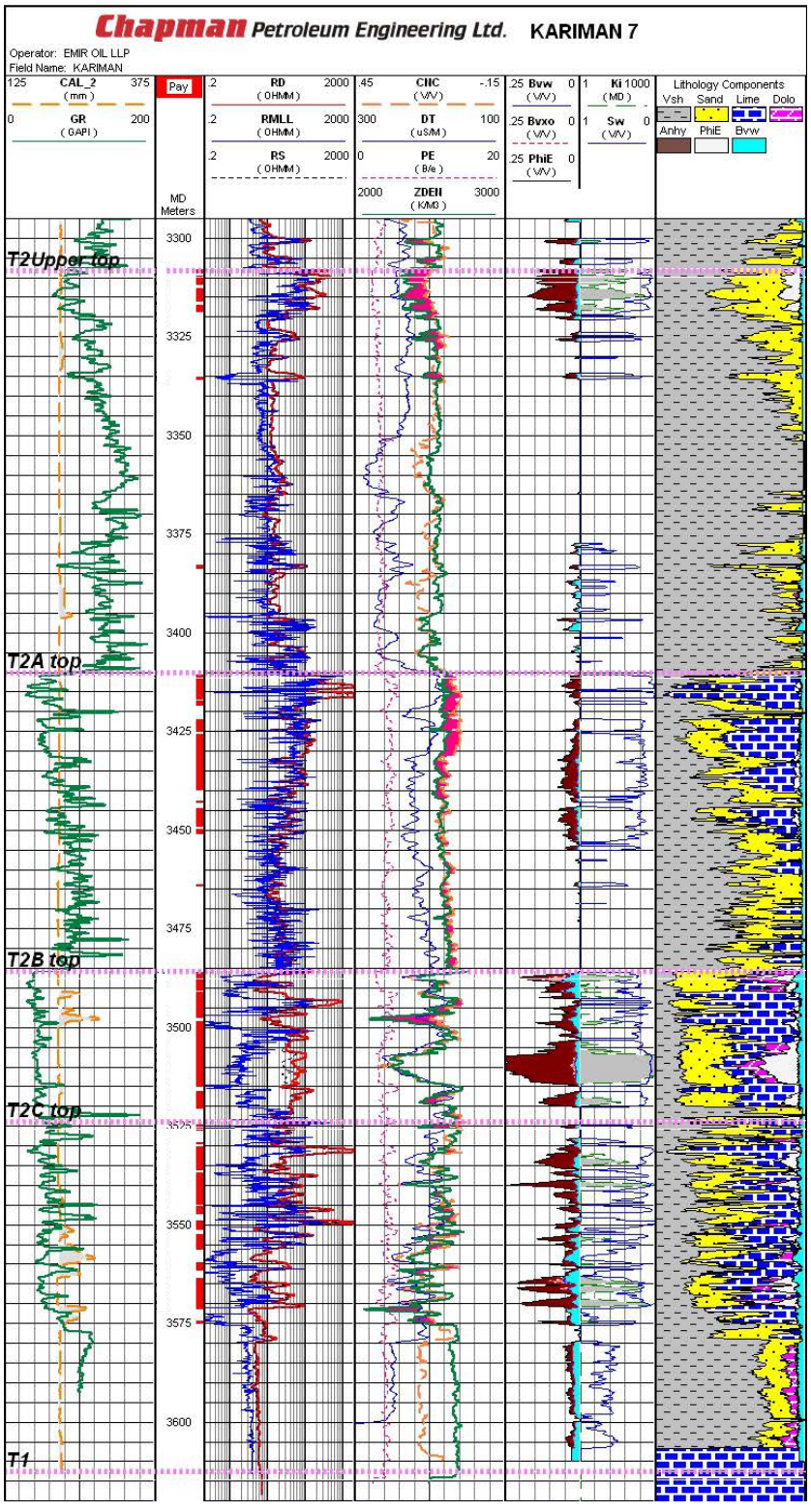
173

MIE HOLDINGS CORPORATION

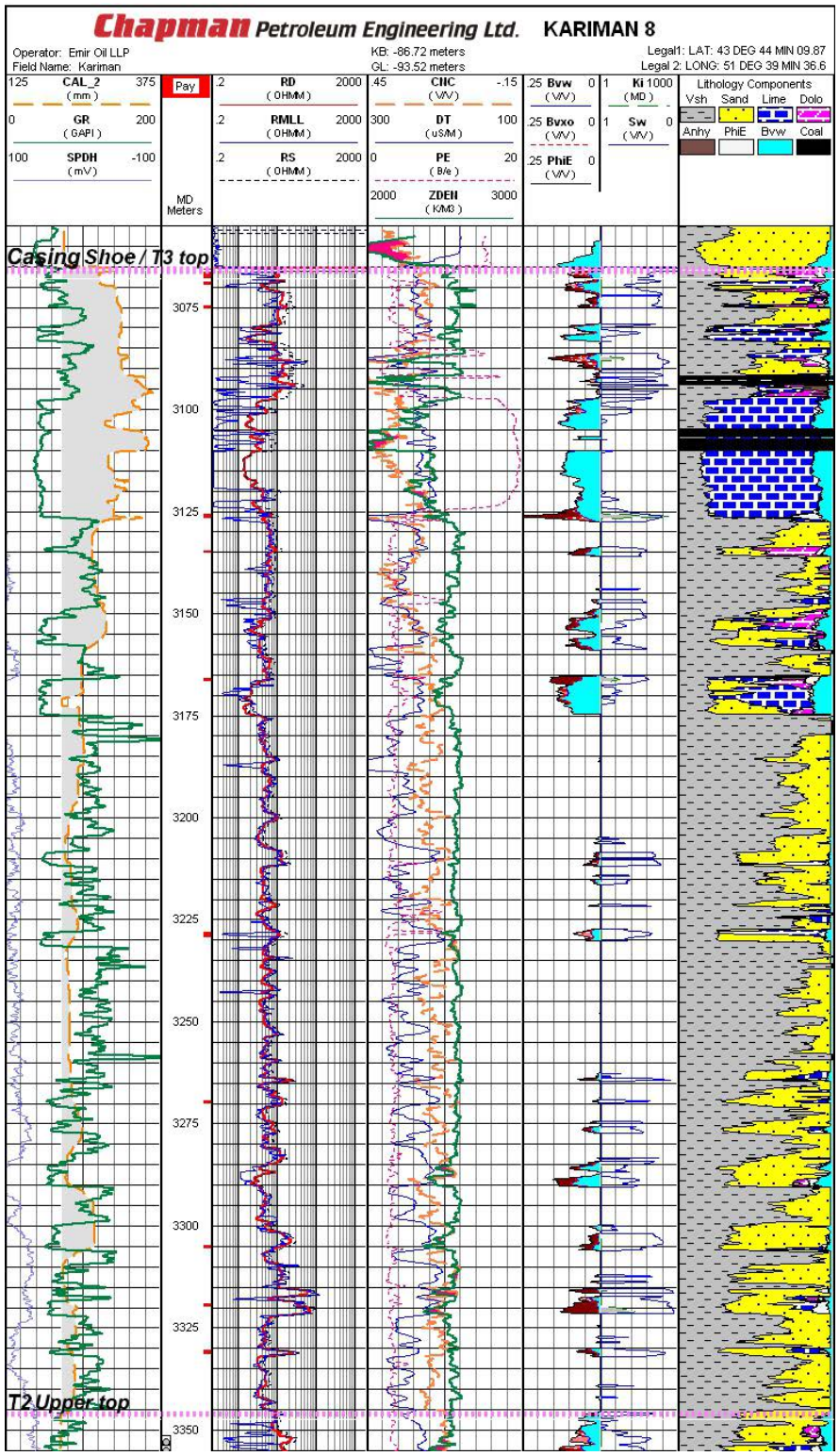
ADEK BLOCK
OIL WELL LOG ANALYSIS
MANGISTAU OBLAST, KAZAKHSTAN
KARIMAN 6ST3
MIDDLE TRIASSIC T2

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

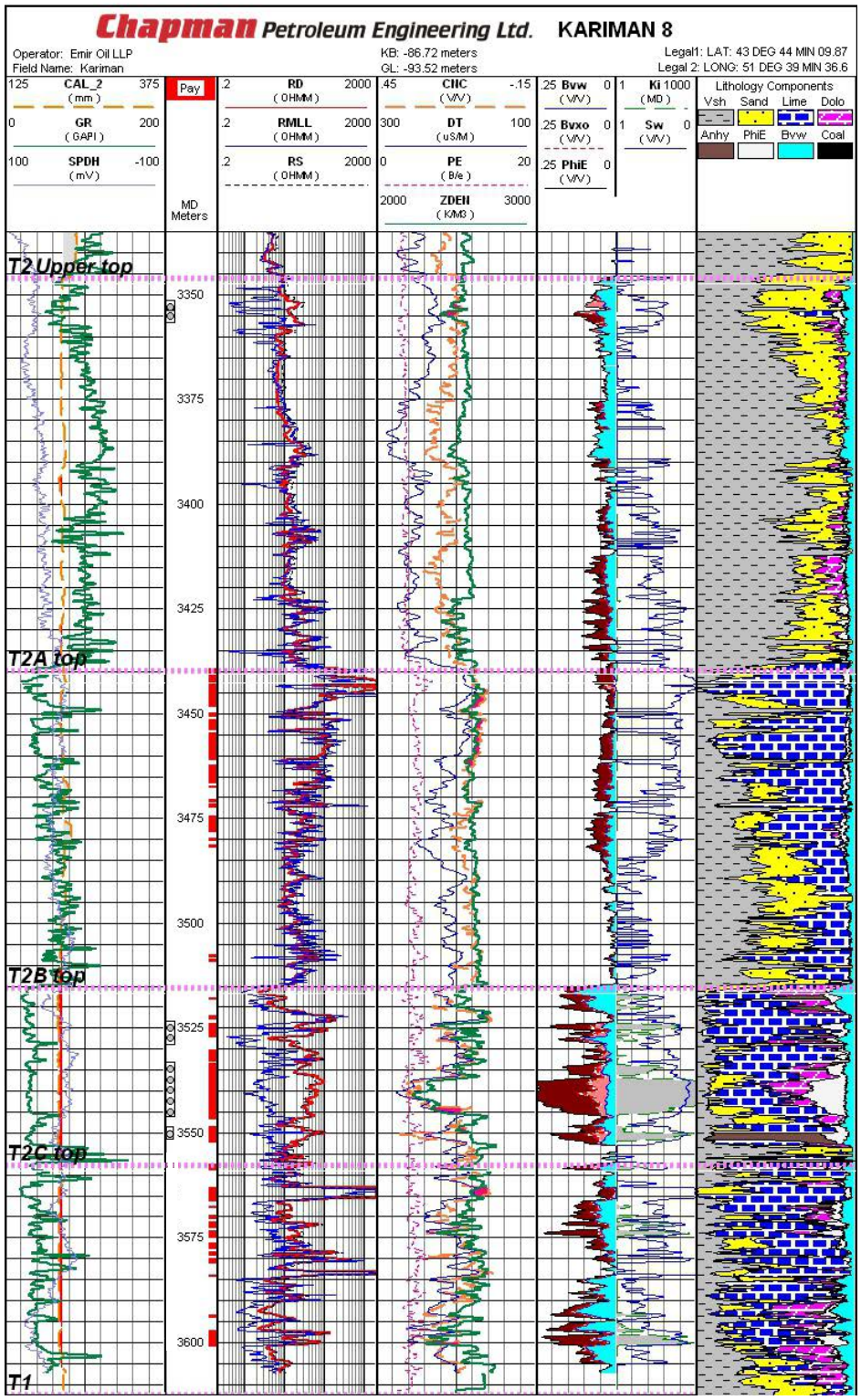
Chapman Petroleum Engineering Ltd.



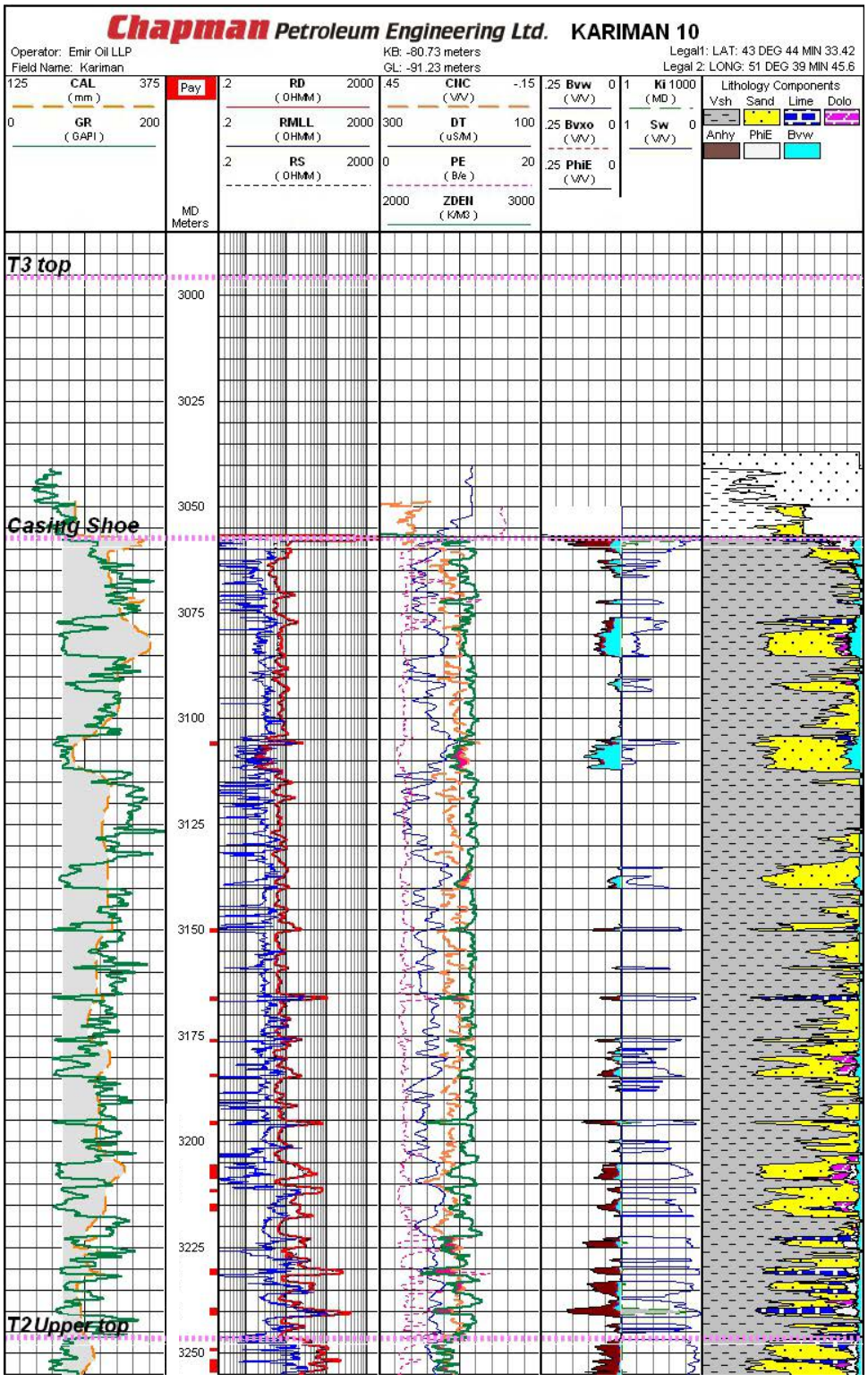
MIE HOLDINGS CORPORATION
ADEK BLOCK OIL WELL LOG ANALYSIS MANGISTAU OBLAST, KAZAKHSTAN KARIMAN 7 MIDDLE TRIASSIC T2
JAN. 2016 JOB No. 6144 FIGURE No. 2m



MIE HOLDINGS CORPORATION
ADEK BLOCK OIL WELL LOG ANALYSIS MANGISTAU OBLAST, KAZAKHSTAN KARIMAN 8 UPPER TRIASSIC T3
JAN. 2016 JOB No. 6144 FIGURE No. 2n



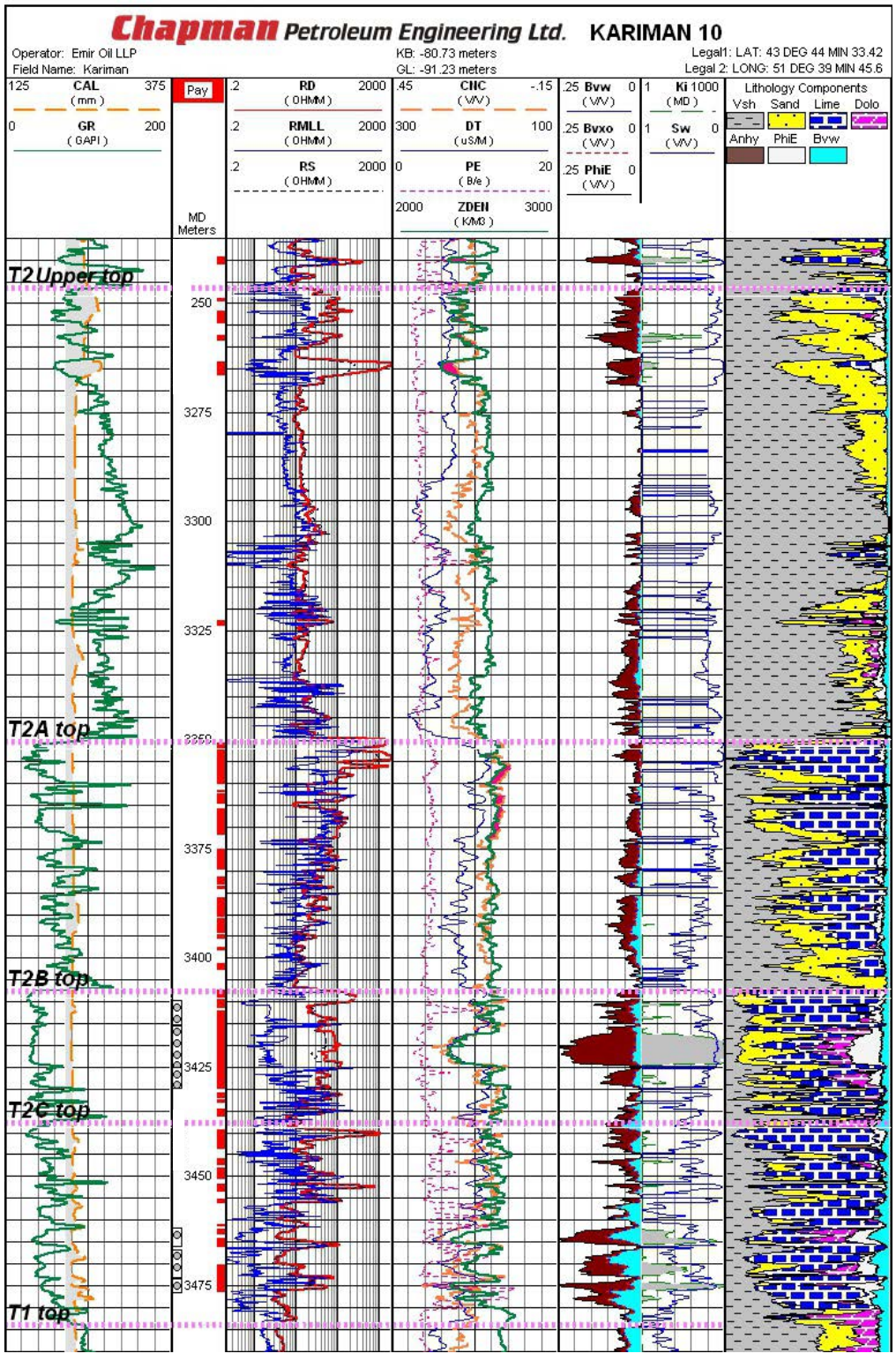
MIE HOLDINGS CORPORATION
ADEK BLOCK OIL WELL LOG ANALYSIS MANGISTAU OBLAST, KAZAKHSTAN KARIMAN 8 MIDDLE TRIASSIC T2
JAN. 2016 JOB No. 6144 FIGURE No. 2o



MIE HOLDINGS CORPORATION
ADEK BLOCK **OIL WELL LOG ANALYSIS** **MANGISTAU OBLAST, KAZAKHSTAN** **KARIMAN 10** **UPPER TRIASSIC T3**
JAN. 2016 JOB No. 6144 FIGURE No. 2p

177

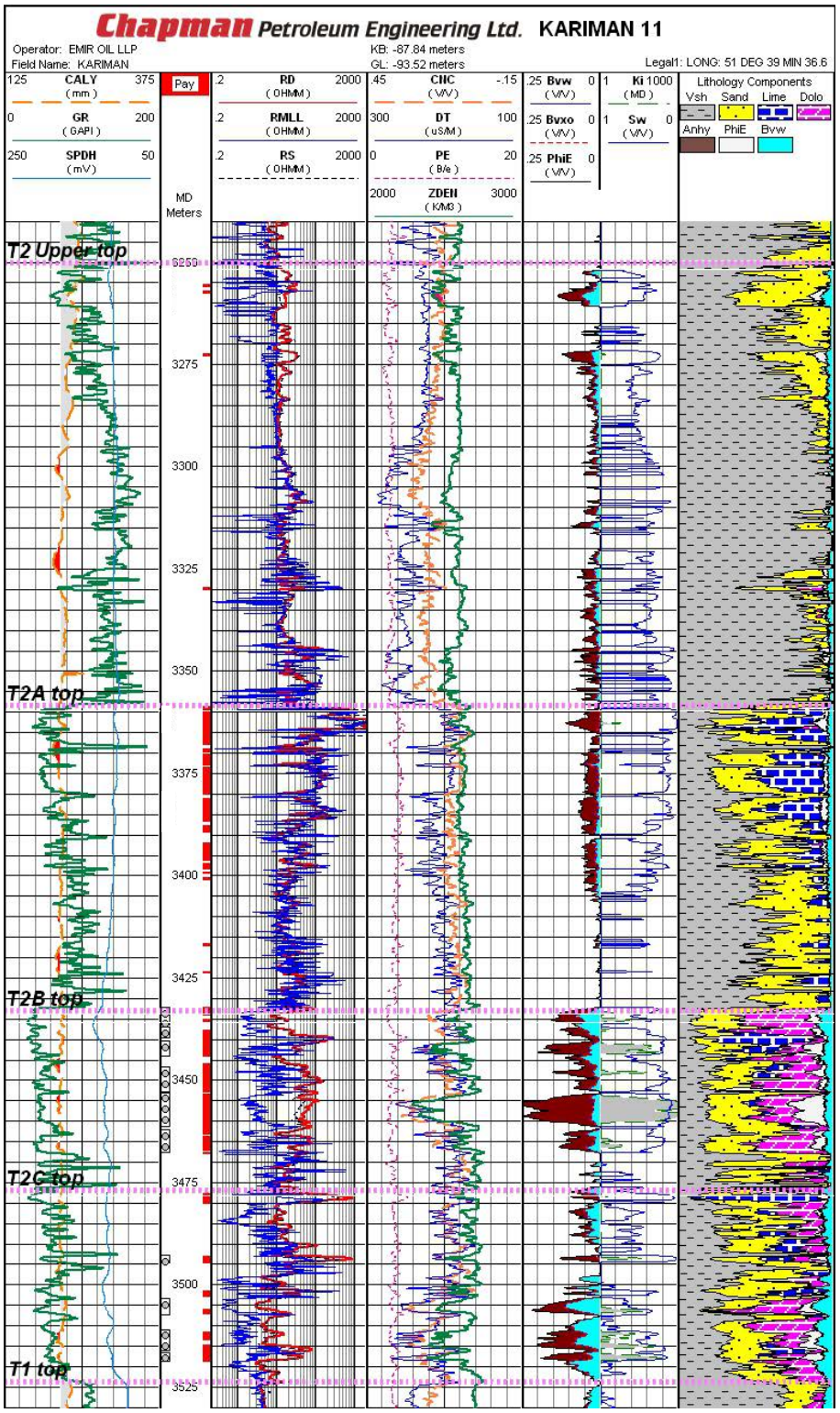
Chapman Petroleum Engineering Ltd.



MIE HOLDINGS CORPORATION
ADEK BLOCK **OIL WELL LOG ANALYSIS** MANGISTAU OBLAST, KAZAKHSTAN **KARIMAN 10** MIDDLE TRIASSIC T2
JAN. 2016 JOB No. 6144 FIGURE No. 2q

178

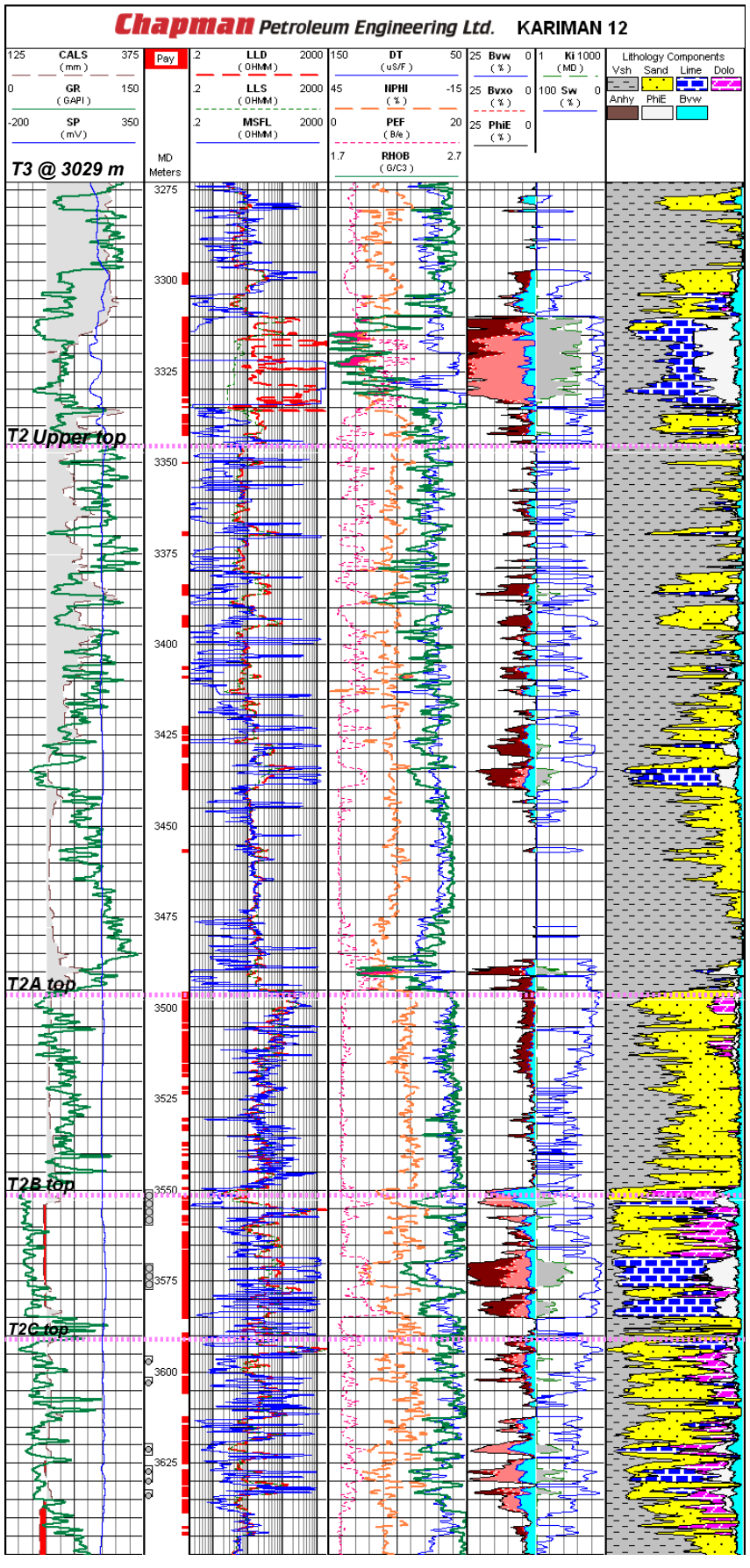
Chapman Petroleum Engineering Ltd.



MIE HOLDINGS CORPORATION
ADEK BLOCK OIL WELL LOG ANALYSIS MANGISTAU OBLAST, KAZAKHSTAN KARIMAN 11 MIDDLE TRIASSIC T2
JAN. 2016 JOB No. 6144 FIGURE No. 2r

179

Chapman Petroleum Engineering Ltd.



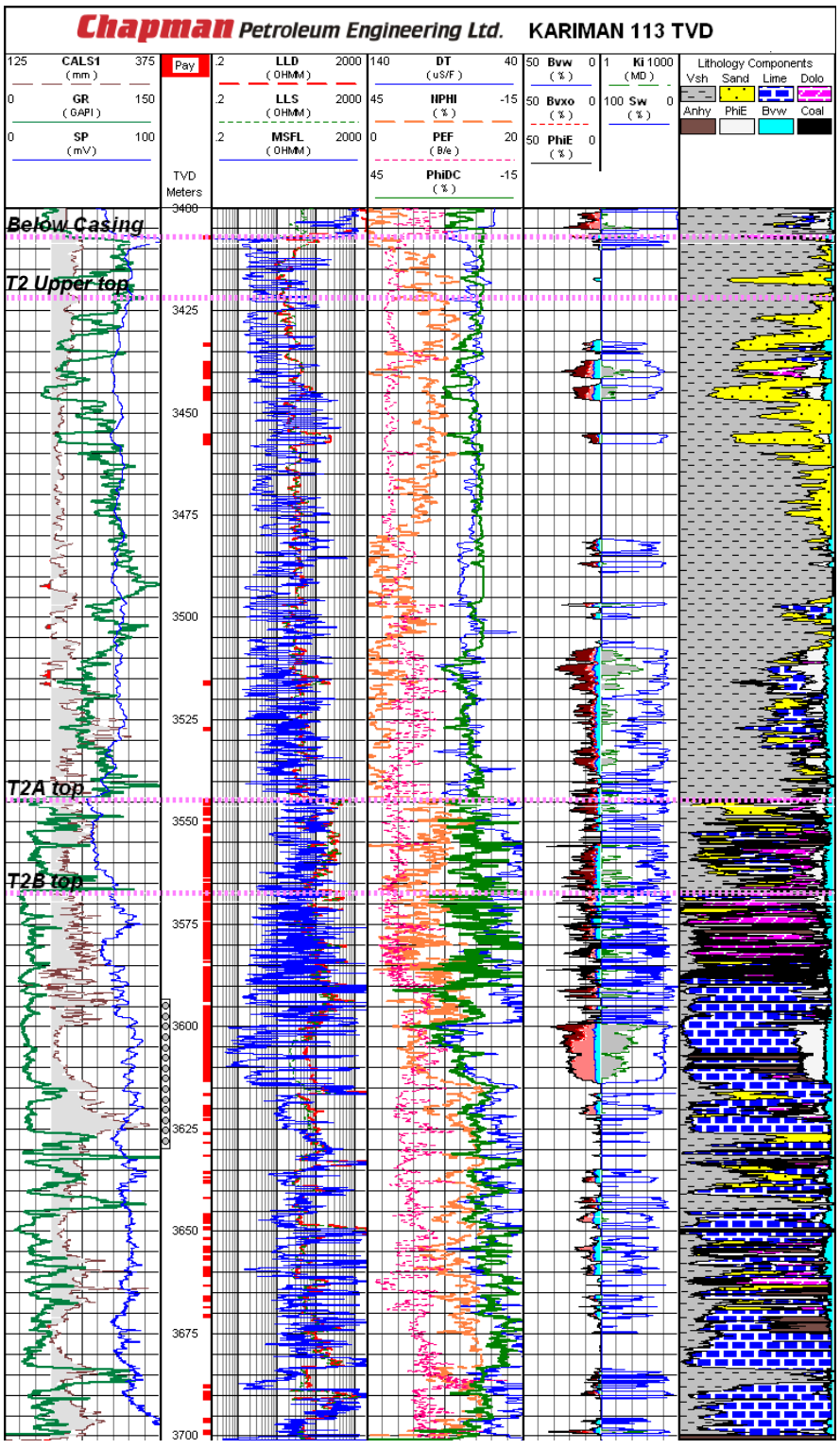
MIE HOLDINGS CORPORATION

ADEK BLOCK
OIL WELL LOG ANALYSIS
MANGISTAU OBLAST, KAZAKHSTAN
KARIMAN 12
MIDDLE TRIASSIC T2

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

180

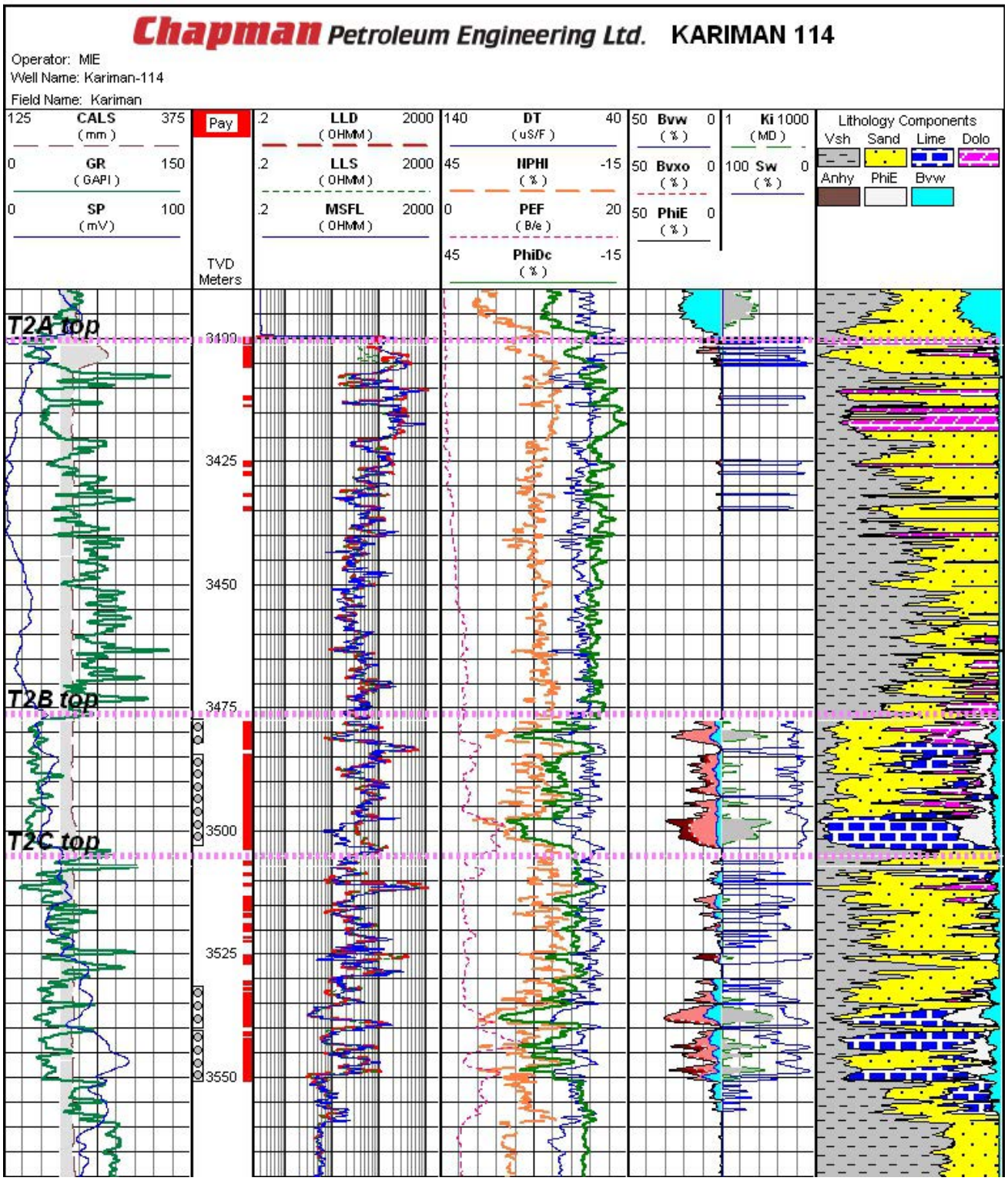
Chapman Petroleum Engineering Ltd.



MIE HOLDINGS CORPORATION
ADEK BLOCK OIL WELL LOG ANALYSIS MANGISTAU OBLAST, KAZAKHSTAN KARIMAN 113 MIDDLE TRIASSIC T2
JAN. 2016 JOB No. 6144 FIGURE No. 2t

181

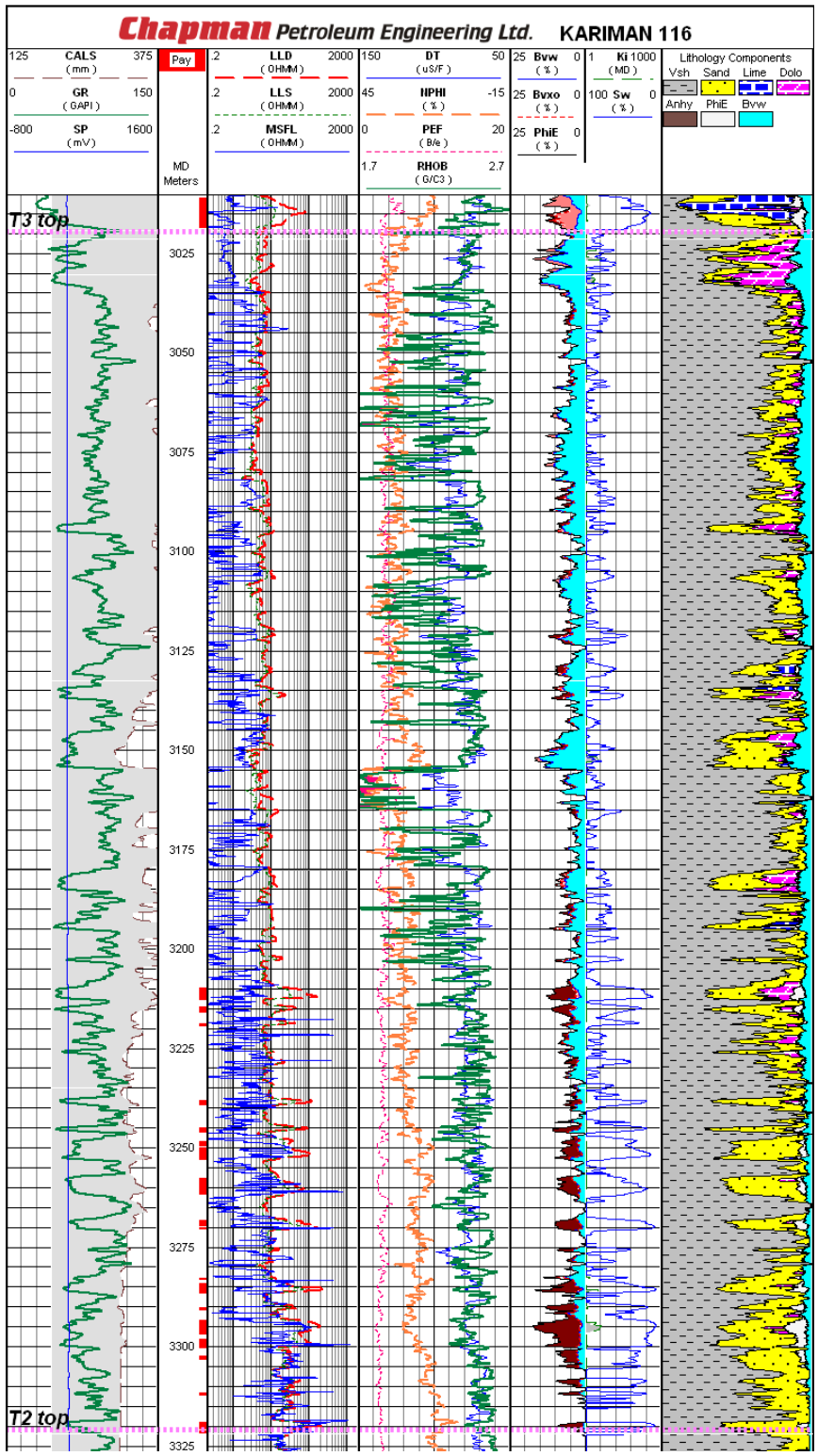
Chapman Petroleum Engineering Ltd.



MIE HOLDINGS CORPORATION
ADEK BLOCK OIL WELL LOG ANALYSIS MANGISTAU OBLAST, KAZAKHSTAN KARIMAN 114 MIDDLE TRIASSIC T2
JAN. 2016 JOB No. 6144 FIGURE No. 2u

182

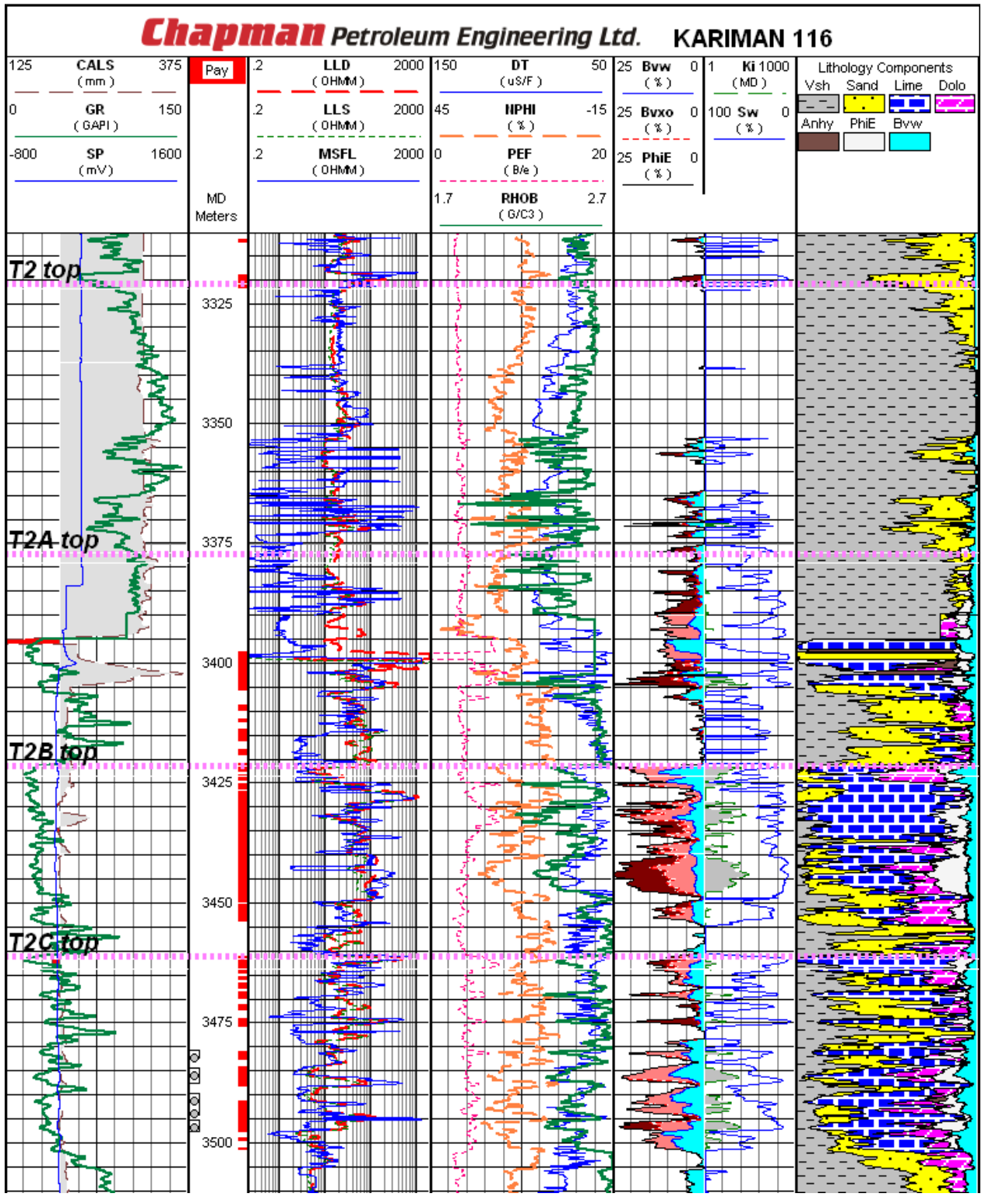
Chapman Petroleum Engineering Ltd.



MIE HOLDINGS CORPORATION
ADEK BLOCK OIL WELL LOG ANALYSIS MANGISTAU OBLAST, KAZAKHSTAN KARIMAN 116 UPPER TRIASSIC T3
JAN. 2016 JOB No. 6144 FIGURE No. 2v

183

Chapman Petroleum Engineering Ltd.



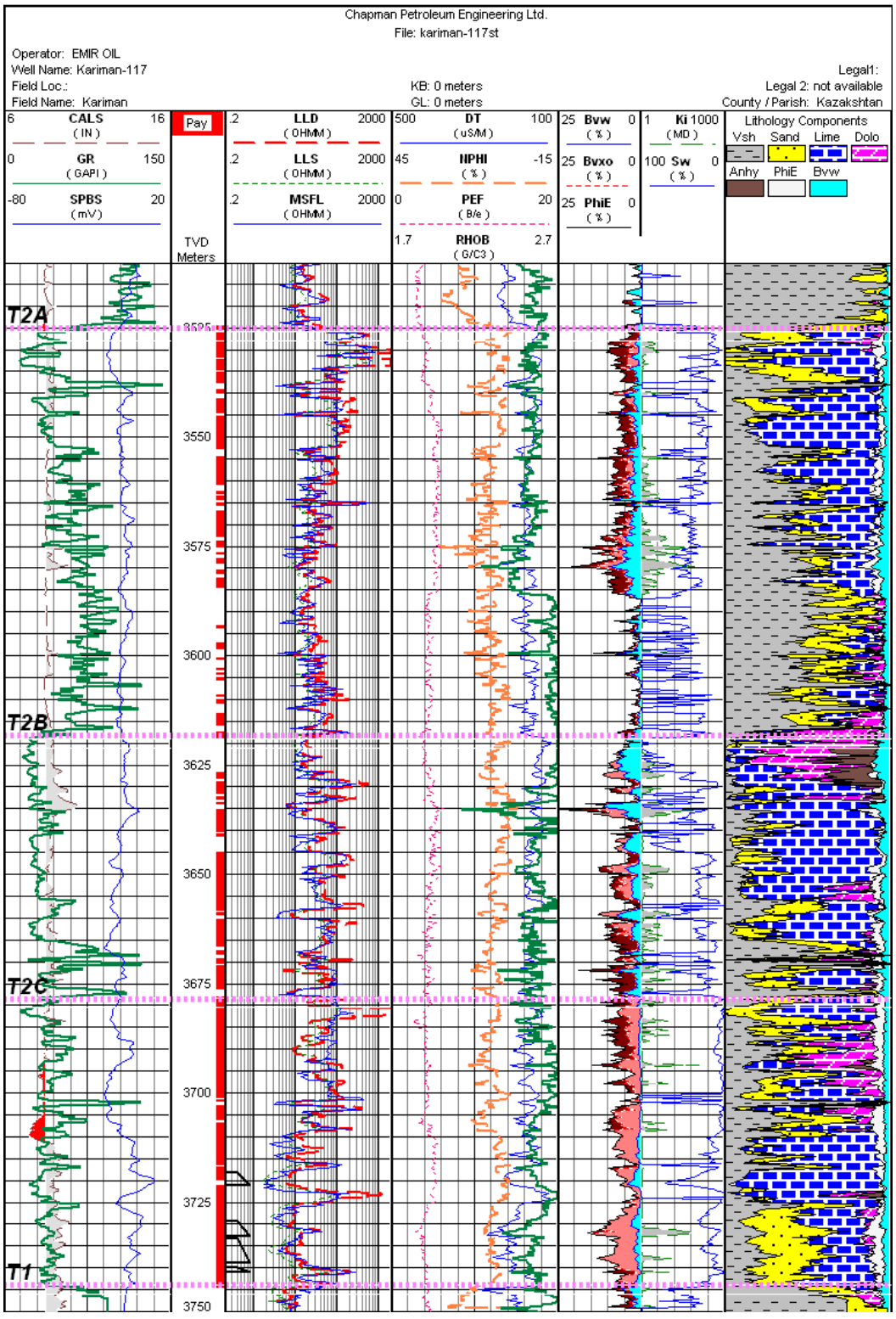
MIE HOLDINGS CORPORATION

ADEK BLOCK
OIL WELL LOG ANALYSIS
MANGISTAU OBLAST, KAZAKHSTAN
KARIMAN 116
MIDDLE TRIASSIC T2

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

184

Chapman Petroleum Engineering Ltd.



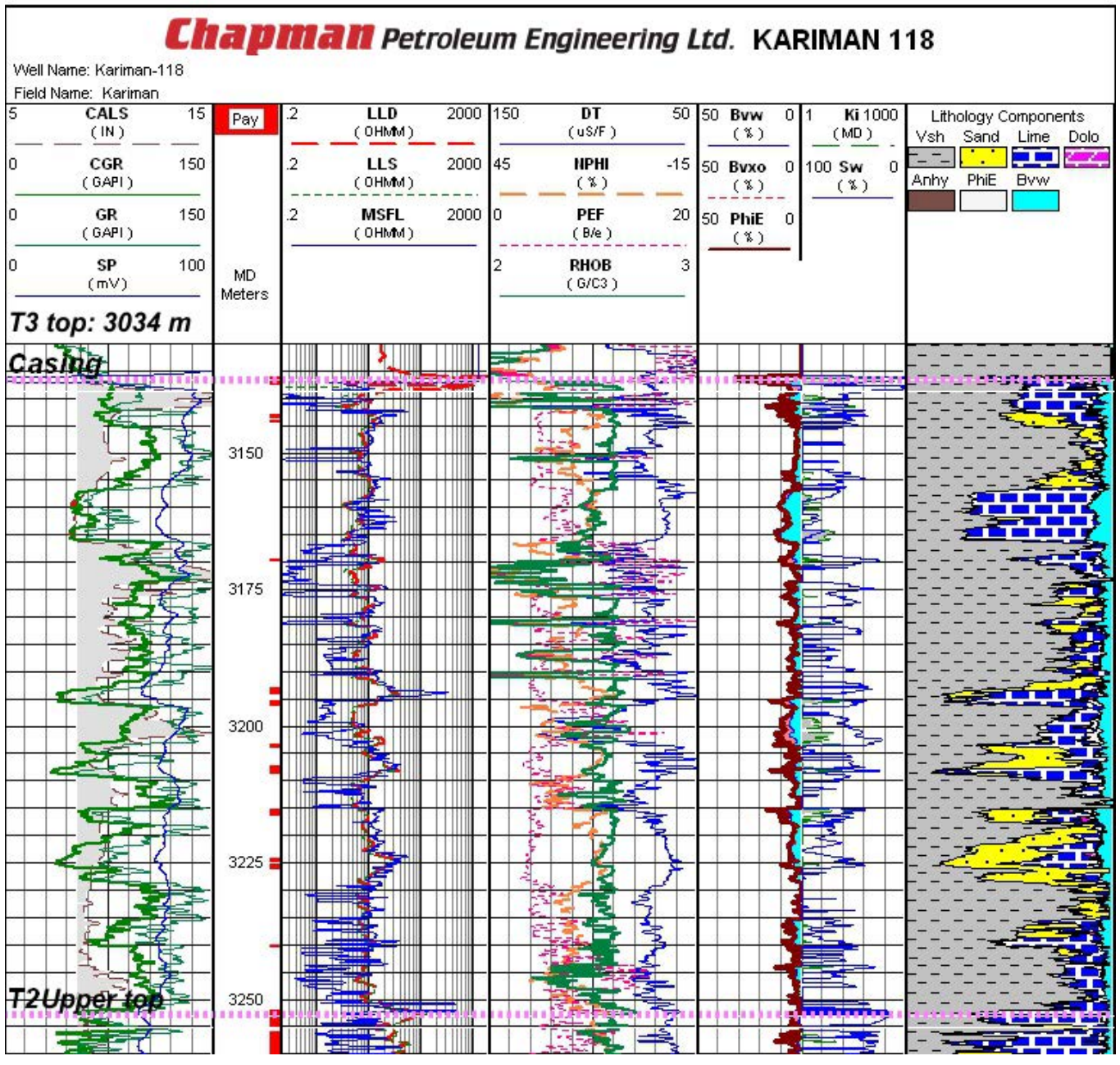
MIE HOLDINGS CORPORATION

ADEK BLOCK
OIL WELL LOG ANALYSIS
MANGISTAU OBLAST, KAZAKHSTAN
KARIMAN 117
MIDDLE TRIASSIC T2

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

185

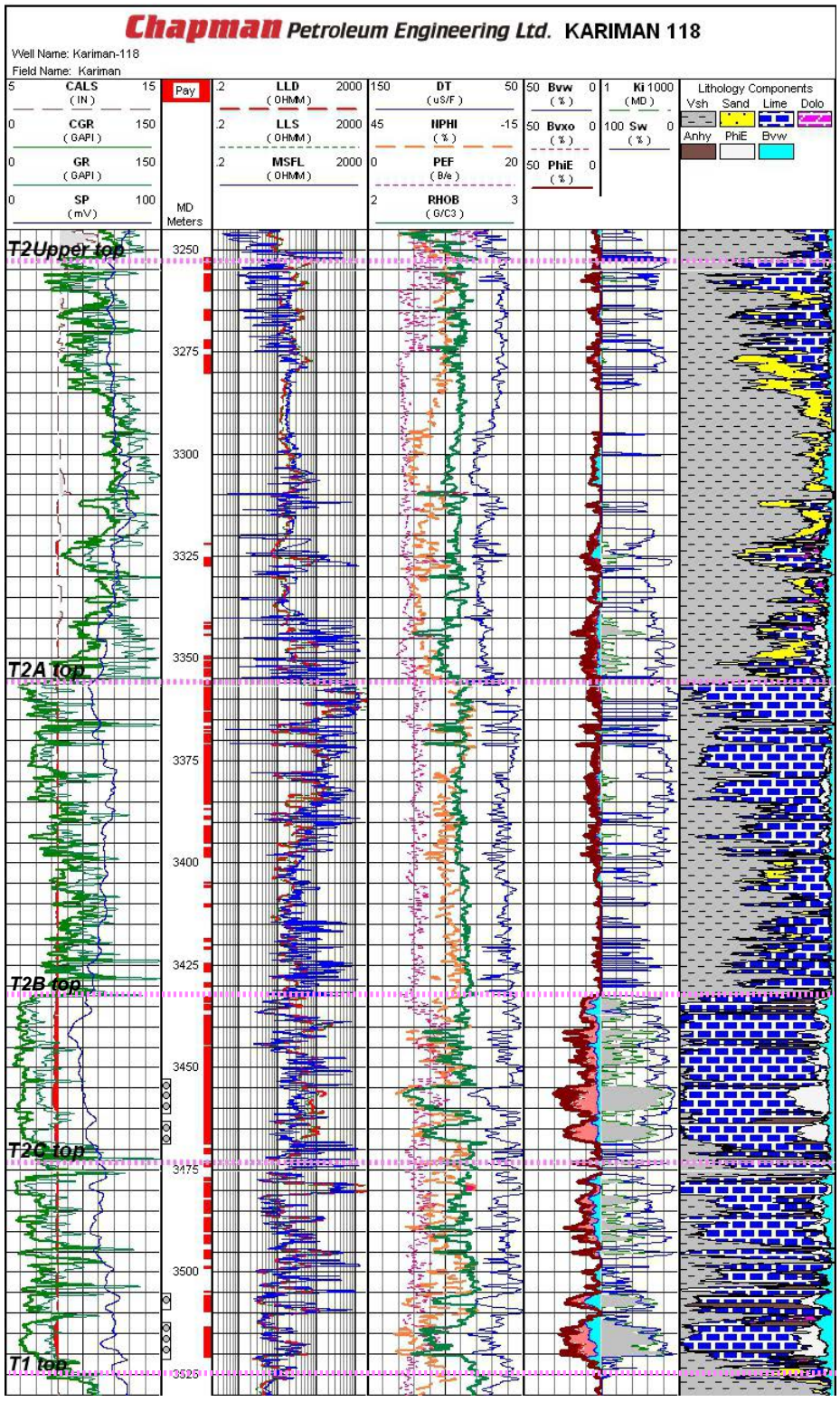
Chapman Petroleum Engineering Ltd.



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

186

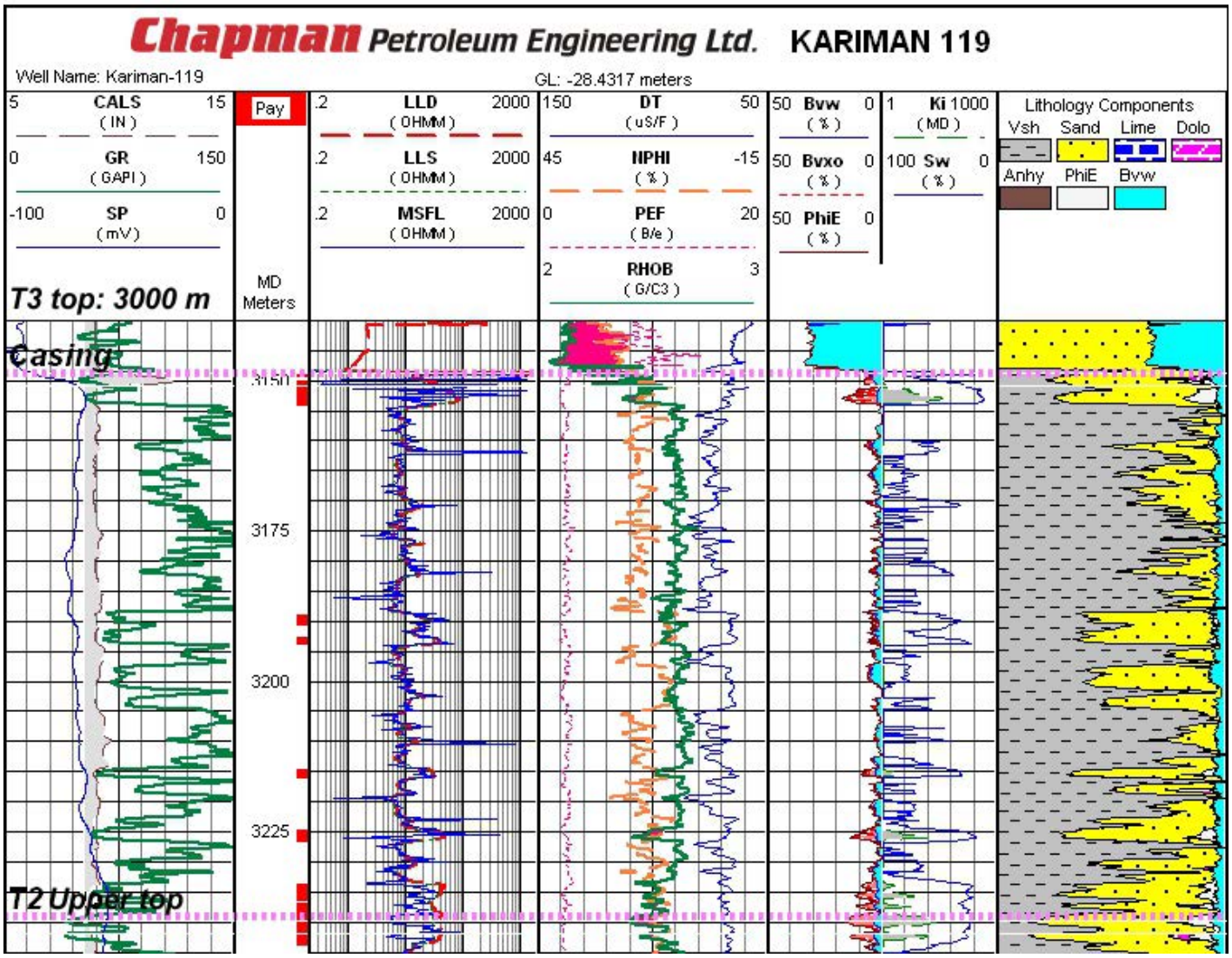
Chapman Petroleum Engineering Ltd.



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

187

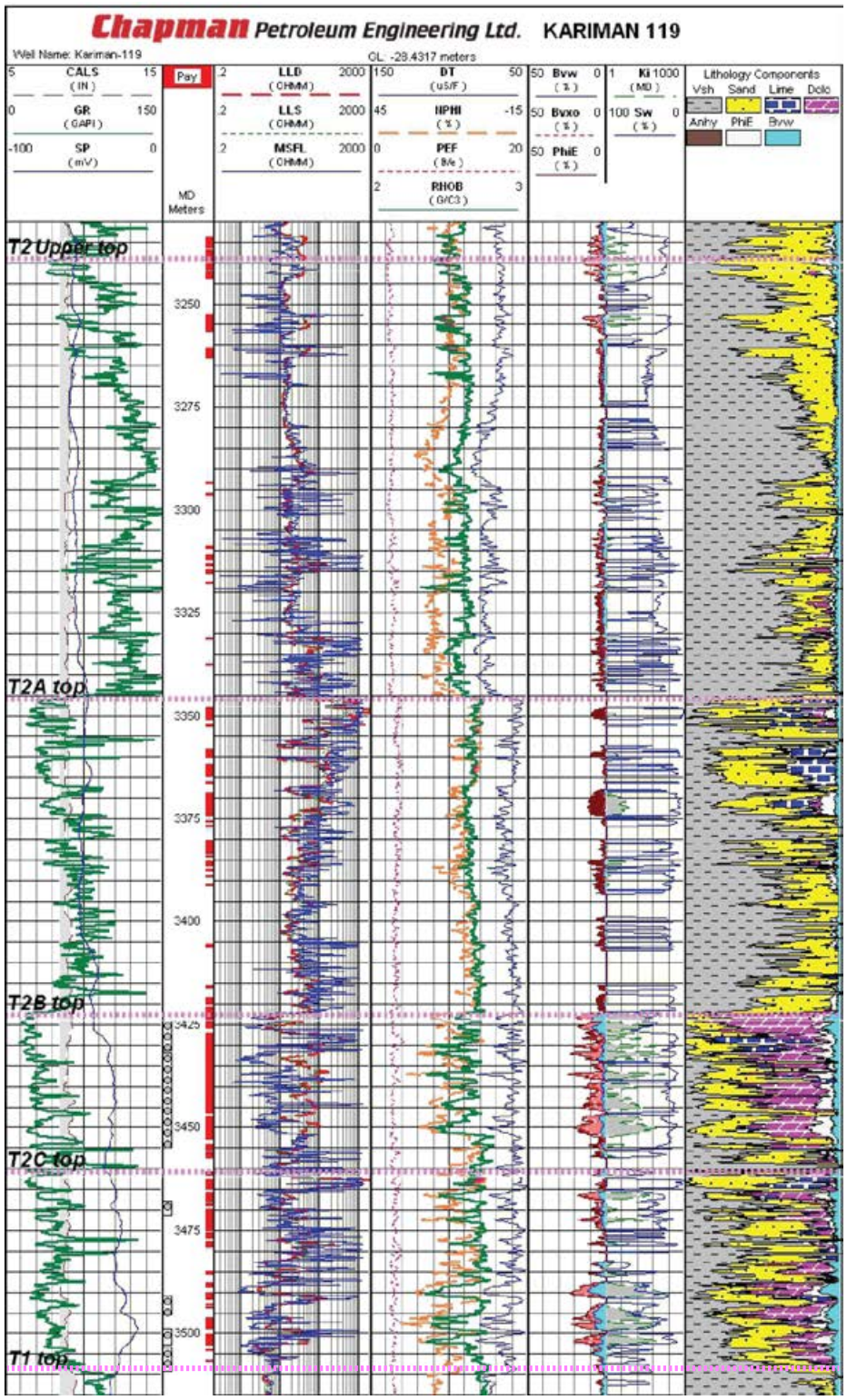
Chapman Petroleum Engineering Ltd.



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

188

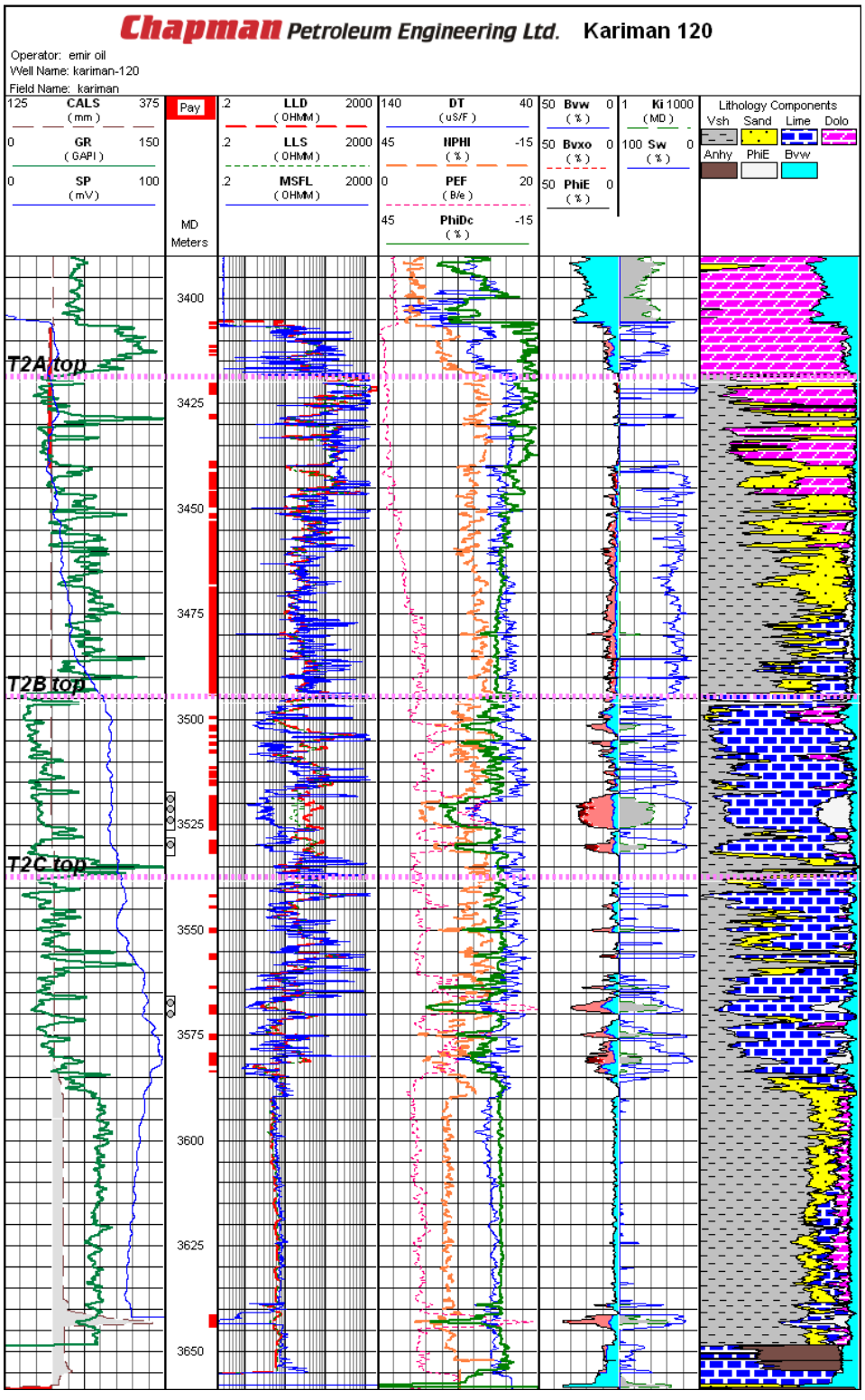
Chapman Petroleum Engineering Ltd.



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

189

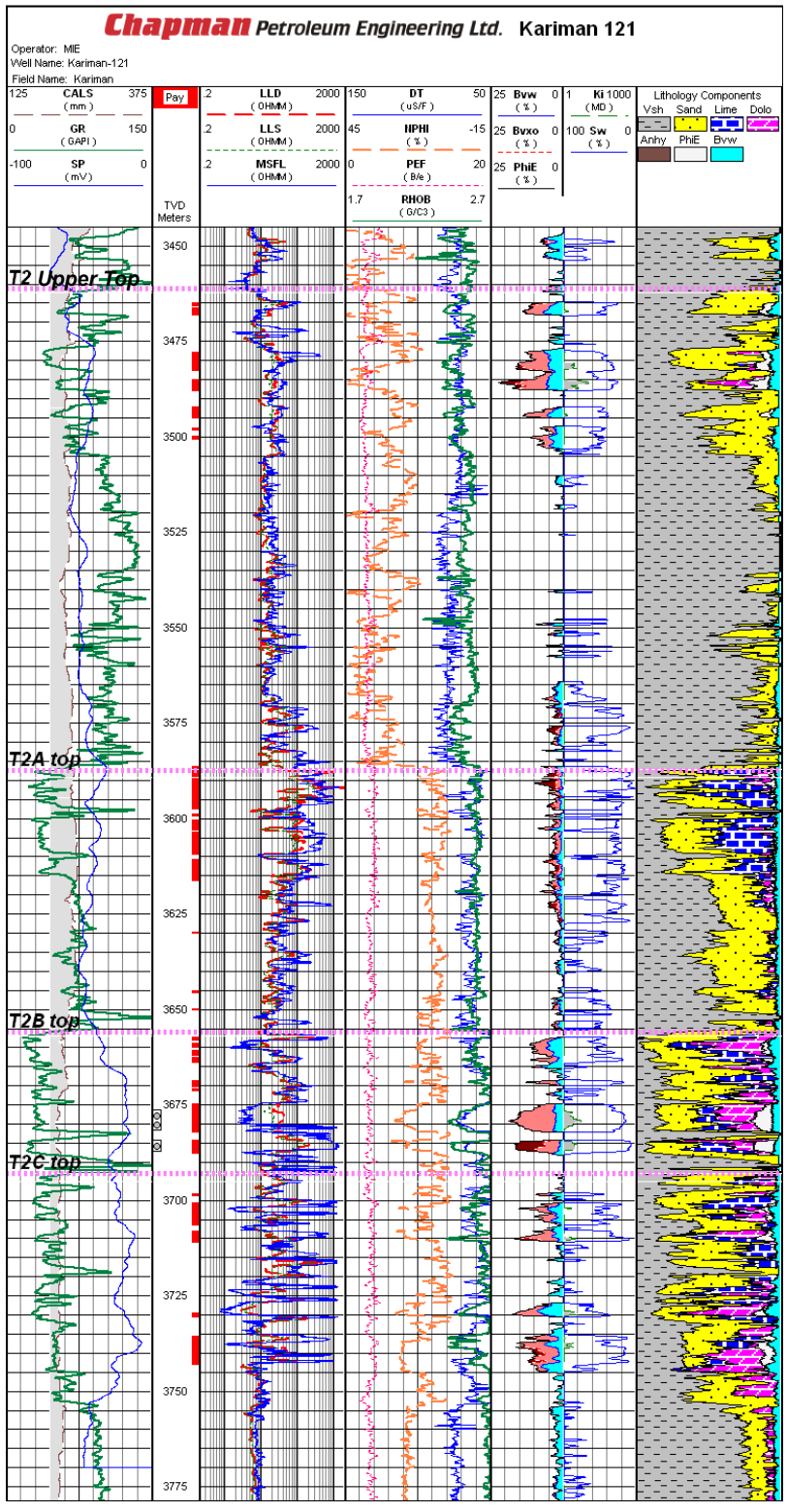
Chapman Petroleum Engineering Ltd.



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

190

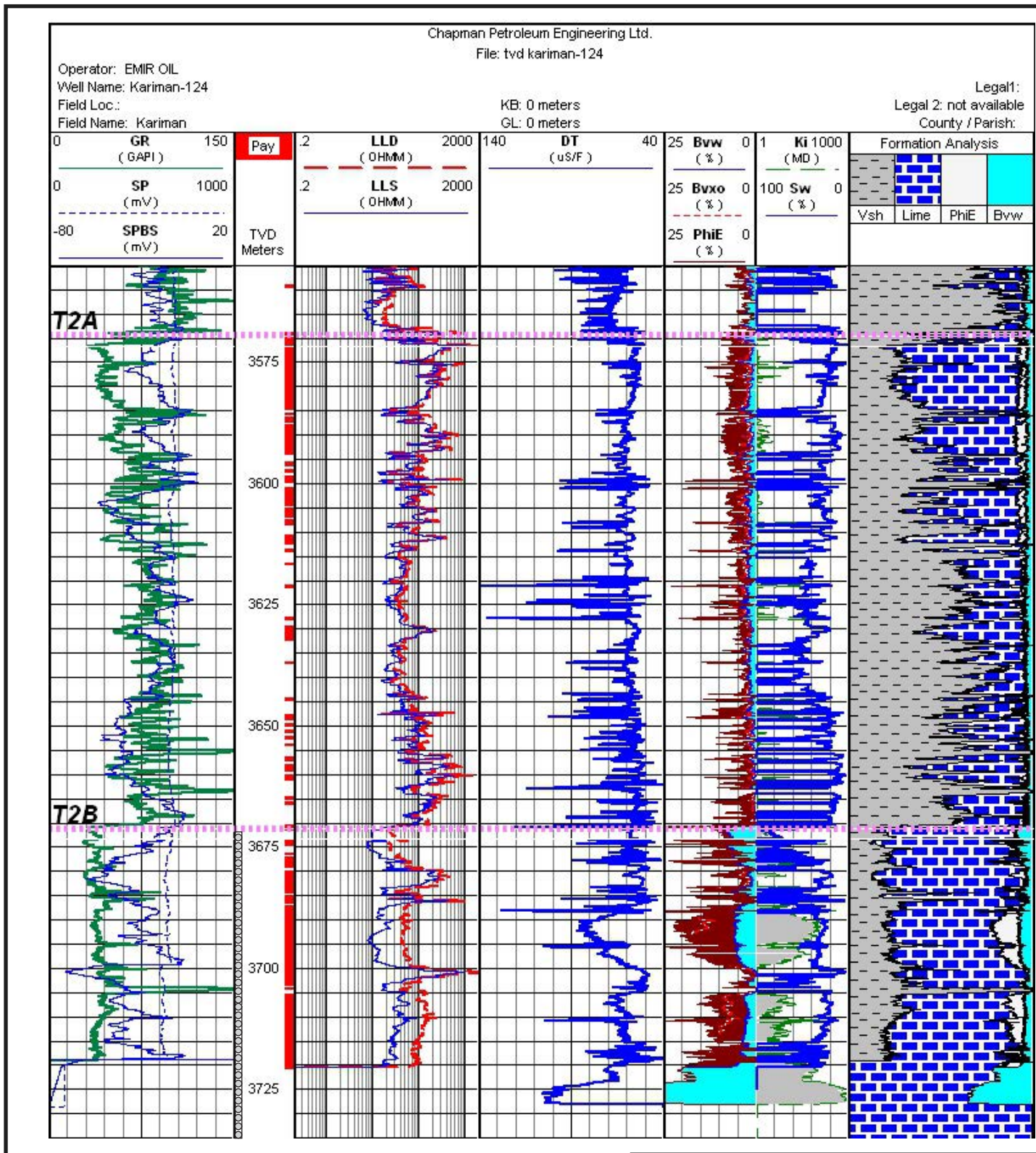
Chapman Petroleum Engineering Ltd.



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

191

Chapman Petroleum Engineering Ltd.



MIE HOLDINGS CORPORATION
ADEK BLOCK OIL WELL LOG ANALYSIS MANGISTAU OBLAST, KAZAKHSTAN KARIMAN 124 MIDDLE TRIASSIC T2
JAN. 2016 JOB No. 6144 FIGURE No. 2ae

192

Chapman Petroleum Engineering Ltd.

Table 2

Summary of Gross Reserves
January 1, 2016

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	187	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 3l, Table 2k
Kariman-116	Middle Triassic T2C	164		36	513	105	407	407	Decline - Figure 3n, Table 2l
	Total Proved Develop Producing	**2,164**			**7,332**	**2,848**	**4,485**	**4,466**	
Proved Developed Non-Producing									
Kariman-1ST2	Upper Triassic T3 & Middle Triassic T2B & 2TC	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**			**17,952**	**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**	

continued...

Table 2

Summary of Gross Reserves
January 1, 2016

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 & 2TC	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	569	0	569	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	643	0	643	643	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-6	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 2be, 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**			**4,858**	**0**	**4,858**	**4,858**	
	Total Probable	**11,910**			**29,435**	**0**	**29,435**	**29,983**	
	Total Proved Plus Probable	**22,179**			**57,543**	**7,460**	**50,083**	**50,083**	
Possible									
Kariman-117	Middle Triassic T2A, T2B & T2C	300	(incr.)	36	561	0	561	561	Tables 2cg, 2ch & 2ci
Kariman-113	Middle Triassic T2 Upper	150		36	285	0	285	285	Table 2dd
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**	**51,771**	**51,771**	

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

Table 2 Cont.

Summary of Gross Reserves
January 1, 2016

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
SOLUTION GAS							
Proved							
Proved Developed Producing							
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-116	Middle Triassic T2C	246	51	195	182	182	GOR=480 scf/STB
	Total Proved Develop Producing	**3,185**	**1,211**	**1,974**	**1,836**	**1,827**	
Proved Developed Non-Producing							
Kariman-1ST2	Upper Triassic T3 & Middle Triassic T2B & 2TC	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	288	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	365	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	488	GOR=492 scf/STB
Kariman-124	Middle Triassic T2B	653	50	803	747	669	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**	**7,885**	**7,128**	**6,910**	
Proved Undeveloped							
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**	
Probable							
Probable Developed Producing							
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	6	6	GOR=480 scf/STB
	Total Probable Developed Producing	**1,242**	**0**	**1,242**	**1,155**	**1,183**	

Table 2 Cont.

Summary of Gross Reserves
January 1, 2016

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 & 2TC	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	288	0	288	266	266	GOR=554 scf/STB
Kariman-6ST3	Upper Triassic T3 & Middle Triassic T2 Upper	177	0	177	164	190	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	168	0	168	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=438 scf/STB
Kariman-123	Middle Triassic T2 Upper, T2B & T2C	281	0	281	261	297	GOR=492 scf/STB
Kariman-124	Middle Triassic T2B	429	0	429	399	477	GOR=528 scf/STB
Kariman-1ST2	Middle Triassic T2 Upper & T2A	146	0	146	135	135	GOR=262 scf/STB
Kariman-2	Middle Triassic T2A	95	0	95	88	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=554 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	688	0	688	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=492 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	288	0	288	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	**1,985**	**0**	**1,985**	**1,846**	**1,846**	
	Total Probable	**12,212**	**0**	**12,212**	**11,357**	**11,575**	
	Total Proved Plus Probable	**24,042**	**2,954**	**21,088**	**19,812**	**19,812**	
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	**24,736**	**2,954**	**21,782**	**20,257**	**20,257**	

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

Figure 3a

PRODUCTION HISTORY

Karimman-1

Field: Karimman, Kazakhstan
Formation: Middle Triassic T2

Chapman Petroleum Engineering Ltd.

Calendar Year

* Number of Wells
° GOR, scf/STB x 10
+ Water Cut, % x0.1
- Daily Oil, STB/d

Figure 3b

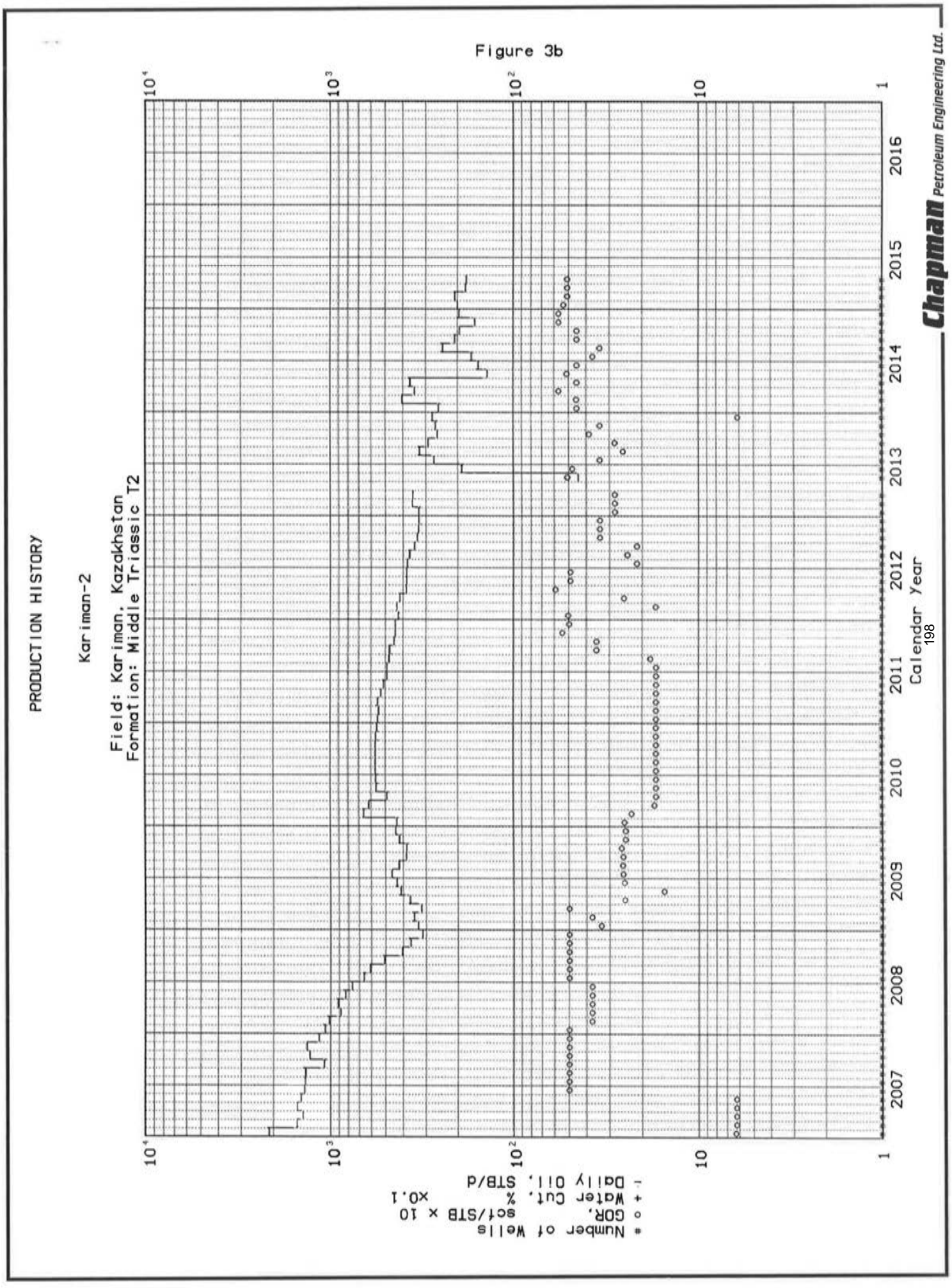

PRODUCTION HISTORY
Kariman-2
Field: Kariman, Kazakhstan
Formation: Middle Triassic T2
Chapman Petroleum Engineering Ltd.
Calendar Year
2007
2008
2009
2010
2011
2012
2013
2014
2015
2016
1
10
10²
10³
10⁴
* Number of Wells
○ GOR, scf/STB x 10
+ Water Cut, % x0.1
- Daily Oil, STB/d

Figure 3c

PRODUCTION HISTORY

Proved Developed Producing

Kariman-3

Field: Kariman, Kazakhstan
Formation: Middle Triassic T2

Chapman Petroleum Engineering Ltd.

Figure 3d

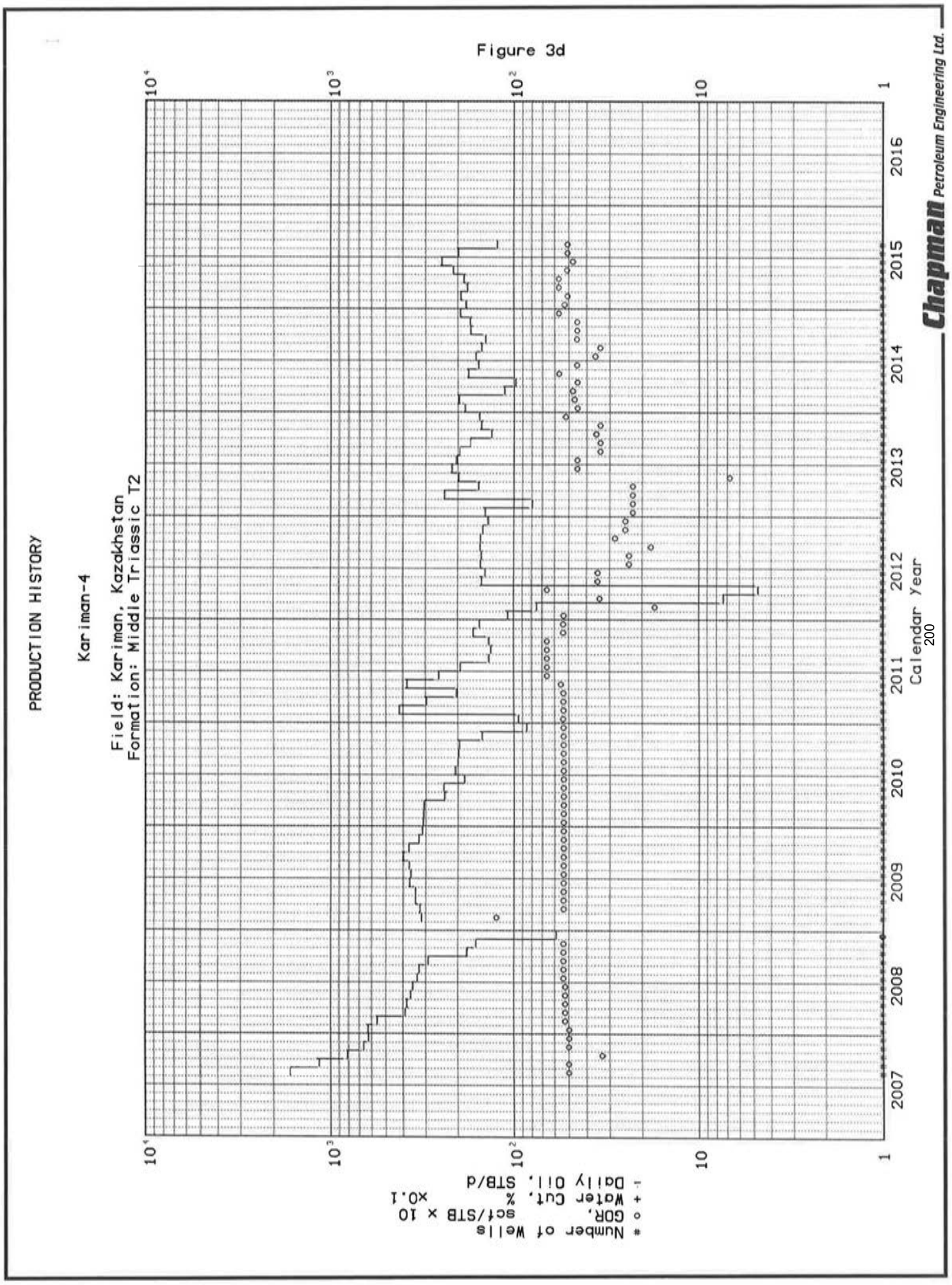

PRODUCTION HISTORY
Karimman-4
Field: Kariman, Kazakhstan
Formation: Middle Triassic T2
Chapman Petroleum Engineering Ltd.
Calendar Year
2007
2008
2009
2010
2011
2012
2013
2014
2015
2016
1
10
10²
10³
10⁴
* Number of Wells
° GOR, sct/STB x 10
+ Water Cut, % x0.1
- Daily Oil, STB/d

Figure 3e

PRODUCTION HISTORY

Proved Developed Producing

Karaman-5

Field: Karaman, Kazakhstan
Formation: Middle Triassic T2

Chapman Petroleum Engineering Ltd.

Calendar Year

2008 2009 2010 2011 2012 2013 2014 2015 2016 2017

10^3 10^2 10 1

Number of Wells
° GOR, scf/STB x 10
+ Water Cut, % x0.1
- Daily Oil, STB/d

Figure 3f

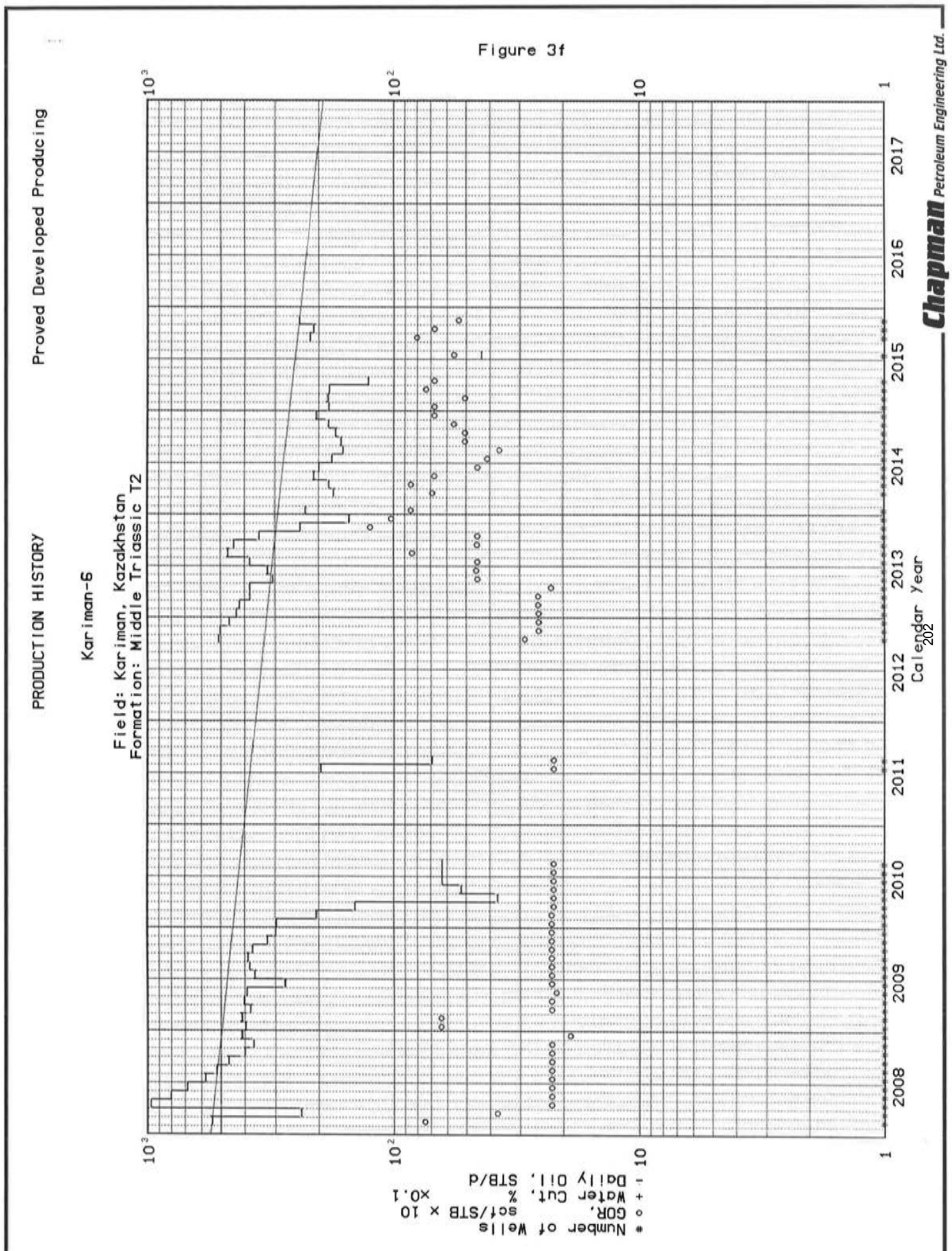

PRODUCTION HISTORY
Proved Developed Producing
Kariman-6
Field: Kariman, Kazakhstan
Formation: Middle Triassic T2
Chapman Petroleum Engineering Ltd.
Calendar Year
2008
2009
2010
2011
2012
2013
2014
2015
2016
2017
1
10
10²
10³
Number of Wells
° GOR, scf/STB x 10
+ Water Cut, % x0.1
- Daily Oil, STB/d

Figure 3g

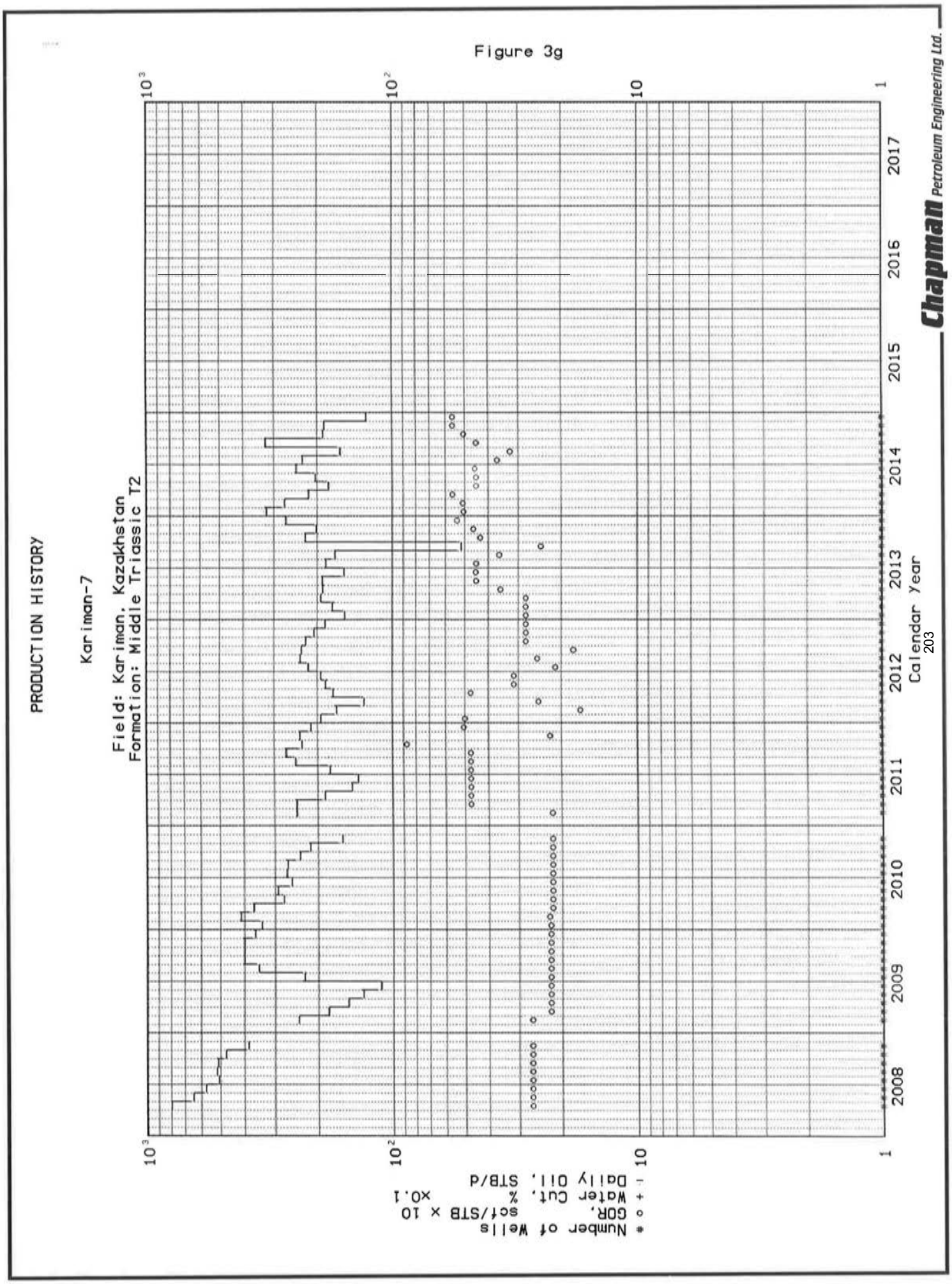

PRODUCTION HISTORY
Karimen-7
Field: Karimen, Kazakhstan
Formation: Middle Triassic T2
Chapman Petroleum Engineering Ltd.
10³
10²
10
1
2008
2009
2010
2011
2012
2013
2014
2015
2016
2017
Calendar Year
Number of Wells
° GOR, sc†/STB x 10
+ Water Cut, % x0.1
- Daily Oil, STB/d

Figure 3h

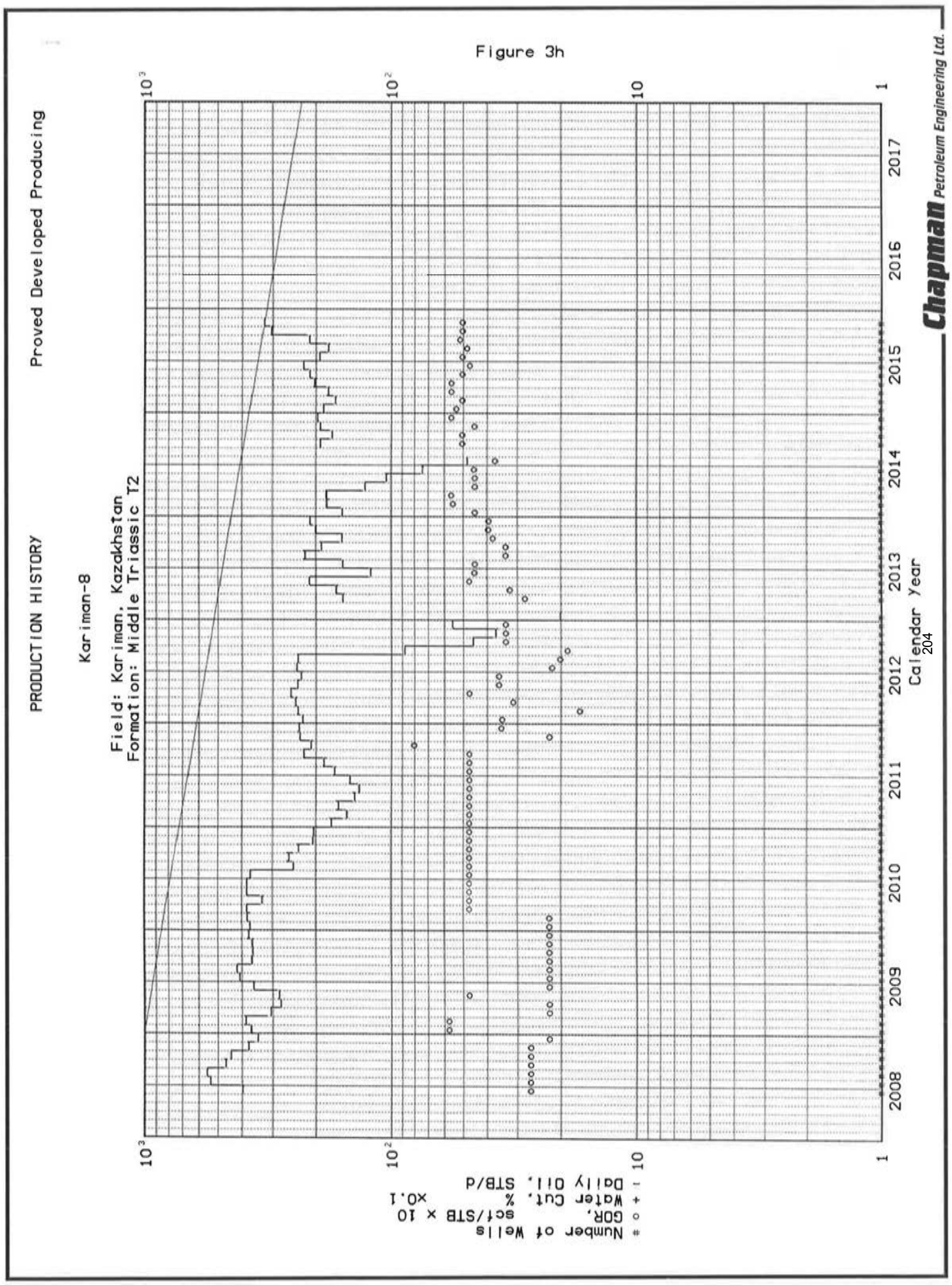

PRODUCTION HISTORY
Proved Developed Producing
Kariman-8
Field: Kariman, Kazakhstan
Formation: Middle Triassic T2
Chapman Petroleum Engineering Ltd.
Calendar Year
2008
2009
2010
2011
2012
2013
2014
2015
2016
2017
1
10
10^2
10^3
Number of Wells
° GOR, scf/STB x 10
+ Water Cut, % x0.1
- Daily Oil, STB/d

Figure 3i

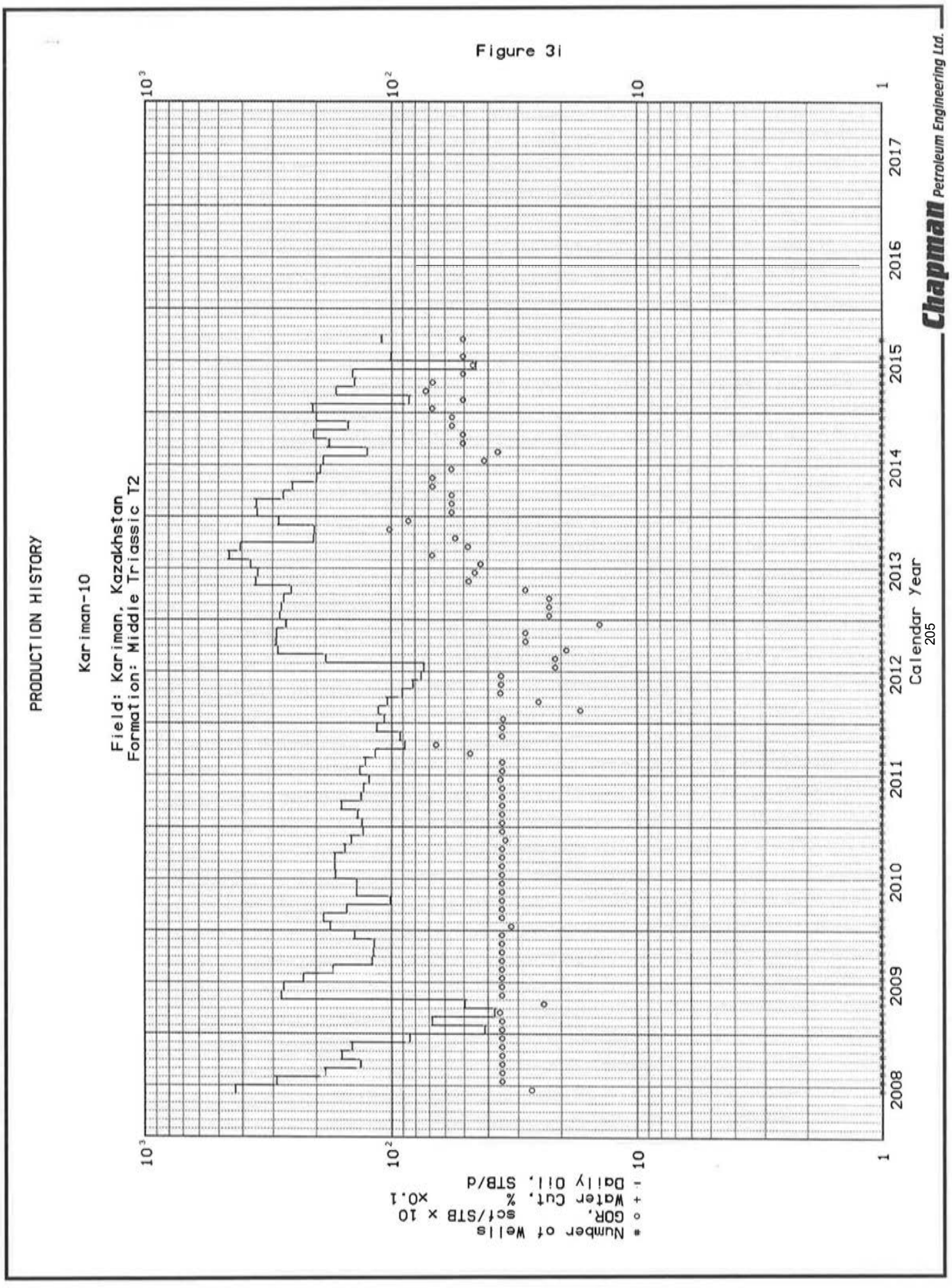
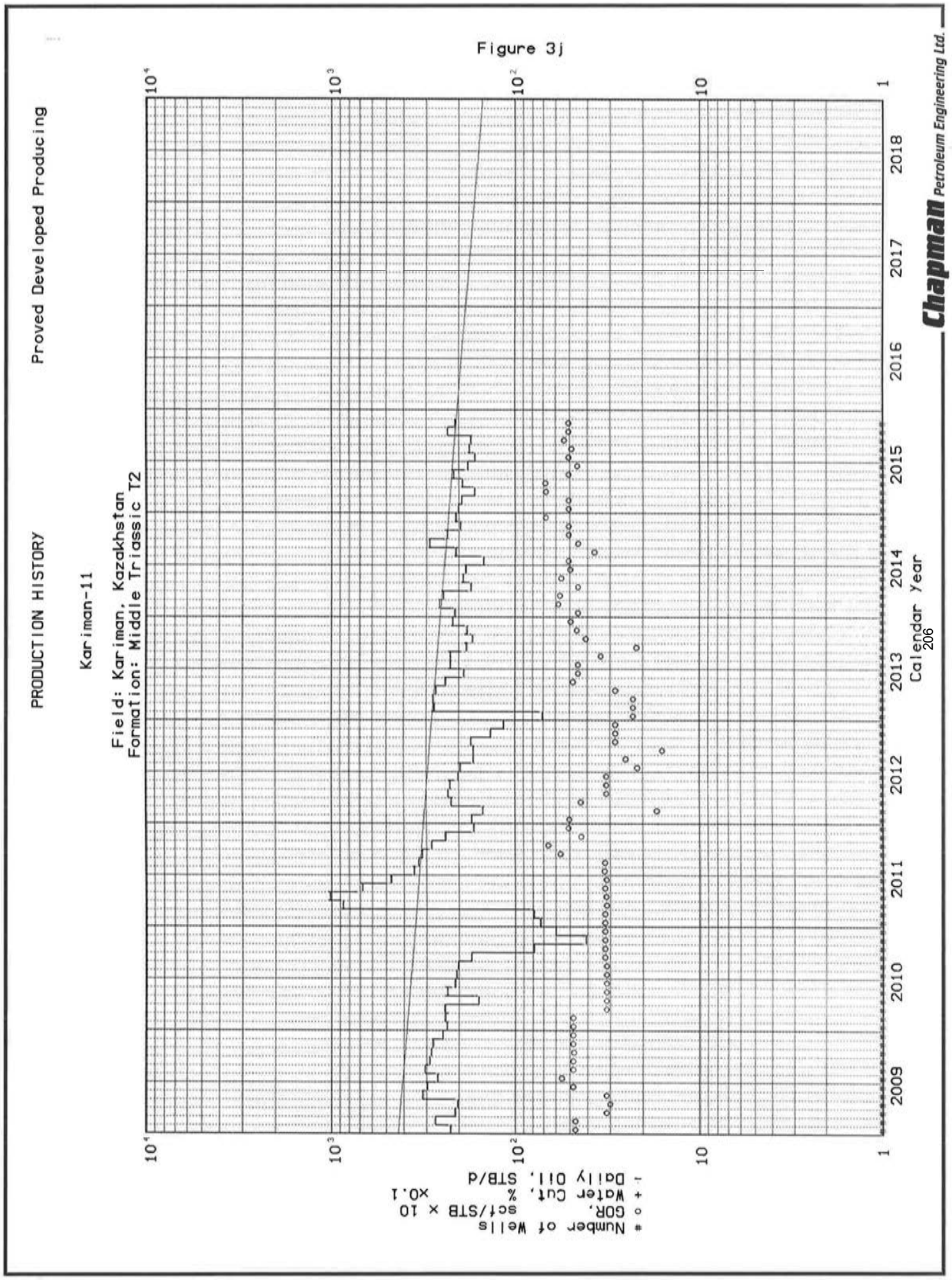

PRODUCTION HISTORY
Kariman-10
Field: Kariman, Kazakhstan
Formation: Middle Triassic T2
* Number of Wells
o GOR, sc1/STB x 10
+ Water Cut, % x0.1
- Daily Oil, STB/d
10³
10²
10
1
2008
2009
2010
2011
2012
2013
2014
2015
2016
2017
Calendar Year
Chapman Petroleum Engineering Ltd.

Figure 3j


PRODUCTION HISTORY
Proved Developed Producing
Kariman-11
Field: Kariman, Kazakhstan
Formation: Middle Triassic T2
Daily Oil, STB/d
Water Cut, %
GOR, scf/STB x 10
Number of Wells
x0.1
Calendar Year
Chapman Petroleum Engineering Ltd.

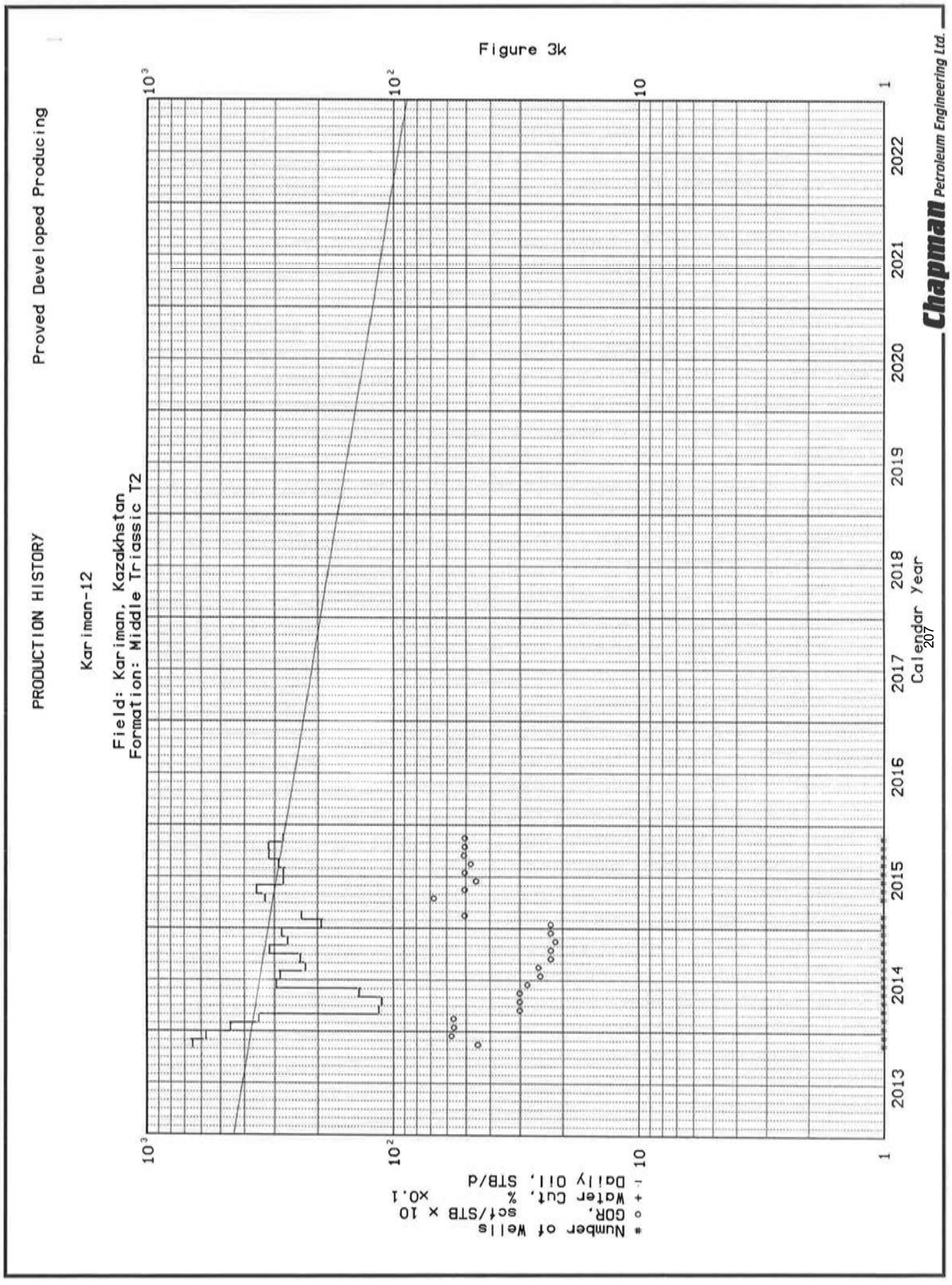

Figure 3k
PRODUCTION HISTORY
Proved Developed Producing
Karimán-12
Field: Kariman, Kazakhstan
Formation: Middle Triassic T2
Chapman Petroleum Engineering Ltd.
Calendar Year
2013
2014
2015
2016
2017
2018
2019
2020
2021
2022
1
10
10²
10³
Number of Wells
° GOR, sc†/STB x 10
+ Water Cut, % x0.1
- Daily Oil, STB/d

Figure 31

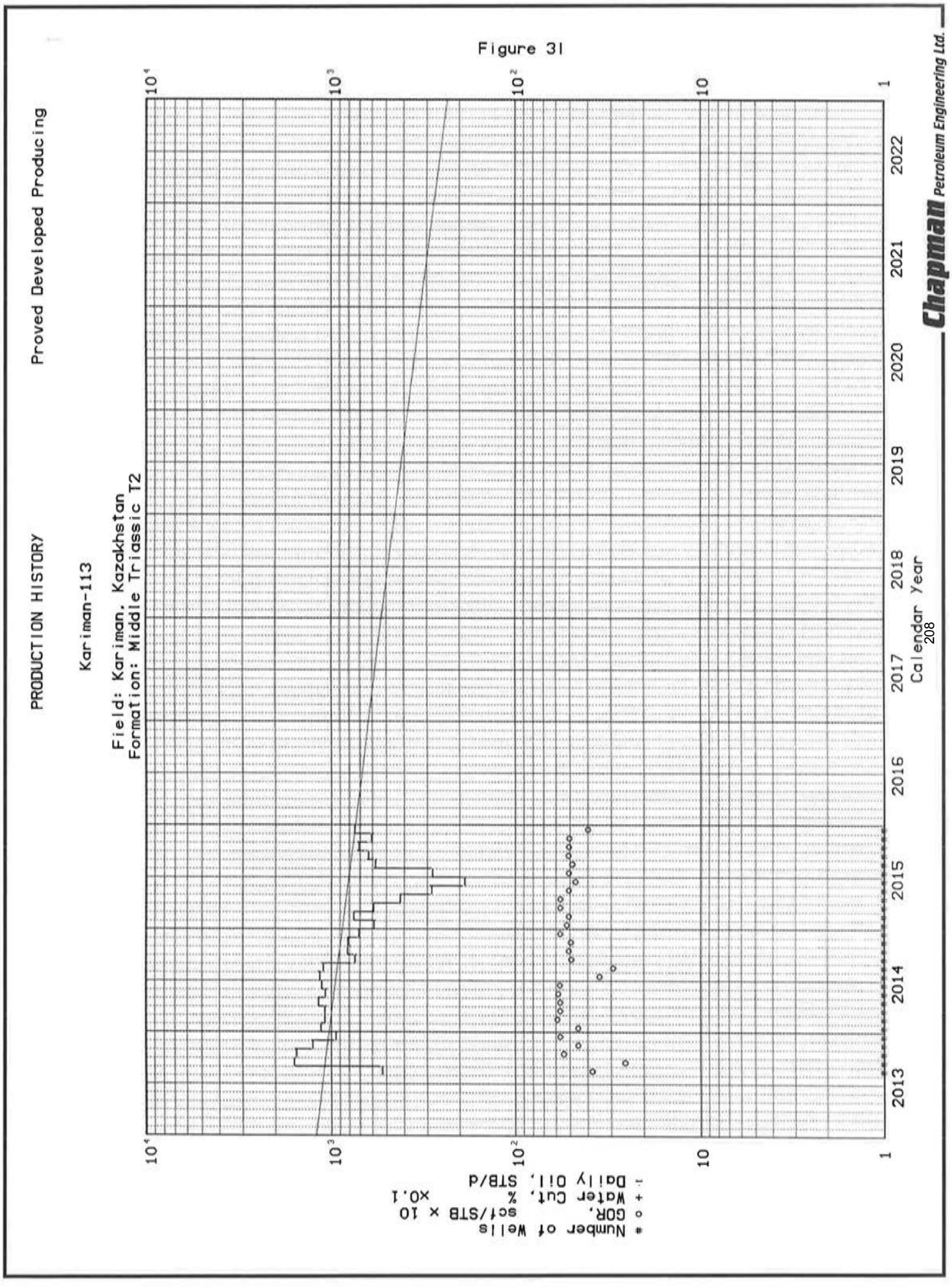

PRODUCTION HISTORY
Proved Developed Producing
Kariman-113
Field: Kariman, Kazakhstan
Formation: Middle Triassic T2
Chapman Petroleum Engineering Ltd.
Calendar Year
2013
2014
2015
2016
2017
2018
2019
2020
2021
2022
1
10
10²
10³
10⁴
Number of Wells
○ GOR, scf/STB x 10
+ Water Cut, % x0.1
- Daily Oil, STB/d

Figure 3m

PRODUCTION HISTORY

Karimen-114

Field: Karimen, Kazakhstan
Formation: Middle Triassic T2

Chapman Petroleum Engineering Ltd.

Calendar Year

2013 2014 2015 2016 2017 2018 2019 2020 2021 2022

10^3 10^2 10 1

Number of Wells
° GOR, scf/STB × 10
+ Water Cut, % x0.1
· Daily Oil, STB/d

Figure 3n

PRODUCTION HISTORY Proved Developed Producing

Kariman-116

Field: Kariman, Kazakhstan
Formation: Middle Triassic T2

* Number of Wells
o GOR, scf/STB x 10
+ Water Cut, % x0.1
- Daily Oil, STB/d

10^3 10^2 10 1

2013 2014 2015 2016 2017 2018 2019 2020 2021 2022

Calendar Year

Chapman Petroleum Engineering Ltd.

Figure 3o

PRODUCTION HISTORY

Karimen-117

Field: Karimen, Kazakhstan
Formation: Middle Triassic T2

Chapman Petroleum Engineering Ltd.

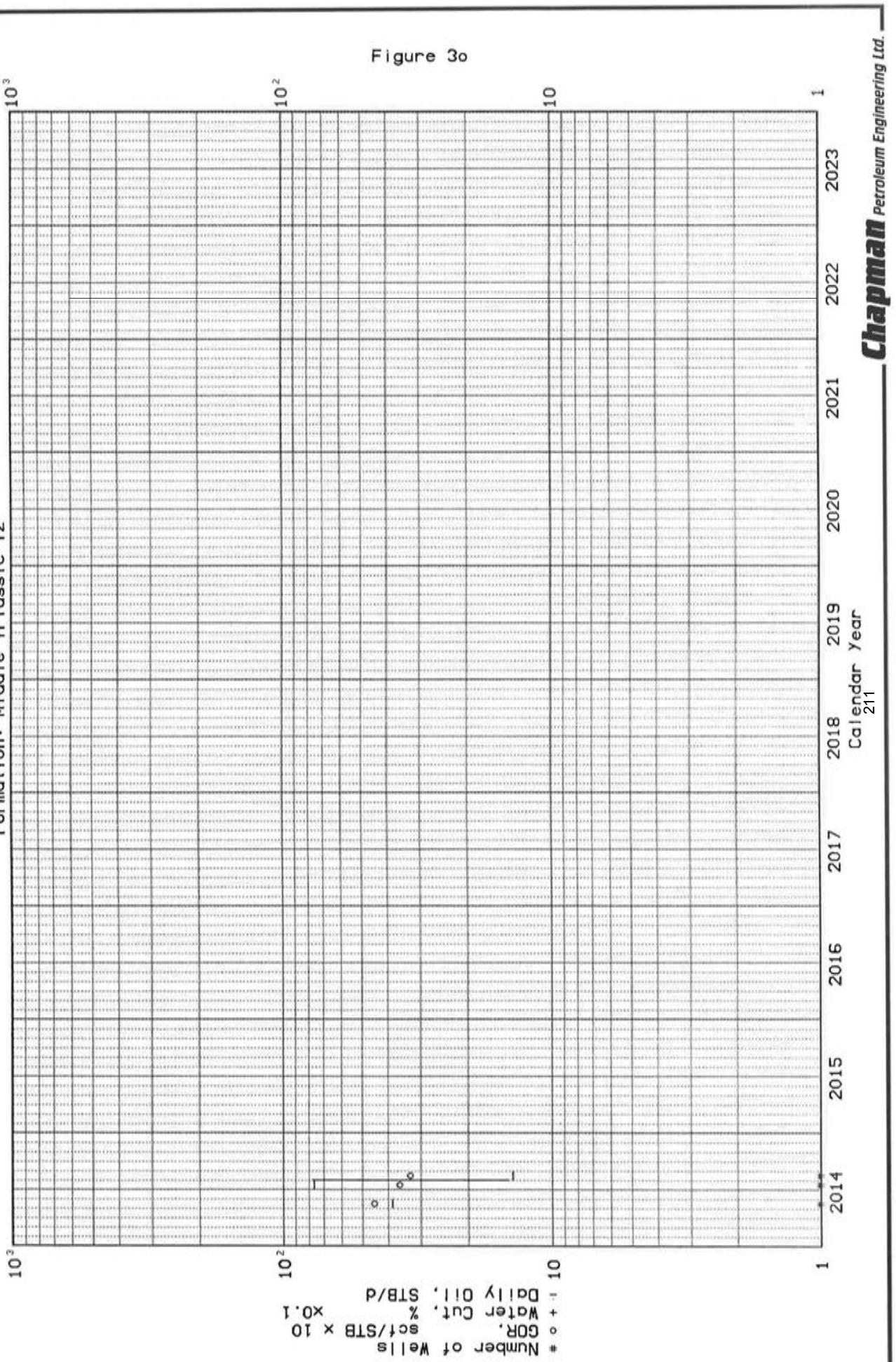


Figure 3p

PRODUCTION HISTORY

Karimov-118

Field: Karimov, Kazakhstan
Formation: Middle Triassic T2

Chapman Petroleum Engineering Ltd.

* Number of Wells
° GOR, scf/STB x 10
+ Water Cut, % x0.1
- Daily Oil, STB/d

Calendar Year

Figure 3q

PRODUCTION HISTORY

Karaman-119

Field: Karaman, Kazakhstan
Formation: Middle Triassic T2

Chapman Petroleum Engineering Ltd.

Calendar Year

2012 2013 2014 2015 2016 2017 2018 2019 2020 2021

10^3 10^2 10 1

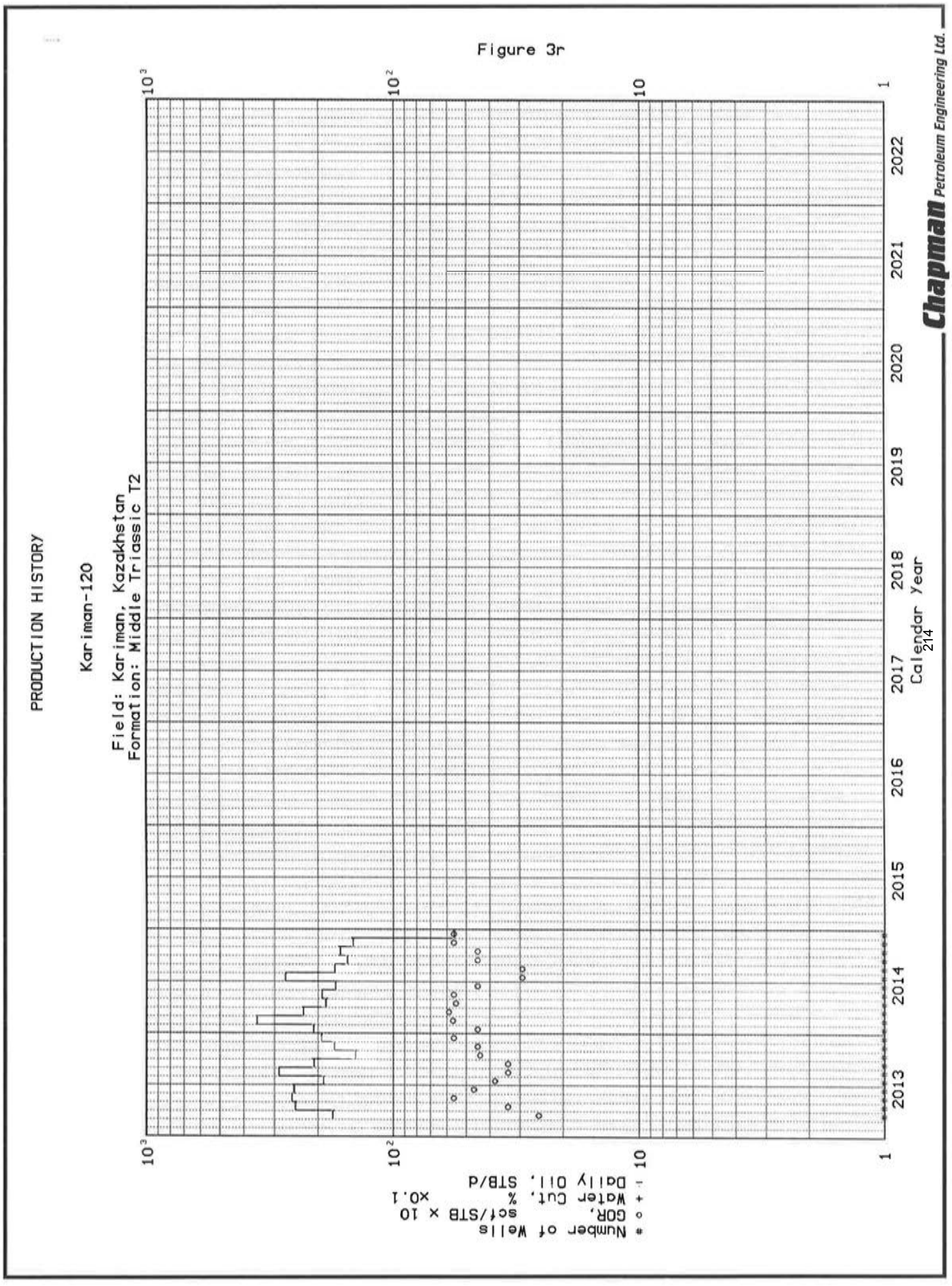
Number of Wells
° GOR, sc†/STB x 10
+ Water Cut, % x0.1
- Daily Oil, STB/d

Figure 3r

PRODUCTION HISTORY

Kariman-120

Field: Kariman, Kazakhstan
Formation: Middle Triassic T2



Chapman Petroleum Engineering Ltd.

Figure 3s

PRODUCTION HISTORY

Kariman-121

Field: Kariman, Kazakhstan
Formation: Middle Triassic T2

Chapman Petroleum Engineering Ltd.

Calendar Year

* Number of Wells
o GOR, scf/STB x 10
+ Water Cut, % x0.1
- Daily Oil, STB/d

Figure 3t

PRODUCTION HISTORY

Kariman-124

Field: Kariman, Kazakhstan
Formation: Middle Triassic T2

* Number of Wells
o GOR, scf/STB x 10
+ Water Cut, % x0.1
- Daily Oil, STB/d

10^3 10^2 10 1

2014 2015 2016 2017 2018 2019 2020 2021 2022 2023

Calendar Year

Chapman Petroleum Engineering Ltd.

Figure 3u

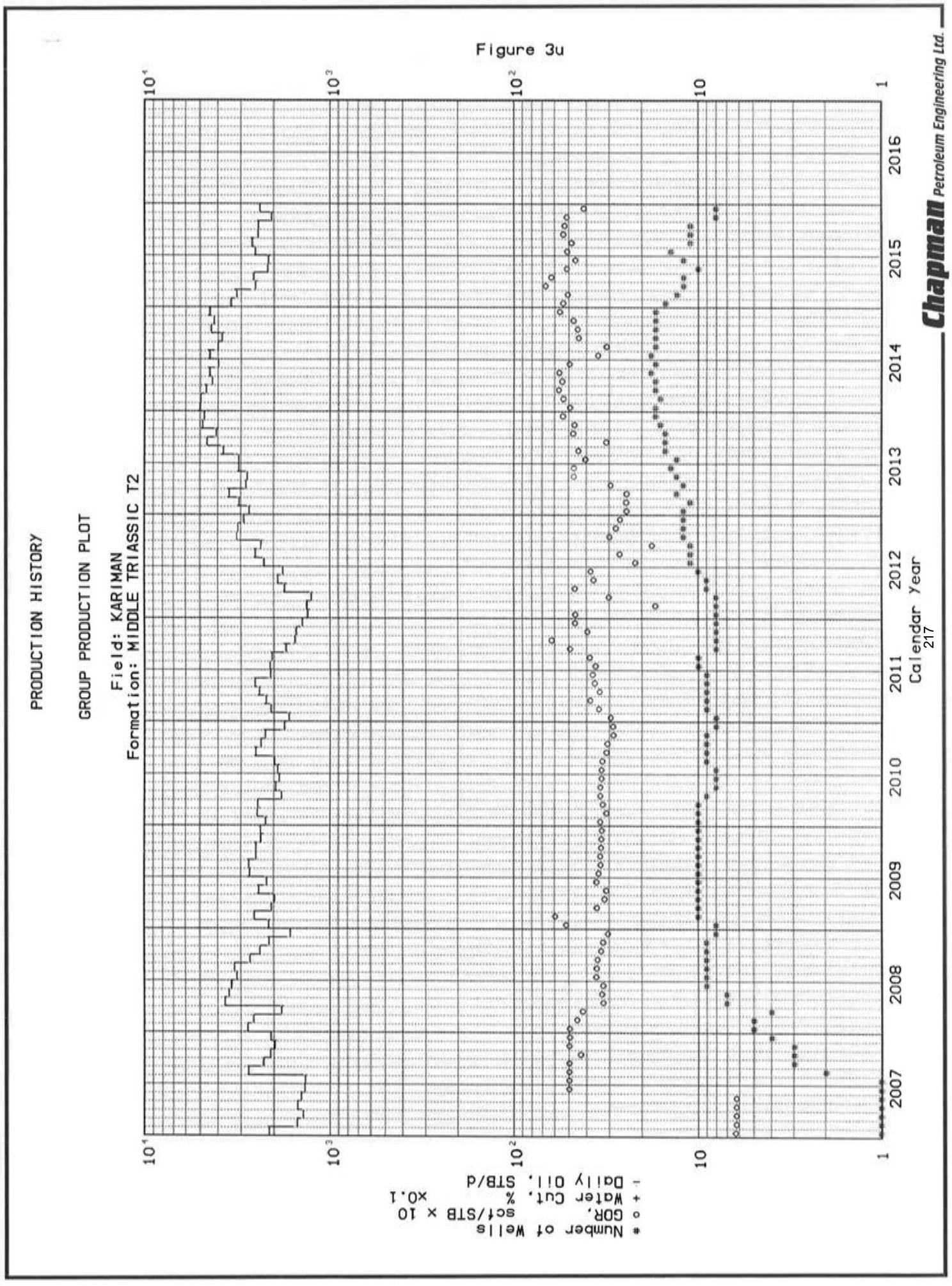

PRODUCTION HISTORY
GROUP PRODUCTION PLOT
Field: KARIMAN
Formation: MIDDLE TRIASSIC T2
Chapman Petroleum Engineering Ltd.
Calendar Year
2007
2008
2009
2010
2011
2012
2013
2014
2015
2016
1
10
10²
10³
10⁴
* Number of Wells
° GOR, scf/STB x 10
+ Water Cut, % x0.1
- Daily Oil, STB/d

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	6,500	6,500
Location 2	2018	Drill, Complete and Tie-in Well	100.0000	6,500	6,500
Location 3	2019	Drill, Complete and Tie-in Well	100.0000	6,500	6,500
		Total Proved Undeveloped		19,900	19,900
		Total Proved		27,500	27,500
Probable					
Probable Developed Producing					
Pipeline and Central Processing Facility	2018	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	2026	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	2026	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	2037	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	6,500	6,500
Location 6	2021	Drill, Complete and Tie-in Well	100.0000	6,500	6,500
Location 8	2022	Drill, Complete and Tie-in Well	100.0000	6,500	6,500
		Total Probable Undeveloped		22,300	22,300
		Total Probable		68,062	68,062
		Total Proved Plus Probable		95,562	95,562
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		97,562	97,562

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
Karlman, Kazakhstan

			Net To Appraised Interest										
			Reserves						Cumulative Cash Flow (BT) - M$				
			Light and Medium Oil MSTB		Sales Gas MMscf		NGL Mbbls		Discounted at:				
Description			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**	**307,956**	**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**	**31,459**	**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	198,682	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**	**414,612**	**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**	**1,846**	**1,846**	**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

Karlman, Kazakhstan

	Net To Appraised Interest										
	Oil MSTB		Sales Gas MMscf		BOE Mbbls		Cumulative Cash Flow - M$ Discounted at:				
Description	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	-	-	-	-	-	-	(12,651)	(9,486)	(7,391)	(5,940)	(4,894)
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	-	-	-	-	-	-	(93,185)	(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	-	-	-	-	-	-	(13,638)	(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)	(47,063)	(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.

ADEK BLOCK (LICENCE AREA)
REPUBLIC OF KAZAKHSTAN
EXPLORATION AREA
INDEX

Discussion

Borly Field
North Kariman Field
Yessen Field

Economic Analysis

ADEK BLOCK (LICENCE AREA)
REPUBLIC OF KAZAKHSTAN
BORLY FIELD
INDEX

Discussion

Property Description
Geology
Petrophysical Data and Analysis
Reserves
Production
Product Prices
Capital Expenditures
Operating Costs
Tax
Economics

Attachments

Table 1: Schedule of Lands, Interests and Royalty Burdens

Figure 1: Field Map and Structure Top
a) Middle Triassic T2 Upper
b) Middle Triassic T2A
c) Middle Triassic T2B
d) Middle Triassic T2C
e) Lower Triassic T1

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)
d) Borly-2ST1, Middle Triassic T2C (Removed from this version)
e) Borly-2ST1, Lower Triassic T1 (Removed from this version)

Table 3: Summary of Anticipated Capital Expenditures
a) Development
b) Abandonment and Restoration

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 successful 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 %	Appraised Interest Royalty %	Royalty Burdens Basic %	Royalty Burdens 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

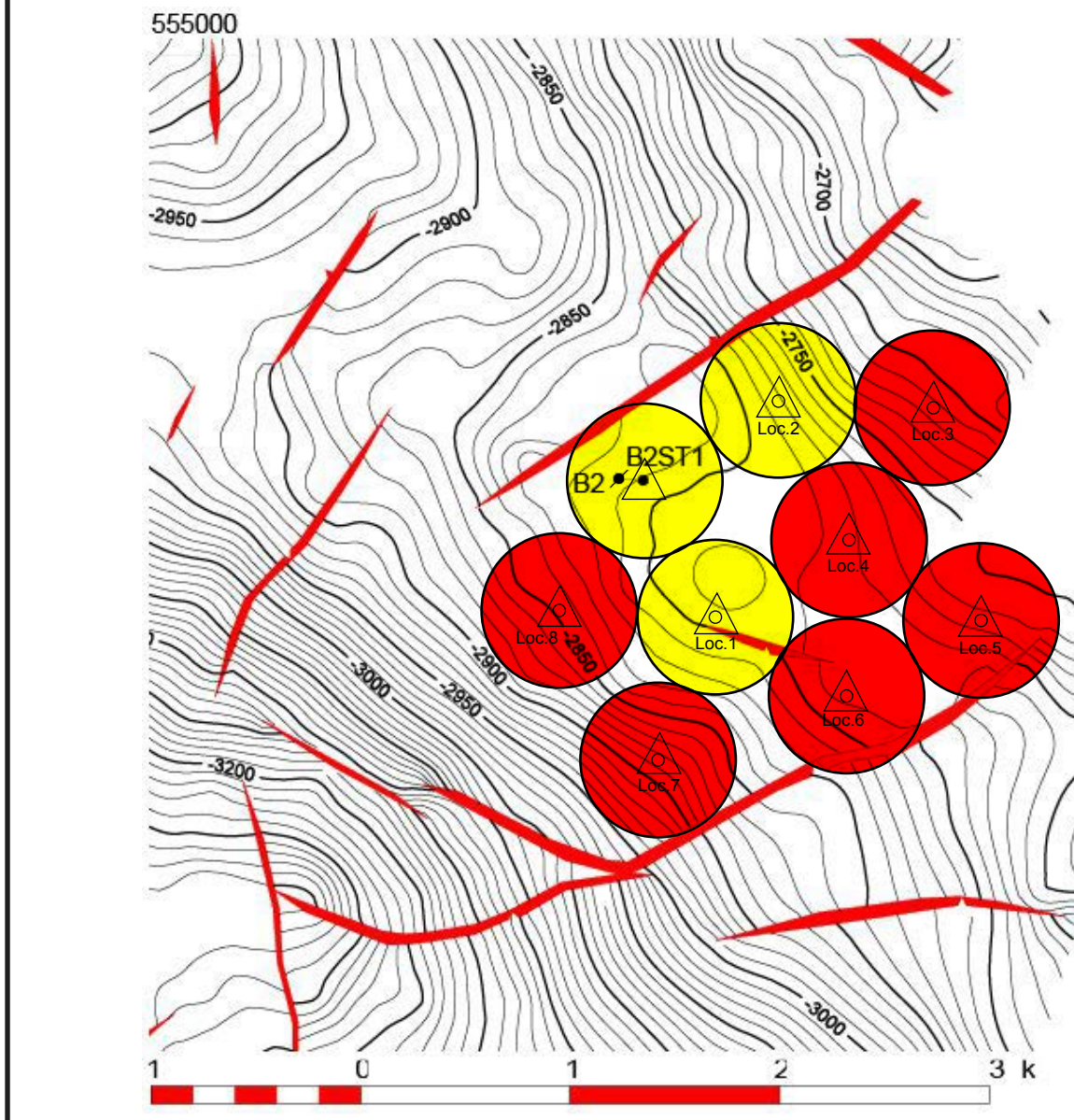
Export Rent Tax (ERT)

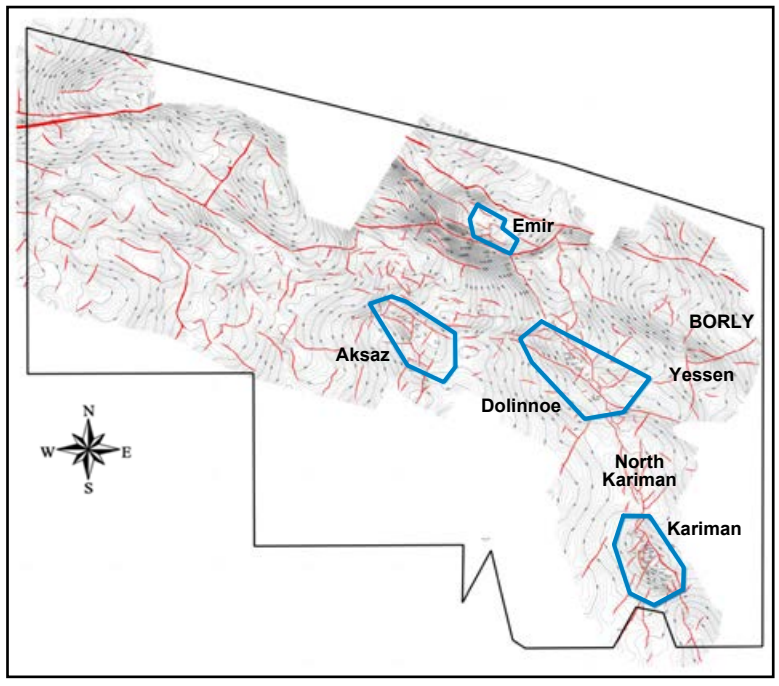
World Price (US$/BBL)	Rate %
Up to 40, including	0
Up to 50, including	7
Up to 60, including	11
Up to 70, including	14
Up to 80, including	16
Up to 90, including	17
Up to 100, including	19
Up to 110, including	21
Up to 120, including	22
Up to 130, including	23
Up to 140, including	25
Up to 150, including	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.





LEGEND

- FAULT LINES
- FIELD BOUNDARY
- ## STRUCTURAL ELEVATION (sL)- m
- PROPOSED LOCATIONS
- WELL OF INTEREST
- PROVED RESERVES
- PROBABLE RESERVES
- POSSIBLE RESERVES

MIE HOLDINGS CORPORATION

BORLY FIELD

ADEK BLOCK (LICENSE AREA)

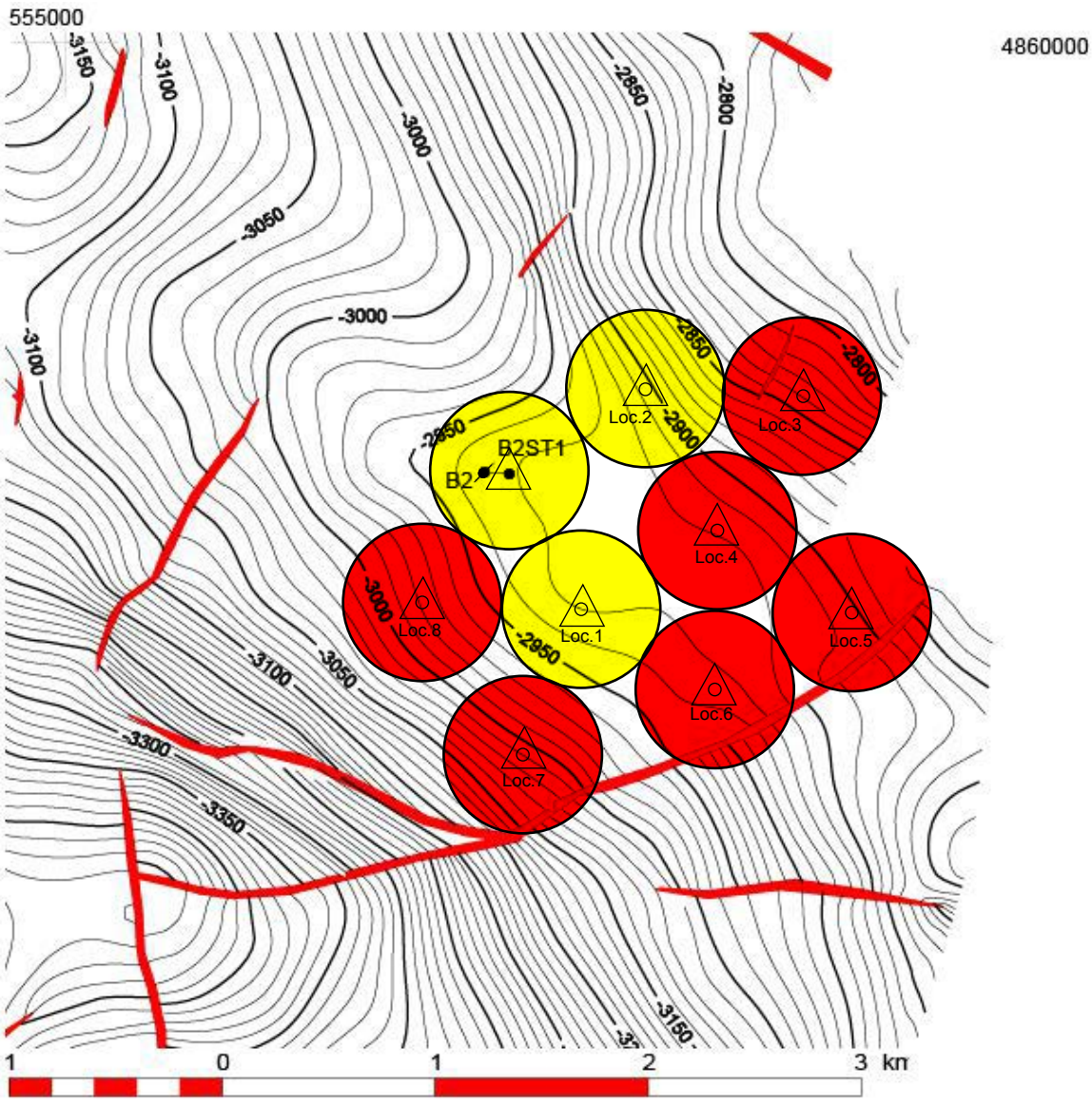
MANGISTAU OBLAST, KAZAKHSTAN

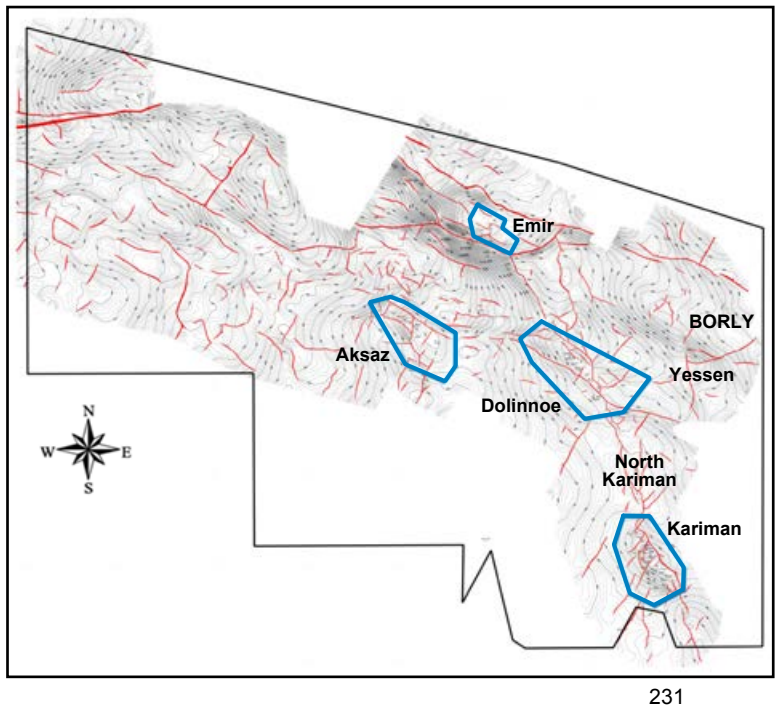
STRUCTURE ON MIDDLE TRIASSIC T2 UPPER

JAN. 2016 JOB No. 6144 FIGURE No. 1a

230

Chapman Petroleum Engineering Ltd.





LEGEND

- FAULT LINES
- FIELD BOUNDARY
- ## STRUCTURAL ELEVATION (sL)- m
- PROPOSED LOCATIONS
- WELL OF INTEREST
- PROVED RESERVES
- PROBABLE RESERVES
- POSSIBLE RESERVES

MIE HOLDINGS CORPORATION

BORLY FIELD

ADEK BLOCK (LICENSE AREA)

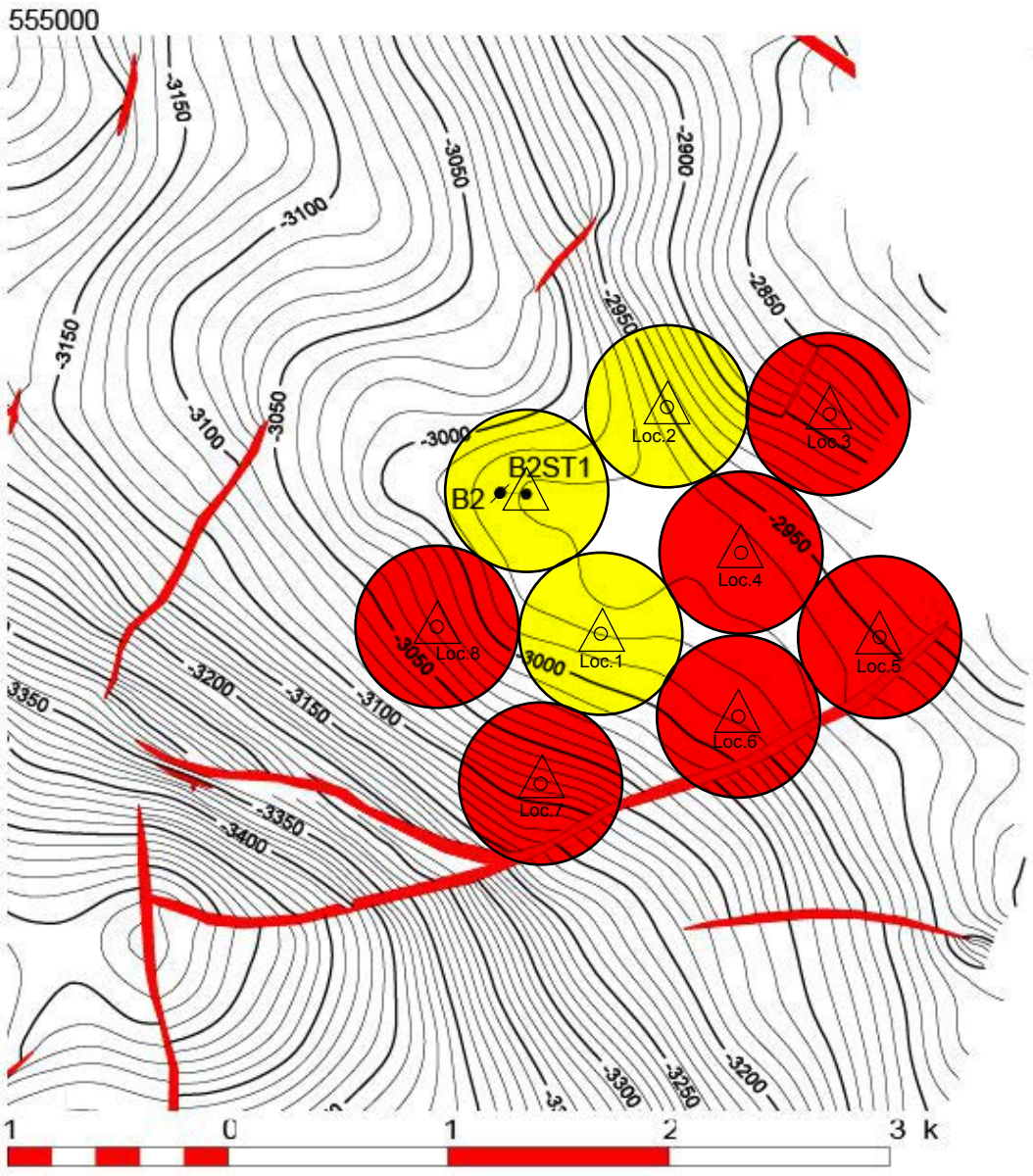
MANGISTAU OBLAST, KAZAKHSTAN

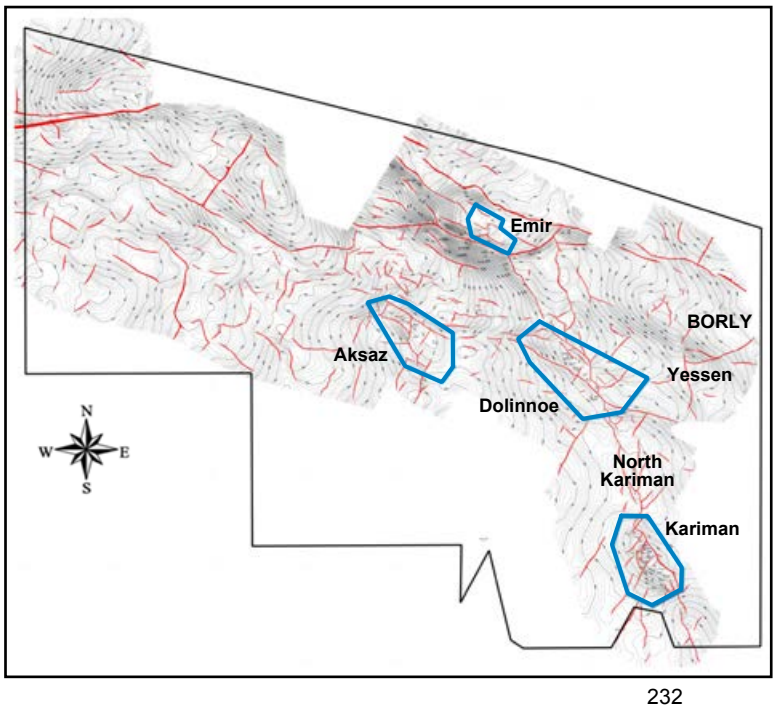
STRUCTURE ON MIDDLE TRIASSIC T2A

JAN. 2016 JOB No. 6144 FIGURE No. 1b

231

Chapman Petroleum Engineering Ltd.





LEGEND

- FAULT LINES
- FIELD BOUNDARY
- ## STRUCTURAL ELEVATION (sL)- m
- PROPOSED LOCATIONS
- WELL OF INTEREST
- PROVED RESERVES
- PROBABLE RESERVES
- POSSIBLE RESERVES

MIE HOLDINGS CORPORATION

BORLY FIELD

ADEK BLOCK (LICENSE AREA)

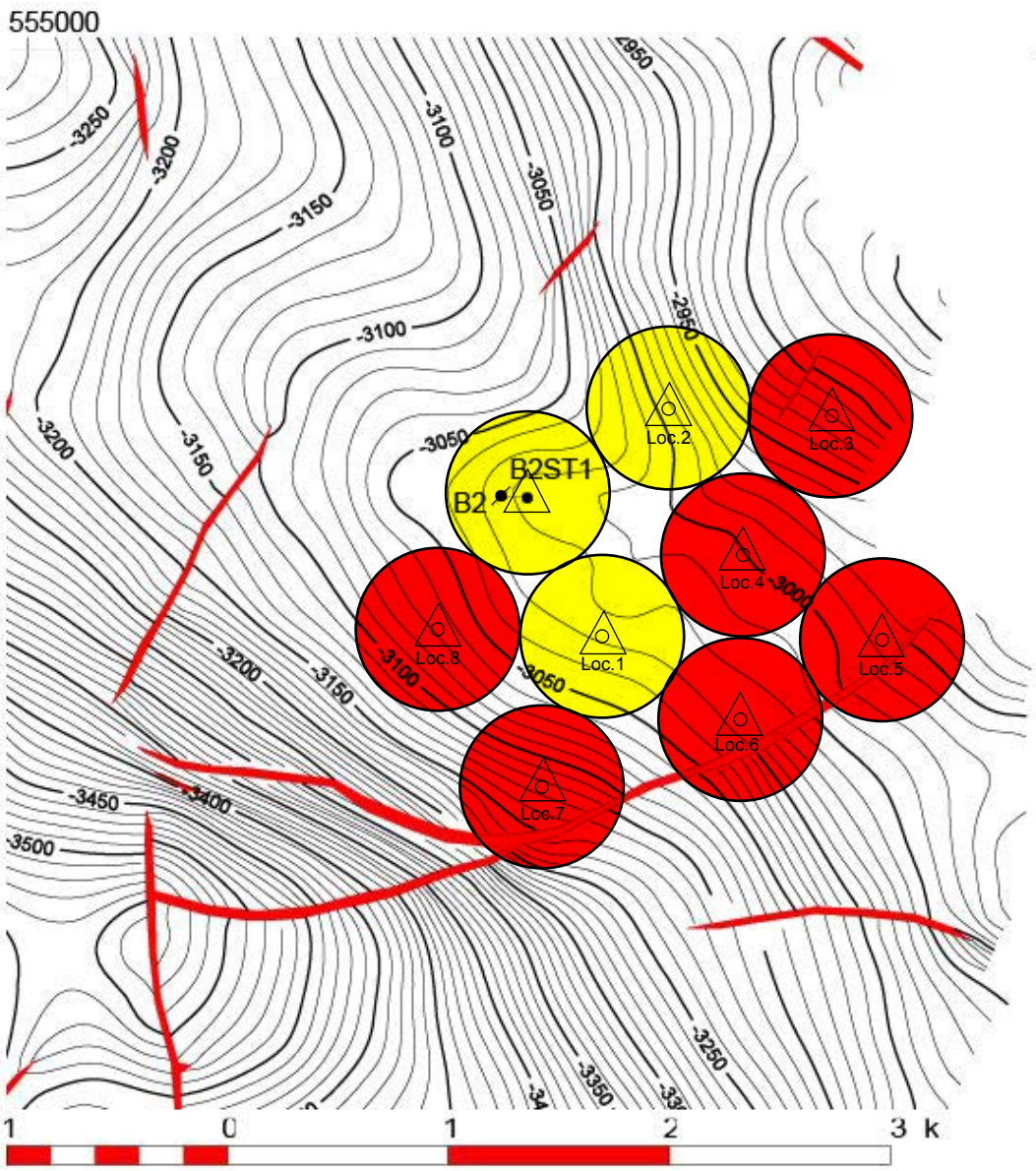
MANGISTAU OBLAST, KAZAKHSTAN

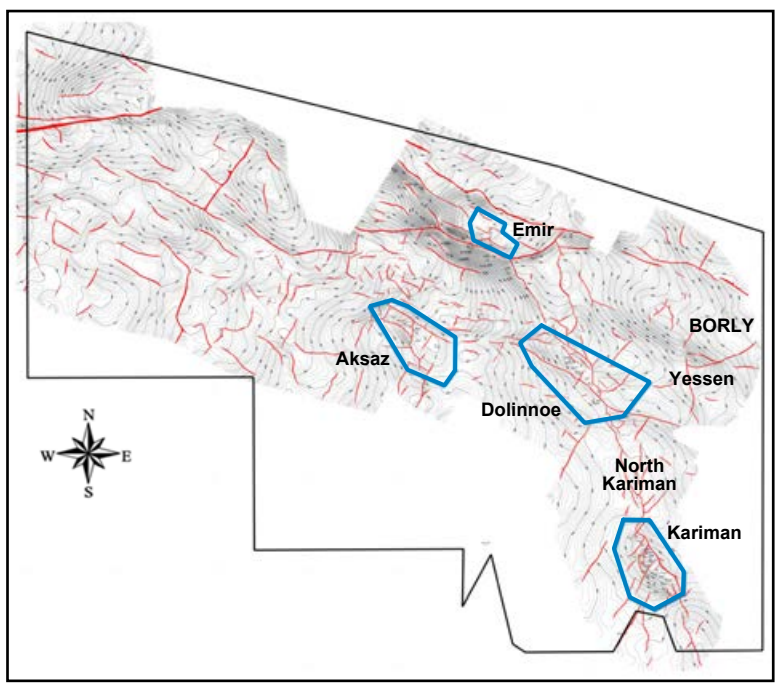
STRUCTURE ON MIDDLE TRIASSIC T2B

JAN. 2016 JOB No. 6144 FIGURE No. 1c

232

Chapman Petroleum Engineering Ltd.





LEGEND

- FAULT LINES
- FIELD BOUNDARY
- ## STRUCTURAL ELEVATION (sL)- m
- PROPOSED LOCATIONS
- WELL OF INTEREST
- PROVED RESERVES
- PROBABLE RESERVES
- POSSIBLE RESERVES

MIE HOLDINGS CORPORATION

BORLY FIELD

ADEK BLOCK (LICENSE AREA)

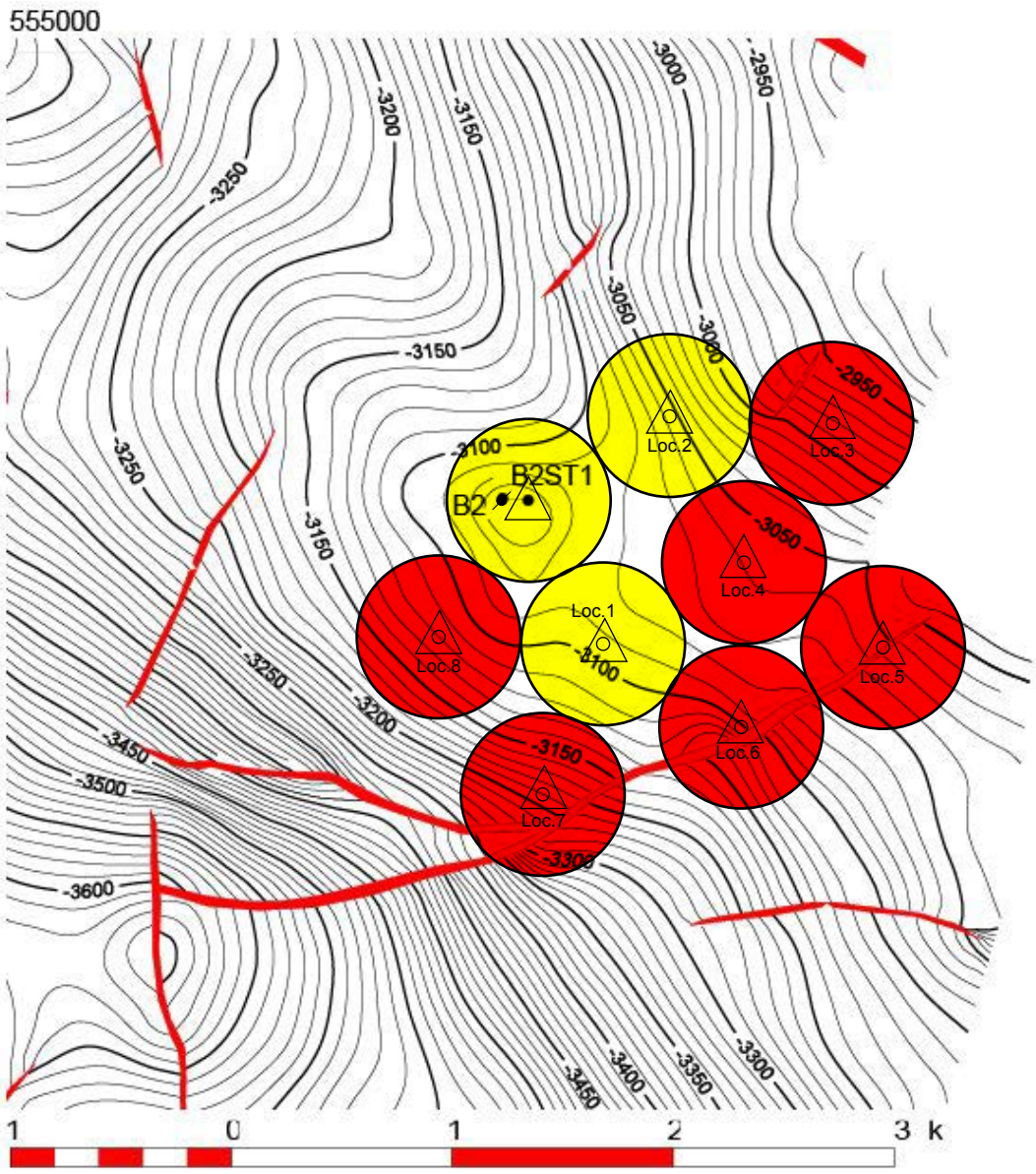
MANGISTAU OBLAST, KAZAKHSTAN

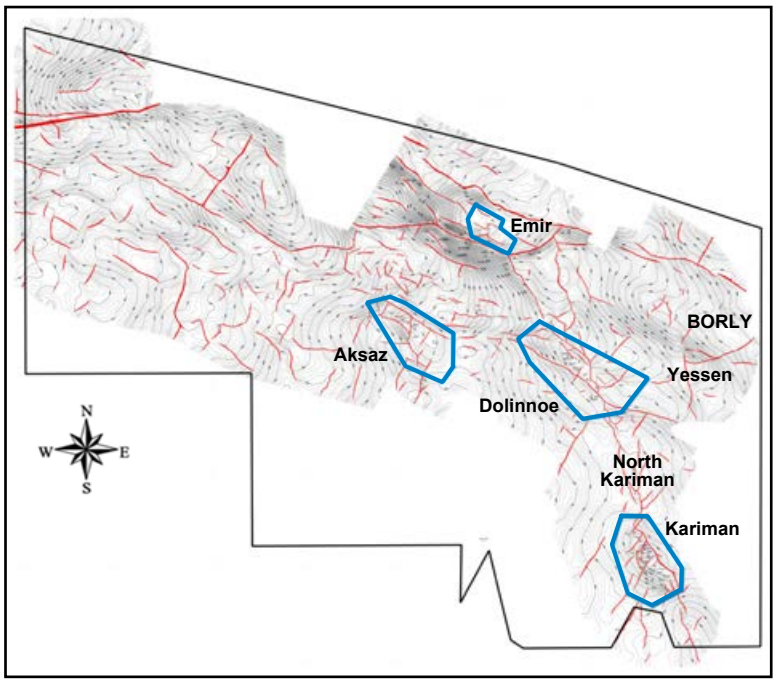
STRUCTURE ON MIDDLE TRIASSIC T2C

JAN. 2016 JOB No. 6144 FIGURE No. 1d

233

Chapman Petroleum Engineering Ltd.





LEGEND

- FAULT LINES
- FIELD BOUNDARY
- ## STRUCTURAL ELEVATION (sL)- m
- PROPOSED LOCATIONS
- WELL OF INTEREST
- PROVED RESERVES
- PROBABLE RESERVES
- POSSIBLE RESERVES

MIE HOLDINGS CORPORATION

BORLY FIELD

ADEK BLOCK (LICENSE AREA)

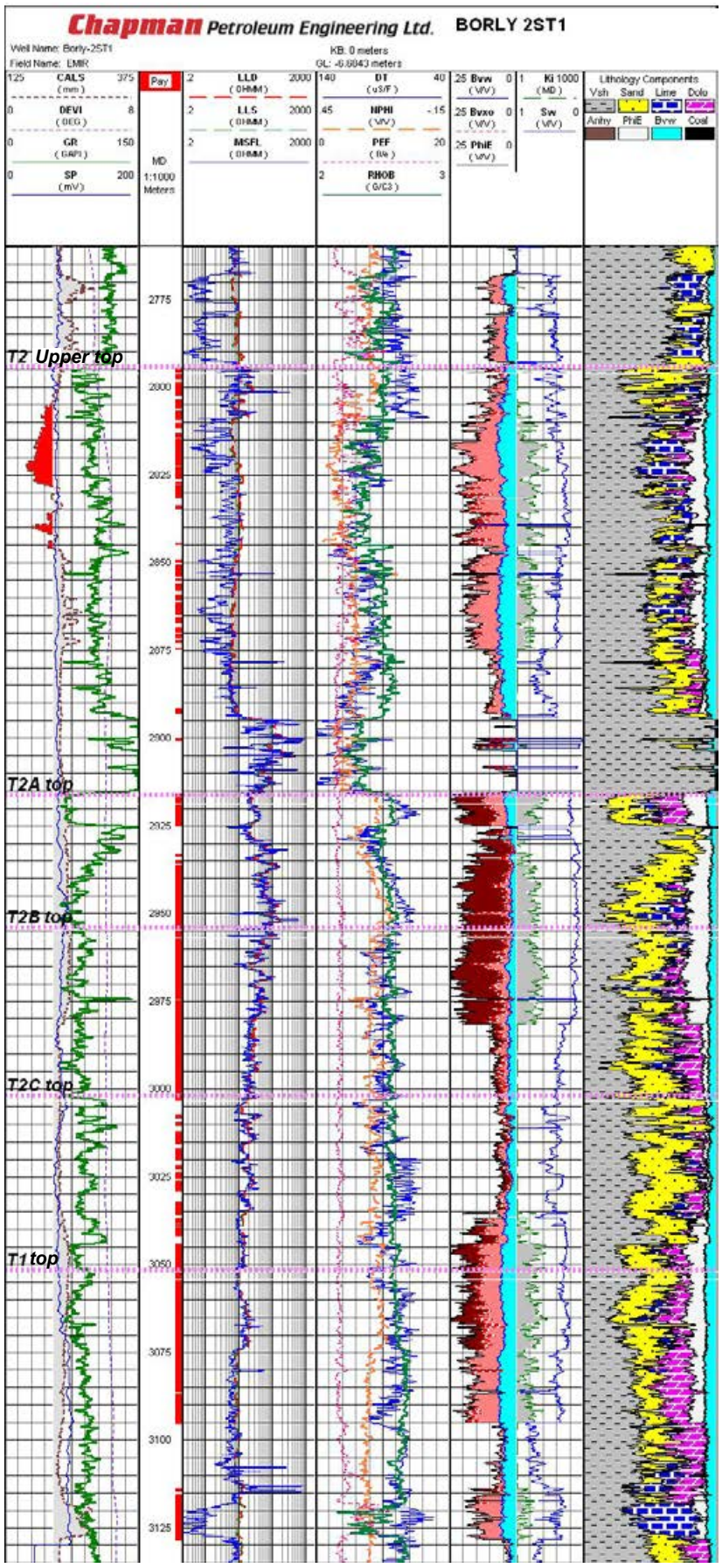
MANGISTAU OBLAST, KAZAKHSTAN

STRUCTURE ON LOWER TRIASSIC T1

JAN. 2016 JOB No. 6144 FIGURE No. 1e

234

Chapman Petroleum Engineering Ltd.



MIE HOLDINGS CORPORATION
ADEK BLOCK **OIL WELL LOG ANALYSIS** MANGISTAU OBLAST, KAZAKHSTAN **BORLY-2ST1** MIDDLE TRIASSIC T2 & LOWER TRIASSIC T1
JAN. 2016 JOB No. 6144 FIGURE No. 2a

235

Chapman Petroleum Engineering Ltd.

Table 2

Summary of Gross Reserves
January 1, 2016

MIE Holdings Corporation

Borly, 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								
Probable								
Probable Developed Non-Producing								
Borly-2ST1	Triassic T2Upper, T2A, T2B, T2C, T1	1,000	40	3,887	0	3,887	3,887	Tables 2a, 2b, 2c, 2d & 2e
	Total Probable Developed Non-Producing	1,000		3,887	0	3,887	3,887	
	Total Probable Developed	1,000		3,887	0	3,887	3,887	
Probable Undeveloped								
Location-1	Triassic T2Upper, T2A, T2B, T2C, T1	500	40	1,944	0	1,944	1,944	Analogy to Borly-2ST1 [1]
Location-2	Triassic T2Upper, T2A, T2B, T2C, T1	500	40	1,944	0	1,944	1,944	Analogy to Borly-2ST1 [1]
	Total Probable Undeveloped	1,000		3,887	0	3,887	3,887	
	Total Probable	2,000		7,774	0	7,774	7,774	
Possible								
Six Locations	Triassic T2Upper, T2A, T2B, T2C, T1	3,000	40	11,661	0	11,661	11,661	Analogy to Borly-2ST1 [1]
	Total Possible	3,000		11,661	0	11,661	11,661	
	Total Probable Plus Possible	5,000		19,435	0	19,435	19,435	

Note: [1] 50% Net Pay reduction.
* Reserves recoverable within the Term of the existing Production Contract.

Table 2 Cont.

Summary of Gross Reserves
January 1, 2016

MIE Holdings Corporation

Borly, 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							
Probable							
Probable Developed Non-Producing							
Borly-2ST1	Triassic T2Upper, T2A, T2B, T2C, T1	3,887	0	3,887	3,615	3,615	GOR : 1000 scf/STB
	Total Probable Developed Non-Producing	3,887	0	3,887	3,615	3,615	
	Total Probable Developed						
Probable Undeveloped							
Location-1	Triassic T2Upper, T2A, T2B, T2C, T1	1,944	0	1,944	1,807	1,807	GOR : 1000 scf/STB
Location-2	Triassic T2Upper, T2A, T2B, T2C, T1	1,944	0	1,944	1,807	1,807	GOR : 1000 scf/STB
	Total Probable Undeveloped	3,887	0	3,887	3,615	3,615	
	Total Probable	7,774	0	7,774	7,230	7,230	
Possible							
Six Locations	Triassic T2Upper, T2A, T2B, T2C, T1	11,661	0	11,661	10,845	10,845	GOR : 1000 scf/STB
	Total Possible	11,661	0	11,661	10,845	10,845	
	Total Probable Plus Possible	19,436	0	19,435	18,074	18,074	

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

Table 3a

Summary of Anticipated Capital Expenditures
Development
January 1, 2016
MIE Holdings Corporation

Borly, Republic of Kazakhstan

Description	Date	Operation	Capital Interest %	Gross Capital M$	Net Capital M$
Probable Developed					
Pipeline and Central Processing Facilities	2016	Build Pipeline and Central Processing Facilities	100.0000	0	0
Borly-2ST1	2018	Complete, Tie-in and Place on Production	100.0000	500	500
		Total Probable Developed		**500**	**500**
Probable Undeveloped					
Location-1	2020	Drill, complete and Tie-in Well	100.0000	4,000	4,000
Location-2	2020	Drill, complete and Tie-in Well	100.0000	4,000	4,000
		Total Probable Undeveloped		**8,000**	**8,000**
		Total Probable		**8,500**	**8,500**
Possible					
Six Locations	2021-2022	Drill, complete and Tie-in Well	100.0000	24,000	24,000
		Total Possible		**24,000**	**24,000**
		Total Proved Plus Probable Plus Possible		**32,500**	**32,500**

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

Table 3b

Summary of Anticipated Capital Expenditures
Abandonment and Restoration

January 1, 2016

MIE Holdings Corporation

Borly, Republic of Kazakhstan

Description	Year	Well Parameters	Capital Interest %	Gross Capital M$	Net Capital M$
Borly-2ST1		Oil well Abandonment and Restoration	100.0000	50	50
Two Locations		Oil well Abandonment and Restoration	100.0000	100	100
Six Locations		Oil well Abandonment and Restoration	100.0000	300	300
		Total Abandonment and Restoration		**450**	**450**

ADEK BLOCK (LICENCE AREA)
REPUBLIC OF KAZAKHSTAN
NORTH KARIMAN FIELD
INDEX

Discussion

Property Description
Geology
Petrophysical Data and Analysis
Reserves
Production
Product Prices
Capital Expenditures
Operating Costs
Tax
Economics

Attachments

Table 1: Schedule of Lands, Interests and Royalty Burdens

Figure 1: Field Map and Structure Top
a) Middle Triassic T2A
b) Middle Triassic T2B
c) Middle Triassic T2C

Figure 2: Log Analysis Presentation
a) North Kariman-1, Middle Triassic T2
b) North Kariman-2, Middle Triassic T2

Table 2: Summary of Gross Reserves

Summary of Reserves and Reservoir Parameters
Proved Developed Producing
a) North Kariman-1, Middle Triassic T2B (Removed from this version)
b) North Kariman-1, Middle Triassic T2C (Removed from this version)
c) North Kariman-2, Middle Triassic T2B (Removed from this version)

Proved Undeveloped
d) Location-1, Middle Triassic T2B (Removed from this version)
e) Location-2, Middle Triassic T2B (Removed from this version)

Probable Developed
f) North Kariman-1, Middle Triassic T2A (Removed from this version)
g) North Kariman-2, Middle Triassic T2A (Removed from this version)
h) North Kariman-2, Middle Triassic T2C (Removed from this version)

Probable Undeveloped
i) Location-1, Middle Triassic T2C (Removed from this version)
j) Location-2, Middle Triassic T2C (Removed from this version)

Possible
k) Location-2, Middle Triassic T2A (Removed from this version)

Figure 3: Production History Graphs
a) North Kariman-1, Middle Triassic T2
b) North Kariman-2, Middle Triassic T2
c) Group Production Plot, Middle Triassic T2

Table 3: Summary of Anticipated Capital Expenditures
a) Development
b) Abandonment and Restoration

ADEK BLOCK (LICENCE AREA)
REPUBLIC OF KAZAKHSTAN
NORTH KARIMAN FIELD
DISCUSSION

Property Description

The Company owns a 100 percent working interest in a "Licence" and "Exploration Contract" referred to as the North Kariman 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 North Kariman field is one of seven known fields already discovered on the ADEK Block. The Company has drilled well North Kariman-2, which was placed on production in 2012 at a production rate of 540 ST/d from one zone Middle Triassic T2B, also drilled and placed on production well North Kariman-1.

A map of the field, showing the well locations and reservoir structure is presented on Figures 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 North Kariman area, the Company successful drilled an exploratory wildcat wells North Kariman-1 and 2, and discovered oil within Middle Triassic carbonate or T2, as shown on the log analysis illustrated in Figures 2. Pay in the well has been calculated from 3645 m to 3870 m. The reservoir zone is trapped in a fault bounded anticlinal structure as shown in the seismic structure map on the top of the Middle Triassic illustrated in Figures 1. Reserves have been determined for an area of 200 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.

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

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

Reserves

Proved developed producing oil reserves of 1,694 MSTB and marketable solution gas reserves of 637 MMscf have been estimated for the Middle Triassic zones T2B and T2C in two producing wells: North Kariman-1 and North Kariman-2.

Proved Undeveloped oil reserves of 671 MSTB and marketable solution gas reserves of 241 MMscf have been assigned to the Middle Triassic T2B zone in two adjacent probable locations, as an analogy to the well North Kariman-2, but with drainage area of 60 acres.

Incremental probable developed oil reserves of 970 MSTB and marketable solution gas reserves of 359 MMscf have been estimated for wells North Kariman-1 and North Kariman-2 in the same intervals as the proved developed non-producing reserves based on an increased recovery factor.

Additional probable developed oil reserves of 2,468 MSTB and marketable solution gas reserves of 1,686 MMscf have been estimated for the Middle Triassic zones T2A and T2C in wells North Kariman-1 and North Kariman-2.

Probable undeveloped oil reserves of 1,650 MSTB and marketable solution gas reserves of 592 MMscf have been assigned to the Middle Triassic zones T2B and T2c in probable Locations 1 and 2, as an analogy to the wells North Kariman- 2, but with reduced drainage.

Possible oil reserves of 357 MSTB and marketable solution gas reserves of 128 MMscf have been assigned to the Middle Triassic T2A zone in Location-2.

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 2k.

Production

Well North Kariman-1 was placed on production in late 2013, and currently is producing at a rate of 824 STB/d.

Well North Kariman-2 was placed on production at an initial rate of 540 STB/d, and currently is producing at a rate of 473 STB/d.

For the proved undeveloped case we have assumed that new locations will be placed on production at a rate of 200 STB/d, from a single zone Middle Triassic T2B.

Production history graphs for individual wells and a Group Production Plot are presented on Figure 3.

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 $21,631,000 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 $200,000 ($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

North Kariman, Republic of Kazakhstan

Description	Rights Owned	Gross Acres	Appraised Interest Working %	Appraised Interest Royalty %	Royalty Burdens Basic %	Royalty Burdens 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

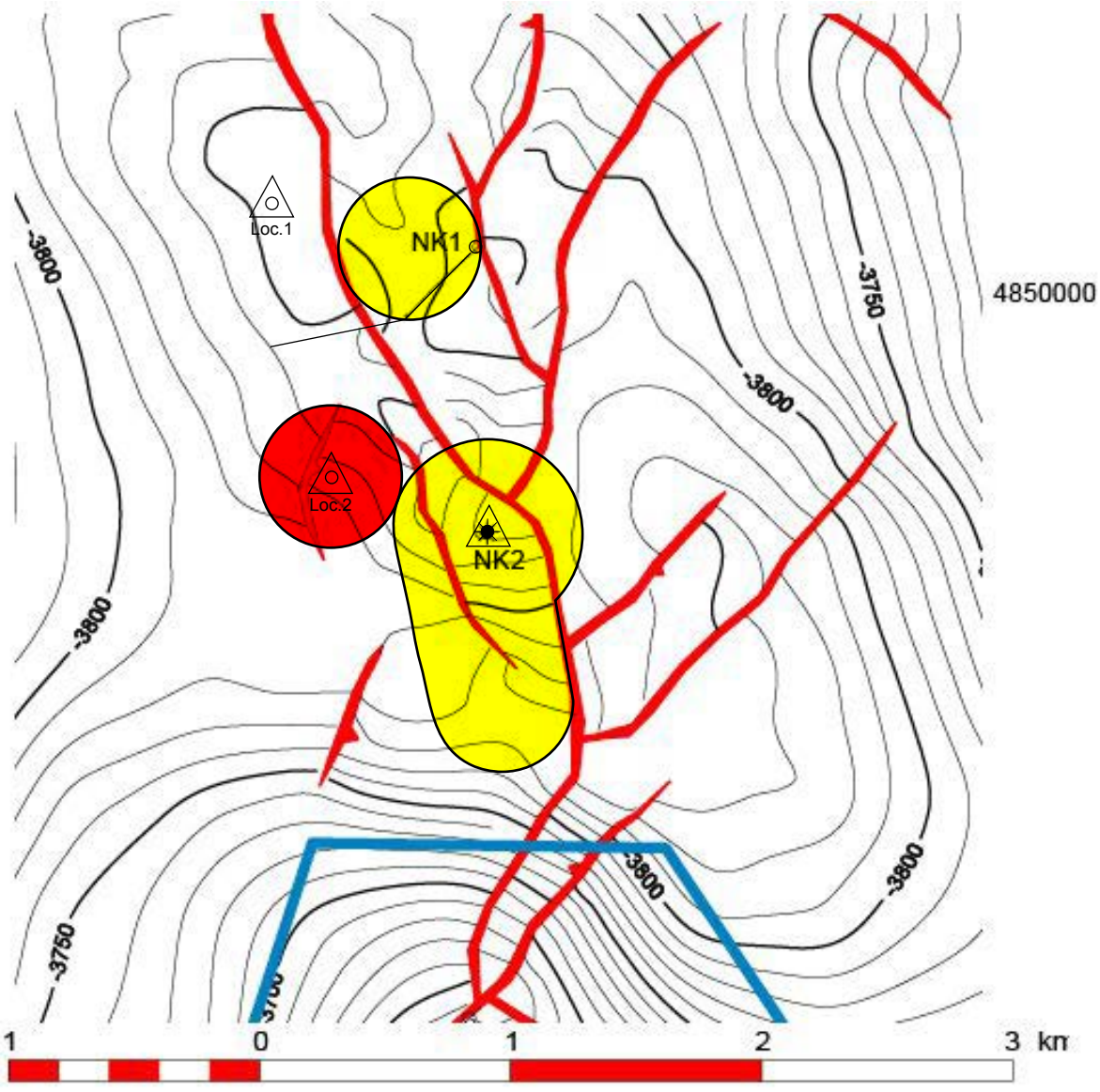
Export Rent Tax (ERT)

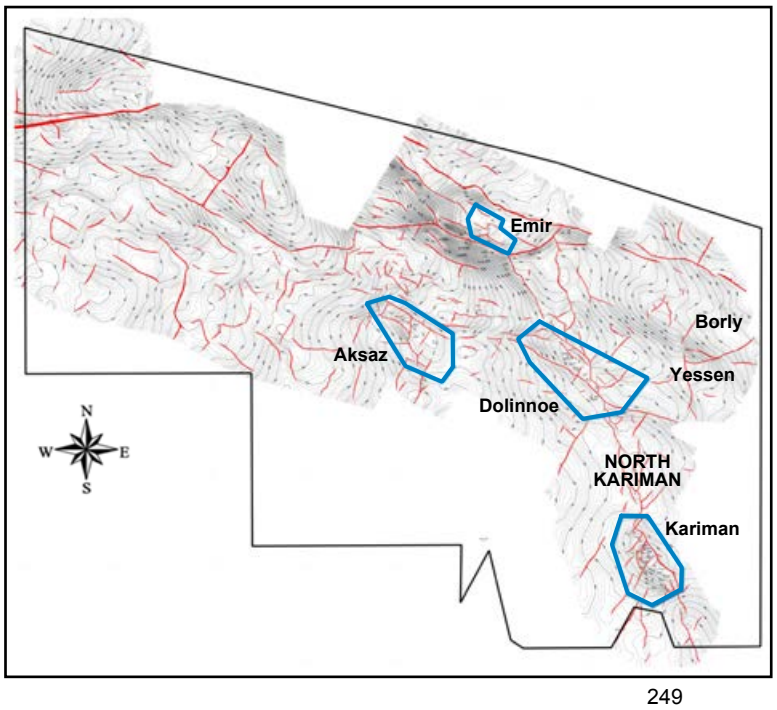
World Price (US$/BBL)	Rate %
Up to 40, Including	0
Up to 50, Including	7
Up to 60, Including	11
Up to 70, Including	14
Up to 80, Including	16
Up to 90, Including	17
Up to 100, Including	19
Up to 110, Including	21
Up to 120, Including	22
Up to 130, Including	23
Up to 140, Including	25
Up to 150, Including	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] North Kariman Field located in block XXXVI-11-A.
Assumption: Contact expires on September 9, 2036.





LEGEND

- FAULT LINES
- FIELD BOUNDARY
- ## STRUCTURAL ELEVATION (sL)- m
- PROPOSED LOCATIONS
- WELL OF INTEREST
- PROVED RESERVES
- PROBABLE RESERVES
- POSSIBLE RESERVES

MIE HOLDINGS CORPORATION

NORTH KARIMAN FIELD

ADEK BLOCK (LICENSE AREA)

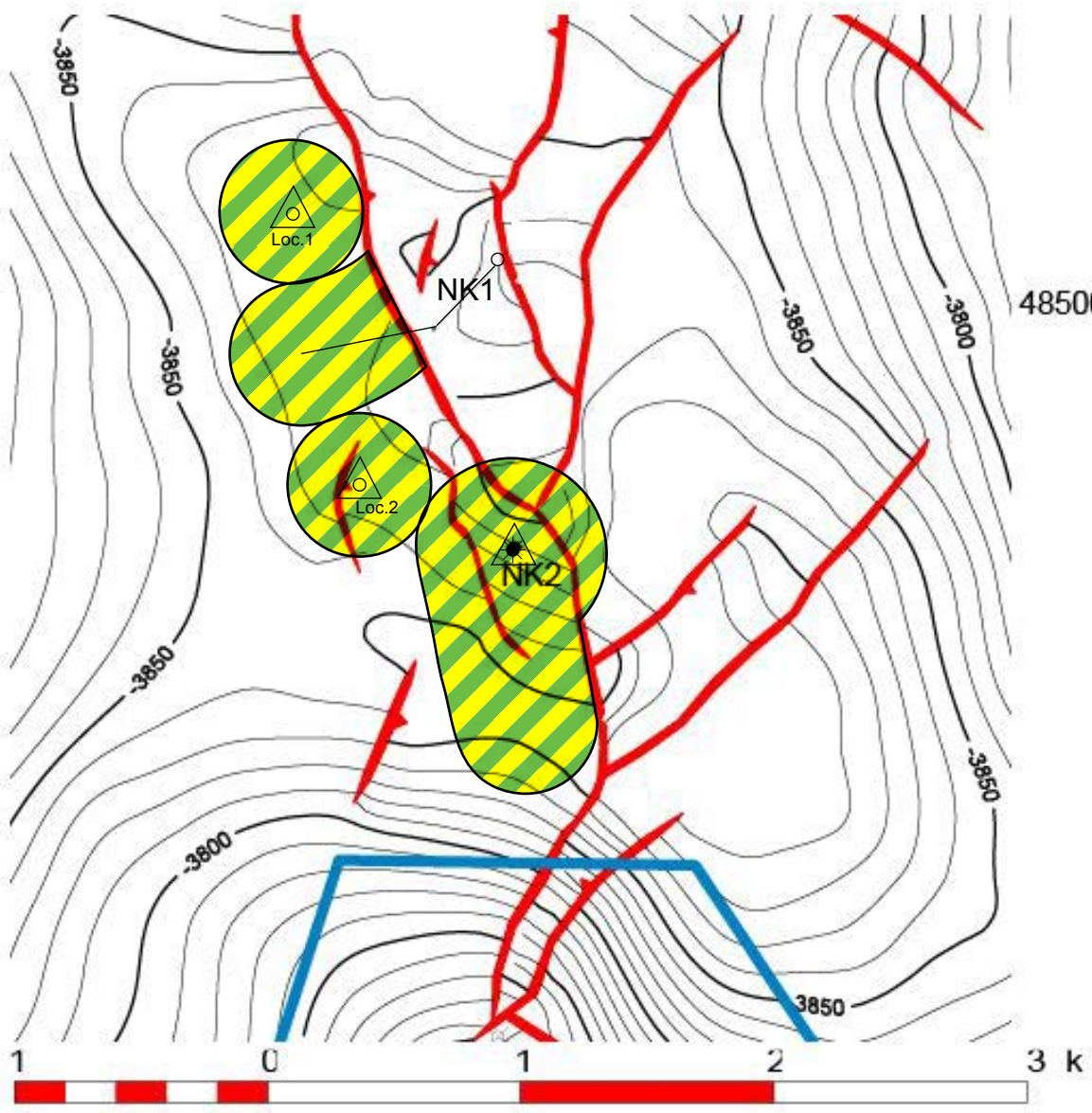
MANGISTAU OBLAST, KAZAKHSTAN

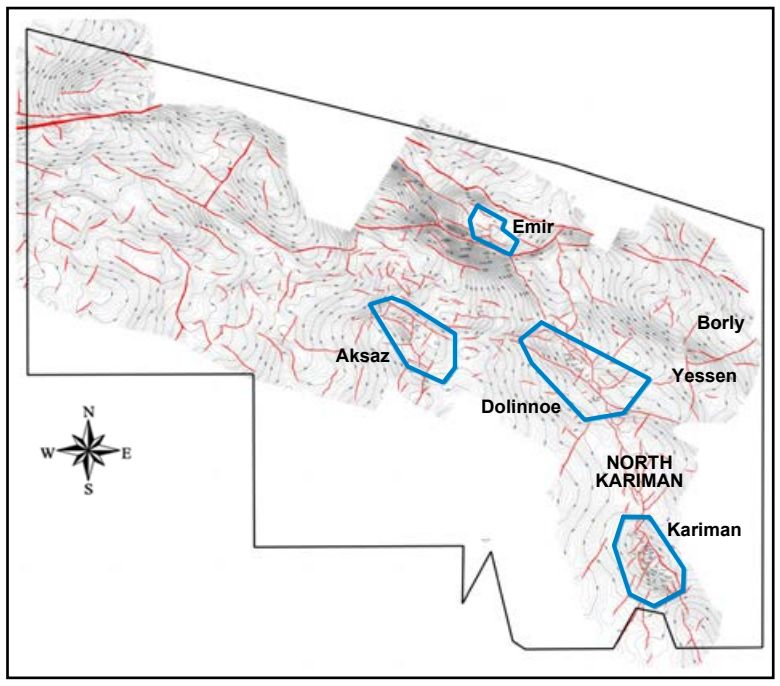
STRUCTURE ON MIDDLE TRIASSIC T2A

JAN. 2016 JOB No. 6144 FIGURE No. 1a

249

Chapman Petroleum Engineering Ltd.





250

LEGEND

- FAULT LINES
- FIELD BOUNDARY
- ## STRUCTURAL ELEVATION (sL)- m
- PROPOSED LOCATIONS
- WELL OF INTEREST
- PROVED RESERVES
- PROBABLE RESERVES
- POSSIBLE RESERVES

MIE HOLDINGS CORPORATION

NORTH KARIMAN FIELD

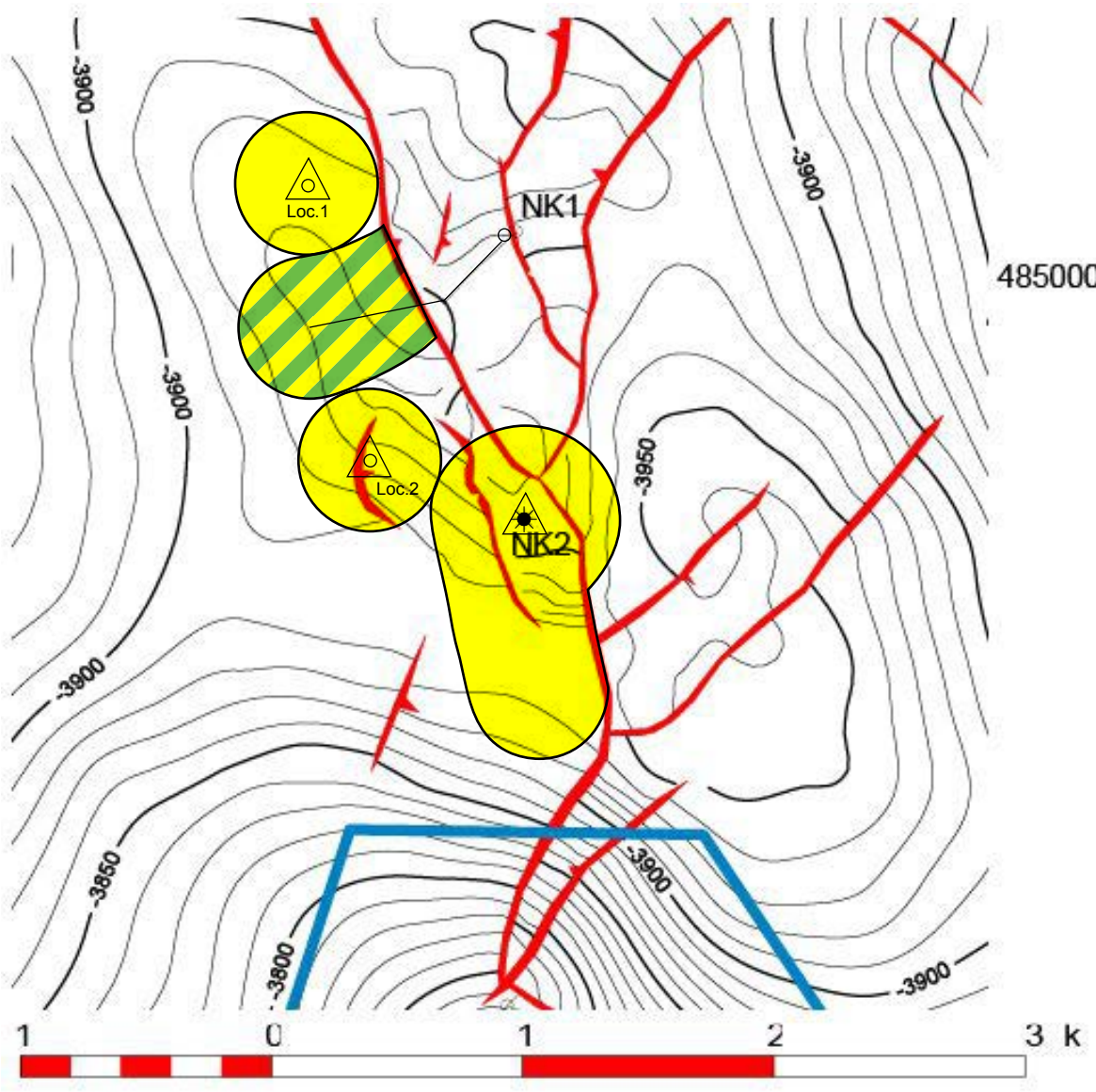
ADEK BLOCK (LICENSE AREA)

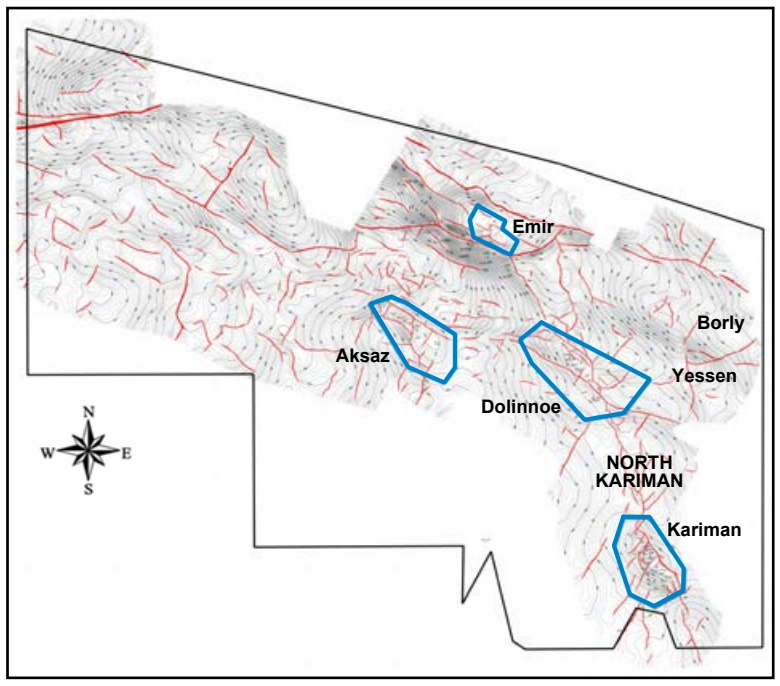
MANGISTAU OBLAST, KAZAKHSTAN

STRUCTURE ON MIDDLE TRIASSIC T2B

JAN. 2016 JOB No. 6144 FIGURE No. 1b

Chapman Petroleum Engineering Ltd.





LEGEND

- FAULT LINES
- FIELD BOUNDARY
- ## STRUCTURAL ELEVATION (sL)- m
- PROPOSED LOCATIONS
- WELL OF INTEREST
- PROVED RESERVES
- PROBABLE RESERVES
- POSSIBLE RESERVES

MIE HOLDINGS CORPORATION

NORTH KARIMAN FIELD

ADEK BLOCK (LICENSE AREA)

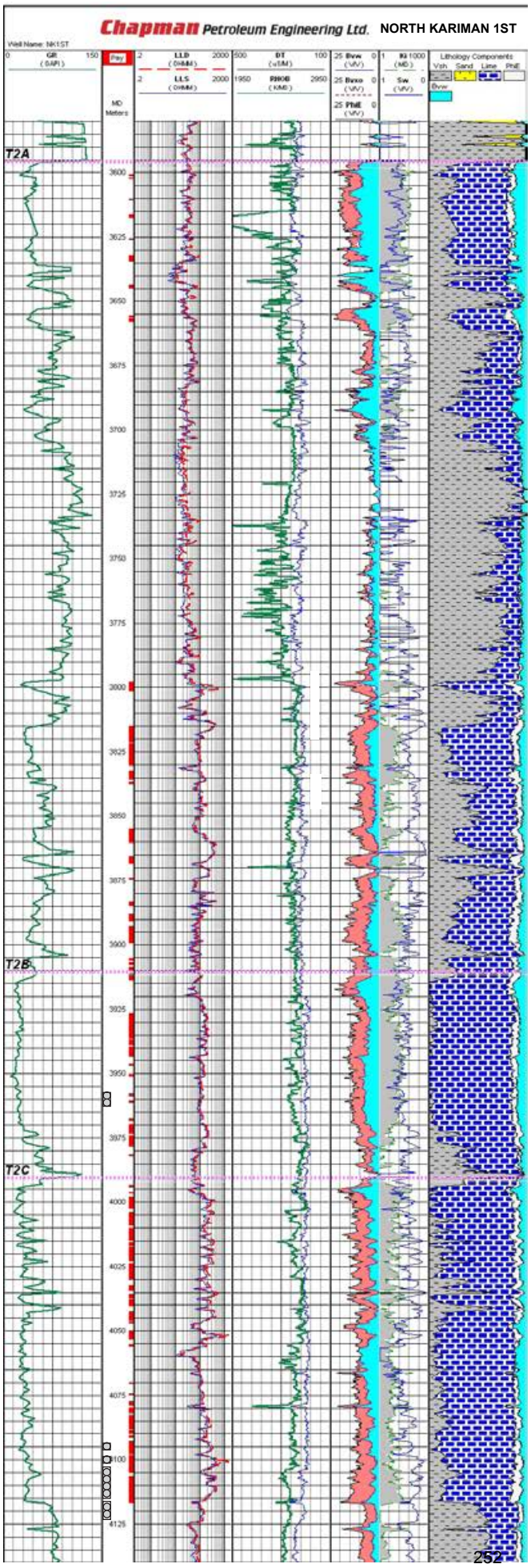
MANGISTAU OBLAST, KAZAKHSTAN

STRUCTURE ON MIDDLE TRIASSIC T2C

JAN. 2016 JOB No. 6144 FIGURE No. 1c

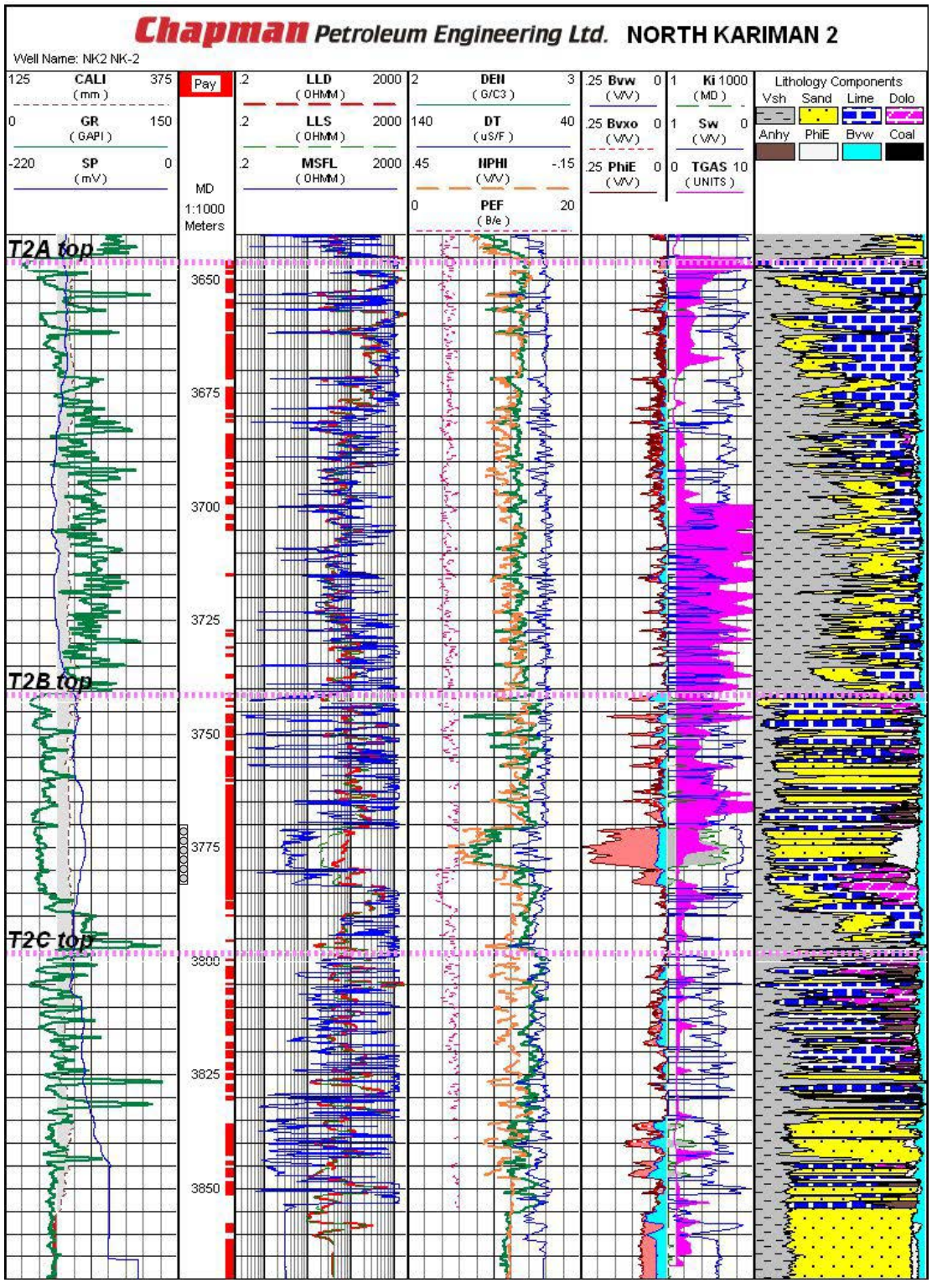
251

Chapman Petroleum Engineering Ltd.



MIE HOLDINGS CORPORATION
ADEK BLOCK **OIL WELL LOG ANALYSIS** MANGISTAU OBLAST, KAZAKHSTAN **NORTH KARIMAN-1ST** MIDDLE TRIASSIC T2
JAN. 2016 JOB No. 6144 FIGURE No. 2a

Chapman Petroleum Engineering Ltd.



MIE HOLDINGS CORPORATION
ADEK BLOCK OIL WELL LOG ANALYSIS MANGISTAU OBLAST, KAZAKHSTAN NORTH KARIMAN-2 MIDDLE TRIASSIC T2
JAN. 2016 JOB No. 6144 FIGURE No. 2b

253

Chapman Petroleum Engineering Ltd.

Table 2

Summary of Gross Reserves
January 1, 2016

MIE Holdings Corporation

North 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									
North Kariman-1	Middle Triassic T2B & T2C		824	40	537	72	464	464	Decline, Tables 2a & 2b
North Kariman-2	Middle Triassic T2B		473	40	1,733	503	1,230	1,230	Decline, Figure 3b, Table 2c
	Total Proved Developed Producing		**1,298**		**2,270**	**575**	**1,694**	**1,694**	
Proved Undeveloped									
Location-1	Middle Triassic T2B		200	40	278	0	278	278	Table 2d
Location-2	Middle Triassic T2B		200	40	392	0	392	392	Table 2e
	Total Proved Undeveloped		**400**		**671**	**0**	**671**	**671**	
	Total Proved		**1,698**		**2,940**	**575**	**2,365**	**2,365**	
Probable									
Probable Developed Producing									
North Kariman-1	Middle Triassic T2B & T2C	(incr.)	0	40	184	0	184	184	Tables 2b & 2c
North Kariman-2	Middle Triassic T2B	(incr.)	0	40	786	0	786	786	Table 2a
	Total Probable Developed Producing		**0**		**970**	**0**	**970**	**970**	
Probable Developed Non-Producing									
North Kariman-1	Middle Triassic T2A		500	40	1,209	0	1,209	1,209	Table 2f
North Kariman-2	Middle Triassic T2A & T2C		800	40	1,277	0	1,277	1,277	Tables 2g & 2h
	Total Probable Developed Non-Producing		**1,300**		**2,486**	**0**	**2,486**	**2,486**	
	Total Probable Developed		**1,300**		**3,456**	**0**	**3,456**	**3,456**	
Probable Undeveloped									
Location-1	Middle Triassic T2B	(incr.)	150	40	363	0	363	363	Table 2d
Location-2	Middle Triassic T2B	(incr.)	150	40	386	0	386	386	Table 2e
Location-1	Middle Triassic T2C		150	40	300	0	300	300	Table 2i
Location-2	Middle Triassic T2C		400	40	601	0	601	601	Table 2j
	Total Probable Undeveloped		**850**		**1,650**	**0**	**1,650**	**1,650**	
	Total Probable		**2,150**		**5,106**	**0**	**5,106**	**5,106**	
	Total Proved Plus Probable		**3,848**		**8,046**	**575**	**7,471**	**7,471**	
Possible									
Location-2	Middle Triassic T2A		200	40	357	0	357	357	Table 2k
	Total Possible		**200**		**357**	**0**	**357**	**357**	
	Total Proved Plus Probable Plus Possible		**4,048**		**8,403**	**575**	**7,828**	**7,828**	

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

Table 2 Cont.

Summary of Gross Reserves
January 1, 2016

MIE Holdings Corporation

North Kariman, 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							
Proved							
Proved Developed Producing							
North Kariman-1	Middle Triassic T2B	243	33	210	195	195	GOR : 452 scf/STB
North Kariman-2	Middle Triassic T2B	669	194	475	442	442	GOR : 386 scf/STB
	Total Proved Developed Producing	911	227	685	637	637	
Proved Undeveloped							
Location-1	Middle Triassic T2B	107	0	107	100	100	GOR : 386 scf/STB
Location-2	Middle Triassic T2B	151	0	151	141	141	GOR : 386 scf/STB
	Total Proved Undeveloped	**259**	**0**	**259**	**241**	**241**	
	Total Proved	**1,170**	**227**	**944**	**878**	**878**	
Probable							
Probable Developed Producing							
North Kariman-1	Middle Triassic T2B & T2C	83	0	83	77	77	GOR : 452 scf/STB
North Kariman-2	Middle Triassic T2B	303	0	303	282	282	GOR : 386 scf/STB
	Total Probable Developed Producing	**387**	**0**	**387**	**359**	**359**	
Probable Developed Non-Producing							
North Kariman-1	Middle Triassic T2A	546	0	546	508	508	GOR : 452 scf/STB
North Kariman-2	Middle Triassic T2A & T2C	493	0	493	458	458	GOR : 386 scf/STB
	Total Probable Developed Non-Producing	1,812	0	1,812	1,686	1,686	
	Total Probable Developed	2,199	0	2,199	2,045	2,045	
Probable Undeveloped							
Location-1	Middle Triassic T2B	140	0	140	130	130	GOR : 386 scf/STB
Location-2	Middle Triassic T2B	149	0	149	139	139	GOR : 386 scf/STB
Location-1	Middle Triassic T2C	116	0	116	108	108	GOR : 386 scf/STB
Location-2	Middle Triassic T2C	232	0	232	216	216	GOR : 386 scf/STB
	Total Probable Undeveloped	637	0	637	592	592	
	Total Probable	**2,836**	**0**	**2,836**	**2,637**	**2,637**	
	Total Proved Plus Probable	**4,006**	**227**	**3,779**	**3,515**	**3,515**	
Possible							
Location-2	Middle Triassic T2A	138	0	138	128	128	GOR : 386 scf/STB
	Total Possible	138	0	138	128	128	
	Total Proved Plus Probable Plus Possible	4,144	227	3,917	3,644	3,644	

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

Figure 3a

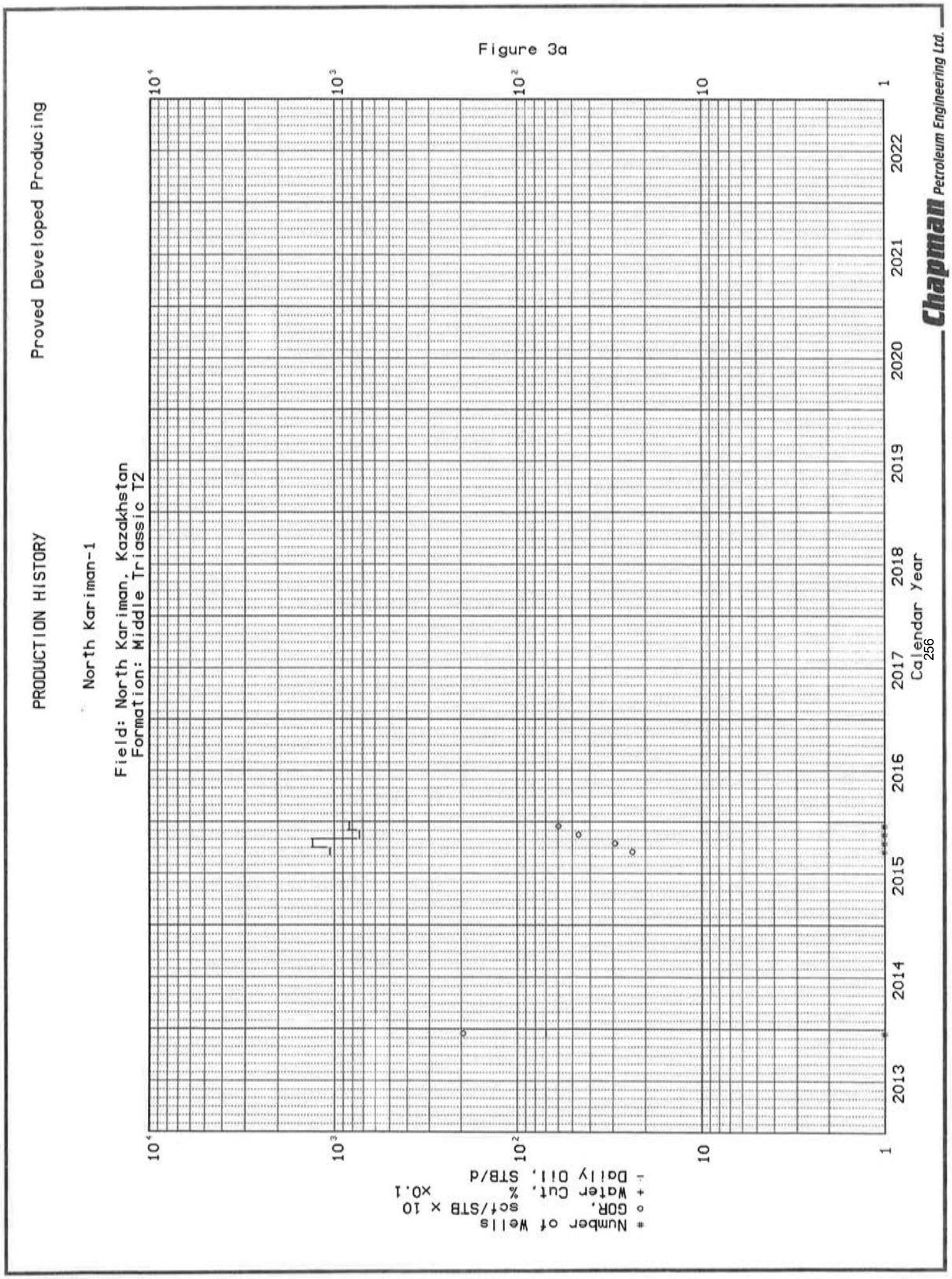

PRODUCTION HISTORY
Proved Developed Producing
North Kariman-1
Field: North Kariman, Kazakhstan
Formation: Middle Triassic T2
Chapman Petroleum Engineering Ltd.
Calendar Year
2013
2014
2015
2016
2017
2018
2019
2020
2021
2022
1
10
10²
10³
10⁴
Number of Wells
○ GOR, sc†/STB x 10
+ Water Cut, % x0.1
- Daily Oil, STB/d

Figure 3b

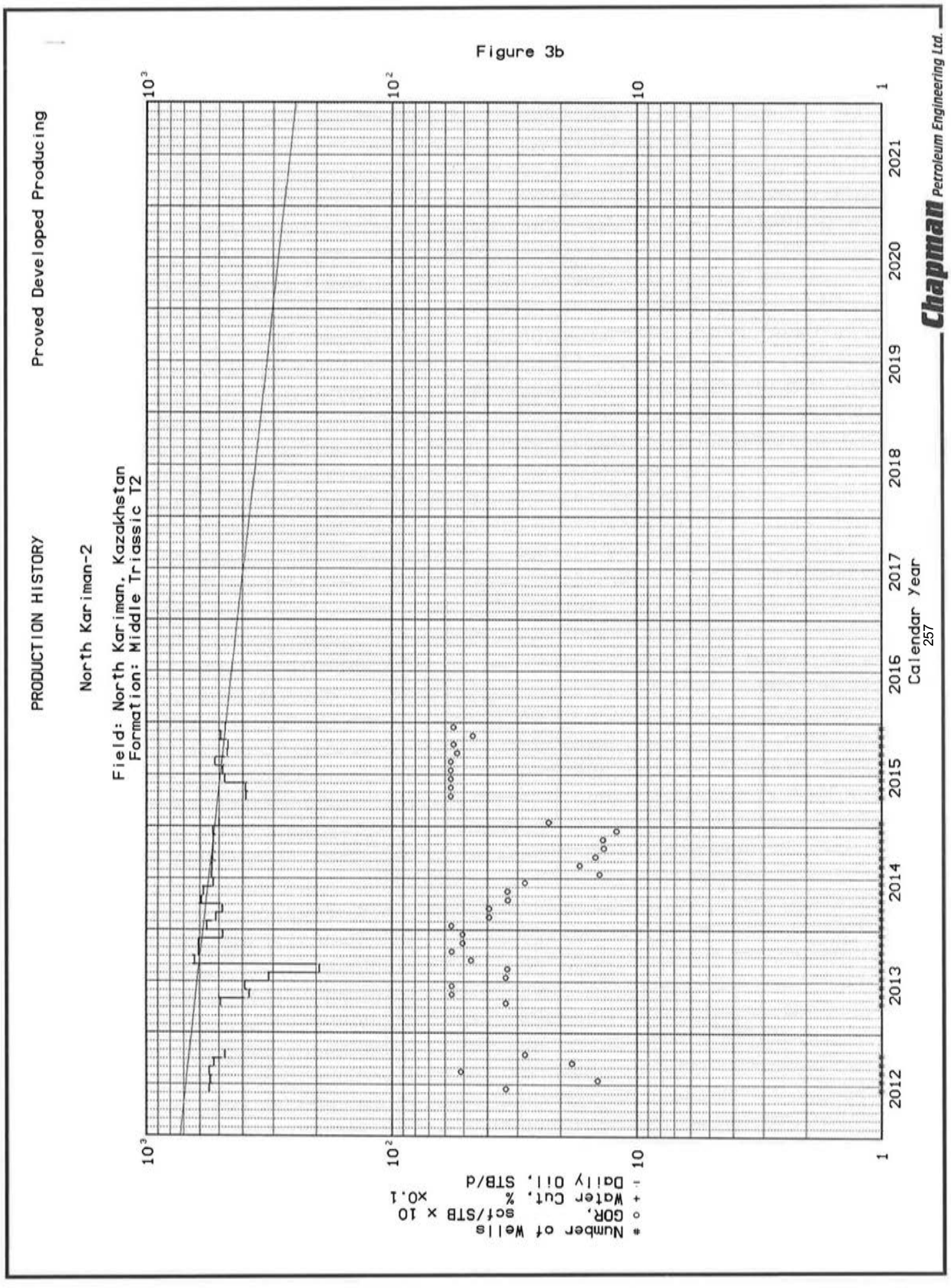

PRODUCTION HISTORY
Proved Developed Producing
North Kariman-2
Field: North Kariman, Kazakhstan
Formation: Middle Triassic T2
Chapman Petroleum Engineering Ltd.
Daily Oil, STB/d
Water Cut, % x0.1
GOR, scf/STB x 10
Number of Wells
Calendar Year
2012
2013
2014
2015
2016
2017
2018
2019
2020
2021
1
10
10²
10³

Figure 3c

PRODUCTION HISTORY

GROUP PRODUCTION PLOT

Field: NORTH KARIMAN
Formation: MIDDLE TRIASSIC T2

- Daily Oil, STB/d
+ Water Cut, % x0.1
° GOR, sc†/STB x 10
* Number of Wells

Calendar Year

Chapman Petroleum Engineering Ltd.

Table 3a

Summary of Anticipated Capital Expenditures
Development
January 1, 2016
MIE Holdings Corporation

North Kariman, Republic of Kazakhstan

Description	Date	Operation	Capital Interest %	Gross Capital M$	Net Capital M$
Proved					
Proved Undeveloped					
Location-1	2019	Drill, complete and Tie-in Well	100.0000	4,000	4,000
Location-2	2020	Drill, complete and Tie-in Well	100.0000	4,000	4,000
		Total Proved Undeveloped		**8,000**	**8,000**
		Total Proved		**8,000**	**8,000**
Probable					
Probable Developed Producing					
Pipeline and Central Processing Facilities	2016	Build Pipeline and Central Processing Facilities	100.0000	10,531	10,531
		Total Probable Developed Producing		**10,531**	**10,531**
Probable Developed Non-Producing					
North Kariman-1	2021	Recomplete and Tie-in Additional Intervals	100.0000	400	400
North Kariman-2	2022	Recomplete and Tie-in Additional Intervals	100.0000	400	400
		Total Probable Developed Non-Producing		**800**	**800**
		Total Probable Developed		**11,331**	**11,331**
Probable Undeveloped					
Location-1	2023	Stimulate Producing Intervals	100.0000	400	400
Location-2	2024	Stimulate Producing Intervals	100.0000	400	400
Location-1	2025	Recomplete and Tie-in Additional Intervals	100.0000	500	500
Location-2	2026	Recomplete and Tie-in Additional Intervals	100.0000	500	500
		Total Probable Undeveloped		**1,800**	**1,800**
		Total Probable		**13,131**	**13,131**
		Total Proved Plus Probable		**21,131**	**21,131**
Possible					
Location-2	2026	Stimulate Producing Intervals	100.0000	500	500
		Total Possible		**500**	**500**
		Total Proved Plus Probable Plus Possible		**21,631**	**21,631**

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

Table 3b

Summary of Anticipated Capital Expenditures
Abandonment and Restoration

January 1, 2016

MIE Holdings Corporation

North Kariman, Republic of Kazakhstan

Description	Year	Well Parameters	Capital Interest %	Gross Capital M$	Net Capital M$
North Kariman-1		Oil well Abandonment and Restoration	100.0000	50	50
North Kariman-2		Oil well Abandonment and Restoration	100.0000	50	50
Two Locations		Oil wells Abandonment and Restoration	100.0000	100	100
		Total Abandonment and Restoration		**200**	**200**

ADEK BLOCK (LICENCE AREA)

REPUBLIC OF KAZAKHSTAN

YESSEN FIELD

INDEX

Discussion

Property Description
Geology
Petrophysical Data and Analysis
Reserves
Production
Product Prices
Capital Expenditures
Operating Costs
Tax
Economics

Attachments

Table 1: Schedule of Lands, Interests and Royalty Burdens

Figure 1: Field Map and Structure Top
a) Middle Triassic T2Upper
b) Middle Triassic T2A
c) Middle Triassic T2B
d) Middle Triassic T2C
e) Lower Triassic T1

Figure 2: Log Analysis Presentation
a) Yessen-1, Middle Triassic T2Upper
b) Yessen-1, Middle Triassic T2 and Lower Triassic T1
c) Yessen-2, Middle Triassic T2Upper and T2A
d) Yessen-2, Middle Triassic T2B and T2C

Table 2: Summary of Gross Reserves

Summary of Reserves and Reservoir Parameters
Proved Developed Non-Producing
a) Yessen-1, Middle Triassic T2B (Removed from this version)
b) Yessen-1, Middle Triassic T2C (Removed from this version)
c) Yessen-2, Middle Triassic T2B (Removed from this version)
d) Yessen-2, Middle Triassic T2C (Removed from this version)

Proved Undeveloped
e) Location-1, Middle Triassic T2B (Removed from this version)
f) Location-1, Middle Triassic T2C (Removed from this version)
g) Location-2, Middle Triassic T2B (Removed from this version)
h) Location-2, Middle Triassic T2C (Removed from this version)

Probable Developed
i) Yessen-1, Middle Triassic T2Upper (Removed from this version)

j) Yessen-1, Middle Triassic T2A (Removed from this version)
k) Yessen-1, Lower Triassic T1 (Removed from this version)
l) Yessen-2, Middle Triassic T2A (Removed from this version)

Probable Undeveloped
m) Location-1, Middle Triassic T2Upper (Removed from this version)
n) Location-1, Middle Triassic T2A (Removed from this version)
o) Location-1, Lower Triassic T1 (Removed from this version)
p) Location-2, Middle Triassic T2Upper (Removed from this version)
q) Location-2, Middle Triassic T2A (Removed from this version)
r) Location-2, Lower Triassic T1 (Removed from this version)
s) Location-3, Middle Triassic T2B (Removed from this version)
t) Location-3, Middle Triassic T2C (Removed from this version)
u) Location-4, Middle Triassic T2B (Removed from this version)
v) Location-4, Middle Triassic T2C (Removed from this version)

Possible
w) Location-3, Middle Triassic T2A (Removed from this version)
x) Location-4, Middle Triassic T2A (Removed from this version)
y) Location-4, Lower Triassic T1 (Removed from this version)
z) Location-5, Middle Triassic T2Upper (Removed from this version)
aa) Location-5, Middle Triassic T2A (Removed from this version)
ab) Location-5, Middle Triassic T2B (Removed from this version)
ac) Location-5, Middle Triassic T2C (Removed from this version)
ad) Location-5, Lower Triassic T1 (Removed from this version)
ae) Location-6, Middle Triassic T2Upper (Removed from this version)
af) Location-6, Middle Triassic T2A (Removed from this version)
ag) Location-6, Middle Triassic T2B (Removed from this version)
ah) Location-6, Middle Triassic T2C (Removed from this version)
ai) Location-6, Lower Triassic T1 (Removed from this version)

Figure 3: Production History Graphs
a) Yessen-1, Middle Triassic T2
b) Yessen-2, Middle Triassic T2
c) Group Production Plot, Middle Triassic T2

Table 3: Summary of Anticipated Capital Expenditures
a) Development
b) Abandonment and Restoration

ADEK BLOCK (LICENCE AREA)
REPUBLIC OF KAZAKHSTAN
YESSEN FIELD
DISCUSSION

Property Description

The Company owns a 100 percent working interest in a "Licence" and "Exploration Contract" referred to as the Emir 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 Yessen field is one of seven known fields already discovered on the ADEK Block. The Company drilled well Yessen-1, 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 Yessen area, the Company successful drilled an exploratory wildcat, well Yessen-1 and discovered oil in the Middle and Upper Triassic carbonate (T2 and T3), as shown on the log analysis illustrated in Figure 2. Pay in the well has been calculated from 3185 m to 3568 m. The reservoir zone is trapped in a fault bounded anticlinal structure as shown in the seismic structure map on the top of the Middle Triassic illustrated in Figure 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.

Sw cutoff was 40% along with a shale volume cutoff of 70%.

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

Reserves

Proved Developed Non-Producing oil reserves of 339 MSTB and marketable solution gas reserves of 104 MMscf have been estimated for the Middle Triassic T2B and T2C zones in wells Yessen-1 and Yessen-2, based on reservoir parameters determined from digital log analysis and production data from the wells, with assigned recovery factors and drainage areas.

Proved Undeveloped oil reserves of 123 MSTB and marketable solution gas reserves of 32 MMscf have been estimated for the Middle Triassic T2B and T2C zones in undeveloped locations 1 nad 2, based on reservoir parameters determined from digital log analysis and production data from the adjacent wells.

Probable Developed Non-Producing oil reserves of 5,154 MSTB and marketable solution gas reserves of 1,600 MMscf have been estimated for the Middle and Lower Triassic zones in wells Yessen-1 and 2, based on reservoir parameters determined from digital log analysis and production data from the wells.

Probable undeveloped oil reserves of 1,641 MSTB and marketable solution gas reserves of 433 MMscf have been assigned for four adjacent locations based on the analogy to the existing well, and a gas-oil ratio of 284 scf/STB.

Possible oil reserves of 2,636 MSTB and marketable solution gas reserves of 696 MMscf have been assigned for four adjacent probable (incremental) and two step-out possible locations based on analogy to the existing well, and a gas-oil ratio of 284 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 2ai.

Production

Well Yessen-1 commenced production in June of 2013 at an initial rate of 95 STB/d, and currently producing at a rate of 85 STB/d.

Well Yessen-2 commenced production in September of 2014 at an initial rate of 73 STB/d, and currently is producing at a rate of 100 STB/d.

For this report we are required to schedule rates in accordance with actual performance demonstrated to date. With a successful stimulation, rates of 300-800 STB/d might be achievable in the probable developed case, which would make the values presented in this report greatly conservative.

For probable undeveloped and possible locations, initial production rates from 75 to 250STB/d have 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 $29,800,000 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.

Abandonment and lease restoration costs of $400,000 ($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

Yessen, Republic of Kazakhstan

Description	Rights Owned	Gross Acres	Appraised Interest Working %	Appraised Interest Royalty %	Royalty Burdens Basic %	Royalty Burdens 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

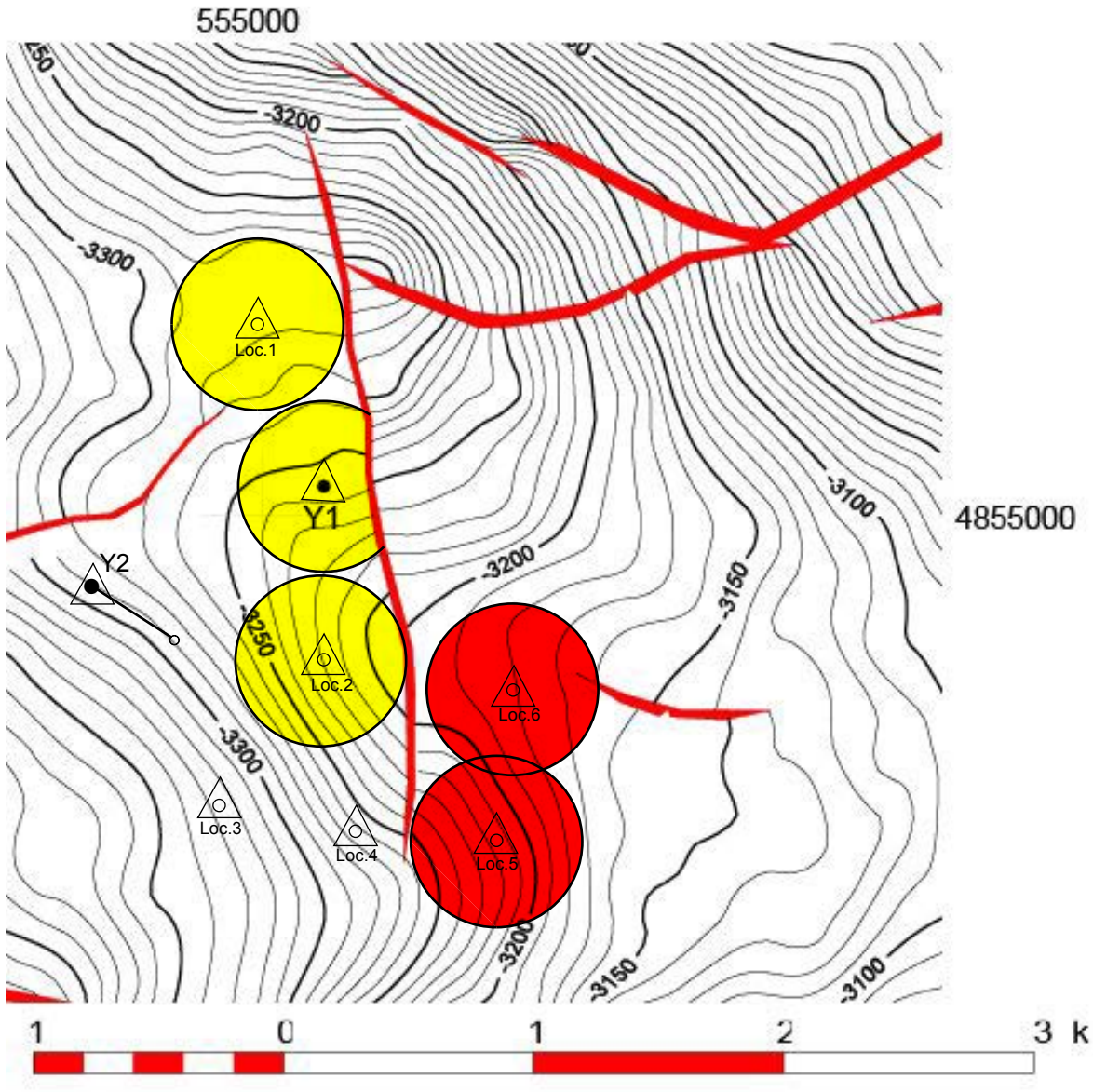
Export Rent Tax (ERT)

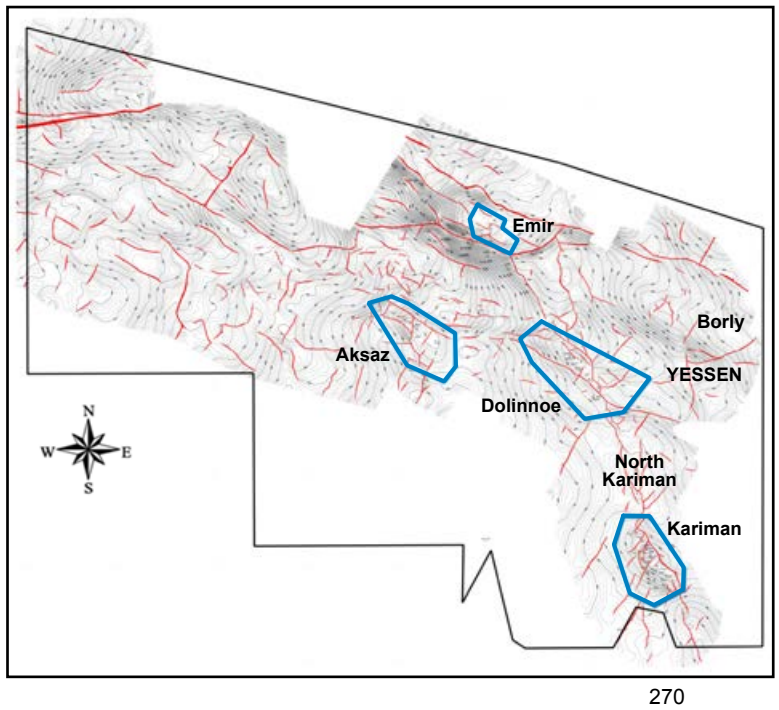
World Price (US$/BBL)	Rate %
Up to 40, Including	0
Up to 50, Including	7
Up to 60, Including	11
Up to 70, Including	14
Up to 80, Including	16
Up to 90, Including	17
Up to 100, Including	19
Up to 110, Including	21
Up to 120, Including	22
Up to 130, Including	23
Up to 140, Including	25
Up to 150, Including	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] Yessen Field located in block XXXVI-11-B.
Assumption: Contact expires on September 9, 2036.





LEGEND

- FAULT LINES
- FIELD BOUNDARY
- ## STRUCTURAL ELEVATION (sL)- m
- PROPOSED LOCATIONS
- WELL OF INTEREST
- PROVED RESERVES
- PROBABLE RESERVES
- POSSIBLE RESERVES

MIE HOLDINGS CORPORATION

YESSEN FIELD

ADEK BLOCK (LICENSE AREA)

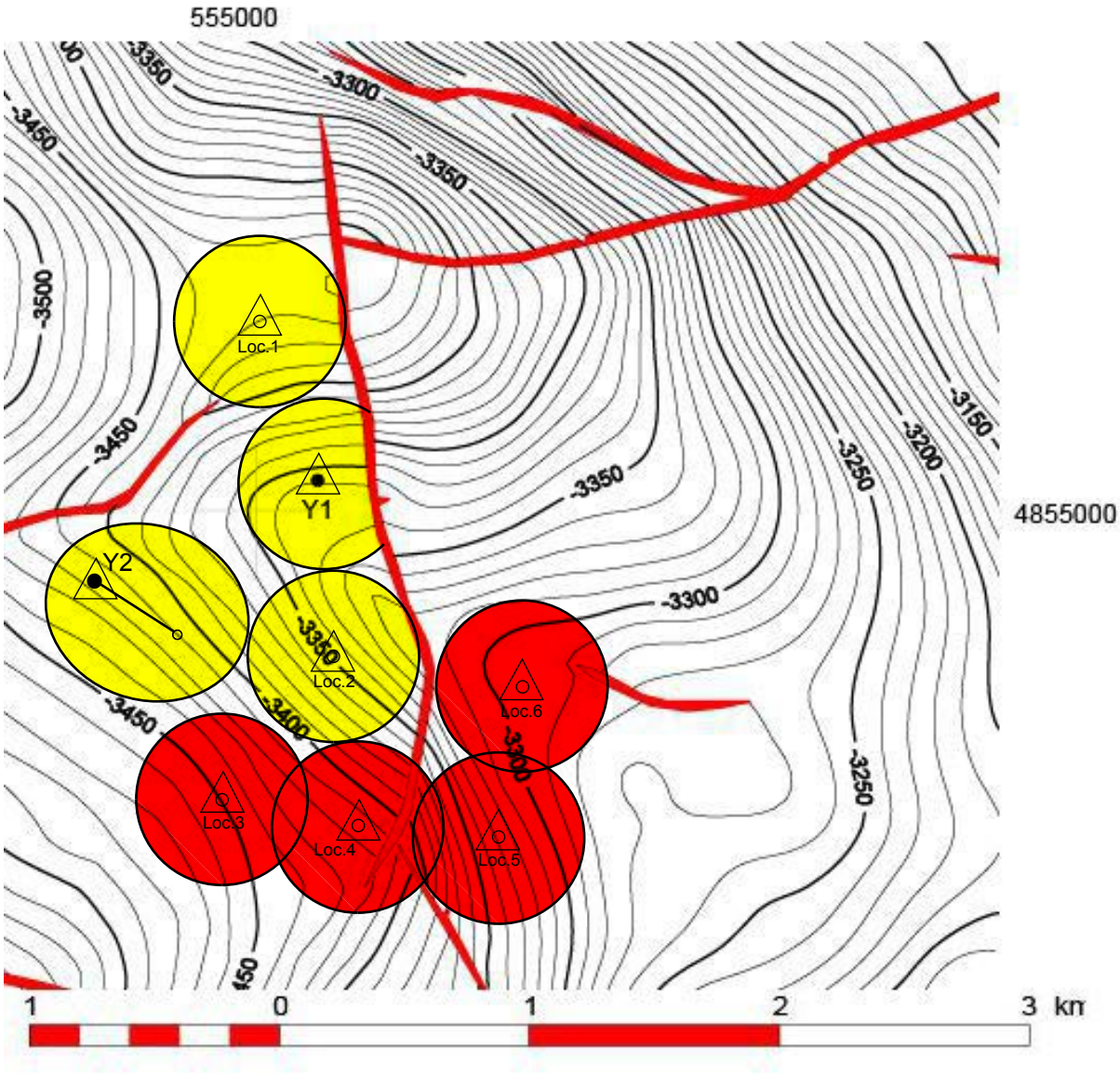
MANGISTAU OBLAST, KAZAKHSTAN

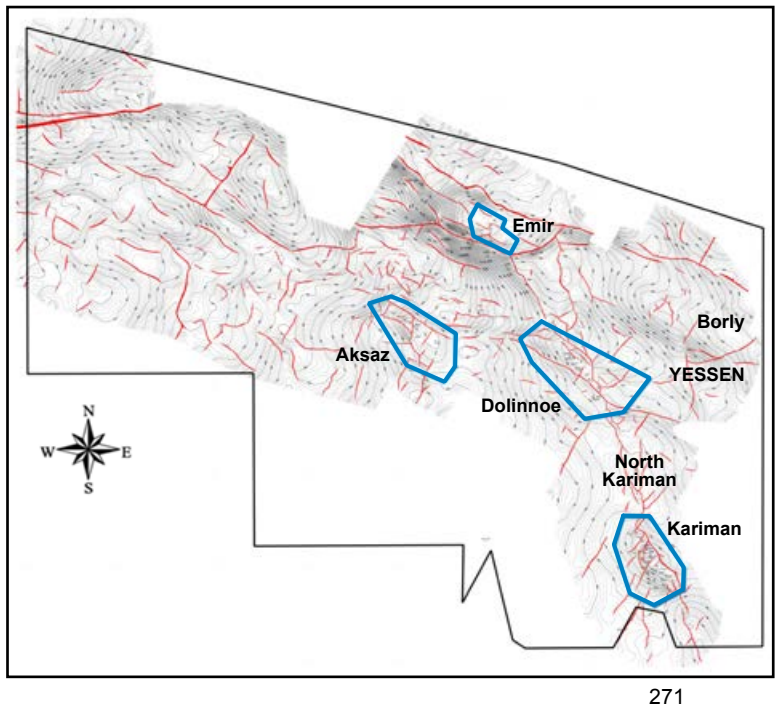
STRUCTURE ON MIDDLE TRIASSIC T2 UPPER

JAN. 2016 JOB No. 6144 FIGURE No. 1a

270

Chapman Petroleum Engineering Ltd.





LEGEND

- FAULT LINES
- FIELD BOUNDARY
- ## STRUCTURAL ELEVATION (sL)- m
- PROPOSED LOCATIONS
- WELL OF INTEREST
- PROVED RESERVES
- PROBABLE RESERVES
- POSSIBLE RESERVES

MIE HOLDINGS CORPORATION

YESSEN FIELD

ADEK BLOCK (LICENSE AREA)

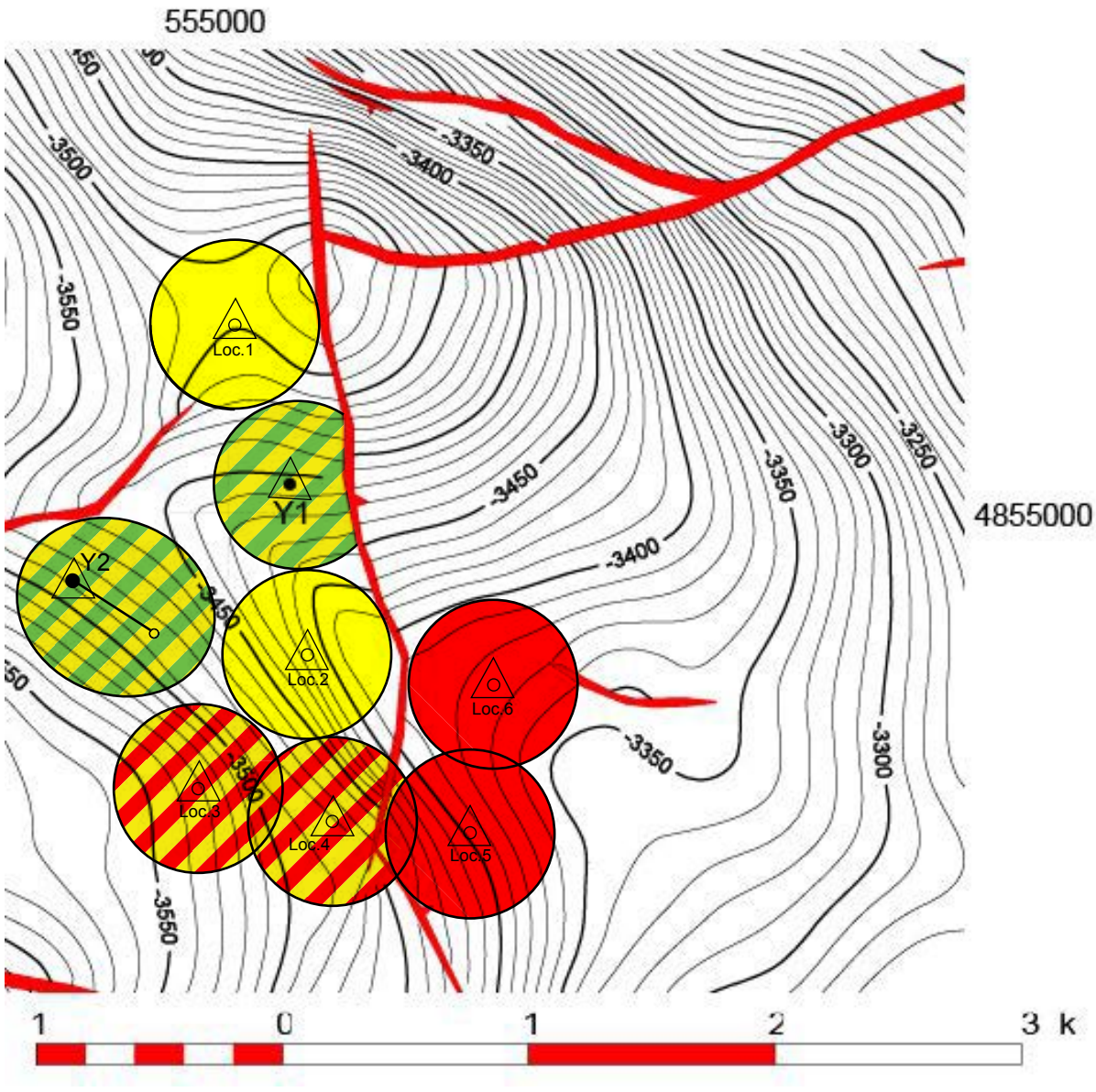
MANGISTAU OBLAST, KAZAKHSTAN

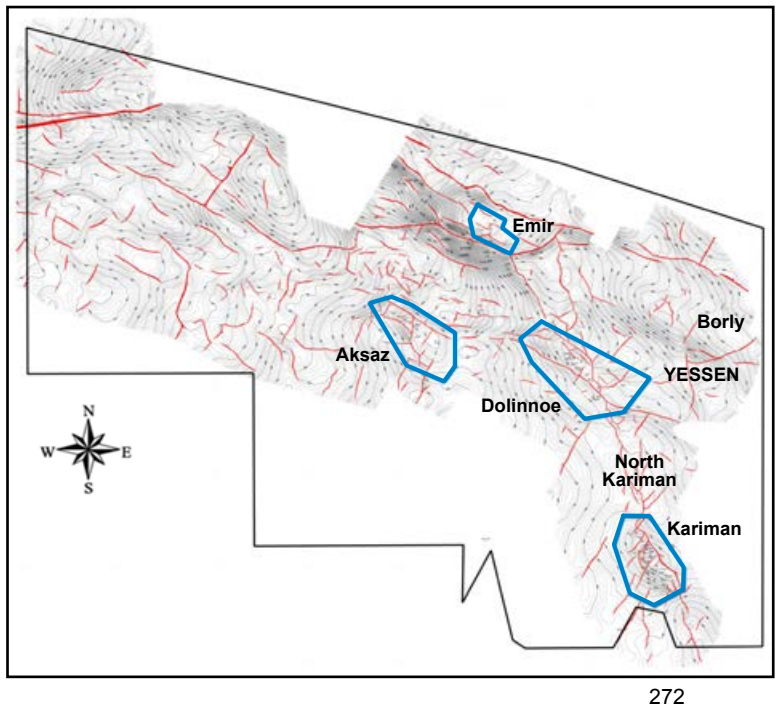
STRUCTURE ON MIDDLE TRIASSIC T2A

JAN. 2016 JOB No. 6144 FIGURE No. 1b

271

Chapman Petroleum Engineering Ltd.





LEGEND

- FAULT LINES
- FIELD BOUNDARY
- ## STRUCTURAL ELEVATION (sL)- m
- PROPOSED LOCATIONS
- WELL OF INTEREST
- PROVED RESERVES
- PROBABLE RESERVES
- POSSIBLE RESERVES

MIE HOLDINGS CORPORATION

YESSEN FIELD

ADEK BLOCK (LICENSE AREA)

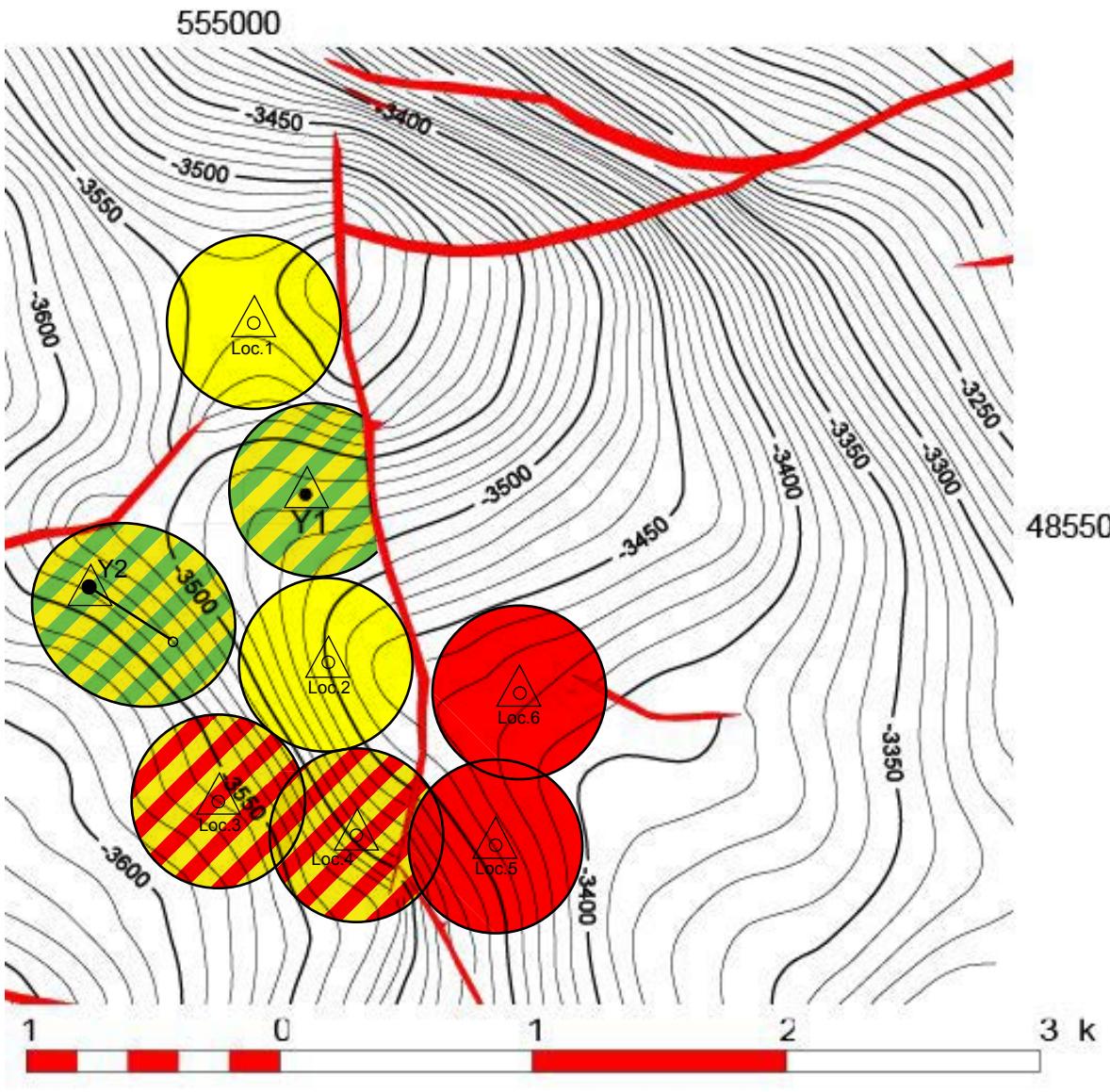
MANGISTAU OBLAST, KAZAKHSTAN

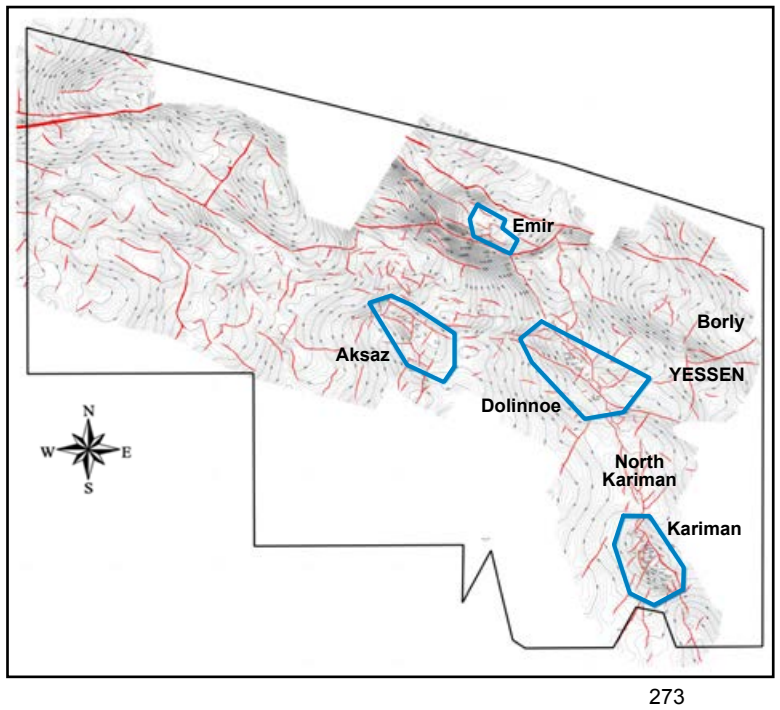
STRUCTURE ON MIDDLE TRIASSIC T2B

JAN. 2016 JOB No. 6144 FIGURE No. 1c

272

Chapman Petroleum Engineering Ltd.





LEGEND

- FAULT LINES
- FIELD BOUNDARY
- ## STRUCTURAL ELEVATION (sL)- m
- PROPOSED LOCATIONS
- WELL OF INTEREST
- PROVED RESERVES
- PROBABLE RESERVES
- POSSIBLE RESERVES

MIE HOLDINGS CORPORATION

YESSEN FIELD

ADEK BLOCK (LICENSE AREA)

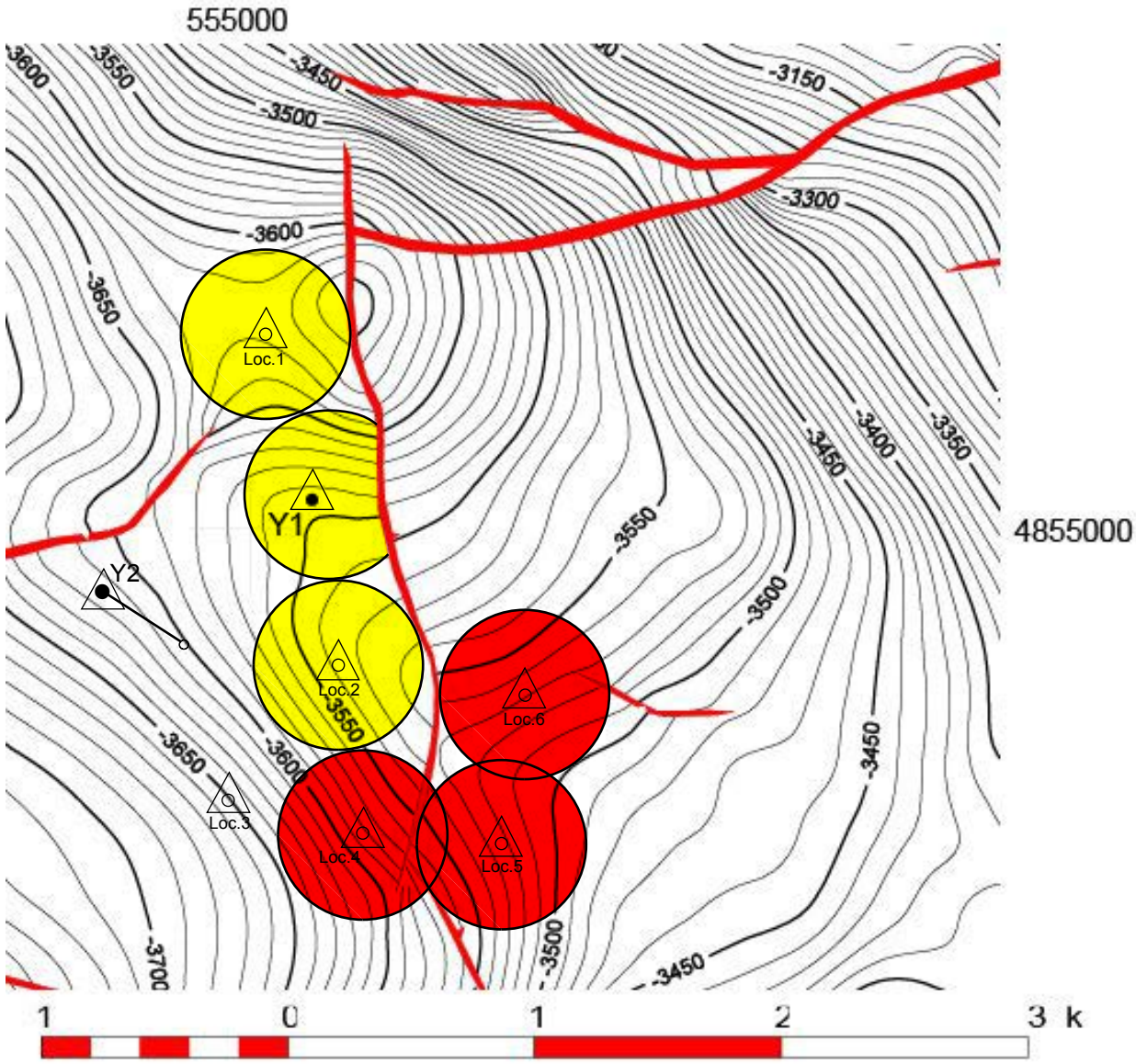
MANGISTAU OBLAST, KAZAKHSTAN

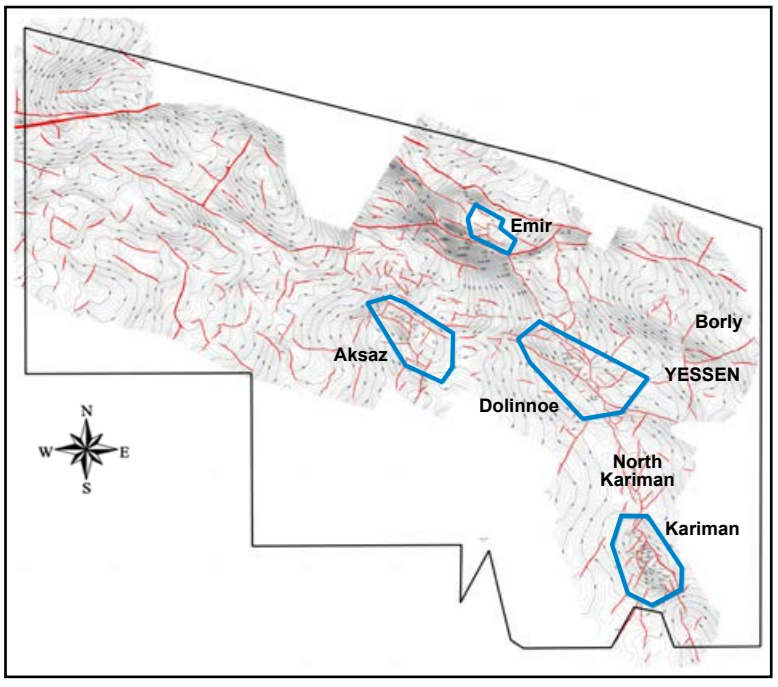
STRUCTURE ON MIDDLE TRIASSIC T2C

JAN. 2016 JOB No. 6144 FIGURE No. 1d

273

Chapman Petroleum Engineering Ltd.





LEGEND

- FAULT LINES
- FIELD BOUNDARY
- ## STRUCTURAL ELEVATION (sL)- m
- PROPOSED LOCATIONS
- WELL OF INTEREST
- PROVED RESERVES
- PROBABLE RESERVES
- POSSIBLE RESERVES

MIE HOLDINGS CORPORATION

YESSEN FIELD

ADEK BLOCK (LICENSE AREA)

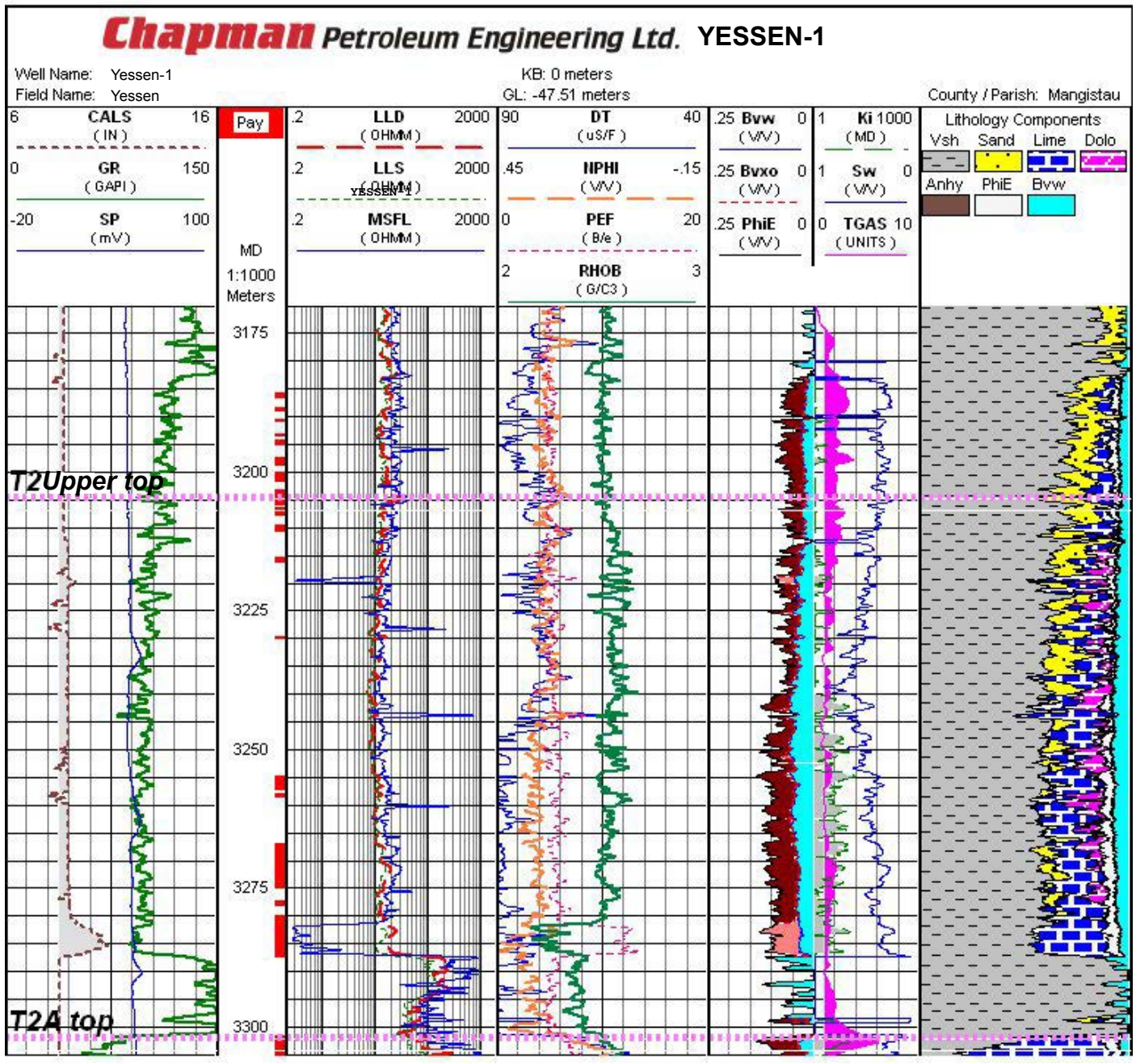
MANGISTAU OBLAST, KAZAKHSTAN

STRUCTURE ON LOWER TRIASSIC T1

JAN. 2016 JOB No. 6144 FIGURE No. 1e

274

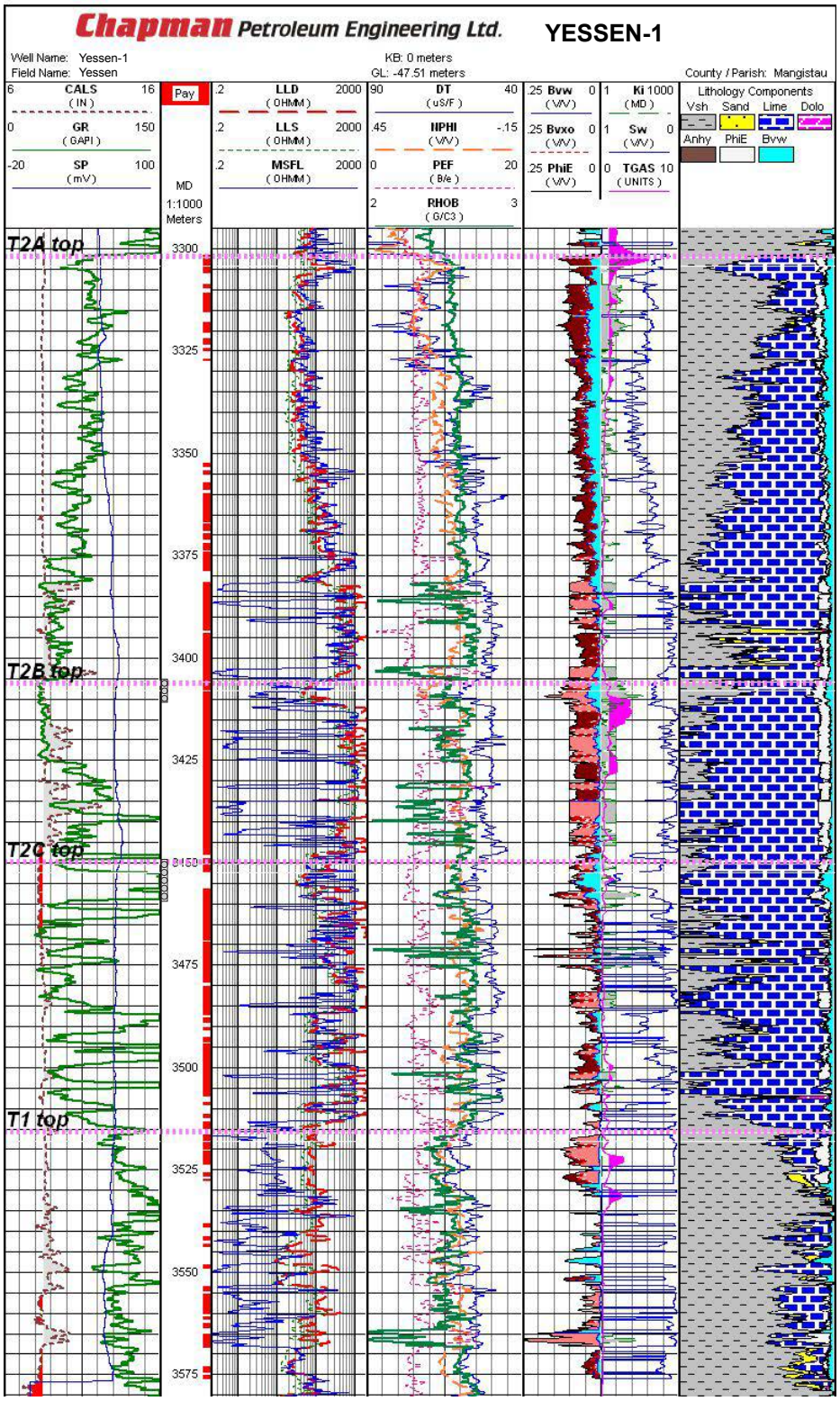
Chapman Petroleum Engineering Ltd.



MIE HOLDINGS CORPORATION
ADEK BLOCK OIL WELL LOG ANALYSIS MANGISTAU OBLAST, KAZAKHSTAN YESSEN-1 MIDDLE TRIASSIC T2 UPPER
JAN. 2016 JOB No. 6144 FIGURE No. 2a

275

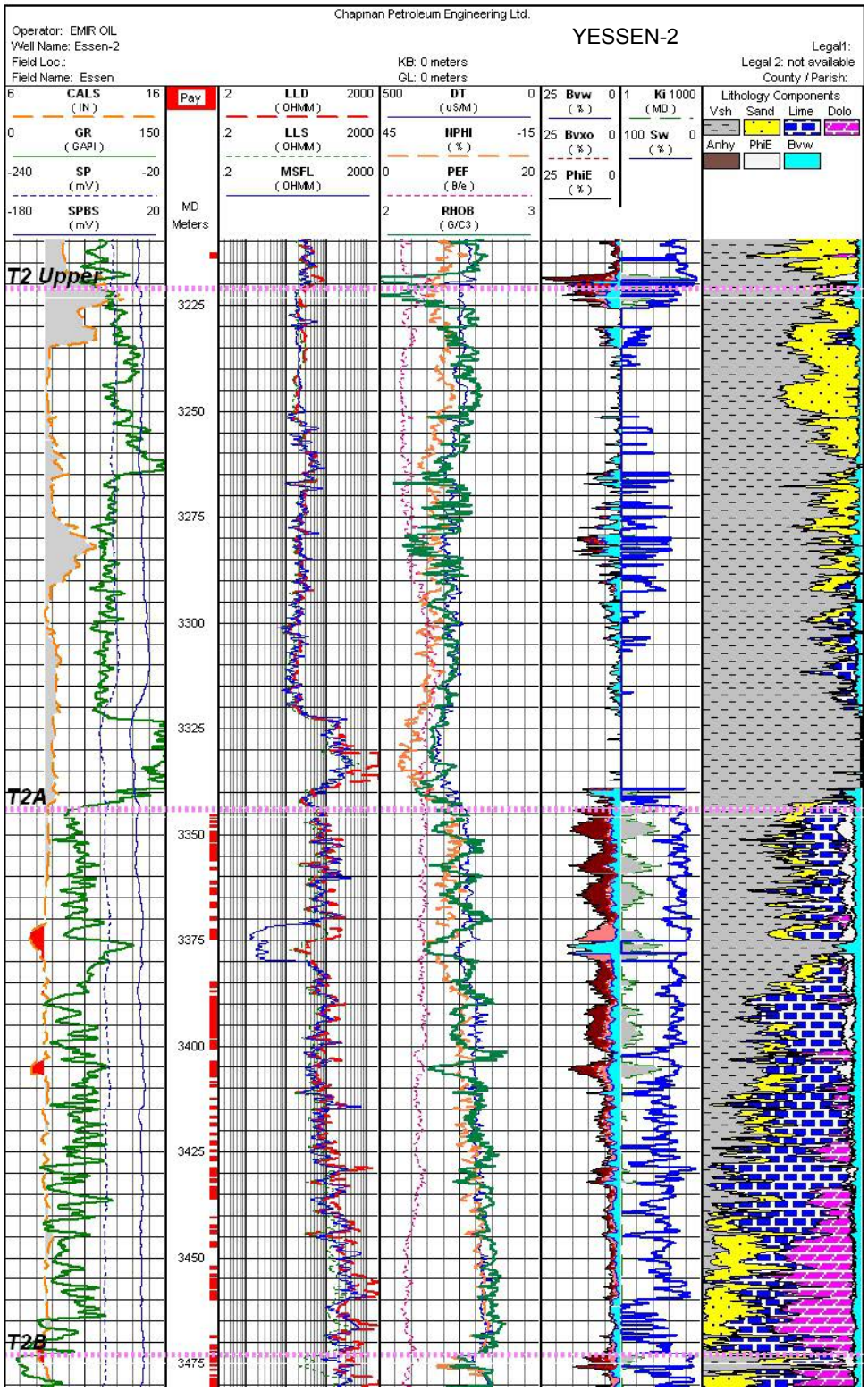
Chapman Petroleum Engineering Ltd.



MIE HOLDINGS CORPORATION
ADEK BLOCK **OIL WELL LOG ANALYSIS** MANGISTAU OBLAST, KAZAKHSTAN **YESSEN-1** MIDDLE TRIASSIC T2 & LOWER TRIASSIC T1
JAN. 2016 JOB No. 6144 FIGURE No. 2b

276

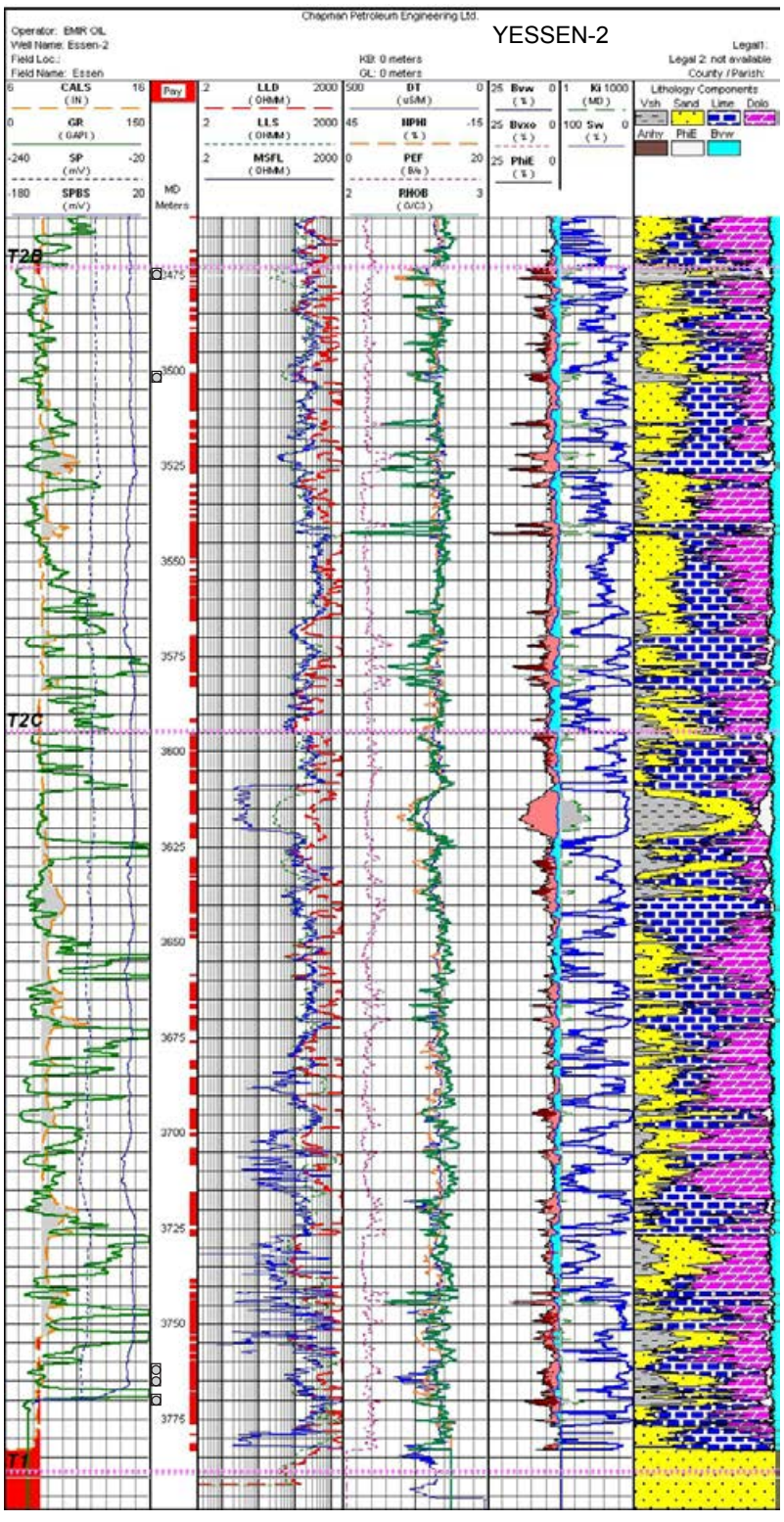
Chapman Petroleum Engineering Ltd.



MIE HOLDINGS CORPORATION
ADEK BLOCK **OIL WELL LOG ANALYSIS** MANGISTAU OBLAST, KAZAKHSTAN **YESSEN-2** MIDDLE TRIASSIC T2 UPPER & T2A
JAN. 2016 JOB No. 6144 FIGURE No. 2c

277

Chapman Petroleum Engineering Ltd.



MIE HOLDINGS CORPORATION
ADEK BLOCK OIL WELL LOG ANALYSIS MANGISTAU OBLAST, KAZAKHSTAN YESSEN-2 MIDDLE TRIASSIC T2B & T2C
JAN. 2016 JOB No. 6144 FIGURE No. 2d

278

Chapman Petroleum Engineering Ltd.

Table 2

Summary of Gross Reserves
January 1, 2016

MIE Holdings Corporation

Yessen, 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 Non-Producing									
Yessen-1	Middle Triassic T2B & T2C		85	40	203	8	195	195	Tables 2a & 2b
Yessen-2	Middle Triassic T2B & T2C		100	40	177	33	144	144	Tables 2c & 2d
	Total Proved Developed Non-producing		185		380	41	339	339	
Proved Undeveloped									
Location-1	Middle Triassic T2B & T2C		50	40	63	0	63	63	Tables 2e & 2f
Location-2	Middle Triassic T2B & T2C		50	40	60	0	60	60	Tables 2g & 2h
	Total Proved Undeveloped		100		123	0	123	123	
	Total Proved		285		502	41	461	461	
Probable									
Probable Developed Non-Producing									
Yessen-1	Middle Triassic T2B & T2C	(incr.)	800	40	1,733	0	1,733	1,733	Tables 2a & 2b
Yessen-2	Middle Triassic T2B & T2C	(incr.)	800	40	1,707	0	1,707	1,707	Tables 2c & 2d
Yessen-1	Middle Triassic T2 Upper, T2A & T1		600	40	1,107	0	1,107	1,107	Tables 2i, 2j & 2k
Yessen-2	Middle Triassic T2A		300	40	607	0	607	607	Table 2l
	Total Probable Developed Non-Producing		2,500		5,154	0	5,154	5,154	
	Total Probable Developed		2,500		5,154	0	5,154	5,154	
Probable Undeveloped									
Location-1	Middle Triassic T2B & T2C	(incr.)	0	40	21	0	21	21	Tables 2e & 2f
Location-2	Middle Triassic T2B & T2C	(incr.)	100	40	267	0	267	267	Tables 2g & 2h
Location-1	Middle Triassic T2 Upper, T2A & T1		200	40	554	0	554	554	Tables 2m, 2n & 2o
Location-2	Middle Triassic T2 Upper, T2A & T1		200	40	554	0	554	554	Tables 2p, 2q & 2r
Location-3	Middle Triassic T2B & T2C		75	40	123	0	123	123	Tables 2s & 2t
Location-4	Middle Triassic T2B & T2C		75	40	123	0	123	123	Tables 2u & 2v
	Total Probable Undeveloped		650		1,641	0	1,641	1,641	
	Total Probable		3,150		6,794	0	6,794	6,794	
	Total Proved Plus Probable		3,435		7,297	41	7,256	7,256	
Possible									
Location-3	Middle Triassic T2B & T2C	(incr.)	100	40	288	0	288	288	Tables 2s & 2t
Location-4	Middle Triassic T2B & T2C	(incr.)	100	40	288	0	288	288	Tables 2u & 2v
Location-3	Middle Triassic T2A		100	40	269	0	269	269	Table 2w
Location-4	Middle Triassic T2A & T1		200	40	438	0	438	438	Tables 2x & 2y
Location-5	Middle Triassic T2 Upper, T2A, T2B, T2C & T1		250	40	676	0	676	676	Tables 2z, 2aa, 2ab, 2ac & 2ad
Location-6	Middle Triassic T2 Upper, T2A, T2B, T2C & T2		250	40	676	0	676	676	Tables 2ae, 2af, 2ag, 2ah & 2ai
	Total Possible		1,000		2,636	0	2,636	2,636	
	Total Proved Plus Probable Plus Possible		4,435		9,932	41	9,891	9,891	

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

Table 2 Cont.

Summary of Gross Reserves
January 1, 2016

MIE Holdings Corporation

Yessen, 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							
Proved							
Proved Developed Non-Producing							
Yessen-1	Middle Triassic T2B & T2C	58	2	55	52	52	GOR : 284 scf/STB
Yessen-2	Middle Triassic T2B & T2C	70	13	57	53	53	GOR : 395 scf/STB
	Total Proved Developed Non-producing	127	15	112	104	104	
Proved Undeveloped							
Location-1	Middle Triassic T2B & T2C	18	0	18	17	17	GOR : 284 scf/STB
Location-2	Middle Triassic T2B & T2C	17	0	17	16	16	GOR : 284 scf/STB
	Total Proved Undeveloped	35	0	35	32	32	
	Total Proved	162	15	147	137	137	
Probable							
Probable Developed Non-Producing							
Yessen-1	Middle Triassic T2B & T2C	492	0	492	458	458	GOR : 284 scf/STB
Yessen-2	Middle Triassic T2B & T2C	674	0	674	627	627	GOR : 395 scf/STB
Yessen-1	Middle Triassic T2 Upper, T2A & T1	314	0	314	292	292	GOR : 284 scf/STB
Yessen-2	Middle Triassic T2A	240	0	240	223	223	GOR : 395 scf/STB
	Total Probable Developed Non-Producing	1,720	0	1,720	1,600	1,600	
	Total Probable Developed	1,720	0	1,720	1,600	1,600	
Probable Undeveloped							
Location-1	Middle Triassic T2B & T2C	6	0	6	6	6	GOR : 284 scf/STB
Location-2	Middle Triassic T2B & T2C	76	0	76	71	71	GOR : 284 scf/STB
Location-1	Middle Triassic T2 Upper, T2A & T1	157	0	157	146	146	GOR : 284 scf/STB
Location-2	Middle Triassic T2 Upper, T2A & T1	157	0	157	146	146	GOR : 284 scf/STB
Location-3	Middle Triassic T2B & T2C	35	0	35	32	32	GOR : 284 scf/STB
Location-4	Middle Triassic T2B & T2C	35	0	35	32	32	GOR : 284 scf/STB
	Total Probable Undeveloped	466	0	466	433	433	
	Total Probable	2,186	0	2,186	2,033	2,033	
	Total Proved Plus Probable	2,349	15	2,333	2,170	2,170	
Possible							
Location-3	Middle Triassic T2B & T2C	82	0	82	76	76	GOR : 284 scf/STB
Location-4	Middle Triassic T2B & T2C	82	0	82	76	76	GOR : 284 scf/STB
Location-3	Middle Triassic T2A	76	0	76	71	71	GOR : 284 scf/STB
Location-4	Middle Triassic T2A & T1	124	0	124	116	116	GOR : 284 scf/STB
Location-5	Middle Triassic T2 Upper, T2A, T2B, T2C & T1	192	0	192	179	179	GOR : 284 scf/STB
Location-6	Middle Triassic T2 Upper, T2A, T2B, T2C & T2	192	0	192	179	179	GOR : 284 scf/STB
	Total Possible	749	0	749	696	696	
	Total Proved Plus Probable Plus Possible	3,097	15	3,082	2,866	2,866	

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

Figure 3a

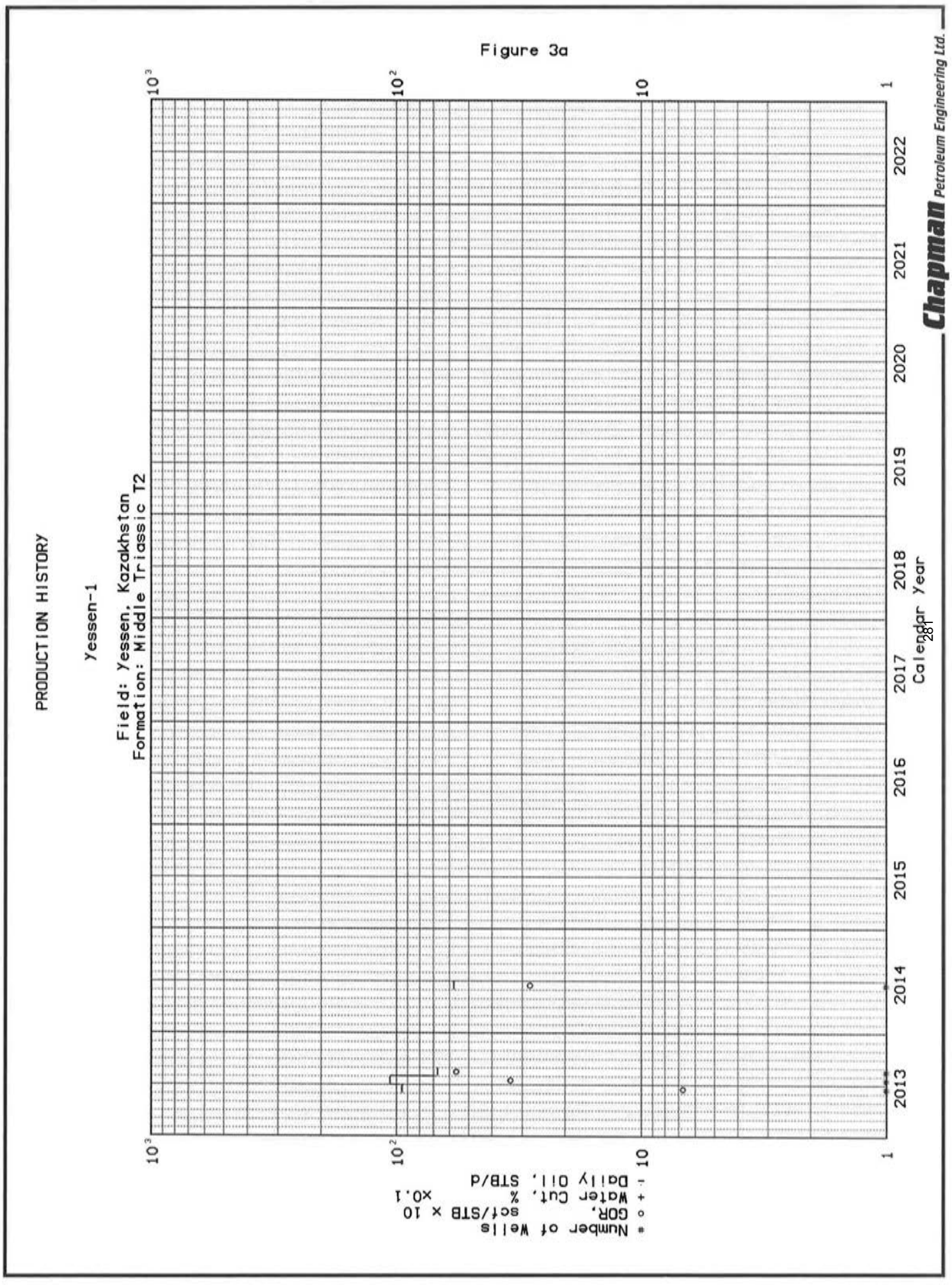

PRODUCTION HISTORY
Yessen-1
Field: Yessen, Kazakhstan
Formation: Middle Triassic T2
Chapman Petroleum Engineering Ltd.
Calendar Year
2013
2014
2015
2016
2017
2018
2019
2020
2021
2022
1
10
10²
10³
* Number of Wells
° GOR, scf/STB x 10
+ Water Cut, % x0.1
- Daily Oil, STB/d

Figure 3b

PRODUCTION HISTORY

Yessen-2

Field: Yessen, Kazakhstan
Formation: Middle Triassic T2

* Number of Wells
° GOR, scf/STB x 10
+ Water Cut, % x0.1
- Daily Oil, STB/d

Calendar Year

Chapman Petroleum Engineering Ltd.

Figure 3c

PRODUCTION HISTORY

GROUP PRODUCTION PLOT

Field: YESSEN, KAZAKHSTAN
Formation: MIDDLE TRIASSIC T2

Chapman Petroleum Engineering Ltd.

Calendar Year

Number of Wells
° GOR, scf/STB x 10
+ Water Cut, % x0.1
- Daily Oil, STB/d

Table 3a

Summary of Anticipated Capital Expenditures
Development
January 1, 2016
MIE Holdings Corporation

Yessen, Republic of Kazakhstan

Description	Date	Operation	Capital Interest %	Gross Capital M$	Net Capital M$
Proved					
Proved Developed Non-Producing					
Yessen-1	2018	Place on Production	100.0000	400	400
Yessen-2	2016	Place on Production	100.0000	400	400
		Total Proved Developed Non-Producing		**800**	**800**
Proved Undeveloped					
Location-1	2016	Drill, complete and Tie-in Well	100.0000	4,000	4,000
Location-2	2021	Drill, complete and Tie-in Well	100.0000	4,000	4,000
		Total Probable Undeveloped		**8,000**	**8,000**
		Total Proved		**8,800**	**8,800**
Probable					
Probable Developed					
Yessen-1	2018	Stimulate Producing Intervals	100.0000	500	500
Yessen-2	2016	Stimulate Producing Intervals	100.0000	500	500
Yessen-1	2023	Re-Complete and Place on Production Additional Intervals	100.0000	500	500
Yessen-2	2024	Re-Complete and Place on Production Additional Intervals	100.0000	500	500
		Total Probable Developed		**2,000**	**2,000**
Probable Undeveloped					
Location-1	2016	Stimulate Producing Intervals	100.0000	200	200
Location-2	2021	Stimulate Producing Intervals	100.0000	200	200
Location-1	2020	Re-Complete and Place on Production Additional Intervals	100.0000	500	500
Location-2	2025	Re-Complete and Place on Production Additional Intervals	100.0000	500	500
Location-3	2022	Drill, complete and Tie-in Well	100.0000	4,000	4,000
Location-4	2023	Drill, complete and Tie-in Well	100.0000	4,000	4,000
		Total Probable Undeveloped		**9,400**	**9,400**
		Total Probable		**11,400**	**11,400**
		Total Proved Plus Probable		**20,200**	**20,200**
Possible					
Location-3	2027	Stimulate Producing Intervals	100.0000	400	400
Location-4	2028	Stimulate Producing Intervals	100.0000	400	400
Location-3	2027	Re-Complete and Place on Production Additional Intervals	100.0000	400	400
Location-4	2028	Re-Complete and Place on Production Additional Intervals	100.0000	400	400
Location-5	2024	Drill, complete and Tie-in Well	100.0000	4,000	4,000
Location-6	2025	Drill, complete and Tie-in Well	100.0000	4,000	4,000
		Total Possible		**9,600**	**9,600**
		Total Proved Plus Probable Plus Possible		**29,800**	**29,800**

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

Table 3b

Summary of Anticipated Capital Expenditures
Abandonment and Restoration

January 1, 2016

MIE Holdings Corporation

Yessen, Republic of Kazakhstan

Description	Year	Well Parameters	Capital Interest %	Gross Capital M$	Net Capital M$
Yessen-1		Oil well Abandonment and Restoration	100.0000	50	50
Yessen-2		Oil well Abandonment and Restoration	100.0000	50	50
Six Locations		Oil well Abandonment and Restoration	100.0000	300	300
		Total Abandonment and Restoration		**400**	**400**

ADEK BLOCK (LICENCE AREA)

REPUBLIC OF KAZAKHSTAN

EXPLORATION AREA

INDEX

Economic Analysis

Table 4: Summary of Company Reserves and Economics

a) Proved Developed Producing (Removed from this version)
b) Total Proved Developed (Removed from this version)
c) Total Proved (Removed from this version)
d) Proved Plus Probable Developed Producing (Removed from this version)
e) Probable Developed Non-Producing (Removed from this version)
f) Proved Plus Probable Developed (Removed from this version)
g) Probable Undeveloped (Removed from this version)
h) Proved Plus Probable (Removed from this version)
i) Possible (Removed from this version)
j) Proved Plus Probable Plus Possible (Removed from this version)

Table 4

Forecast Prices & Costs

Summary of Company Reserves and Economics
Before CIT & EPT
January 1, 2016
MIE Holdings Corporation
Exploration Area (Borly, North Karlman, Yessen), Kazakhstan

			Net To Appraised Interest						Cumulative Cash Flow (BT) - M$				
			Reserves										
			Light and Medium Oil MSTB		Sales Gas MMscf		NGL Mbbls		Discounted at:				
Description			Gross	Net	Gross	Net	Gross	Net	Undisc.	5%/year	10%/year	15%/year	20%/year
Proved Developed Producing													
North Karlman- 1,2	Middle Triassic T2B & T2C		1,694	1,694	637	637	0	0	45,835	34,487	27,345	22,555	19,167
Total Proved Developed Producing			**1,694**	**1,694**	**637**	**637**	**0**	**0**	**45,835**	**34,487**	**27,345**	**22,555**	**19,167**
Proved Developed Non-Producing													
Yessen -1 &2	Middle Triassic T2B & T2C		339	339	104	104	0	0	5,718	3,763	2,632	1,907	1,409
Total Proved Developed Non-Producing			**339**	**339**	**104**	**104**	**0**	**0**	**5,718**	**3,763**	**2,632**	**1,907**	**1,409**
Total Proved Developed			**2,033**	**2,033**	**741**	**741**	**0**	**0**	**51,553**	**38,250**	**29,977**	**24,462**	**20,576**
Proved Undeveloped													
NK Locs 1 &2, Yessen 1&2	Middle Triassic T2B & T2C		793	793	274	274	0	0	4,474	649	(1,490)	(2,690)	(3,353)
Total Proved Undeveloped			**793**	**793**	**274**	**274**	**0**	**0**	**4,474**	**649**	**(1,490)**	**(2,690)**	**(3,353)**
Total Proved			**2,826**	**2,826**	**1,015**	**1,015**	**0**	**0**	**56,027**	**38,900**	**28,487**	**21,772**	**17,223**
Probable													
Probable Developed Producing													
North Karlman- 1,2	Middle Triassic T2B & T2C	Incr.	970	970	359	359	0	0	23,531	9,246	3,048	(52)	(1,793)
Total Probable Developed Producing			**970**	**970**	**359**	**359**	**0**	**0**	**23,531**	**9,246**	**3,048**	**(52)**	**(1,793)**
Probable Developed Non-Producing													
Yessen -1 &2	Middle Triassic T2B & T2C	Incr.	3,440	3,440	1,085	1,085	0	0	137,844	94,439	69,148	53,104	42,253
Borly-2ST1,NK-1,2, Yessen-1&2	Tri, T2 Up., Mid. Tri. T2A, T2B & T2C, T1		8,088	8,088	5,816	5,816	0	0	339,017	192,685	119,342	78,695	54,440
Total Probable Developed Non-Producing			**11,527**	**11,527**	**6,901**	**6,901**	**0**	**0**	**476,862**	**287,124**	**188,489**	**131,798**	**96,692**
Total Probable Developed			**12,497**	**12,497**	**7,260**	**7,260**	**0**	**0**	**500,393**	**296,370**	**191,537**	**131,747**	**94,900**
Probable Undeveloped													
NK Locs 1 &2, Yessen 1&2	Middle Triassic T2B & T2C	Incr.	1,038	1,038	345	345	0	0	46,186	25,157	14,569	8,820	5,517
Borly-1&2, Nk-1&2, Yessen-1,2,3,4	Tri, T2 Up., Mid. Tri. T2A, T2B & T2C, T1		6,140	6,140	4,295	4,295	0	0	229,643	117,182	65,298	38,897	24,393
Total Probable Undeveloped			**7,178**	**7,178**	**4,641**	**4,641**	**0**	**0**	**275,829**	**142,339**	**79,868**	**47,716**	**29,910**
Total Probable			**19,674**	**19,674**	**11,901**	**11,901**	**0**	**0**	**776,222**	**438,710**	**271,405**	**179,463**	**124,810**
Total Proved Plus Probable			**22,501**	**22,501**	**12,915**	**12,915**	**0**	**0**	**832,249**	**477,609**	**299,892**	**201,235**	**142,032**
Possible													
Yesen -3 & 4	Middle Triassic T2B & T2C	Incr.	577	577	152	152	0	0	5,287	(2,256)	(3,631)	(3,309)	(2,637)
Borly 6 Locs, NK 1 Loc, Yessen 4 Locs	Tri, T2 Up., Mid. Tri. T2A, T2B & T2C, T1		14,077	14,077	11,517	11,517	0	0	543,121	262,721	139,921	80,005	48,264
Total Possible			**14,654**	**14,654**	**11,669**	**11,669**	**0**	**0**	**548,388**	**260,464**	**136,290**	**76,696**	**45,626**
Total Proved Plus Probable Plus Possible			**37,155**	**37,155**	**24,584**	**24,584**	**0**	**0**	**1,380,637**	**738,074**	**436,182**	**277,930**	**187,659**

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
Summary of Company Reserves and Economics
After CIT & EPT
January 1, 2016
MIE Holdings Corporation
Exploration Area (Borly, North Karlman, Yessen), Kazakhstan

Forecast Prices & Costs

Net To Appraised Interest

Description	Oil MSTB Gross	Oil MSTB Net	Sales Gas MMscf Gross	Sales Gas MMscf Net	BOE Mbbls Gross	BOE Mbbls Net	Cumulative Cash Flow - M$ Undisc.	Discounted at: 5%/year	10%/year	15%/year	20%/year
Proved Developed Producing											
Total Proved Developed Producing (BT)	1,694	1,694	637	637	1,800	1,800	45,835	34,487	27,345	22,555	19,167
Corporate Income Tax	-	-	-	-	-	-	(2,685)	(1,798)	(1,288)	(973)	(766)
Excess profits Tax	-	-	-	-	-	-	0	0	0	0	0
Total Proved Developed Producing (AT)	**1,694**	**1,694**	**637**	**637**	**1,800**	**1,800**	**43,150**	**32,689**	**26,057**	**21,582**	**18,401**
Proved Developed Non-Producing											
Total Proved Developed Non-Producing (BT)	339	339	104	104	356	356	5,718	3,763	2,632	1,907	1,409
Corporate Income Tax	-	-	-	-	-	-	(1,022)	(769)	(594)	(468)	(376)
Excess profits Tax	-	-	-	-	-	-	0	0	0	0	0
Total Proved Developed Non-Producing (AT)	**339**	**339**	**104**	**104**	**356**	**356**	**4,695**	**2,994**	**2,038**	**1,439**	**1,034**
Total Proved Developed (AT)	**2,033**	**2,033**	**741**	**741**	**2,157**	**2,157**	**47,845**	**35,683**	**28,095**	**23,021**	**19,435**
Proved Undeveloped											
Total Proved Undeveloped (BT)	793	793	274	274	839	839	4,474	649	(1,490)	(2,690)	(3,353)
Corporate Income Tax	-	-	-	-	-	-	(1,232)	(846)	(572)	(382)	(251)
Excess profits Tax	-	-	-	-	-	-	0	0	0	0	0
Total Proved Undeveloped (AT)	**793**	**793**	**274**	**274**	**839**	**839**	**3,242**	**(197)**	**(2,062)**	**(3,072)**	**(3,604)**
Total Proved (AT)	**2,826**	**2,826**	**1,015**	**1,015**	**2,995**	**2,995**	**51,087**	**35,486**	**26,033**	**19,949**	**15,831**
Probable											
Probable Developed Producing											
Total Probable Developed Producing (BT)	970	970	359	359	1,030	1,030	23,531	9,246	3,048	(52)	(1,793)
Corporate Income Tax	-	-	-	-	-	-	(4,539)	(2,278)	(1,332)	(875)	(627)
Excess profits Tax	-	-	-	-	-	-	(3,269)	(1,160)	(448)	(186)	(83)
Total Probable Developed Producing (AT)	**970**	**970**	**359**	**359**	**1,030**	**1,030**	**15,722**	**5,807**	**1,268**	**(1,113)**	**(2,502)**
Probable Developed Non-Producing											
Total Probable Developed Non-Producing (BT)	11,527	11,527	6,901	6,901	12,677	12,677	476,862	287,124	188,489	131,798	96,692
Corporate Income Tax	-	-	-	-	-	-	(97,924)	(58,935)	(38,672)	(27,024)	(19,807)
Excess profits Tax	-	-	-	-	-	-	(215,385)	(126,102)	(80,360)	(54,478)	(38,710)
Total Probable Developed Non-Producing (AT)	**11,527**	**11,527**	**6,901**	**6,901**	**12,677**	**12,677**	**163,553**	**102,087**	**69,457**	**50,296**	**38,175**
Total Probable Developed (AT)	**12,497**	**12,497**	**7,260**	**7,260**	**13,707**	**13,707**	**179,275**	**107,894**	**70,725**	**49,183**	**35,673**
Probable Undeveloped											
Total Probable Undeveloped (BT)	7,178	7,178	4,641	4,641	7,951	7,951	275,829	142,339	79,868	47,716	29,910
Corporate Income Tax	-	-	-	-	-	-	(56,584)	(29,790)	(17,103)	(10,484)	(6,761)
Excess profits Tax	-	-	-	-	-	-	(106,664)	(53,242)	(28,652)	(16,270)	(9,593)
Total Probable Undeveloped (AT)	**7,178**	**7,178**	**4,641**	**4,641**	**7,951**	**7,951**	**112,581**	**59,308**	**34,113**	**20,962**	**13,556**
Total Probable (AT)	**19,674**	**19,674**	**11,901**	**11,901**	**21,658**	**21,658**	**291,856**	**167,202**	**104,838**	**70,145**	**49,229**
Total Proved Plus Probable (AT)	**22,501**	**22,501**	**12,915**	**12,915**	**24,653**	**24,653**	**342,943**	**202,688**	**130,872**	**90,094**	**65,060**
Possible											
Total Possible (BT)	14,654	14,654	11,669	11,669	16,599	16,599	548,388	260,464	136,290	76,696	45,626
Corporate Income Tax	-	-	-	-	-	-	(113,072)	(54,624)	(29,205)	(16,853)	(10,312)
Excess profits Tax	-	-	-	-	-	-	(237,601)	(111,231)	(57,496)	(32,029)	(18,896)
Total Possible (AT)	**14,654**	**14,654**	**11,669**	**11,669**	**16,599**	**16,599**	**197,715**	**94,609**	**49,589**	**27,813**	**16,419**
Total Proved Plus Probable Plus Possible (AT)	**37,155**	**37,155**	**24,584**	**24,584**	**41,252**	**41,252**	**540,659**	**297,298**	**180,461**	**117,907**	**81,479**

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.

APPENDIX A
ADEK AND NORTHWEST BLOCK (LICENCE AREA)
REPUBLIC OF KAZAKHSTAN
PROSPECTIVE RESOURCES
INDEX

Discussion

Introduction
Ownership
Exploration History
Geology
Resource Potential

Attachments

Table A: Summary of Prospective Resources (Arithmetic Average)
A-1 Best Estimate
A-2 Low Estimate
A-3 High Estimate
A-4 Risk Analysis

Figure 1: Orientation Map

Figure 2: Geological Maps and Figures
a) Aksaz Field
b) Borly Field
c) Dolinnoe Field
d) Emir Field
e) Kariman Field
f) Begesh Prospect
g) East Saura Prospects
h) Aidai Prospect
i) Tanirbergen Prospect
j) ADEK and NW Blocks: Geological Stratigraphic Chart

APPENDIX A
ADEK AND NORTHWEST BLOCK (LICENCE AREA)
REPUBLIC OF KAZAKHSTAN
PROSPECTIVE RESOURCES
DISCUSSION

Introduction

This report contains information regarding Prospective Resources assigned to the ADEK Block and Northwest Block.

Resources have been identified in the Triassic formation in the five existing fields of the ADEK Block: Aksaz, Borly, Dolinnoe, Emir, Kariman and in the undeveloped structures of the Northwest Block: Begesh, East Saura, Aidai and Tanirbergen.

Ownership

The Company owns a 100 percent working interest in a "License" and "Exploration Contract" referred to as the ADEK Block which is located onshore in Kazakhstan in the Mangistau Oblast, approximately 50 kilometers from Aktau in the Republic of Kazakhstan (ROK) (Figure 1).

The License originated in 1999 and the Exploration Contract was entered into on June 9, 2000 by a preceding company. The License and Contract Area were assigned to the Company on September 23, 2002. The Extended License Territory was established in 2004.

The License and Exploration Contract granted the right to engage in exploration and development activities on the Block. .

A map of the blocks is presented on Figure 1.

Exploration History

Seven fields (Aksaz, Borly, Dolinnoe, Emir, Kariman, North Kariman and Yessen) have already been discovered on the ADEK Block which are tested or on production from the Triassic formation.

This Block has recent 3D seismic coverage. Based on the 3D interpretation, additional four Triassic plays have been identified on the Northwest Block. A new well Aidai-1 was drilled on Aidai structure in 2015.

Geology

The Blocks are located at the edge of the Mangistau Ustyrt Central High which contains several producing oilfields in the area. The License Territory contains 210,038 acres (850 km^2). The typical reservoir is a faulted anticline comprising several faulted blocks. The main producing horizon is the Middle Triassic carbonate. Jurassic structures have also been identified by the recent 3D seismic.

Hydrocarbon traps are formed within the transition zone of the Beke-Bashkudsky high and Karagiin saddle.

The productive Middle Triassic consists of limestone in the upper portion and dolomite in the lower portion. The Triassic is located at a depth between 3100 and 3700 meters.

The target zones are located in Triassic deposits. The Triassic formations are presented by limestones and dolomites.

Geological maps for each field and prospect are presented in Figures 2a through 2h.

A geological stratigraphic chart showing the zones of interest is presented in Figure 2i.

Resource Potential

Resource potential of 65,905 MSTB (Arithmetic Average, After Risk) of oil has been estimated for five structures in the ADEK Block (Aksaz, Borly, Dolinnoe, Emir and Kariman) and four structures in the Northwest Block (Begesh, East Saura, Aidai and Tanirbergen) for Triassic formations as presented on Table A. The estimate is based on the closure areas indicated by recent 3D seismic and average reservoir parameters from the developed fields for the ADEK Block structures and reservoir parameters from a recently drill well Aidai-1 for the NW Block structures.

Prospective Resources for Best, Low and High Estimates, as well as a detailed break down of the reservoir parameters, recovery factors and probability of success for east field and structure are presented on tables A-1, A-2 and A-3 respectively.

Detailed analysis of rick parameters is presented on Table A-4. The main risk on these prospects is the possibility of encountering a low quality reservoir which is not capable of delivering commercial rates.

Table A

Summary Of Prospective Resources (Arithmetic Average)

January 1, 2016

MIE Holdings Corporation

ADEK and NW Blocks, Republic of Kazakhstan

		Prospective Resources (Best Estimate), MSTB		Prospective Resources (Low Estimate), MSTB		Prospective Resources (High Estimate), MSTB		Prospective Resources (Arithmetic Average), MSTB	
Field	Prospective Zones	Before Risk	After risk	Before Risk	After risk	Before Risk	After risk	Before Risk	After risk
ADEK									
Aksaz	Combined Triassic	8,340	2,860	6,255	2,145	10,425	3,575	8,340	2,860
Boriy	Combined Triassic	51,586	12,570	38,690	9,428	64,483	15,713	51,586	12,570
Dolinnoe	Combined Triassic	26,622	9,130	19,967	6,848	33,278	11,413	26,622	9,130
Emir	Combined Triassic	23,320	5,051	17,490	3,788	29,150	6,314	23,320	5,051
Kariman	Combined Triassic	44,284	15,187	33,213	11,390	55,355	18,984	44,284	15,187
Sub Total		**154,152**	**44,799**	**115,614**	**33,599**	**192,691**	**55,999**	**154,152**	**44,799**
NW									
Begesh	Combined Triassic	9,885	2,054	7,413	1,540	12,356	2,567	9,885	2,054
East Saura	Combined Triassic	8,367	1,738	6,275	1,304	10,458	2,173	8,367	1,738
Aidai (AD-A1, AD-A2)	Combined Triassic	62,813	13,050	47,109	9,788	78,516	16,313	62,813	13,050
Tanirbergen	Combined Triassic	20,522	4,264	15,392	3,198	25,653	5,330	20,522	4,264
Sub Total		**101,586**	**21,106**	**76,190**	**15,830**	**126,983**	**26,383**	**101,586**	**21,106**
Grand Total		**255,739**	**65,905**	**191,804**	**49,429**	**319,673**	**82,381**	**255,739**	**65,905**

Table A-1

Summary Of Prospective Resources (Best Estimate)

January 1, 2015

MIE Holdings Corporation

ADEK and NW Blocks, Republic of Kazakhstan

		Reservoir Parameters			Volumetrics				Prospective Resources, MSTB		
Field	Prospective Zones	Porosity, %	Water Saturation, %	Boi	Ave. Net Pay, Ft.	Closure Area, Acres	PIIP, MSTB	Recovery Factor, %	Before Risk	Probability of Success, %	After risk
ADEK											
Aksaz	Combined Triassic	10	19	2.05	82	1659	41,700	20	8,340	0.34	2,860
Borly	Combined Triassic	11	28	1.15	455	1061	257,931	20	51,586	0.24	12,570
Dolinnoe	Combined Triassic	11	17	1.78	202	1656	133,110	20	26,622	0.34	9,130
Emir	Combined Triassic	13	22	1.35	92	2175	116,601	20	23,320	0.22	5,051
Kariman	Combined Triassic	15	19	1.15	151	1789	221,419	20	44,284	0.34	15,187
Sub Total							**770,762**		**154,152**		**44,799**
NW											
Begesh	Combined Triassic	11	38	2	175	801	49,423	20	9,885	0.21	2,054
East Saura	Combined Triassic	11	38	2	175	678	41,834	20	8,367	0.21	1,738
Aidal (AD-A1, AD-A2)	Combined Triassic	11	38	2	175	5090	314,063	20	62,813	0.21	13,050
Tanirbergen	Combined Triassic	11	38	2	175	1663	102,610	20	20,522	0.21	4,264
Sub Total							**507,931**		**101,586**		**21,106**
Grand Total							**1,278,693**		**255,739**		**65,905**

Table A-2

Summary Of Prospective Resources (Low Estimate)

January 1, 2015

MIE Holdings Corporation

ADEK and NW Blocks, Republic of Kazakhstan

		Reservoir Parameters			Volumetrics				Prospective Resources, MSTB		
Field	Prospective Zones	Porosity, %	Water Saturation, %	Boi	Ave. Net Pay, Ft.	Closure Area, Acres	PIIP, MSTB	Recovery Factor, %	Before Risk	Probability of Success, %	After risk
ADEK											
Aksaz	Combined Triassic	10	19	2.05	82	1659	41,700	15	6,255	0.34	2,145
Borly	Combined Triassic	11	28	1.15	455	1061	257,931	15	38,690	0.24	9,428
Dolinnoe	Combined Triassic	11	17	1.78	202	1656	133,110	15	19,967	0.34	6,848
Emir	Combined Triassic	13	22	1.35	92	2175	116,601	15	17,490	0.22	3,788
Kariman	Combined Triassic	15	19	1.15	151	1789	221,419	15	33,213	0.34	11,390
Sub Total							**770,762**		**115,614**		**33,599**
NW											
Begesh	Combined Triassic	11	38	2	175	801	49,423	15	7,413	0.21	1,540
East Saura	Combined Triassic	11	38	2	175	678	41,834	15	6,275	0.21	1,304
Aidai (AD-A1, AD-A2)	Combined Triassic	11	38	2	175	5090	314,063	15	47,109	0.21	9,788
Tanirbergen	Combined Triassic	11	38	2	175	1663	102,610	15	15,392	0.21	3,198
Sub Total							**507,931**		**76,190**		**15,830**
Grand Total							**1,278,693**		**191,804**		**49,429**

Table A-3

Summary Of Prospective Resources (High Estimate)

January 1, 2015

MIE Holdings Corporation

ADEK and NW Blocks, Republic of Kazakhstan

		Reservoir Parameters			Volumetrics				Prospective Resources, MSTB		
Field	Prospective Zones	Porosity, %	Water Saturation, %	Bol	Ave. Net Pay, Ft.	Closure Area, Acres	PIIP, MSTB	Recovery Factor, %	Before Risk	Probability of Success, %	After risk
ADEK											
Aksaz	Combined Triassic	10	19	2.05	82	1659	41,700	25	10,425	0.34	3,575
Borly	Combined Triassic	11	28	1.15	455	1061	257,931	25	64,483	0.24	15,713
Dolinnoe	Combined Triassic	11	17	1.78	202	1656	133,110	25	33,278	0.34	11,413
Emir	Combined Triassic	13	22	1.35	92	2175	116,601	25	29,150	0.22	6,314
Kariman	Combined Triassic	15	19	1.15	151	1789	221,419	25	55,355	0.34	18,984
Sub Total							**770,762**		**192,691**		**55,999**
NW											
Begesh	Combined Triassic	11	38	2	175	801	49,423	25	12,356	0.21	2,567
East Saura	Combined Triassic	11	38	2	175	678	41,834	25	10,458	0.21	2,173
Aidai (AD-A1, AD-A2)	Combined Triassic	11	38	2	175	5090	314,063	25	78,516	0.21	16,313
Tanirbergen	Combined Triassic	11	38	2	175	1663	102,610	25	25,653	0.21	5,330
Sub Total							**507,931**		**126,983**		**26,383**
Grand Total							**1,278,693**		**319,673**		**82,381**

Table A-4

Risk Analysis

Prospective Resources, Risk Analysis

January 1, 2015

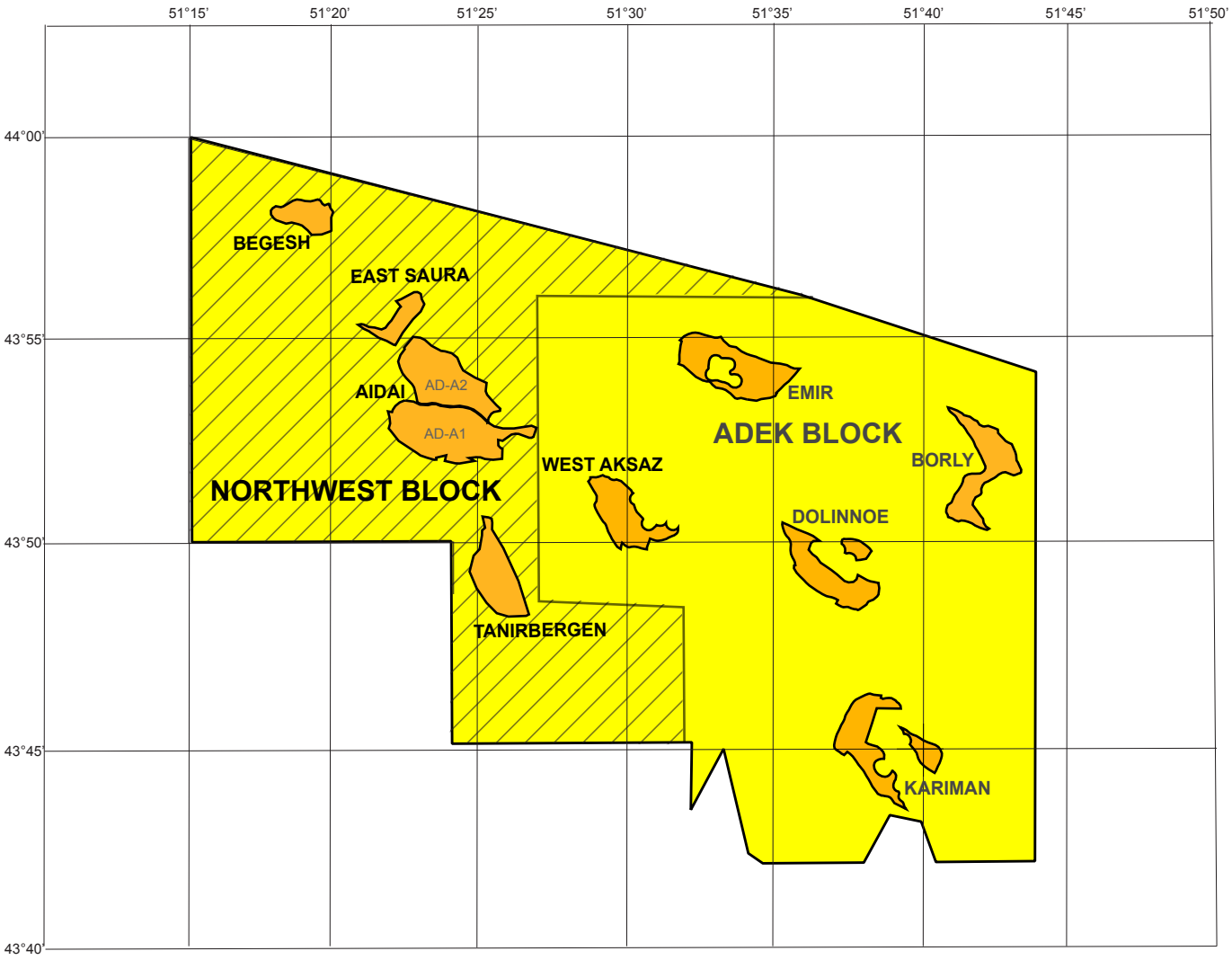
MIE Holdings Corporation

ADEK and NW Blocks, Republic of Kazakhstan

	Geological Factors						
Field	Source	Timing of Migration	Trap & Seal	Reservoir Quality	Combined Reservoir Factors	Commerciality Factor	Total Probability of Success
ADEK							
Aksaz	0.95	0.95	0.8	0.5	0.36	0.95	0.34
Borly	0.95	0.95	0.6	0.5	0.27	0.90	0.24
Dolinnoe	0.95	0.95	0.8	0.5	0.36	0.95	0.34
Emir	0.95	0.95	0.75	0.4	0.27	0.80	0.22
Kariman	0.95	0.95	0.8	0.5	0.36	0.95	0.34
NW							
Begesh	0.95	0.9	0.6	0.45	0.23	0.90	0.21
East Saura	0.95	0.9	0.6	0.45	0.23	0.90	0.21
Aidai (AD-A1, AD-A2)	0.95	0.9	0.6	0.45	0.23	0.90	0.21
Tanirbergen	0.95	0.9	0.6	0.45	0.23	0.90	0.21







LEGEND

- *AREA OF INTEREST*
- *COMPANY LANDS*
- *AREAS OF ASSIGNED RESOURCES*

MIE HOLDINGS CORPORATION

ADEK & NORTHWEST BLOCKS

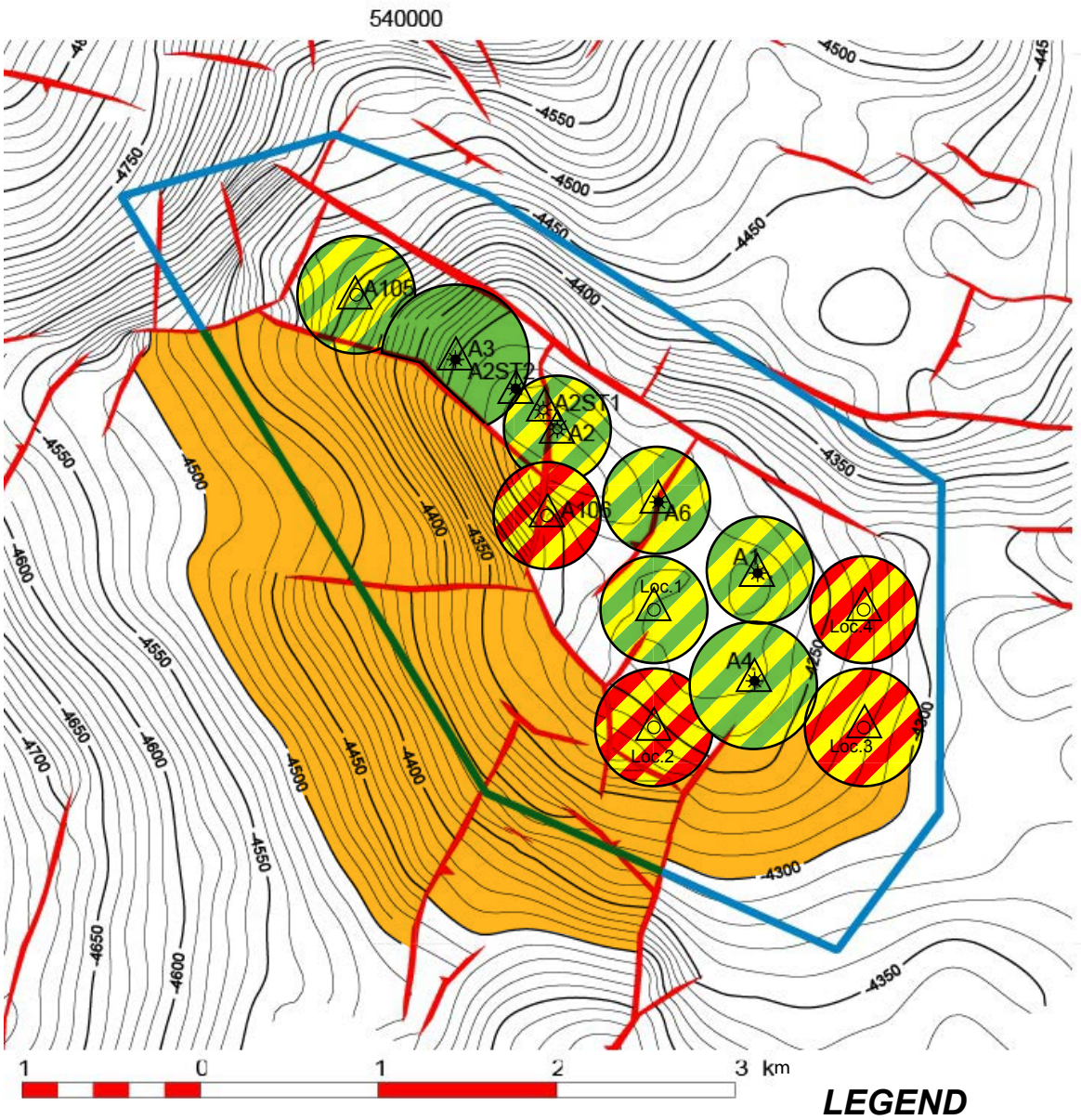
MANGISTAU OBLAST, KAZAKHSTAN

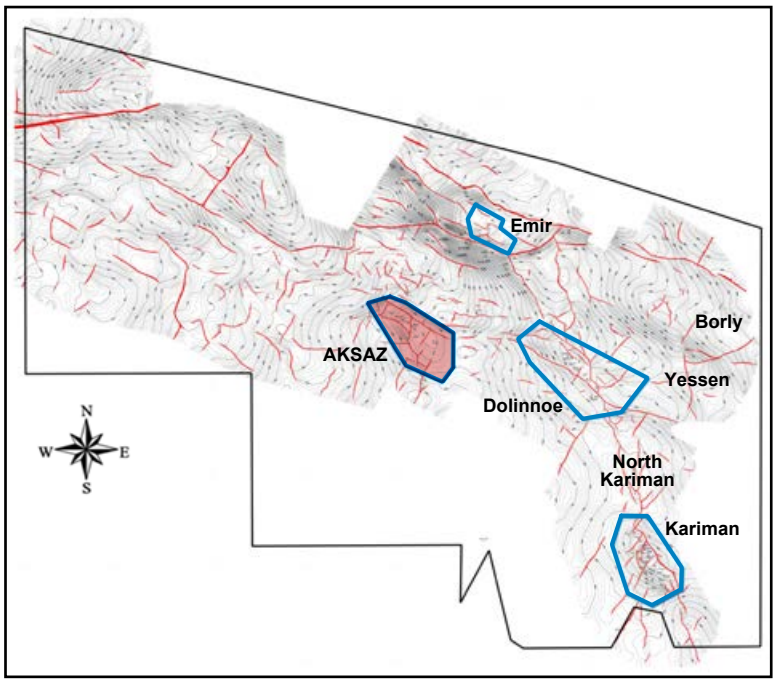
ORIENTATION MAP

JAN. 2016 JOB No. 6144 FIGURE No. 1

298

Chapman Petroleum Engineering Ltd.





LEGEND

- FAULT LINES
- FIELD BOUNDARY
- ## STRUCTURAL ELEVATION (sL)- m
- PROPOSED LOCATIONS
- WELL OF INTEREST
- PROVED RESERVES
- PROBABLE RESERVES
- POSSIBLE RESERVES
- RESOURCES

MIE HOLDINGS CORPORATION

AKSAZ FIELD

ADEK BLOCK (LICENSE AREA)

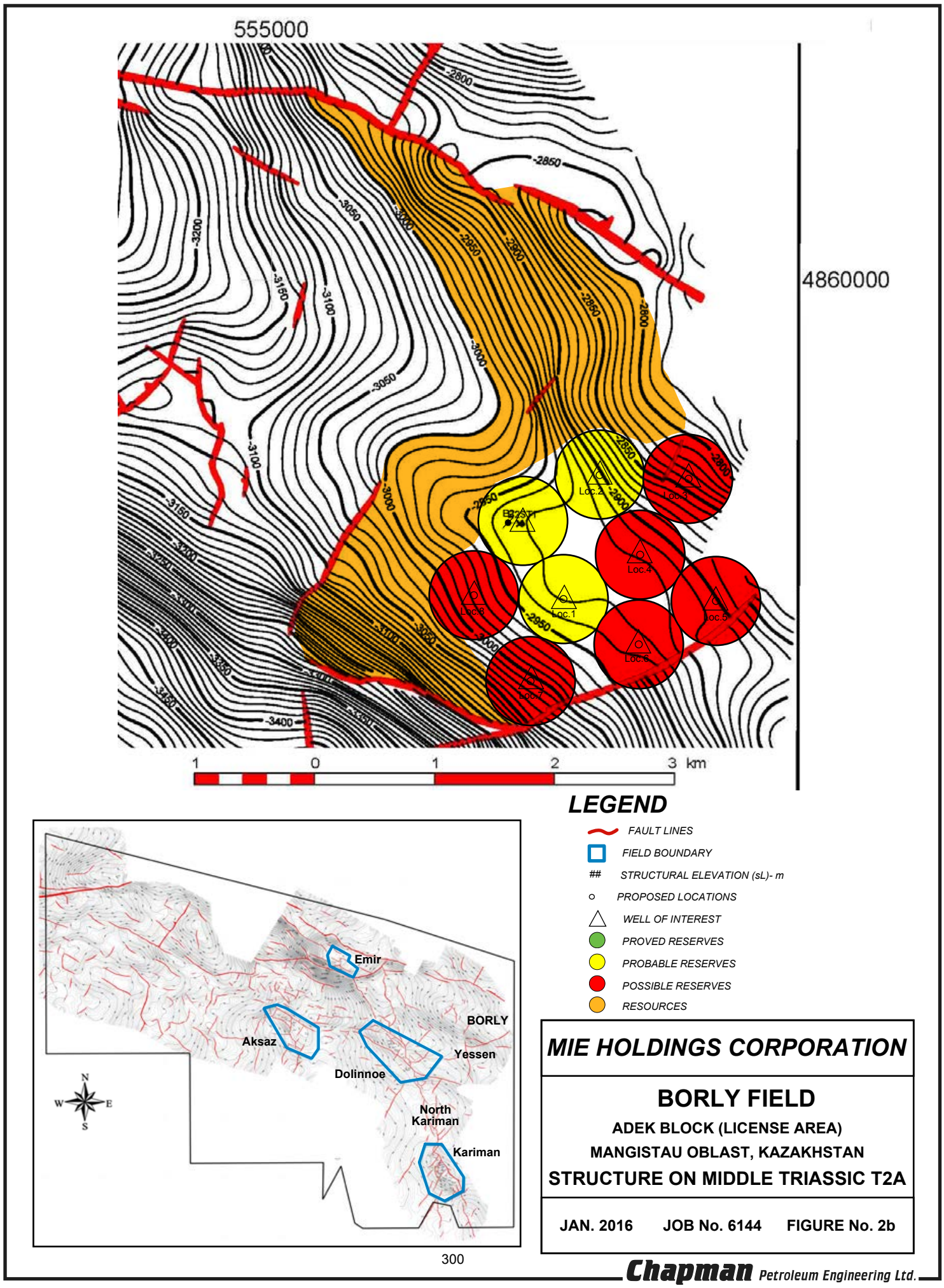
MANGISTAU OBLAST, KAZAKHSTAN

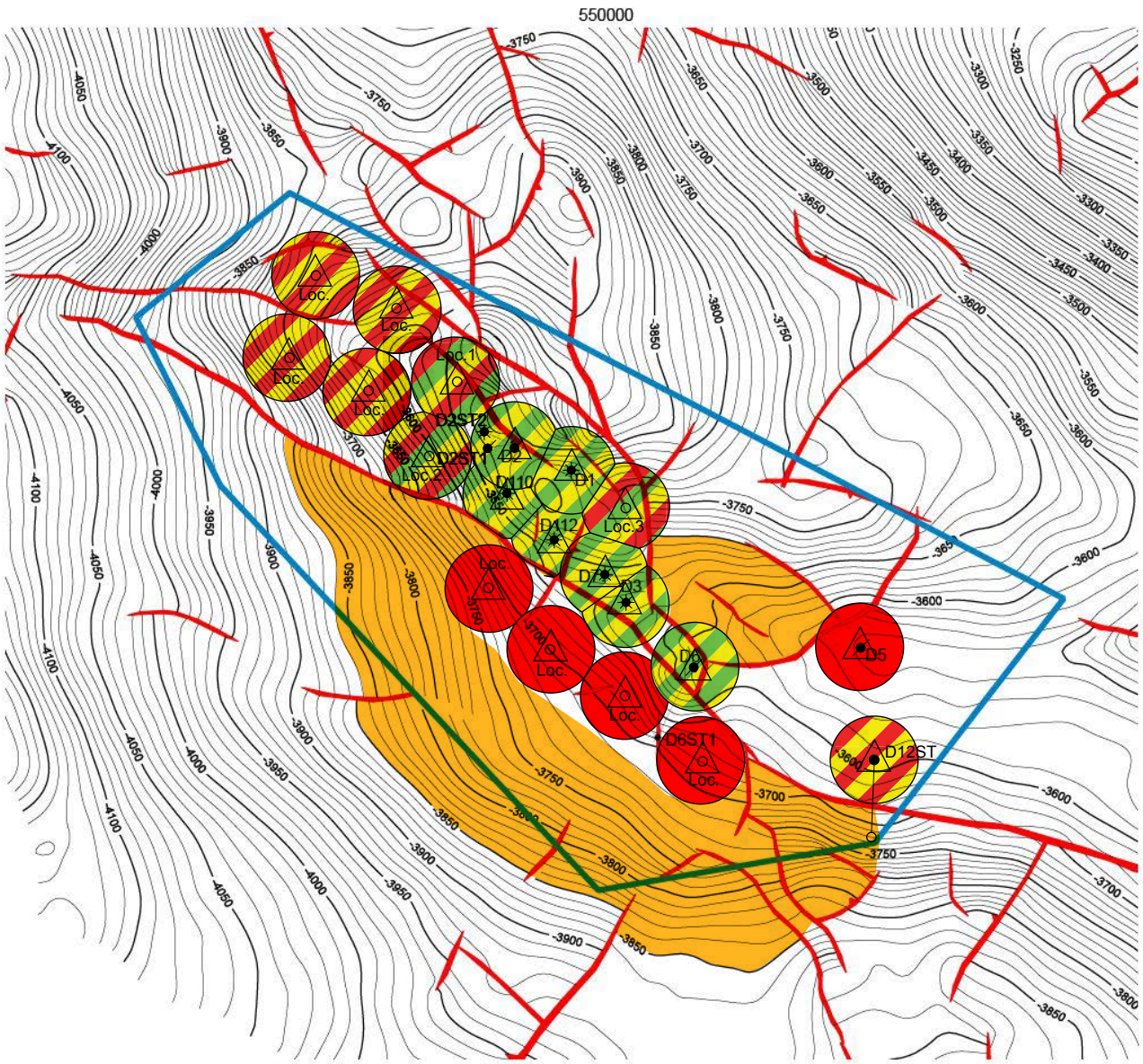
STRUCTURE ON MIDDLE TRIASSIC T2C

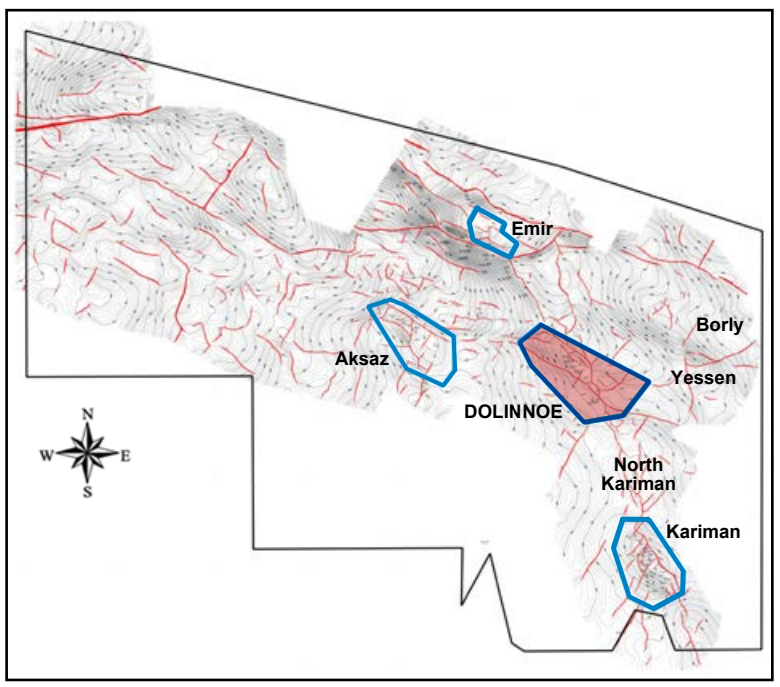
JAN. 2016 JOB No. 6144 FIGURE No. 2a

299

Chapman Petroleum Engineering Ltd.


555000
4860000
-2800
-2850
-2900
-2950
-3000
-3050
-3100
-3150
-3200
-3250
-3300
-3350
-3400
-3450
Loc.1
Loc.2
Loc.3
Loc.4
Loc.5
Loc.6
Loc.7
Loc.8
B23PI
1 0 1 2 3 km
LEGEND
FAULT LINES
FIELD BOUNDARY
STRUCTURAL ELEVATION (sL)- m
PROPOSED LOCATIONS
WELL OF INTEREST
PROVED RESERVES
PROBABLE RESERVES
POSSIBLE RESERVES
RESOURCES
Emir
BORLY
Aksaz
Yessen
Dolinnoe
North Kariman
Kariman
N
W
E
S
300
MIE HOLDINGS CORPORATION
BORLY FIELD
ADEK BLOCK (LICENSE AREA)
MANGISTAU OBLAST, KAZAKHSTAN
STRUCTURE ON MIDDLE TRIASSIC T2A
JAN. 2016 JOB No. 6144 FIGURE No. 2b
Chapman Petroleum Engineering Ltd.





LEGEND

- FAULT LINES
- FIELD BOUNDARY
- ## STRUCTURAL ELEVATION (sL)- m
- PROPOSED LOCATIONS
- WELL OF INTEREST
- PROVED RESERVES
- PROBABLE RESERVES
- POSSIBLE RESERVES
- RESOURCES

MIE HOLDINGS CORPORATION

DOLINNOE FIELD

ADEK BLOCK (LICENSE AREA)

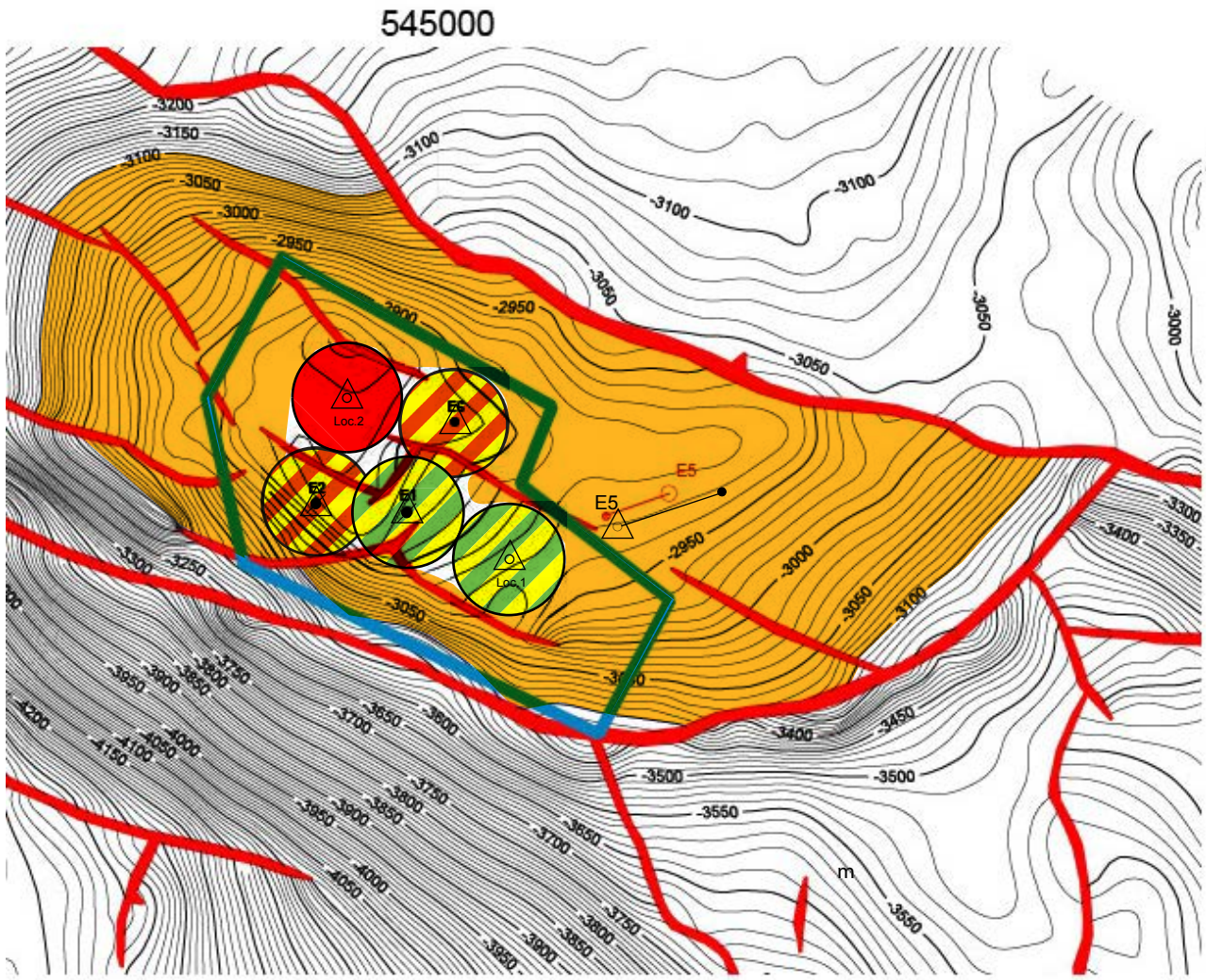
MANGISTAU OBLAST, KAZAKHSTAN

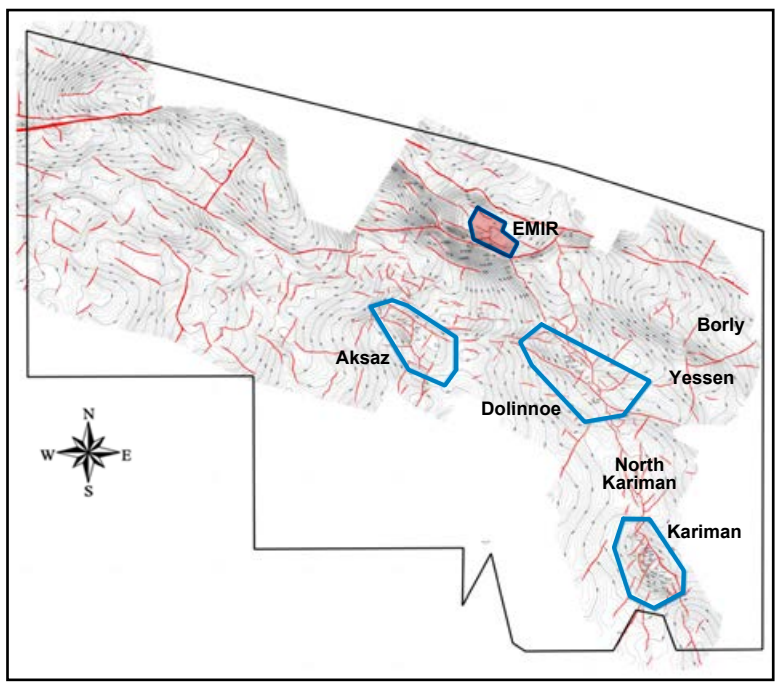
STRUCTURE ON MIDDLE TRIASSIC T2B

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

301

Chapman Petroleum Engineering Ltd.





302

LEGEND

- FAULT LINES
- FIELD BOUNDARY
- ## STRUCTURAL ELEVATION (sL)- m
- PROPOSED LOCATIONS
- WELL OF INTEREST
- PROVED RESERVES
- PROBABLE RESERVES
- POSSIBLE RESERVES
- RESOURCES

MIE HOLDINGS CORPORATION

EMIR FIELD

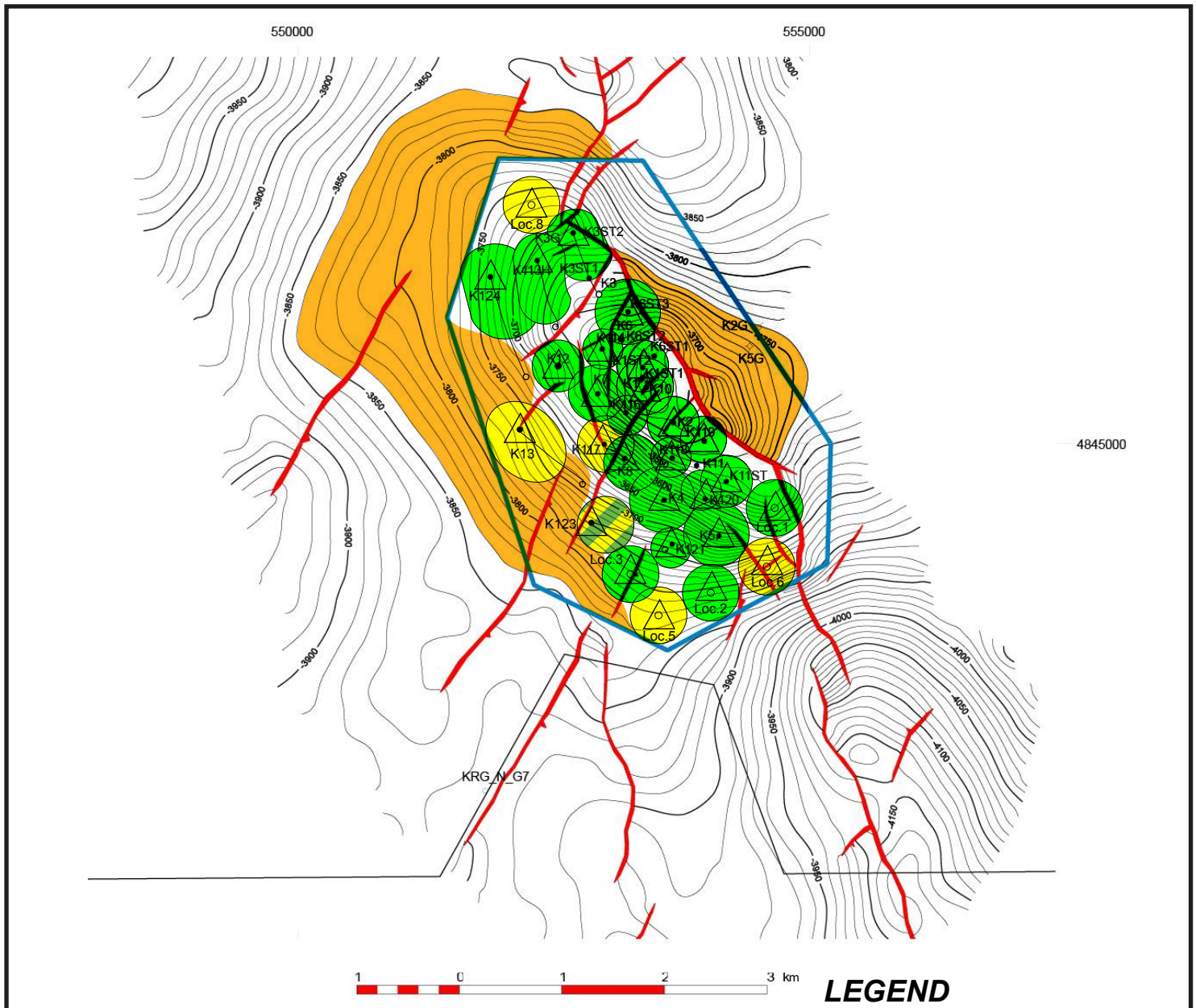
ADEK BLOCK (LICENSE AREA)

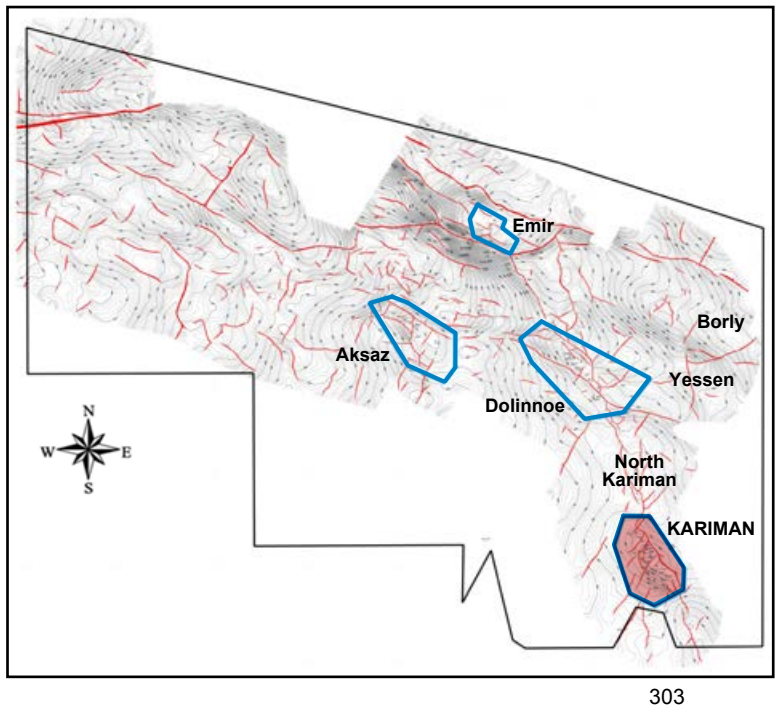
MANGISTAU OBLAST, KAZAKHSTAN

STRUCTURE ON MIDDLE TRIASSIC T2A

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

Chapman Petroleum Engineering Ltd.





303

LEGEND

- FAULT LINES
- FIELD BOUNDARY
- ## STRUCTURAL ELEVATION (sL)- m
- PROPOSED LOCATIONS
- WELL OF INTEREST
- PROVED RESERVES
- PROBABLE RESERVES
- POSSIBLE RESERVES
- RESOURCES

MIE HOLDINGS CORPORATION

KARIMAN FIELD

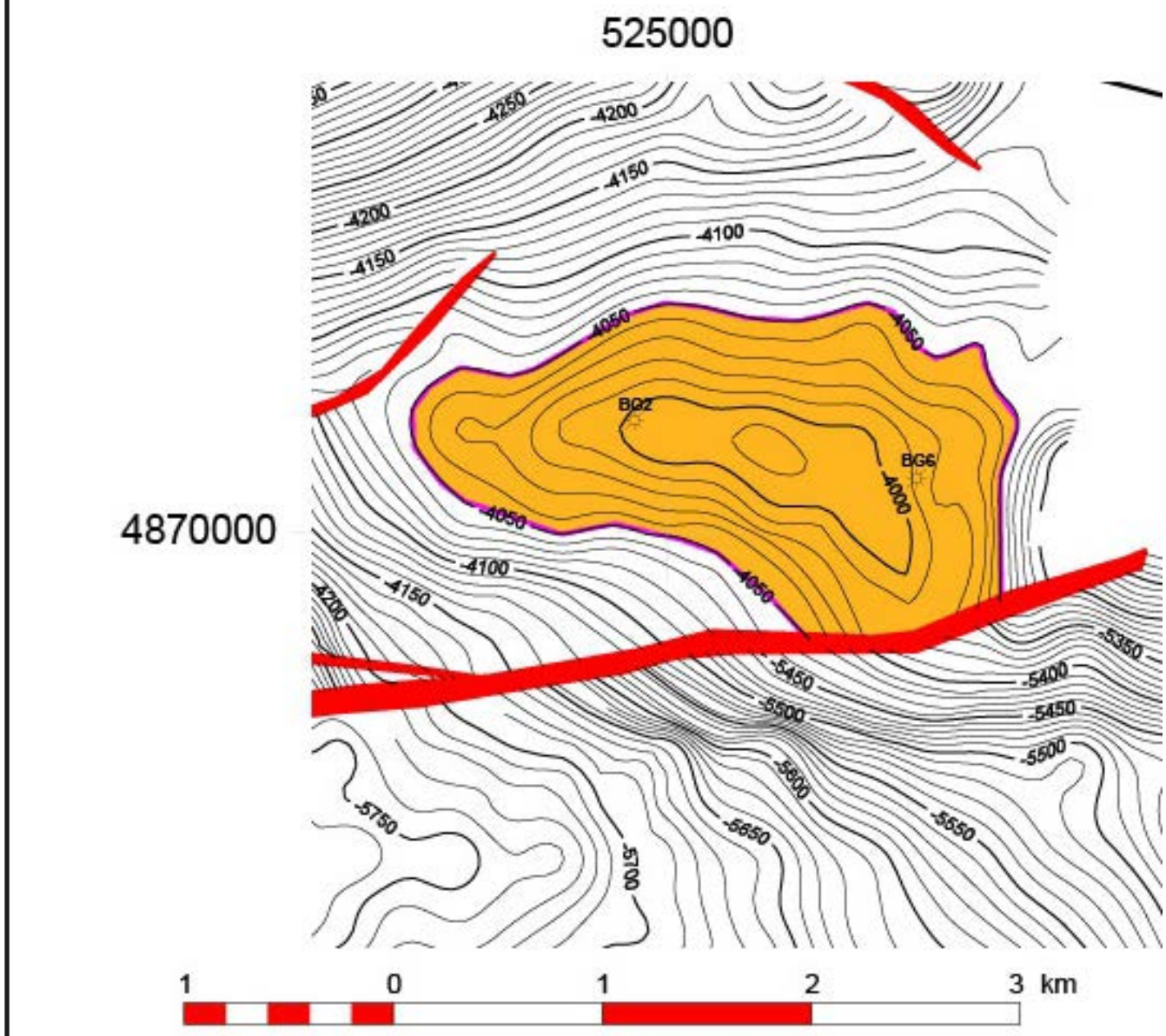
ADEK BLOCK (LICENSE AREA)

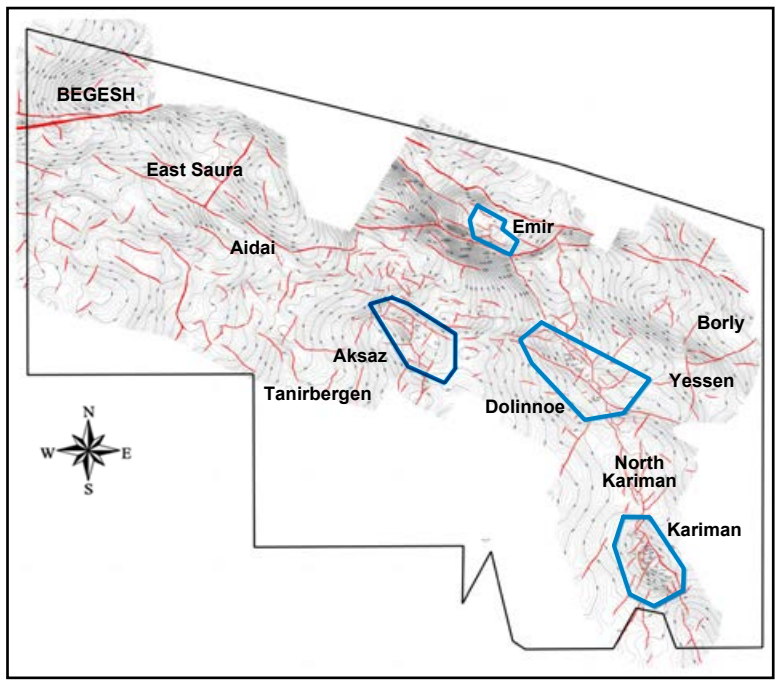
MANGISTAU OBLAST, KAZAKHSTAN

STRUCTURE ON MIDDLE TRIASSIC T2B

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

Chapman Petroleum Engineering Ltd.





LEGEND

- FAULT LINES
- FIELD BOUNDARY
- ## STRUCTURAL ELEVATION (sL)- m
- RESOURCES

MIE HOLDINGS CORPORATION

BEGESH PROSPECT

ADEK BLOCK (LICENSE AREA)

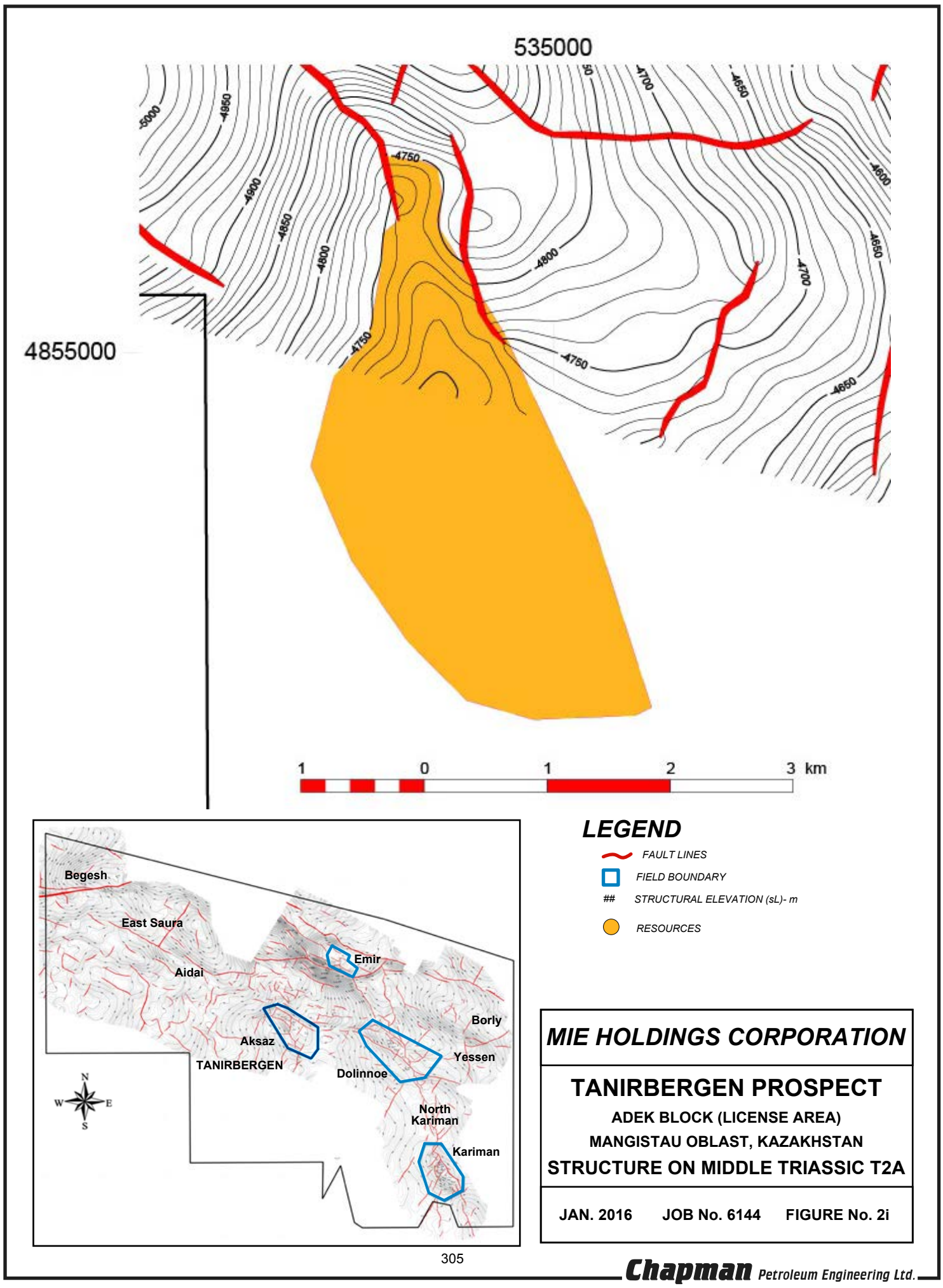
MANGISTAU OBLAST, KAZAKHSTAN

STRUCTURE ON MIDDLE TRIASSIC T2A

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

304

Chapman Petroleum Engineering Ltd.


535000
4855000
-5000
-4950
-4900
-4850
-4800
-4750
-4700
-4650
-4600
1 0 1 2 3 km
Begesh
East Saura
Aidai
Emir
Borly
Aksaz
TANIRBERGEN
Dolinnoe
Yessen
North Kariman
Kariman
N
W
E
S
LEGEND
FAULT LINES
FIELD BOUNDARY
STRUCTURAL ELEVATION (sL)- m
RESOURCES
MIE HOLDINGS CORPORATION
TANIRBERGEN PROSPECT
ADEK BLOCK (LICENSE AREA)
MANGISTAU OBLAST, KAZAKHSTAN
STRUCTURE ON MIDDLE TRIASSIC T2A
JAN. 2016 JOB No. 6144 FIGURE No. 2i
305
Chapman Petroleum Engineering Ltd.

Eon (Ecotopic)	Era (eratopic)	Duration, million years	Period (System)	Duration, million years	Section Age		Century (horizon)	Tectonic Era
Fanerosozoic	Cenozoic KZ	65	Quaternary O	0.7				
			Neon N	22	Pilocene N, Myosin N_1			
			Palaeocene ~~P~~	41	Oligocene ~~P_3~~		~~P_3~~h	
							~~P_3~~r	
					Eocene-~~P_2~~		~~P_3~~p	
							~~P_2~~l	
							~~P_2~~i	
					Palaeocene ~~P_1~~		~~P_1~~t	
							~~P_1~~m	
	Mesozoic	70	Cretacious K	70	Higher		K_2d	
							K_2m	
							K_2km	
							K_2st	
							K_2k	
							K_2t	
							K_2s	
					Lower		K_1al	
							K_1a	
						Neocomian	K_1br	
							K_1g	
							K y	
							K_1b	
			Jurassic J	55-60	Upper		J_3tt	
							J_3V	
							J_3km	
							J_3O	
							J_3K	
					Middle		J_2bt	
							J_2b	
							J_2a	
					Lower		J_1t	
							J_1p	
							J_1s	
							J_1g	
			Triassic T	40-45	Upper		T_3r	
							T_3n	
							T_3k	
					Middle		T_2l	
							T_2a	
					Lower		T_1o	
							T_1i	
	Paleozoic	170	Permian P	50-60	Upper		P_2t	
							P_2kz	
							P_2u	
					Lower		P_1k	
							P_1ar	
							P_1s	
							P_1a	
			Carbonniferous C	50-60	Upper		C_3g	
							C_3k	
					Middle		C_2m	
							C_2b	
					Lower		C_1s	
							C_1v	
							C_1t	
			Devonian D	60	Upper		D_3fm	
							D_3f	
					Middle		D_2gv	
							D_2ef	
					Lower		D_1e	
							D_1z	
							D_1z	
			Silurian S	25-30	Upper		S_2d	
							S_2p	
							S_2ld	
					Lower		S_1v	
							S_1l	
			Ordovician O	45-50	Upper		O_2as	
					Middle		O_{2-3}k	
							O_2ld	
							O_2l	
					Lower		O_1a	
							O_1t	
			Cambrian ~~Є~~	90-100	Upper		~~$Є_3$~~ak	
							~~$Є_2$~~s	
							~~$Є_3$~~as	
					Middle		~~$Є_2$~~m	
							~~$Є_2$~~am	
					Lower		~~$Є_1$~~l	
							~~$Є_1$~~a	
AR-			V					

← ZONE OF INTEREST

MIE HOLDINGS CORPORATION

ADEK & NORTHWEST BLOCKS

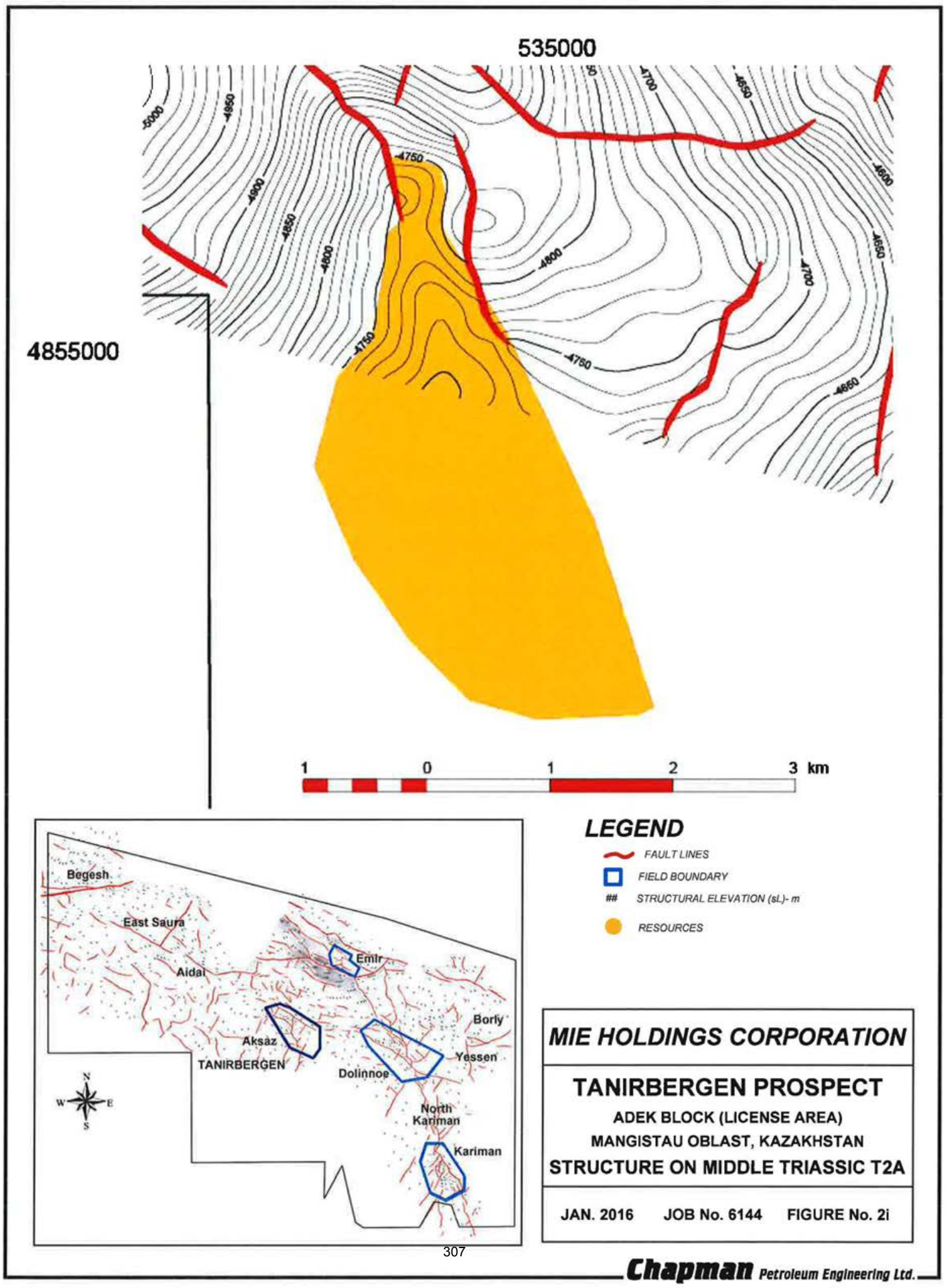
MANGISTAU OBLAST, KAZAKHSTAN

GEOLOGICAL STRATIGRAPHIC CHART

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

306

Chapman Petroleum Engineering Ltd.


535000
4855000
-5000
-4950
-4900
-4850
-4800
-4750
-4700
-4650
-4600
-4750
-4800
-4750
-4700
-4650
-4600
1 0 1 2 3 km
Begesh
East Saura
Aidai
Emir
Aksaz
TANIRBERGEN
Dolinnoe
Borly
Yessen
North Kariman
Kariman
N
W
E
S
LEGEND
FAULT LINES
FIELD BOUNDARY
STRUCTURAL ELEVATION (sL)- m
RESOURCES
MIE HOLDINGS CORPORATION
TANIRBERGEN PROSPECT
ADEK BLOCK (LICENSE AREA)
MANGISTAU OBLAST, KAZAKHSTAN
STRUCTURE ON MIDDLE TRIASSIC T2A
JAN. 2016 JOB No. 6144 FIGURE No. 2i
307
Chapman Petroleum Engineering Ltd.

Eon (Ecotopic)	Era (eratopic)	Duration, million years	Period (System)	Duration, million years	Section Age		Century (horizon)	Tectonic Era
Fanerosozoic	Cenozoic KZ	65	Quaternary O	0.7				
			Neon N	22	Pilocene N, Myosin N_1			
			Palaeocene ~~P~~	41	Oligocene ~~P_3~~		~~P_3~~h	
							~~P_3~~r	
					Eocene-~~P_2~~		~~P_3~~p	
							~~P_2~~l	
							~~P_2~~i	
					Palaeocene ~~P_1~~		~~P_1~~t	
							~~P_1~~m	
	Mesozoic	70	Cretacious K	70	Higher		K_2d	
							K_2m	
							K_2km	
							K_2st	
							K_2k	
							K_2t	
							K_2s	
					Lower		K_1al	
							K_1a	
						Neocomian	K_1br	
							K_1g	
							K y	
							K_1b	
			Jurassic J	55-60	Upper		J_3tt	
							J_3V	
							J_3km	
							J_3O	
							J_3K	
					Middle		J_2bt	
							J_2b	
							J_2a	
					Lower		J_1t	
							J_1p	
							J_1s	
							J_1g	
			Triassic T	40-45	Upper		T_3r	
							T_3n	
							T_3k	
					Middle		T_2l	
							T_2a	
					Lower		T_1o	
							T_1i	
	Paleozoic	170	Permian P	50-60	Upper		P_2t	
							P_2kz	
							P_2u	
					Lower		P_1k	
							P_1ar	
							P_1s	
							P_1a	
			Carbonniferous C	50-60	Upper		C_3g	
							C_3k	
					Middle		C_2m	
							C_2b	
					Lower		C_1s	
							C_1v	
							C_1t	
			Devonian D	60	Upper		D_3fm	
							D_3f	
					Middle		D_2gv	
							D_2ef	
					Lower		D_1e	
							D_1z	
							D_1z	
			Silurian S	25-30	Upper		S_2d	
							S_2p	
							S_2ld	
					Lower		S_1v	
							S_1l	
			Ordovician O	45-50	Upper		O_2as	
					Middle		O_{2-3}k	
							O_2ld	
							O_2l	
					Lower		O_1a	
							O_1t	
			Cambrian ~~Є~~	90-100	Upper		~~$Є_3$~~ak	
							~~$Є_2$~~s	
							~~$Є_3$~~as	
					Middle		~~$Є_2$~~m	
							~~$Є_2$~~am	
					Lower		~~$Є_1$~~l	
							~~$Є_1$~~a	
AR-			V					

← ZONE OF INTEREST

MIE HOLDINGS CORPORATION

ADEK & NORTHWEST BLOCKS

MANGISTAU OBLAST, KAZAKHSTAN

GEOLOGICAL STRATIGRAPHIC CHART

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

APPENDIX B

PRICE SENSITIVITY REPORT
OIL AND GAS PROPERTIES

ADEK BLOCK (LICENCE AREA)
MANGISTAU OBLAST
REPUBLIC OF KAZAKHSTAN

Owned By

EMIR OIL LLP
a wholly owned subsidiary of
MIE HOLDINGS CORPORATION

December 31, 2015
(January 1, 2016)

Chapman Petroleum Engineering Ltd.
1122 - 4th Street S.W., Suite 700, Calgary, Alberta T2R 1M1 • Phone: (403) 266-4141 • Fax: (403) 266-4259 • www.chapeng.ab.ca

March 9, 2016

MIE Holdings Corporation
Suite 1501, Block C, Grand Place
5 Hui Zhong Road
Chaoyang District
Beijing, 100101
P.R. China

Attention: Mr. Tian Hongtao

Dear Sir:

Re: Price Sensitivity Report
ADEK Block, Republic of Kazakhstan – December 31, 2015

Chapman Petroleum Engineering Ltd. prepared a reserve and economic evaluation report entitled "Evaluation of Reserves and Prospective Resources, Oil and Gas Properties, ADEK Block (Licence Area), Mangistau Oblast, Republic of Kazakhstan, Owned by Emir Oil LLP, a wholly owned subsidiary of MIE Holdings Corporation, December 31, 2015 (January 1, 2016)", dated March 9, 2015 (the "Report").

In accordance with your authorization we have prepared the Price Sensitivity Report to examine the impact of lower or higher realized product prices on the net present value of the Company's properties.

In preparing this report, the product prices scheduled in the Report were increased and decreased by 20 percent for the low price and high price cases, respectively. All other parameters are the same as presented in the Report, with the exception of the discount factor presented.

In the sensitivity cases, all input values such as capital and operating costs, timing and initial production rates are identical to the values used in the Report. Calculated values including reserves may be lower in the lower price cases due to economic limits being reached earlier in the life of a well at lower oil prices. All cases are evaluated using forecast prices and costs throughout the evaluation period.

The results of the sensitivity analysis are presented in Table 1, a comparison of 10% DCF value, and Tables 2 and 3, the summary of results.

The consolidated cash flows for the low and high cases are presented in Tables 2a through 2f and 3a through 3f, respectively.

The resulting prices used for each case are presented on Attachment 1.

We trust that this will provide the information you require to understand the impact of low and high oil prices on corporate reserves, present values and cash flows.

It has been a pleasure to prepare this sensitivity analysis and the opportunity to have been of service is appreciated.

Yours very truly,
Chapman Petroleum Engineering Ltd.

[Original Signed By:]

C.W. Chapman

C.W. Chapman, P.Eng.,
President

kvz/lml/6144

PERMIT TO PRACTICE
CHAPMAN PETROLEUM ENGINEERING LTD.
Signature [Original Signed By:] *C.W. Chapman*
Date *March 9, 2016*
PERMIT NUMBER: P 4201
The Association of Professional Engineers and Geoscientists of Alberta

ADEK AND NORTHWEST BLOCK (LICENCE AREA)
REPUBLIC OF KAZAKHSTAN
PRICE SENSITIVITY
INDEX

Forecast Prices and Costs

Table 1: Summary of Company Cash Flow – Price Sensitivity (+/- 20%) Analysis

Table 2: Sensitivity Low case –price -20% (Before CIT & EPT)
Table 2T: Sensitivity Low case –price -20% (After CIT & EPT)
2a) Total Proved Developed Producing Consolidation
2b) Total Proved Developed Consolidation
2c) Total Proved Consolidation
2d) Total Proved Plus Probable Developed Producing Consolidation
2e) Total Proved Plus Probable Consolidation
2f) Total Proved Plus Probable Plus Possible Consolidation

Table 3: Sensitivity High case –price +20% (Before CIT & EPT)
Table 3T: Sensitivity High case –price +20% (After CIT & EPT)
3a) Total Proved Developed Producing Consolidation
3b) Total Proved Developed Consolidation
3c) Total Proved Consolidation
3d) Total Proved Plus Probable Developed Producing Consolidation
3e) Total Proved Plus Probable Consolidation
3f) Total Proved Plus Probable Plus Possible Consolidation

Attachment 1: Price Table

Table 1
Summary of Company Cash Flow
Price Sensitivity (+/-20%) Analysis
Before and After Income Tax & Excess Profits Tax
January 1, 2016

MIE Holdings Corporation

Before Income Tax & Excess Profits Tax	Cumulative Cash Flow - M$ Discounted at: 10%/year		
	Report Price	Price Down (-20%)	Price Up (+20%)
Total Proved Developed Producing	107,189	63,696	148,069
Total Proved Developed Non-Producing	300,622	205,162	385,891
Total Proved Developed	**407,812**	**268,858**	**533,960**
Total Proved Undeveloped	55,643	19,913	87,575
Total Proved	**463,455**	**288,771**	**621,535**
Total Proved Plus Probable Developed Producing	**127,668**	**61,611**	**188,695**
Total Probable	635,975	425,157	828,281
Total Proved Plus Probable	**1,099,429**	**713,928**	**1,449,815**
Total Possible	247,025	177,053	311,310
Total Proved Plus Probable Plus Possible	**1,346,455**	**890,981**	**1,761,125**

After Income Tax & Excess Profits Tax	Cumulative Cash Flow - M$ Discounted at: 10%/year		
	Report Price	Price Down (-20%)	Price Up (+20%)
Total Proved Developed Producing	97,682	60,937	126,066
Total Proved Developed Non-Producing	112,873	94,606	135,862
Total Proved Developed	**210,555**	**155,543**	**261,928**
Total Proved Undeveloped	25,231	7,585	39,321
Total Proved	**235,786**	**163,128**	**301,249**
Total Probable	237,735	169,590	294,564
Total Proved Plus Probable	**473,521**	**332,718**	**595,813**
Total Possible	87,423	64,933	106,467
Total Proved Plus Probable Plus Possible	**560,944**	**397,651**	**702,281**

Table 2 Forecast Prices & Costs

Summary of Company Reserves and Economics

Before CIT & EPT

January 1, 2016

MIE Holdings Corporation–Sensitivity Low case-Price -20%

	Net To Appraised Interest										
	Reserves						Cumulative Cash Flow (Before CIT & EPT) - M$				
	Light and Medium Oil MSTB		Sales Gas MMscf		BOE Mbbls		Discounted at:				
Description	Gross	Net	Gross	Net	Gross	Net	Undisc.	5%/year	10%/year	15%/year	20%/year
Proved Developed Producing											
Aksaz	453	453	4,661	4,661	1,230	1,230	1,638	1,369	1,149	970	823
Dolinnoe	1,022	1,022	2,461	2,461	1,433	1,433	3,401	3,295	3,074	2,821	2,572
Emir	0	0	0	0	0	0	0	0	0	0	0
Kariman	4,466	4,466	1,827	1,827	4,770	4,770	66,109	51,334	41,287	34,166	28,935
Exploration Area (Borly, NK, Yessen)											
Borly	0	0	0	0	0	0	0	0	0	0	0
North Kariman	1,694	1,694	637	637	1,800	1,800	31,251	23,167	18,186	14,888	12,574
Yessen	0	0	0	0	0	0	0	0	0	0	0
Total Proved Developed Producing	**7,636**	**7,636**	**9,587**	**9,587**	**9,233**	**9,233**	**102,399**	**79,166**	**63,696**	**52,845**	**44,905**
Proved Developed Non-Producing											
Aksaz	909	909	5,963	5,963	1,903	1,903	20,069	14,259	10,434	7,827	5,995
Dolinnoe	2,969	2,969	6,180	6,180	3,999	3,999	81,134	51,266	34,210	23,860	17,254
Emir	785	785	143	143	808	808	14,511	10,615	7,956	6,090	4,750
Kariman	12,970	12,970	5,083	5,083	13,817	13,817	313,441	212,634	152,067	113,399	87,438
Exploration Area (Borly, NK, Yessen)											
Borly	0	0	0	0	0	0	0	0	0	0	0
North Kariman	0	0	0	0	0	0	0	0	0	0	0
Yessen	339	339	104	104	356	356	1,145	787	496	271	101
Total Proved Developed Non-Producing	**17,971**	**17,971**	**17,474**	**17,474**	**20,883**	**20,883**	**430,299**	**289,563**	**205,162**	**151,448**	**115,538**
Total Proved Developed	**25,606**	**25,606**	**27,061**	**27,061**	**30,116**	**30,116**	**532,698**	**368,728**	**268,858**	**204,293**	**160,443**
Proved Undeveloped											
Aksaz	571	571	3,583	3,583	1,168	1,168	3,725	1,537	198	(623)	(1,119)
Dolinnoe	2,212	2,212	3,832	3,832	2,851	2,851	33,726	17,712	9,241	4,527	1,787
Emir	678	678	131	131	700	700	3,427	1,130	(73)	(680)	(959)
Kariman	2,664	2,664	1,126	1,126	2,852	2,852	37,353	24,531	16,175	10,594	6,787
Exploration Area (Borly, NK, Yessen)							(4,197)	(5,218)	(5,627)	(5,708)	
Borly	0	0	0	0	0	0	0	0	0	0	0
North Kariman	671	671	241	241	711	711	(3,557)	(4,422)	(4,768)	(4,836)	(4,760)
Yessen	123	123	32	32	128	128	(640)	(796)	(858)	(870)	(857)
Total Proved Undeveloped	**6,919**	**6,919**	**8,946**	**8,946**	**8,410**	**8,410**	**74,033**	**39,692**	**19,913**	**8,111**	**877**
Total Proved	**32,525**	**32,525**	**36,006**	**36,006**	**38,526**	**38,526**	**606,731**	**408,421**	**288,771**	**212,403**	**161,320**
Probable											
Probable Developed Producing											
Aksaz	480	480	4,515	4,515	1,232	1,232	1,367	780	299	(87)	(394)
Dolinnoe	529	529	1,189	1,189	727	727	(688)	(1,514)	(2,320)	(2,936)	(3,375)
Emir	174	174	19	19	177	177	(444)	(414)	(412)	(420)	(431)
Kariman	2,861	2,861	1,163	1,163	3,055	3,055	32,656	12,598	1,189	(5,580)	(9,778)
Exploration Area (Borly, NK, Yessen)									(840)	(2,946)	(4,129)
Borly	0	0	0	0	0	0	0	0	0	0	0
North Kariman	970	970	359	359	1,030	1,030	12,337	3,284	(840)	(2,946)	(4,129)
Yessen	0	0	0	0	0	0	0	0	0	0	0
Total Probable Developed Producing	**5,014**	**5,014**	**7,245**	**7,245**	**6,221**	**6,221**	**45,228**	**14,734**	**(2,085)**	**(11,970)**	**(18,108)**
Total Proved Plus probable Developed Producing	**12,649**	**12,649**	**16,832**	**16,832**	**15,455**	**15,455**	**147,627**	**93,899**	**61,611**	**40,875**	**26,797**

Probable Developed Non-Producing											
Aksaz	640	640	5,779	5,779	1,603	1,603	12,184	8,643	6,240	4,579	3,408
Dolinnoe	1,463	1,463	3,334	3,334	2,019	2,019	32,832	13,140	5,089	1,634	101
Emir	4,359	4,359	639	639	4,465	4,465	139,468	72,792	40,732	24,082	14,862
Kariman	22,464	22,464	8,565	8,565	23,892	23,892	772,438	307,156	142,535	74,929	43,480
Exploration Area (Borly, NK, Yessen)	11,527	11,527	6,901	6,901	12,677	12,677	348,812	209,645	137,134	95,513	69,801
Borly	3,887	3,887	3,615	3,615	4,489	4,489	123,514	74,235	48,559	33,821	24,717
North Kariman	2,486	2,486	1,686	1,686	2,767	2,767	76,146	45,765	29,936	20,851	15,238
Yessen	5,154	5,154	1,600	1,600	5,421	5,421	149,152	89,644	58,638	40,841	29,847
Total Probable Developed Non-Producing	**40,454**	**40,454**	**25,218**	**25,218**	**44,657**	**44,657**	**1,305,734**	**611,375**	**331,730**	**200,737**	**131,673**
Probable Undeveloped											
Aksaz	1,228	1,228	9,179	9,179	2,758	2,758	4,866	1,334	(601)	(1,621)	(2,114)
Dolinnoe	4,715	4,715	8,169	8,169	6,076	6,076	95,623	40,199	17,677	7,932	3,503
Emir	379	379	76	76	392	392	7,163	3,044	1,270	491	148
Kariman	4,658	4,658	1,846	1,846	4,965	4,965	96,236	46,318	22,778	11,135	5,170
Exploration Area (Borly, NK, Yessen)											
Borly	3,887	3,887	3,615	3,615	4,490	4,490	108,553	55,532	30,707	18,005	11,037
North Kariman	1,650	1,650	592	592	1,749	1,749	42,279	21,629	11,960	7,012	4,299
Yessen	1,641	1,641	433	433	1,713	1,713	41,433	21,196	11,720	6,872	4,213
Total Probable Undeveloped	**18,157**	**18,157**	**23,911**	**23,911**	**22,143**	**22,143**	**396,153**	**189,251**	**95,512**	**49,826**	**26,255**
Total Probable	**63,625**	**63,625**	**56,374**	**56,374**	**73,021**	**73,021**	**1,747,115**	**815,361**	**425,157**	**238,593**	**139,820**
Total Proved Plus Probable	**96,150**	**96,150**	**92,381**	**92,381**	**111,547**	**111,547**	**2,353,846**	**1,223,761**	**713,928**	**450,996**	**301,140**
Possible											
Aksaz	488	488	4,074	4,074	1,167	1,167	11,430	7,489	5,013	3,421	2,376
Dolinnoe	5,987	5,987	10,883	10,883	7,801	7,801	221,688	84,429	35,623	16,661	8,745
Emir	5,986	5,986	787	787	6,117	6,117	228,305	83,384	33,822	14,908	7,029
Kariman	1,687	1,687	645	645	1,795	1,795	61,970	23,572	9,745	4,323	2,036
Exploration Area (Borly, NK, Yessen)											
Borly	11,661	11,661	10,845	10,845	13,469	13,469	307,938	145,828	75,338	41,621	24,215
North Kariman	357	357	128	128	378	378	8,653	4,098	2,117	1,170	680
Yessen	2,636	2,636	696	696	2,752	2,752	62,923	29,798	15,394	8,505	4,948
Total Possible	**28,802**	**28,802**	**28,058**	**28,058**	**33,479**	**33,479**	**902,908**	**378,598**	**177,053**	**90,608**	**50,031**
Total Proved Plus Probable Plus Possible	**124,952**	**124,952**	**120,439**	**120,439**	**145,025**	**145,025**	**3,256,754**	**1,602,380**	**890,981**	**541,604**	**351,171**

M$ means thousands of United State dollars

Gross reserves are the total of the Company's working and/or royalty interest share before deduction of royalties owned by others.

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 2T

Forecast Prices & Costs

Summary of Company Reserves and Economics

After CIT & EPT

January 1, 2016

MIE Holdings Corporation--Sensitivity high case-Price +20%

	Net To Appraised Interest										
	Oil MSTB		Sales Gas MMscf		BOE Mbbls		Cumulative Cash Flow - M$ Discounted at:				
Description	Gross	Net	Gross	Net	Gross	Net	Undisc.	5%/year	10%/year	15%/year	20%/year
Proved Developed Producing											
Total Proved Developed Producing (Before CIT & EPT)	7,636	13,973	9,587	14,515	9,233	9,233	102,399	79,166	63,696	52,845	44,905
Corporate Income Tax	-	-	-	-	-	-	(4,684)	(3,542)	(2,759)	(2,203)	(1,796)
Excess profits Tax	-	-	-	-	-	-	0	0	0	0	0
Total Proved Developed Producing (After CIT & EPT)	**7,636**	**13,973**	**9,587**	**14,515**	**9,233**	**9,233**	**97,715**	**75,624**	**60,937**	**50,642**	**43,108**
Proved Developed Non-Producing											
Total Proved Developed Non-Producing (Before CIT & EPT)	17,971	11,722	17,474	19,650	20,883	20,883	430,299	289,583	205,182	151,448	115,538
Corporate Income Tax	-	-	-	-	-	-	(83,574)	(56,635)	(40,428)	(30,062)	(23,141)
Excess profits Tax	-	-	-	-	-	-	(147,973)	(99,260)	(70,128)	(51,671)	(39,397)
Total Proved Developed Non-Producing (After CIT & EPT)	**17,971**	**11,722**	**17,474**	**19,650**	**20,883**	**20,883**	**198,752**	**133,688**	**94,606**	**69,695**	**53,000**
Total Proved Developed (After CIT & EPT)	**25,606**	**25,695**	**27,061**	**34,165**	**30,117**	**30,117**	**296,468**	**209,291**	**155,543**	**120,337**	**96,108**
Proved Undeveloped											
Total Proved Undeveloped (Before CIT & EPT)	6,919	8,104	8,946	9,067	8,410	8,410	74,033	39,692	19,913	8,111	877
Corporate Income Tax	-	-	-	-	-	-	(18,206)	(12,207)	(8,507)	(6,121)	(4,523)
Excess profits Tax	-	-	-	-	-	-	(10,241)	(6,276)	(3,821)	(2,269)	(1,270)
Total Proved Undeveloped (After CIT & EPT)	**6,919**	**8,104**	**8,946**	**9,067**	**8,410**	**8,410**	**45,586**	**21,209**	**7,585**	**(279)**	**(4,915)**
Total Proved (After CIT & EPT)	**32,525**	**33,799**	**36,006**	**43,232**	**38,527**	**38,527**	**342,054**	**230,500**	**163,128**	**120,058**	**91,193**
Probable											
Total Probable (Before CIT & EPT)	63,625	64,065	56,374	51,879	73,021	73,021	1,747,115	815,361	425,157	238,593	139,820
Corporate Income Tax	-	-	-	-	-	-	(362,681)	(175,003)	(96,102)	(58,076)	(37,716)
Excess profits Tax	-	-	-	-	-	-	(694,128)	(313,197)	(159,465)	(88,791)	(52,865)
Total Probable (After CIT & EPT)	**63,625**	**64,065**	**56,374**	**51,879**	**73,021**	**73,021**	**690,305**	**327,161**	**169,590**	**91,726**	**49,238**
Total Proved Plus Probable (After CIT & EPT)	**96,150**	**97,864**	**92,381**	**95,111**	**111,548**	**111,548**	**1,032,359**	**557,661**	**332,718**	**211,784**	**140,431**
Possible											
Total Possible (Before CIT & EPT)	28,802	32,339	28,058	27,108	33,479	33,479	902,908	378,598	177,053	90,608	50,031
Corporate Income Tax	-	-	-	-	-	-	(187,849)	(79,910)	(38,121)	(19,959)	(11,266)
Excess profits Tax	-	-	-	-	-	-	(396,517)	(162,494)	(73,999)	(36,708)	(19,517)
Total Possible (After CIT & EPT)	**28,802**	**32,339**	**28,058**	**27,108**	**33,479**	**33,479**	**318,542**	**136,194**	**64,933**	**33,942**	**19,247**
Total Proved Plus Probable Plus Possible (After CIT & EPT)	**124,952**	**130,203**	**120,439**	**122,219**	**145,026**	**145,026**	**1,350,901**	**693,855**	**397,651**	**245,725**	**159,678**

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.

2016-03-04

Corp-Table 2a-PP.xlsx

Table 2a
Page 1

Forecast Prices & Costs

MIE Holdings Corporation
ADEK Block, Kazakhstan
Company Cost and Cash Flow Analysis
Total Proved Developed Producing Consolidation

Year	Well Count	oil Production MSTB	Gas Production MMscf	Oil + Gas Production MBOE	Net Revenue Before Opex & Capex M$/yr.	Opex Cost Schedule: Oil Fixed M$/yr.	Oil Variable M$/yr.	Gas Cost M$/yr.	Total Opex M$/yr.	Total Capital M$/yr.	Abandon-ment Cost M$/yr.	Escalculated Opex, Capex and ABN M$/yr.	Undiscounted Net Cash Flow (Profit) M$/yr.	Discounted @ 5% M$/yr.	10% M$/yr.	15% M$/yr.	20% M$/yr.	Undiscounted Net Cash Flow After CIT & EPT M$/yr.
2016	19	1,249	1,845	1,556	15,784	5,624	4,233	923	10,780	0	0	10,780	5,004	4,884	4,771	4,666	4,568	5,004
2017	19	1,034	1,501	1,284	22,595	5,624	3,504	751	9,878	0	0	10,076	12,520	11,636	10,852	10,152	9,524	12,320
2018	19	862	1,227	1,067	22,642	5,624	2,924	613	9,161	0	0	9,531	13,111	11,605	10,331	9,244	8,311	12,581
2019	18	725	1,003	892	21,734	5,328	2,456	502	8,286	0	0	8,793	12,940	10,909	9,270	7,934	6,836	12,243
2020	17	611	805	745	19,297	5,032	2,070	402	7,504	0	0	8,123	11,174	8,971	7,277	5,958	4,919	10,531
2021	16	513	665	624	17,085	4,736	1,739	332	6,807	0	0	7,516	9,569	7,317	5,665	4,436	3,511	8,958
2022	16	438	553	530	14,495	4,736	1,486	276	6,498	0	0	7,318	7,177	5,227	3,863	2,893	2,194	6,761
2023	16	376	462	453	13,849	4,736	1,275	231	6,241	0	0	7,169	6,680	4,633	3,268	2,342	1,702	6,192
2024	14	314	354	373	11,448	4,144	1,065	177	5,386	0	0	6,311	5,137	3,393	2,285	1,566	1,091	4,799
2025	13	270	292	319	10,099	3,848	917	146	4,911	0	0	5,869	4,230	2,661	1,710	1,121	748	3,977
2026	12	232	246	273	8,880	3,552	787	123	4,462	0	0	5,439	3,442	2,062	1,265	793	507	3,220
2027	11	198	198	231	7,770	3,256	671	99	4,026	0	0	5,006	2,764	1,577	924	554	340	2,608
2028	9	164	101	180	6,539	2,664	555	50	3,269	0	0	4,146	2,394	1,301	727	417	245	2,300
2029	8	139	78	152	5,699	2,368	472	39	2,879	0	0	3,724	1,975	1,022	546	299	169	1,940
2030	8	122	69	134	5,138	2,368	415	34	2,817	0	0	3,717	1,420	700	357	187	101	1,420
2031	7	101	58	111	4,358	2,072	343	29	2,444	0	0	3,290	1,068	501	244	122	63	1,068
2032	6	83	49	92	3,618	1,776	283	25	2,083	0	0	2,860	758	339	157	76	37	758
2033	5	67	27	71	2,962	1,480	226	13	1,720	0	0	2,408	554	236	105	48	23	554
2034	5	59	24	63	2,690	1,480	201	12	1,692	0	0	2,417	273	111	47	21	9	273
2035	4	47	19	50	2,178	1,184	159	9	1,352	0	0	1,969	208	81	33	14	6	208
2036	3	31	12	33	1,486	888	106	6	1,000	0	0	1,486	1	0	0	0	0	1
Total		**7,636**	**9,587**	**9,233**	**220,347**	72,520	25,885	4,793	**103,198**	**0**	**0**	**117,948**	**102,399**	**79,166**	**63,696**	**52,845**	**44,905**	**97,715**
						296.00 M$/yr/well	$3.39 $/STB	0.50 $/Mcf										

Table 2a
Page 2

Forecast Price & Costs

MIE Holdings Corporation

ADEK Block, Kazakhstan

Corporate Income Tax (CIT) and Excess Profit Tax (EPT)
December 31, 2015
(As of January 1, 2016)

Total Proved Developed Producing Consolidation

Year	Net Cash Flow (after Opex & Capex)	Total Capital	Non-deduct Sales Cost	Non-deduct Transp.	Escalculated Non-deduct Capital	Taxable Income Before Deductions	Capital Deductions	Taxable Income	Corporate Income Tax	Discounted @ 5%	Discounted @ 10%	Discounted @ 15%	Discounted @ 20%	Net Income	EPT Ratio	EPT Amount	Discounted @ 5%	Discounted @ 10%	Discounted @ 15%	Discounted @ 20%
	$M	$M	$M	$M	M$/yr.	$M	$M	$M	$M	$	$	$	$	$M		$M	$	$	$	$
2015																				
2016	5,004	0	78	1,434	1,511	6,516	6,578	0	0	0	0	0	0	0	0.00	0	0	0	0	0
2017	12,520	0	46	819	882	13,402	12,403	999	200	186	173	162	152	799	0.11	0	0	0	0	0
2018	13,111	0	38	683	751	13,861	11,211	2,650	530	469	418	374	336	2,120	0.35	0	0	0	0	0
2019	12,940	0	32	574	643	13,584	10,096	3,488	698	588	500	428	369	2,790	0.54	0	0	0	0	0
2020	11,174	0	27	484	553	11,727	8,510	3,217	643	517	419	343	283	2,573	0.59	0	0	0	0	0
2021	9,569	0	23	406	474	10,043	6,988	3,055	611	467	362	283	224	2,444	0.66	0	0	0	0	0
2022	7,177	0	20	347	413	7,590	5,509	2,081	416	303	224	168	127	1,664	0.53	0	0	0	0	0
2023	6,680	0	17	298	361	7,041	4,599	2,442	488	339	239	171	124	1,954	0.73	0	0	0	0	0
2024	5,137	0	14	249	308	5,445	3,984	1,691	338	223	150	103	72	1,353	0.59	0	0	0	0	0
2025	4,230	0	12	214	270	4,500	3,394	1,262	252	159	102	67	45	1,010	0.52	0	0	0	0	0
2026	3,442	0	10	184	237	3,678	2,932	1,110	222	133	82	51	33	888	0.54	0	0	0	0	0
2027	2,764	0	9	157	206	2,970	2,550	781	156	89	52	31	19	625	0.45	0	0	0	0	0
2028	2,394	0	7	130	174	2,567	2,213	469	94	51	28	16	10	375	0.32	0	0	0	0	0
2029	1,975	0	6	110	151	2,126	1,949	177	35	18	10	5	3	141	0.14	0	0	0	0	0
2030	1,420	0	5	97	135	1,555	1,565	0	0	0	0	0	0	0	0.00	0	0	0	0	0
2031	1,068	0	5	80	114	1,182	1,232	0	0	0	0	0	0	0	0.00	0	0	0	0	0
2032	758	0	4	66	96	854	947	0	0	0	0	0	0	0	0.00	0	0	0	0	0
2033	554	0	3	53	78	633	633	0	0	0	0	0	0	0	0.00	0	0	0	0	0
2034	273	0	3	47	71	343	416	0	0	0	0	0	0	0	0.00	0	0	0	0	0
2035	208	0	2	37	57	265	340	0	0	0	0	0	0	0	0.00	0	0	0	0	0
2036	1	0	1	25	39	39	196	0	0	0	0	0	0	0	0.00	0	0	0	0	0
Total	**102,399**	**0**	**362**	**6,493**	**7,523**	**109,923**	**88,246**	**23,421**	**4,684**	**3,542**	**2,759**	**2,203**	**1,796**	**18,737**		**0**	**0**	**0**	**0**	**0**
			0.07	1.29																
			0.05	0.89																

2016-03-04

Corp-Table 2b-PD.xlsx

Table 2b
Page 1

Forecast Prices & Costs

MIE Holdings Corporation
ADEK Block, Kazakhstan
Company Cost and Cash Flow Analysis
Toatl Proved Developed Consolidation

Year	Well Count	oil Production MSTB	Gas Production MMscf	Oil + Gas Production MBOE	Net Revenue Before Opex & Capex M$/yr.	Opex Cost Schedule: Oil Fixed M$/yr.	Oil Variable M$/yr.	Gas Cost M$/yr.	Total Opex M$/yr.	Total Capital M$/yr.	Abandon-ment Cost M$/yr.	Escalculated Opex, Capex and ABN M$/yr.	Undiscounted Net Cash Flow (Profit) M$/yr.	Discounted @ 5% M$/yr.	10% M$/yr.	15% M$/yr.	20% M$/yr.	Undiscounted Net Cash Flow After CIT & EPT M$/yr.
2016	20	1,367	1,891	1,682	17,194	5,920	4,634	945	11,500	400	0	11,900	5,294	5,166	5,047	4,936	4,833	5,294
2017	20	1,157	1,547	1,415	23,659	5,920	3,922	774	10,615	5,200	0	16,132	7,528	6,996	6,525	6,104	5,726	7,445
2018	32	2,388	1,823	2,692	61,655	9,472	8,096	911	18,480	3,250	50	22,660	38,995	34,517	30,728	27,496	24,721	22,644
2019	37	2,627	3,146	3,151	78,494	10,952	8,906	1,573	21,431	400	50	23,220	55,274	46,597	39,595	33,890	29,200	34,826
2020	36	2,234	2,615	2,670	70,395	10,656	7,573	1,307	19,536	900	50	22,175	48,220	38,715	31,402	25,709	21,228	29,849
2021	35	2,046	2,309	2,431	67,947	10,360	6,937	1,154	18,451	1,300	0	21,807	46,141	35,281	27,316	21,392	16,927	27,320
2022	35	2,070	2,211	2,439	72,231	10,360	7,018	1,105	18,483	500	0	21,378	50,853	37,033	27,369	20,501	15,547	27,174
2023	35	1,844	2,037	2,184	67,828	10,360	6,253	1,019	17,631	400	150	20,885	46,943	32,557	22,968	16,456	11,959	24,250
2024	32	1,734	1,755	2,027	63,094	9,472	5,879	877	16,229	0	50	19,073	44,021	29,077	19,580	13,419	9,346	22,146
2025	31	1,474	1,478	1,720	54,996	9,176	4,996	739	14,911	0	50	17,880	37,116	23,349	15,008	9,838	6,567	18,578
2026	30	1,252	1,249	1,461	47,912	8,880	4,245	625	13,750	0	50	16,822	31,090	18,626	11,429	7,166	4,584	15,605
2027	29	1,063	1,036	1,236	41,725	8,584	3,603	518	12,705	0	100	15,922	25,803	14,723	8,623	5,172	3,170	12,951
2028	27	904	815	1,040	36,336	7,992	3,065	407	11,464	0	100	14,666	21,671	11,776	6,584	3,777	2,219	10,916
2029	25	768	685	882	31,614	7,400	2,602	342	10,345	0	50	13,446	18,168	9,403	5,018	2,753	1,550	9,107
2030	24	636	581	733	26,877	7,104	2,156	290	9,550	0	200	12,865	14,012	6,906	3,518	1,847	996	6,547
2031	20	524	490	606	22,673	5,920	1,776	245	7,941	0	50	10,755	11,918	5,595	2,720	1,366	706	6,032
2032	19	447	418	517	19,509	5,624	1,516	209	7,349	0	200	10,364	9,146	4,089	1,898	911	452	4,756
2033	15	360	335	416	16,085	4,440	1,220	167	5,827	0	0	8,160	7,926	3,375	1,495	687	326	4,053
2034	15	312	288	360	14,294	4,440	1,058	144	5,642	0	150	8,273	6,021	2,442	1,033	454	206	3,152
2035	12	253	240	293	11,858	3,552	857	120	4,529	0	150	6,816	5,042	1,947	786	330	144	2,552
2036	9	145	114	164	6,962	2,664	492	57	3,213	0	450	5,443	1,519	559	215	87	36	1,273
Total		**25,606**	**27,061**	**30,116**	**853,339**	**159,248**	**86,805**	**13,530**	**259,583**	**12,350**	**1,900**	**320,641**	**532,698**	**368,728**	**268,858**	**204,293**	**160,443**	**296,468**
						296.00 MS/yr/well	$3.39 $/STB	0.50 $/Mcf										

Table 2b
Page 2

Forecast price &Costs

MIE Holdings Corporation

ADEK Block, Kazakhstan

Corporate Income Tax (CIT) and Excess Profit Tax (EPT)
January 1, 2015
(As of December 31, 2015)

Toatl Proved Developed Consolidation

										Discounted @								Discounted @			
	Net Cash Flow (after Opex & Capex)	Total Capital	Non-deduct Sales	Non-deduct Transp.	Escalculated Non-deduct Capital	Taxable Income Before Deductions	Capital Deductions	Taxable Income	**Corporate Income Tax**	5%	10%	15%	20%	Net Income	EPT Ratio	**EPT Amount**	5%	10%	15%	20%
Year	$M	M$/yr.	$M	$M	M$/yr.	$M	$M	$M	$M	$	$	$	$	$M		$M	$	$	$	$
2015																				
2016	5,294	400	85	1,570	2,055	7,349	7,411	0	0	0	0	0	0	0	0.00	0	0	0	0	0
2017	7,528	5,200	51	916	6,291	13,819	13,403	415	83	77	72	67	63	332	0.02	0	0	0	0	0
2018	38,995	3,250	106	1,892	5,460	44,455	11,936	32,519	6,504	5,757	5,125	4,586	4,123	26,015	2.18	9,848	8,717	7,760	6,944	6,243
2019	55,274	400	117	2,081	2,757	58,031	15,187	42,844	8,569	7,224	6,138	5,254	4,527	34,275	2.26	11,879	10,014	8,509	7,283	6,275
2020	48,220	900	99	1,769	2,997	51,217	13,106	38,111	7,622	6,120	4,964	4,064	3,356	30,489	2.33	10,749	8,630	7,000	5,731	4,732
2021	46,141	1,300	91	1,621	3,325	49,466	11,417	38,049	7,610	5,619	4,505	3,528	2,792	30,439	2.67	11,211	8,573	6,637	5,198	4,113
2022	50,853	500	92	1,640	2,513	53,366	9,653	43,713	8,743	6,367	4,705	3,525	2,673	34,970	3.62	14,936	10,877	8,039	6,021	4,566
2023	46,943	400	82	1,461	2,232	49,175	8,148	41,027	8,205	5,691	4,015	2,877	2,090	32,822	4.03	14,487	10,048	7,088	5,079	3,691
2024	44,021	0	77	1,374	1,700	45,721	7,180	38,541	7,708	5,092	3,429	2,350	1,636	30,833	4.29	14,167	9,357	6,301	4,319	3,008
2025	37,116	0	66	1,167	1,474	38,589	5,979	32,611	6,522	4,103	2,637	1,729	1,154	26,088	4.36	12,015	7,559	4,859	3,185	2,126
2026	31,090	0	56	992	1,277	32,367	5,116	27,250	5,450	3,265	2,003	1,256	804	21,800	4.26	10,034	6,012	3,689	2,313	1,479
2027	25,803	0	47	842	1,106	26,909	4,371	22,538	4,508	2,572	1,506	903	554	18,030	4.12	8,345	4,761	2,789	1,673	1,025
2028	21,671	0	40	716	959	22,630	3,721	18,909	3,782	2,055	1,149	659	387	15,127	4.07	6,973	3,789	2,118	1,215	714
2029	18,168	0	34	608	831	18,999	3,154	15,844	3,169	1,640	875	480	270	12,676	4.02	5,892	3,049	1,627	893	503
2030	14,012	0	28	504	702	14,714	2,344	13,042	2,608	1,286	655	344	185	10,434	4.45	4,857	2,394	1,219	640	345
2031	11,918	0	23	415	590	12,508	2,148	10,360	2,072	973	473	237	123	8,288	3.86	3,814	1,790	870	437	226
2032	9,146	0	20	354	514	9,660	1,799	7,860	1,572	703	326	157	78	6,268	3.49	2,818	1,260	585	281	139
2033	7,926	0	16	285	422	8,347	1,458	6,889	1,378	587	260	119	57	5,511	3.78	2,495	1,062	471	216	103
2034	6,021	0	14	247	373	6,394	1,204	5,234	1,047	425	180	79	36	4,188	3.48	1,823	739	313	137	62
2035	5,042	0	11	200	308	5,350	1,011	4,524	905	349	141	59	26	3,619	3.58	1,585	612	247	104	45
2036	1,519	0	6	115	180	1,699	692	1,008	202	74	29	11	5	806	1.17	45	16	6	3	1
Total	**532,698**	**12,350**	**1,164**	**20,769**	**38,066**	**570,764**	**130,438**	**441,290**	**88,258**	**60,176**	**43,187**	**32,285**	**24,938**	**353,032**		**147,973**	**99,260**	**70,128**	**51,671**	**39,397**
			0.07	1.29																
			0.05	0.89																

320

Table 2c
Page 1

Forecast Prices & Costs

MIE Holdings Corporation

ADEK Block, Kazakhstan

Company Cost and Cash Flow Analysis

Total Proved Consolidation

Year	Well Count	oil Production	Gas Production	Oil + Gas Production	Net Revenue Before Opex & Capex	Opex Cost Schedule: Oil Fixed	Oil Variable	Gas Cost	Total Opex	Total Capital	Abandon-ment Cost	Escalculated Opex, Capex and ABN	Undiscounted Net Cash Flow (Profit)	Discounted @ 5%	10%	15%	20%	Undiscounted Net Cash Flow After CIT & FPT
		MSTB	MMscf	MBOE	M$/yr.	M$/yr.	M$/yr.	M$/yr.	M$/yr.	M$/yr.	M$/yr.	M$/yr.	M$/yr.	M$/yr.	M$/yr.	M$/yr.	M$/yr.	M$/yr.
2016	20	1.419	1,980	1,749	17,856	5,920	4,810	990	11,720	10,700	0	22,420	(4,564)	(4,454)	(4,351)	(4,256)	(4,166)	(4,564)
2017	21	1.265	1,709	1,549	27,563	6,216	4,287	854	11,358	11,700	0	23,519	4,045	3,759	3,506	3,280	3,077	4,045
2018	34	2,677	2,047	3,018	66,992	10,064	9,075	1,024	20,163	16,450	50	38,144	28,848	25,535	22,731	20,341	18,288	15,543
2019	42	3,086	3,612	3,688	89,876	12,432	10,460	1,806	24,698	11,300	50	38,255	51,622	43,518	36,979	31,651	27,271	32,665
2020	43	2,956	3,703	3,574	93,333	12,728	10,022	1,852	24,602	10,100	50	37,617	55,717	44,733	36,284	29,706	24,528	31,479
2021	45	2,790	3,221	3,326	92,682	13,320	9,457	1,610	24,387	16,800	0	45,474	47,209	36,098	27,949	21,887	17,319	24,161
2022	47	2,817	3,131	3,338	98,361	13,912	9,548	1,565	25,026	6,800	0	35,841	62,520	45,529	33,648	25,205	19,113	35,978
2023	48	2,560	2,970	3,055	94,251	14,208	8,680	1,485	24,373	800	200	29,145	65,106	45,155	31,855	22,824	16,587	37,389
2024	45	2,339	2,506	2,756	85,171	13,320	7,928	1,253	22,501	0	50	26,422	58,749	38,805	26,131	17,909	12,473	32,950
2025	44	1,977	2,111	2,329	73,864	13,024	6,703	1,055	20,782	0	50	24,896	48,968	30,804	19,801	12,980	8,663	27,359
2026	43	1,673	1,784	1,970	64,073	12,728	5,671	892	19,291	0	150	23,698	40,374	24,189	14,842	9,306	5,953	22,518
2027	40	1,403	1,484	1,650	55,135	11,840	4,755	742	17,337	0	100	21,680	33,454	19,089	11,180	6,705	4,110	18,662
2028	38	1,190	1,195	1,389	47,906	11,248	4,034	598	15,879	0	100	20,265	27,640	15,020	8,397	4,817	2,830	15,426
2029	36	1,009	1,008	1,177	41,615	10,656	3,420	504	14,580	0	100	18,990	22,625	11,709	6,249	3,429	1,930	12,521
2030	34	811	850	952	34,329	10,064	2,748	425	13,237	0	300	17,862	16,467	8,117	4,135	2,170	1,171	8,334
2031	28	666	719	786	28,898	8,288	2,259	360	10,906	0	100	14,813	14,085	6,612	3,215	1,614	835	7,842
2032	26	563	613	665	24,628	7,696	1,909	306	9,912	0	300	14,019	10,609	4,743	2,201	1,057	524	6,014
2033	20	447	460	524	20,031	5,920	1,517	230	7,667	0	0	10,736	9,295	3,958	1,753	805	382	5,227
2034	20	388	398	455	17,805	5,920	1,316	199	7,435	0	200	10,905	6,900	2,798	1,183	520	237	3,963
2035	16	313	335	369	14,705	4,736	1,060	168	5,964	0	200	8,980	5,725	2,211	893	375	164	3,330
2036	12	177	169	206	8,526	3,552	601	85	4,238	0	600	7,189	1,337	492	189	76	32	1,212
Total		**32,525**	**36,006**	**38,526**	**1,097,600**	**207,792**	**110,259**	**18,003**	**336,054**	**84,650**	**2,600**	**490,869**	**606,731**	**408,421**	**288,771**	**212,403**	**161,320**	**342,054**
						296.00 M$/yr/well	$3.39 $/STB	0.50 $/Mcf										

2016-03-04 Corp-Table 2c-TP.xlsx

Table 2c
Page 2

Forecast price &Costs

MIE Holdings Corporation

ADEK Block, Kazakhstan

Corporate Income Tax (CIT) and Excess Profit Tax (EPT)
January 1, 2016
(As of December 31, 2015)

Total Proved Consolidation

	Net Cash Flow (after Opex & Capex)	Total Capital	Non-deduct Sales	Non-deduct Transp.	Escalculated Non-deduct Capital	Taxable Income Before	Capital Deductions	Taxable Income	**Corporate Income Tax**	Discounted @ 5%	Discounted @ 10%	Discounted @ 15%	Discounted @ 20%	Net Income	EPT Ratio	**EPT Amount**	Discounted @ 5%	Discounted @ 10%	Discounted @ 15%	Discounted @ 20%
Year	$M	$M	$M	$M	M$/yr.	$M	$M	$M	$M	$	$	$	$	$M		$M	$	$	$	$
2015																				
2016	(4,564)	10,700	88	1,629	12,417	7,854	7,916	0	0	0	0	0	0	0	0.00	0	0	0	0	0
2017	4,045	11,700	56	1,002	13,013	17,058	17,058	0	0	0	0	0	0	0	0.00	0	0	0	0	0
2018	28,648	16,450	119	2,120	19,445	48,292	16,617	31,675	6,335	5,608	4,992	4,467	4,016	25,340	1.52	6,969	6,169	5,492	4,914	4,418
2019	51,622	11,300	137	2,444	14,731	66,353	20,121	46,232	9,246	7,795	6,624	5,669	4,885	36,985	1.84	9,710	8,186	6,956	5,954	5,130
2020	55,717	10,100	132	2,342	13,610	69,326	19,000	50,326	10,065	8,081	6,555	5,366	4,431	40,261	2.12	14,173	11,379	9,230	7,556	6,239
2021	47,209	16,800	124	2,210	21,125	68,334	21,299	47,035	9,407	7,193	5,569	4,361	3,451	37,628	1.77	13,640	10,430	8,075	6,324	5,004
2022	62,520	6,800	125	2,231	10,312	72,831	17,956	54,875	10,975	7,992	5,907	4,425	3,355	43,900	2.44	15,567	11,336	8,378	6,276	4,759
2023	65,106	800	114	2,028	3,379	68,486	14,390	54,096	10,819	7,504	5,294	3,793	2,756	43,277	3.01	16,898	11,720	8,268	5,924	4,305
2024	58,749	0	104	1,852	2,292	61,042	12,094	48,948	9,790	6,466	4,354	2,984	2,078	39,158	3.24	16,010	10,575	7,121	4,880	3,399
2025	48,968	0	88	1,566	1,977	50,944	10,156	40,788	8,158	5,132	3,299	2,162	1,443	32,630	3.21	13,451	8,461	5,439	3,565	2,380
2026	40,374	0	74	1,325	1,706	42,080	8,418	33,662	6,732	4,034	2,475	1,552	993	26,930	3.20	11,124	6,664	4,089	2,564	1,640
2027	33,454	0	62	1,111	1,459	34,913	7,175	27,738	5,548	3,165	1,854	1,112	682	22,191	3.09	9,245	5,275	3,069	1,853	1,136
2028	27,640	0	53	942	1,262	28,903	5,975	22,928	4,586	2,492	1,393	799	469	18,343	3.07	7,629	4,146	2,318	1,330	781
2029	22,625	0	45	799	1,092	23,717	4,874	18,842	3,768	1,950	1,041	571	322	15,074	3.09	6,336	3,279	1,750	960	541
2030	16,467	0	36	642	895	17,362	3,581	15,077	3,015	1,486	757	397	214	12,061	3.37	5,118	2,523	1,285	675	364
2031	14,085	0	30	528	750	14,835	3,037	11,798	2,360	1,108	539	270	140	9,438	3.11	3,883	1,823	886	445	230
2032	10,609	0	25	446	647	11,256	2,320	8,982	1,796	803	373	179	89	7,186	3.10	2,798	1,251	581	279	136
2033	9,295	0	20	354	524	9,820	1,945	7,875	1,575	671	297	136	65	6,300	3.24	2,494	1,062	470	216	103
2034	6,900	0	17	308	464	7,364	1,482	5,927	1,185	481	203	89	41	4,741	3.20	1,752	710	300	132	60
2035	5,725	0	14	248	381	6,107	1,402	4,889	978	378	152	64	28	3,911	2.79	1,417	547	221	93	41
2036	1,337	0	8	140	220	1,557	932	625	125	46	18	7	3	500	0.54	0	0	0	0	0
Total	**606,731**	**84,650**	**1,473**	**26,268**	**121,702**	**728,434**	**197,748**	**532,318**	**106,464**	**72,384**	**51,694**	**38,406**	**29,461**	**425,855**		**158,214**	**105,537**	**73,949**	**53,940**	**40,667**
			0.07	1.29																
			0.05	0.89																

2016-03-04

Corp-Table 2d-RA.xlsx

Table 2d
Page 2

Forecast price &Costs

MIE Holdings Corporation

ADEK Block, Kazakhstan

Corporate Income Tax (CIT) and Excess Profit Tax (EPT)
December 31, 2015
(As of January 1, 2016)

Proved Plus Probable Developed Producing Consolidation

	Net Cash Flow (after Opex & Capex)	Total Capital	Non-deduct Sales	Non-deduct Transp.	Escalculated Non-deduct Capital	Taxable Income Before	Capital Deductions	Taxable Income	**Corporate Income Tax**	Discounted @ 5%	Discounted @ 10%	Discounted @ 15%	Discounted @ 20%	Net Income	EPT Ratio	**EPT Amount**	Discounted @ 5%	Discounted @ 10%	Discounted @ 15%	Discounted @ 20%
Year	$M	$M	$M	$M	M$/yr.	$M	$M	$M	$M	$	$	$	$	$M		$M	$	$	$	$
2015																				
2016	(41,170)	50,000	97	1,790	51,887	10,716	10,716	0	0	0	0	0	0	0	0.00	0	0	0	0	0
2017	17,466	0	59	1,057	1,139	18,605	18,605	0	0	0	0	0	0	0	0.00	0	0	0	0	0
2018	19,059	0	51	912	1,002	20,061	17,561	2,500	500	443	394	353	317	2,000	0.11	0	0	0	0	0
2019	19,375	0	45	795	892	20,266	15,597	4,669	934	787	669	573	493	3,735	0.24	0	0	0	0	0
2020	17,538	0	39	699	799	18,338	13,327	5,011	1,002	805	653	534	441	4,009	0.30	0	0	0	0	0
2021	15,937	0	35	619	721	16,658	11,462	5,196	1,039	795	615	482	381	4,157	0.36	0	0	0	0	0
2022	14,465	0	31	550	654	15,119	9,869	5,250	1,050	765	565	423	321	4,200	0.43	0	0	0	0	0
2023	13,118	0	28	491	596	13,714	8,412	5,302	1,060	735	519	372	270	4,241	0.50	0	0	0	0	0
2024	10,893	0	24	434	537	11,430	6,842	4,588	918	606	408	280	195	3,671	0.54	0	0	0	0	0
2025	9,478	0	22	391	494	9,972	5,546	4,450	890	560	360	236	157	3,560	0.64	0	0	0	0	0
2026	8,448	0	19	342	441	8,888	4,579	4,335	867	519	319	200	128	3,468	0.76	0	0	0	0	0
2027	7,574	0	17	307	403	7,977	4,022	4,112	822	469	275	165	101	3,289	0.82	4	2	1	1	1
2028	6,843	0	15	263	352	7,195	3,358	3,838	768	417	233	134	79	3,070	0.91	25	14	8	4	3
2029	5,897	0	13	238	325	6,222	2,712	3,534	707	366	195	107	60	2,827	1.04	40	21	11	6	3
2030	5,029	0	12	215	300	5,329	2,289	3,224	645	318	162	85	46	2,579	1.13	52	25	13	7	4
2031	3,945	0	11	190	269	4,214	1,946	2,621	524	246	120	60	31	2,097	1.08	2	1	1	0	0
2032	3,218	0	9	159	230	3,448	1,654	1,913	383	171	79	38	19	1,530	0.93	0	0	0	0	0
2033	3,315	0	8	142	210	3,524	1,468	2,056	411	175	78	36	17	1,645	1.12	1	0	0	0	0
2034	2,789	0	7	129	195	2,984	1,199	1,785	357	145	61	27	12	1,428	1.19	0	0	0	0	0
2035	2,292	0	7	118	182	2,474	1,016	1,511	302	117	47	20	9	1,209	1.19	7	3	1	0	0
2036	1,821	0	6	108	170	1,990	863	1,235	247	91	35	14	6	988	1.14	23	8	3	1	1
2037	1,230	0	6	99	158	1,388	734	836	167	59	22	8	3	668	0.91	27	9	3	1	1
2038	887	0	5	85	140	1,027	564	518	104	35	12	4	2	414	0.73	30	10	4	1	0
2039	408	0	4	78	130	538	212	449	90	29	10	3	1	359	1.69	29	9	3	1	0
2040	308	0	3	60	102	410	180	382	76	23	7	2	1	306	1.69	25	7	2	1	0
2041	(20)	0	3	55	95	75	153	317	63	18	6	2	1	254	1.65	18	5	2	1	0
2042	(326)	0	3	50	89	(237)	130	254	51	14	4	1	0	203	1.56	10	3	1	0	0
2043	137	0	2	41	74	211	111	194	39	10	3	1	0	155	1.40	3	1	0	0	0
2044	(90)	0	2	38	69	(20)	94	136	27	7	2	1	0	109	1.16	0	0	0	0	0
2045	(67)	0	2	29	54	(12)	80	80	16	4	1	0	0	64	0.80	0	0	0	0	0
2046	11	0	1	21	40	51	68	27	5	1	0	0	0	22	0.32	0	0	0	0	0
2047	(94)	0	1	19	38	(56)	34	0	0	0	0	0	0	0	0.00	0	0	0	0	0
2048	(193)	0	1	18	36	(157)	0	0	0	0	0	0	0	0	0.00	0	0	0	0	0
2049	(286)	0	1	17	34	(253)	0	0	0	0	0	0	0	0	0.00	0	0	0	0	0
2050	(473)	0	1	15	32	(441)	0	0	0	0	0	0	0	0	0.00	0	0	0	0	0
2051	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0	0	0	0	0
Total	**148,760**	**50,000**	**591**	**10,574**	**62,887**	**211,647**	**145,403**	**70,326**	**14,065**	**8,728**	**5,853**	**4,161**	**3,092**	**56,261**		**295**	**119**	**53**	**25**	**13**
			0.07	1.29																
			0.05	0.89																

Note: Production Contract of Kariman expires on September 09, 2036

Non-Taxable deduction of Sale Cost (US$0.07/Bbl in 2016 and US$0.05/Bbl in 2017 and after) and of transportation discount (US$1.29/Bbl in 2016 and US$0.89/BBL in 2017 and after) are for export oil.

Chapman Petroleum Engineering Ltd.

2016-03-04

Corp-Table 2e-PR.xlsx

Table 2e
Page 1

Forecast price &Costs

MIE Holdings Corporation

ADEK Block, Kazakhstan

Company Cost and Cash Flow Analysis

Total Proved Plus Probable Consolidation

Year	Well Count	oil Production	Gas Production	Oil + Gas Production	Net Revenue Before Opex & Capex	Opex Cost Schedule: Oil Fixed	Oil Variable	Gas Cost	Total Opex	Total Capital	Abandon-ment Cost	Escalculated Opex, Capex and ABN	Undiscounted Net Cash Flow (Profit)	Discounted @ 5%	10%	15%	20%	Undiscounted Net Cash Flow After CIT & EPT
		MSTB	MMscf	MBOE	M$/yr.	M$/yr.	M$/yr.	M$/yr.	M$/yr.	M$/yr.	M$/yr.	M$/yr.	M$/yr.	M$/yr.	M$/yr.	M$/yr.	M$/yr.	M$/yr.
2016	22	1,876	2,592	2,308	23,601	6,512	6,361	1,296	14,169	61,400	0	75,569	(51,968)	(50,715)	(49,549)	(48,460)	(47,440)	(51,968)
2017	23	1,810	2,336	2,200	39,391	6,808	6,137	1,168	14,113	12,100	0	26,738	12,653	11,760	10,968	10,260	9,626	12,125
2018	36	3,373	2,728	3,828	84,724	10,656	11,434	1,364	23,454	22,550	0	47,862	36,861	32,629	29,046	25,991	23,368	24,046
2019	48	4,460	5,103	5,311	130,513	14,208	15,120	2,551	31,880	13,600	0	48,263	82,250	69,338	58,920	50,430	43,451	55,281
2020	51	4,315	6,396	5,381	134,394	15,096	14,628	3,198	32,922	45,900	0	85,320	49,074	39,400	31,958	26,164	21,604	26,275
2021	61	4,793	7,998	6,126	158,482	18,056	16,250	3,999	38,305	25,500	0	70,446	88,037	67,317	52,820	40,815	32,297	50,897
2022	65	4,988	7,156	6,181	172,577	19,240	16,911	3,578	39,729	20,900	0	68,278	104,299	75,954	56,134	42,048	31,886	58,770
2023	69	5,623	6,652	6,732	203,890	20,424	19,063	3,326	42,813	21,200	100	73,645	130,245	90,332	63,726	45,659	33,182	64,621
2024	70	6,016	6,311	7,068	215,633	20,720	20,394	3,156	44,270	14,800	50	69,269	146,365	96,678	65,103	44,617	31,074	70,466
2025	71	5,649	5,819	6,618	207,886	21,016	19,149	2,909	43,074	3,100	100	55,302	152,584	95,987	61,699	40,446	26,995	75,123
2026	69	5,361	4,973	6,190	201,928	20,424	18,173	2,486	41,084	900	50	51,239	150,689	90,280	55,393	34,734	22,217	70,728
2027	68	4,691	4,166	5,385	183,931	20,128	15,902	2,083	38,114	3,200	200	51,617	132,314	75,497	44,217	26,520	16,256	60,278
2028	64	4,354	3,511	4,939	174,800	18,944	14,761	1,756	35,460	1,600	0	47,001	127,799	69,448	38,826	22,274	13,085	56,728
2029	64	4,080	3,410	4,649	167,956	18,944	13,832	1,705	34,481	400	50	45,187	122,768	63,538	33,907	18,607	10,475	52,622
2030	63	3,558	2,899	4,041	150,200	18,648	12,063	1,450	32,160	1,200	250	44,348	105,852	52,174	26,577	13,950	7,526	44,633
2031	58	3,293	2,478	3,706	142,107	17,168	11,163	1,239	29,570	1,200	200	41,682	100,426	47,142	22,922	11,509	5,950	41,182
2032	54	2,946	2,104	3,297	128,094	15,984	9,988	1,052	27,024	2,400	50	40,461	87,633	39,178	18,184	8,733	4,327	35,348
2033	53	2,900	2,035	3,239	129,207	15,688	9,832	1,017	26,538	400	250	38,069	91,137	38,805	17,192	7,897	3,750	35,796
2034	48	2,529	1,751	2,821	115,406	14,208	8,572	876	23,656	800	100	35,072	80,335	32,576	13,776	6,053	2,755	31,336
2035	46	2,323	1,662	2,600	108,657	13,616	7,875	831	22,322	0	150	32,738	75,919	29,320	11,836	4,974	2,169	29,209
2036	43	1,986	1,389	2,217	95,108	12,728	6,731	695	20,154	400	50	30,616	64,492	23,723	9,140	3,675	1,536	24,726
2037	42	1,961	1,294	2,177	93,876	12,432	6,647	647	19,727	800	150	31,339	62,537	21,906	8,057	3,098	1,241	23,119
2038	39	2,017	1,230	2,222	96,492	11,544	6,837	615	18,996	0	250	29,754	66,738	22,265	7,817	2,875	1,104	24,110
2039	34	1,703	1,050	1,878	81,461	10,064	5,772	525	16,361	800	200	27,376	54,084	17,184	5,759	2,026	745	19,273
2040	30	1,671	973	1,833	79,929	8,880	5,666	486	15,032	0	150	24,420	55,509	16,797	5,373	1,808	637	19,681
2041	27	1,405	809	1,540	67,191	7,992	4,763	405	13,160	0	200	21,918	45,273	13,047	3,984	1,282	433	16,106
2042	23	1,156	653	1,265	55,282	6,808	3,920	326	11,054	0	200	18,833	36,449	10,004	2,936	898	291	13,054
2043	19	965	541	1,056	46,155	5,624	3,273	271	9,167	0	0	15,648	30,508	7,975	2,219	653	203	10,942
2044	19	825	466	903	39,465	5,624	2,798	233	8,655	0	250	15,505	23,961	5,965	1,584	446	133	8,520
2045	14	670	362	730	32,028	4,144	2,272	181	6,597	0	50	11,803	20,225	4,795	1,216	328	93	7,294
2046	13	563	309	614	26,894	3,848	1,907	154	5,910	0	0	10,705	16,190	3,636	885	228	62	5,758
2047	13	482	267	527	23,054	3,848	1,635	134	5,617	0	0	10,377	12,677	2,726	630	155	41	4,373
2048	13	415	233	453	19,820	3,848	1,405	117	5,370	0	50	10,214	9,606	1,967	434	102	26	2,890
2049	12	341	198	374	16,318	3,552	1,157	99	4,808	0	50	9,338	6,980	1,362	287	65	16	2,069
2050	11	277	166	305	13,263	3,256	940	83	4,279	0	300	8,978	4,285	796	160	35	8	797
2051	5	173	97	189	8,254	1,480	585	49	2,114	0	150	4,527	3,727	659	126	26	6	906
2052	2	123	56	132	5,858	592	416	28	1,036	0	0	2,113	3,744	631	115	23	5	1,376
2053	2	106	49	114	5,063	592	360	24	976	0	0	2,031	3,033	487	85	16	3	1,088
2054	2	92	43	99	4,380	592	311	21	924	0	0	1,962	2,418	370	62	11	2	826
2055	2	79	37	86	3,791	592	269	19	880	0	50	2,013	1,778	259	41	7	1	489
2056	1	57	21	60	2,698	296	192	11	498	0	0	1,101	1,597	221	34	6	1	568
2057	1	48	18	52	2,311	296	164	9	469	0	0	1,057	1,254	166	24	4	1	448
2058	1	42	16	44	1,980	296	141	8	445	0	0	1,021	959	121	17	3	0	345
2059	1	36	13	38	1,697	296	121	7	423	0	0	992	705	84	11	2	0	257
2060	1	17	6	18	820	296	58	3	358	0	50	974	(154)	(18)	(2)	(0)	(0)	(154)
2061	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total		**96,150**	**92,381**	**111,547**	**3,696,567**	**436,008**	**325,948**	**46,191**	**808,147**	**255,150**	**3,700**	**1,342,720**	**2,353,846**	**1,223,781**	**713,928**	**450,996**	**301,140**	**1,032,359**
						296.00	$3.39	0.50										
						M$/yr/well	$/STB	$/Mcf										

Note: Production Contract of Kariman expires on September 09, 2036

2016-03-04 Corp-Table 2e-PR.xlsx

Table 2e
Page 2

Forecast price &Costs

MIE Holdings Corporation

ADEK Block, Kazakhstan

Corporate Income Tax (CIT) and Excess Profit Tax (EPT)
January 1, 2016
(As of December 31, 2015)

Total Proved Plus Probable Consolidation

Year	Net Cash Flow (after Opex & Capex) $M	Total Capital $M	Non-deduct Sales $M	Non-deduct Transp. $M	Escalculated Non-deduct Capital M$/yr.	Taxable Income Before $M	Capital Deductions $M	Taxable Income $M	Corporate Income Tax $M	Discounted @ 5% $	10% $	15% $	20% $	Net Income $M	EPT Ratio	EPT Amount $M	Discounted @ 5% $	10% $	15% $	20% $
2015																				
2016	(51,968)	61,400	117	2,154	63,671	11,703	11,763	0	0	0	0	0	0	0	0.00	0	0	0	0	0
2017	12,653	12,100	81	1,434	13,687	26,540	23,898	2,642	528	491	458	429	402	2,114	0.09	0	0	0	0	0
2018	36,861	22,550	150	2,672	26,397	63,258	24,918	38,340	7,668	6,788	6,042	5,407	4,861	30,672	1.23	5,147	4,556	4,056	3,629	3,263
2019	82,250	13,600	198	3,533	18,392	100,642	28,601	72,041	14,408	12,146	10,321	8,834	7,612	57,633	2.02	12,560	10,588	8,997	7,701	6,635
2020	49,074	45,900	192	3,418	53,591	102,665	36,821	65,844	13,169	10,573	8,576	7,021	5,797	52,675	1.43	9,630	7,732	6,272	5,135	4,240
2021	88,037	25,500	213	3,797	32,582	120,618	32,522	88,097	17,619	13,473	10,431	8,169	6,464	70,477	2.17	19,520	14,926	11,556	9,050	7,161
2022	104,299	20,900	222	3,951	28,237	132,536	30,481	102,055	20,411	14,864	10,985	8,229	6,240	81,644	2.68	25,119	18,292	13,519	10,126	7,679
2023	130,245	21,200	250	4,454	29,756	160,001	29,684	130,317	26,063	18,076	12,752	9,137	6,640	104,253	3.51	39,561	27,437	19,356	13,869	10,079
2024	146,365	14,800	268	4,765	23,238	169,602	26,781	142,821	28,564	18,667	12,705	8,707	6,064	114,257	4.27	47,334	31,265	21,054	14,429	10,049
2025	152,584	3,100	251	4,474	9,352	161,936	21,274	140,662	28,132	17,697	11,376	7,457	4,977	112,530	5.29	49,329	31,031	19,947	13,076	8,727
2026	150,689	900	239	4,246	6,564	157,253	17,856	139,397	27,879	16,703	10,248	6,426	4,110	111,517	6.25	52,081	31,203	19,145	12,005	7,679
2027	132,314	3,200	209	3,716	8,858	141,172	16,207	124,965	24,993	14,261	8,352	5,010	3,071	99,972	6.17	47,043	26,842	15,721	9,429	5,780
2028	127,799	1,600	194	3,449	6,649	134,448	13,788	120,660	24,132	13,114	7,331	4,206	2,471	96,528	7.00	46,939	25,508	14,260	8,181	4,806
2029	122,768	400	182	3,232	4,933	127,702	11,183	116,519	23,304	12,061	6,436	3,532	1,988	93,215	8.34	46,842	24,243	12,937	7,099	3,997
2030	105,852	1,200	156	2,819	5,511	111,364	9,466	101,898	20,380	10,045	5,117	2,686	1,449	81,518	8.61	40,839	20,130	10,254	5,382	2,904
2031	100,426	1,200	147	2,608	5,323	105,748	8,219	97,530	19,506	9,157	4,452	2,235	1,156	78,024	9.49	39,737	18,654	9,070	4,554	2,354
2032	87,633	2,400	131	2,334	6,678	94,311	7,640	86,670	17,334	7,750	3,597	1,727	856	69,336	9.08	34,950	15,625	7,252	3,483	1,726
2033	91,137	400	129	2,297	3,958	95,095	6,138	88,283	17,657	7,603	3,368	1,547	735	71,426	11.64	37,485	15,960	7,071	3,248	1,542
2034	80,335	800	113	2,003	4,164	84,499	5,460	79,083	15,817	6,414	2,712	1,192	542	63,266	11.59	33,183	13,456	5,690	2,500	1,138
2035	75,919	0	103	1,840	2,831	78,750	4,479	74,456	14,891	5,751	2,322	975	425	59,565	13.30	31,819	12,289	4,961	2,085	909
2036	64,492	400	88	1,573	3,063	67,555	3,969	63,586	12,717	4,677	1,802	725	303	50,869	12.82	27,049	9,949	3,833	1,541	644
2037	62,537	800	87	1,553	3,699	66,236	3,616	62,620	12,524	4,387	1,614	620	249	50,096	13.85	26,894	9,421	3,465	1,332	534
2038	66,738	0	90	1,598	2,609	69,347	2,912	66,435	13,287	4,433	1,556	572	220	53,148	18.25	29,341	9,788	3,437	1,264	485
2039	54,084	800	76	1,349	3,508	57,592	2,798	54,794	10,959	3,482	1,167	411	151	43,835	15.67	23,853	7,579	2,540	854	329
2040	55,509	0	74	1,324	2,249	57,758	2,217	55,541	11,108	3,361	1,075	362	128	44,433	20.04	24,720	7,480	2,393	805	284
2041	45,273	0	63	1,113	1,929	47,201	1,884	45,317	9,063	2,612	798	257	87	36,254	19.24	20,103	5,793	1,769	569	192
2042	36,449	0	51	916	1,619	38,068	1,602	36,466	7,293	2,002	583	180	58	29,173	18.21	16,102	4,419	1,288	397	128
2043	30,508	0	43	765	1,379	31,886	1,361	30,525	6,105	1,596	444	131	41	24,420	17.94	13,461	3,519	979	286	89
2044	23,961	0	37	654	1,202	25,163	1,157	24,006	4,801	1,195	317	89	27	19,205	16.59	10,639	2,649	703	198	59
2045	20,225	0	30	531	996	21,220	984	20,237	4,047	960	243	66	19	16,189	16.46	8,883	2,106	534	144	41
2046	16,190	0	25	446	853	17,042	836	16,206	3,241	732	177	46	12	12,965	15.51	7,190	1,624	393	101	28
2047	12,677	0	21	382	745	13,422	537	12,885	2,577	554	128	32	8	10,308	19.20	5,727	1,231	284	70	18
2048	9,606	0	18	328	654	10,259	408	10,401	2,080	426	94	22	6	8,321	20.38	4,635	949	209	49	12
2049	6,980	0	15	270	549	7,529	347	7,668	1,534	299	63	14	3	6,134	17.68	3,377	659	139	31	8
2050	4,285	0	12	220	455	4,740	218	5,410	1,082	201	40	9	2	4,328	19.89	2,406	447	90	19	4
2051	3,727	0	8	137	289	4,016	262	4,480	896	159	30	6	1	3,584	13.66	1,925	341	65	13	3
2052	3,744	0	5	97	209	3,954	223	3,731	746	126	23	5	1	2,985	13.39	1,622	273	50	10	2
2053	3,033	0	5	84	185	3,217	186	3,031	606	97	17	3	1	2,425	13.04	1,338	215	38	7	1
2054	2,418	0	4	73	163	2,581	114	2,467	497	76	13	2	0	1,990	17.52	1,094	167	28	5	1
2055	1,778	0	4	63	144	1,922	97	2,020	404	59	9	2	0	1,616	16.74	885	129	21	4	1
2056	1,597	0	3	45	105	1,702	82	1,620	324	45	7	1	0	1,296	15.79	706	98	15	2	0
2057	1,254	0	2	38	91	1,345	70	1,276	255	34	5	1	0	1,020	14.63	551	73	11	2	0
2058	959	0	2	33	80	1,039	59	979	196	25	3	1	0	784	13.22	418	53	7	1	0
2059	705	0	2	28	70	775	50	724	145	17	2	0	0	579	11.50	304	36	5	1	0
2060	(154)	0	1	14	34	(120)	0	0	0	0	0	0	0	0	0.00	0	0	0	0	0
2061	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0	0	0	0	0
Total	**2,353,846**	**255,150**	**3,635**	**64,769**	**381,448**	**2,735,294**	**393,167**	**2,345,726**	**469,145**	**247,387**	**147,796**	**96,482**	**67,177**	**1,876,581**		**852,342**	**418,734**	**233,414**	**142,730**	**93,532**
			0.07	1.29																
			0.05	0.89																

Note: Production Contract of Kariman expires on September 09, 2036
Non-Taxable deduction of Sale Cost (US$0.07/Bbl in 2016 and US$0.05/Bbl in 2017 and after) and of transportation discount (US$1.29/Bbl in 2016 and US$0.89/BBL in 2017 and after) are for export oil.

Chapman Petroleum Engineering Ltd.

2016-03-04

Corp-Table 2f-PPP.xlsx

Table 2f
Page 1

Forecast Prices & Costs

MIE Holdings Corporation
ADEK Block, Kazakhstan
Company Cost and Cash Flow Analysis
Total Proved Plus Probable Plus Possible Consolidation

Year	Well Count	oil Production MSTB	Gas Production MMscf	Oil + Gas Production MBOE	Net Revenue Before Opex & Capex M$/yr.	Opex Cost Schedule: Oil Fixed M$/yr.	Oil Variable M$/yr.	Gas Cost M$/yr.	Total Opex M$/yr.	Total Capital M$/yr.	Abandon-ment Cost M$/yr.	Escalculated Opex, Capex and ABN M$/yr.	Undiscounted Net Cash Flow (Profit) M$/yr.	Discounted @ 5% M$/yr.	10% M$/yr.	15% M$/yr.	20% M$/yr.	Undiscounted Net Cash Flow After CIT & EPT M$/yr.
2016	22	1,797	2,455	2,206	22,586	6,512	6,092	1,227	13,832	55,100	0	68,932	(46,346)	(45,229)	(44,189)	(43,218)	(42,308)	(46,346)
2017	23	1,722	2,183	2,086	37,444	6,808	5,838	1,092	13,738	12,100	0	26,355	11,090	10,307	9,612	8,992	8,436	10,561
2018	36	3,297	2,596	3,729	82,705	10,656	11,175	1,298	25,130	22,550	0	47,525	35,180	31,141	27,722	24,806	22,302	22,365
2019	46	4,406	5,045	5,247	128,890	13,616	14,936	2,523	31,074	14,500	0	48,364	80,526	67,885	57,685	49,374	42,541	53,714
2020	49	4,284	6,534	5,373	133,529	14,504	14,522	3,267	32,293	52,600	0	91,891	41,638	33,430	27,116	22,200	18,330	19,282
2021	59	4,889	8,387	6,287	161,840	17,464	16,573	4,193	38,230	38,400	0	84,606	77,234	59,057	45,725	35,807	28,334	45,982
2022	66	5,666	8,532	7,088	196,657	19,536	19,206	4,266	43,008	32,900	0	85,485	111,172	80,959	59,833	44,819	33,987	61,420
2023	73	6,753	8,305	8,137	242,580	21,608	22,893	4,153	48,654	21,200	100	80,355	162,225	112,512	79,373	56,870	41,329	79,581
2024	74	7,044	7,750	8,336	250,142	21,904	23,880	3,875	49,659	18,800	50	80,269	169,873	112,206	75,559	51,784	36,065	81,063
2025	77	6,676	7,102	7,859	243,227	22,792	22,631	3,551	48,974	7,500	100	67,611	175,616	110,476	71,012	46,552	31,070	85,376
2026	76	6,404	6,180	7,434	238,847	22,496	21,710	3,090	47,296	1,400	50	59,421	179,426	107,497	65,957	41,358	26,453	84,102
2027	75	5,701	5,186	6,565	220,556	22,200	19,327	2,593	44,119	4,900	200	61,198	159,357	90,927	53,254	31,941	19,579	72,016
2028	71	5,521	4,483	6,268	215,976	21,016	18,717	2,241	41,975	2,900	0	56,912	159,064	86,438	48,324	27,724	16,286	69,476
2029	71	5,477	4,342	6,200	225,292	21,016	18,566	2,171	41,753	2,300	0	56,987	168,305	87,105	46,483	25,508	14,360	69,349
2030	71	5,127	4,263	5,837	216,491	21,016	17,380	2,132	40,528	3,600	150	58,424	158,067	77,911	39,687	20,832	11,239	62,986
2031	68	5,069	4,304	5,786	219,117	20,128	17,183	2,152	39,463	2,200	200	56,343	162,774	76,410	37,153	18,654	9,644	62,599
2032	64	4,691	3,697	5,308	204,254	18,944	15,904	1,849	36,696	3,400	200	55,318	148,936	66,585	30,904	14,842	7,354	55,833
2033	60	4,530	3,307	5,082	201,963	17,760	15,358	1,653	34,771	1,200	250	50,719	151,245	64,397	28,530	13,106	6,223	56,227
2034	56	4,158	3,099	4,675	189,967	16,576	14,096	1,550	32,221	2,400	100	49,590	140,376	56,923	24,073	10,578	4,813	51,193
2035	54	3,907	3,040	4,414	182,958	15,584	13,246	1,520	30,750	0	150	45,015	137,944	53,273	21,585	9,038	3,942	50,235
2036	51	3,367	2,580	3,797	161,485	15,096	11,415	1,290	27,802	400	50	41,980	119,505	43,955	16,937	6,809	2,846	43,280
2037	50	3,174	2,328	3,562	152,153	14,800	10,761	1,164	26,725	800	150	41,945	110,207	38,605	14,199	5,460	2,187	39,128
2038	47	3,078	2,125	3,433	147,463	13,912	10,435	1,063	25,410	0	250	39,670	107,793	35,961	12,626	4,644	1,782	37,845
2039	42	2,633	1,826	2,937	126,116	12,432	8,924	913	22,269	1,200	200	37,324	88,791	28,211	9,455	3,326	1,224	30,668
2040	38	2,511	1,705	2,795	120,279	11,248	8,513	853	20,614	400	50	33,880	86,399	26,144	8,363	2,815	992	29,804
2041	37	2,187	1,517	2,440	104,784	10,952	7,415	759	19,126	400	100	32,198	72,586	20,918	6,388	2,056	695	25,023
2042	35	1,887	1,346	2,111	90,433	10,360	6,398	673	17,431	0	200	29,503	60,929	16,723	4,874	1,501	486	21,216
2043	31	1,575	1,135	1,764	75,460	9,176	5,338	568	15,081	0	0	25,742	49,718	12,996	3,616	1,065	330	17,369
2044	31	1,360	982	1,524	65,186	9,176	4,611	491	14,278	0	250	25,294	39,892	9,931	2,638	745	221	13,958
2045	26	1,134	809	1,269	54,349	7,696	3,845	404	11,945	0	100	21,391	32,958	7,814	1,981	534	152	11,560
2046	24	965	697	1,081	46,244	7,104	3,271	348	10,723	0	50	19,515	26,730	6,036	1,461	376	103	9,394
2047	23	824	601	924	39,483	6,808	2,793	300	9,901	0	0	18,293	21,190	4,557	1,053	260	68	7,475
2048	23	704	503	788	33,756	6,808	2,388	251	9,447	0	100	17,992	15,764	3,229	712	168	42	5,615
2049	21	572	386	636	27,397	6,216	1,939	193	8,348	0	150	16,335	11,062	2,158	454	102	25	3,795
2050	18	469	307	520	22,454	5,328	1,590	154	7,071	0	250	14,355	8,099	1,505	302	65	15	2,944
2051	13	350	234	389	16,782	3,848	1,188	117	5,153	0	50	10,405	6,377	1,128	216	45	10	2,203
2052	12	290	201	323	13,896	3,552	983	100	4,636	0	150	9,762	4,134	697	128	25	5	793
2053	9	221	145	246	10,603	2,664	751	73	3,487	0	200	7,672	2,931	470	82	16	3	160
2054	5	141	81	155	6,758	1,480	479	40	1,999	0	50	4,349	2,409	368	61	11	2	445
2055	4	110	56	119	5,253	1,184	373	28	1,585	0	100	3,647	1,606	234	37	6	1	189
2056	2	76	24	80	3,617	592	257	12	861	0	0	1,902	1,716	238	36	6	1	623
2057	2	66	21	69	3,138	592	223	10	826	0	0	1,859	1,279	169	24	4	1	469
2058	2	57	18	60	2,723	592	194	9	795	0	0	1,826	898	113	16	2	0	291
2059	2	50	15	52	2,365	592	168	8	768	0	0	1,799	566	68	9	1	0	123
2060	2	30	8	31	1,420	592	101	4	697	0	100	1,905	(485)	(55)	(7)	(1)	(0)	(485)
2061	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total		**124,952**	**120,439**	**145,025**	**4,948,618**	**515,336**	**423,587**	**60,220**	**999,142**	**303,150**	**4,100**	**1,691,864**	**3,256,754**	**1,602,380**	**890,981**	**541,604**	**351,171**	**1,350,901**
						296.00 M$/yr/well	$3.39 $/STB	0.50 $/Mcf										

Note: Production Contract of Kariman expires on September 09, 2036

2016-03-04

Corp-Table 2f-PPP.xlsx

Table 2f
Page 2

Forecast price &Costs

MIE Holdings Corporation

ADEK Block, Kazakhstan

Corporate Income Tax (CIT) and Excess Profit Tax (EPT)
January 1, 2016
(As of December 31, 2015)
Total Proved Plus Probable Plus Possible Consolidation

Year	Net Cash Flow (after Opex & $M	Total Capital M$/yr	Non-deduct Sales $M	Non-deduct Transp $M	Escalolated Non-deduct Capital M$/yr	Taxable Income Before $M	Capital Deductions $M	Taxable Income $M	Corporate Income Tax $M	Discounted @ 5% $	Discounted @ 10% $	Discounted @ 15% $	Discounted @ 20% $	Net Income $M	EPT Ratio	EPT Amount $M	Discounted @ 5% $	Discounted @ 10% $	Discounted @ 15% $	Discounted @ 20% $
2015																				
2016	(46,346)	55,100	112	2,063	57,275	10,929	10,989	0	0	0	0	0	0	0	0.00	0	0	0	0	0
2017	11,090	12,100	77	1,364	13,812	24,901	22,259	2,642	528	491	458	429	402	2,114	0.09	0	0	0	0	0
2018	35,180	22,550	147	2,611	26,330	61,511	23,170	38,340	7,668	6,788	6,042	5,407	4,861	30,672	1.32	5,147	4,556	4,056	3,629	3,263
2019	80,526	14,500	196	3,490	19,299	99,825	28,566	71,259	14,252	12,014	10,209	8,738	7,529	57,007	2.00	12,560	10,588	8,997	7,701	6,635
2020	41,638	52,600	191	3,393	60,815	102,453	38,824	63,629	12,726	10,217	8,287	6,785	5,602	50,903	1.31	9,630	7,732	6,272	5,135	4,240
2021	77,234	38,400	218	3,872	46,912	124,146	37,409	86,737	17,347	13,265	10,270	8,043	6,364	69,390	1.85	13,905	10,632	8,232	6,447	5,101
2022	111,172	32,900	252	4,486	42,389	153,561	36,554	117,007	23,401	17,042	12,595	9,434	7,154	93,606	2.56	26,351	19,190	14,182	10,623	8,056
2023	162,225	21,200	301	5,349	30,842	193,067	32,819	160,248	32,050	22,228	15,681	11,235	8,165	128,198	3.91	50,594	35,090	24,755	17,736	12,890
2024	169,873	18,800	313	5,580	28,932	198,805	30,851	167,954	33,591	22,188	14,941	10,240	7,131	134,363	4.36	55,219	36,474	24,561	16,833	11,723
2025	175,616	7,500	297	5,288	15,638	191,254	25,608	165,646	33,129	20,841	13,396	8,782	5,861	132,516	5.17	57,111	35,927	23,093	15,139	10,104
2026	179,426	1,400	285	5,073	8,237	187,663	20,935	166,729	33,346	19,978	12,258	7,686	4,916	133,383	6.37	61,978	37,132	22,783	14,286	9,138
2027	159,357	4,900	254	4,516	12,023	171,380	19,366	152,014	30,403	17,348	10,160	6,094	3,735	121,611	6.28	56,938	32,488	19,028	11,412	6,996
2028	159,064	2,900	246	4,373	9,536	168,600	16,651	151,950	30,390	16,514	9,233	5,297	3,111	121,560	7.30	59,198	32,169	17,985	10,318	6,061
2029	168,305	2,300	244	4,338	8,902	177,207	14,494	162,713	32,543	16,842	8,988	4,932	2,777	130,171	8.98	66,413	34,371	18,342	10,065	5,666
2030	158,067	3,600	228	4,061	10,410	168,477	12,898	155,579	31,116	15,337	7,812	4,101	2,212	124,463	9.65	63,965	31,528	16,060	8,430	4,548
2031	162,774	2,200	226	4,015	8,668	171,442	10,582	160,934	32,187	15,109	7,347	3,689	1,907	128,747	12.17	67,989	31,916	15,519	7,792	4,028
2032	148,936	3,400	209	3,716	10,055	158,991	9,923	149,684	29,937	13,384	6,212	2,983	1,478	119,748	12.07	63,166	28,239	13,107	6,295	3,119
2033	151,245	1,200	202	3,589	6,987	158,232	8,233	150,325	30,065	12,801	5,671	2,605	1,237	120,260	14.61	64,952	27,655	12,252	5,628	2,673
2034	140,376	2,400	185	3,294	8,396	148,772	7,725	141,092	28,218	11,443	4,839	2,126	968	112,873	14.61	60,965	24,722	10,455	4,594	2,090
2035	137,944	0	174	3,095	4,762	142,706	6,082	136,809	27,362	10,567	4,286	1,793	782	109,447	18.00	60,347	23,306	9,408	3,954	1,724
2036	119,505	400	150	2,667	4,780	124,286	5,331	118,955	23,791	8,750	3,372	1,356	566	95,164	17.85	52,434	19,265	7,431	2,987	1,249
2037	110,207	800	141	2,514	5,238	115,445	4,773	110,671	22,134	7,753	2,852	1,097	439	88,537	18.55	48,945	17,145	6,306	2,425	971
2038	107,793	0	137	2,438	3,981	111,774	3,896	107,878	21,576	7,198	2,527	930	357	86,303	22.15	48,373	16,138	5,666	2,084	800
2039	88,791	1,200	117	2,085	5,365	94,157	3,796	90,360	18,072	5,742	1,924	677	249	72,288	19.04	40,051	12,725	4,265	1,500	552
2040	86,399	400	112	1,989	4,023	90,421	3,146	87,275	17,455	5,282	1,690	569	200	69,820	22.19	39,140	11,843	3,789	1,275	449
2041	72,586	400	97	1,733	3,658	76,244	2,755	73,489	14,698	4,236	1,293	416	141	58,791	21.34	32,864	9,471	2,892	931	314
2042	60,929	0	84	1,495	2,642	63,571	2,261	61,311	12,262	3,366	981	302	98	49,049	21.70	27,451	7,534	2,196	676	219
2043	49,718	0	70	1,247	2,249	51,967	1,922	50,045	10,009	2,615	728	214	67	40,036	20.83	22,340	5,840	1,625	479	148
2044	39,892	0	61	1,077	1,981	41,873	1,633	40,240	8,048	2,004	532	150	45	32,192	19.71	17,686	4,453	1,183	333	99
2045	32,958	0	50	898	1,685	34,643	1,388	33,255	6,651	1,577	400	108	31	26,604	19.16	14,747	3,496	886	239	68
2046	26,730	0	43	764	1,462	28,192	1,180	27,012	5,402	1,220	295	76	21	21,609	18.31	11,933	2,694	652	168	46
2047	21,190	0	37	653	1,273	22,463	1,003	21,460	4,292	923	213	53	14	17,168	17.11	9,423	2,026	468	115	30
2048	15,764	0	31	556	1,111	16,875	853	16,022	3,204	656	145	34	9	12,818	15.03	6,944	1,422	314	74	19
2049	11,062	0	25	453	920	11,982	651	11,330	2,266	442	93	21	5	9,064	13.91	5,000	975	205	46	11
2050	8,099	0	21	371	769	8,869	627	8,242	1,648	306	62	13	3	6,593	10.51	3,507	652	131	28	7
2051	6,377	0	16	278	586	6,964	395	6,568	1,314	232	45	9	2	5,255	13.30	2,860	506	97	20	4
2052	4,134	0	13	230	495	4,629	209	5,182	1,036	175	32	6	1	4,146	19.84	2,305	388	71	14	3
2053	2,931	0	10	175	385	3,316	178	4,303	861	138	24	5	1	3,442	19.36	1,910	306	54	10	2
2054	2,409	0	6	112	251	2,660	151	3,082	616	94	16	3	1	2,466	16.33	1,347	206	34	6	1
2055	1,606	0	5	87	199	1,805	128	2,248	450	65	10	2	0	1,799	14.02	967	141	22	4	1
2056	1,716	0	3	60	140	1,856	109	1,747	349	48	7	1	0	1,397	12.81	743	103	16	3	0
2057	1,279	0	3	52	124	1,403	93	1,310	262	35	5	1	0	1,048	11.30	548	72	10	2	0
2058	898	0	3	45	110	1,008	64	975	195	25	3	1	0	780	12.26	412	52	7	1	0
2059	566	0	2	39	97	663	54	721	144	17	2	0	0	576	10.66	299	36	5	1	0
2060	(485)	0	1	24	60	(425)	0	0	0	0	0	0	0	0		0	0	0	0	0
2061	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0	0	0	0	0
Total	**3,256,754**	**303,150**	**4,504**	**80,235**	**473,807**	**3,730,561**	**450,534**	**3,284,971**	**656,994**	**327,297**	**185,917**	**116,440**	**78,443**	**2,627,977**		**1,248,859**	**581,228**	**307,412**	**179,438**	**113,049**
			0.07	1.29																
			0.05	0.89																

Note: Production Contract of Kariman expires on September 09, 2036
Non-Taxable deduction of Sale Cost (US$0.07/Bbl in 2016 and US$0.05/Bbl in 2017 and after) and of transportation discount (US$1.29/Bbl in 2016 and US$0.89/BBL in 2017 and after) are for export oil.

Table 3 Forecast Prices & Costs

Summary of Company Reserves and Economics

Before CIT & EPT

January 1, 2016

MIE Holdings Corporation--Sensitivity high case-Price +20%

Net To Appraised Interest

	Reserves						Cumulative Cash Flow (Before CIT & EPT) - M$				
	Light and Medium Oil MSTB		Sales Gas MMscf		BOE Mbbls		Discounted at:				
Description	Gross	Net	Gross	Net	Gross	Net	Undisc.	5%/year	10%/year	15%/year	20%/year
Proved Developed Producing											
Aksaz	453	453	4,661	4,661	1,230	1,230	10,671	8,891	7,573	6,568	5,784
Dolinnoe	1,022	1,022	2,461	2,461	1,433	1,433	21,982	17,880	14,989	12,883	11,244
Emir	0	0	0	0	0	0	0	0	0	0	0
Kariman	4,466	4,466	1,827	1,827	4,770	4,770	146,876	111,888	89,276	73,783	62,652
Exploration Area (Borly, NK, Yessen)											
Borly	0	0	0	0	0	0	0	0	0	0	0
North Kariman	1,694	1,694	637	637	1,800	1,800	61,569	45,840	36,232	29,898	25,460
Yessen	0	0	0	0	0	0	0	0	0	0	0
Total Proved Developed Producing	**7,636**	**7,636**	**9,587**	**9,587**	**9,233**	**9,233**	**241,097**	**184,499**	**148,069**	**123,112**	**105,140**
Proved Developed Non-Producing											
Aksaz	909	909	5,963	5,963	1,903	1,903	40,788	28,692	20,958	15,776	12,169
Dolinnoe	2,969	2,969	6,180	6,180	3,999	3,999	146,413	92,523	61,863	43,294	31,441
Emir	785	785	143	143	808	808	30,588	22,010	16,320	12,413	9,649
Kariman	12,970	12,970	5,083	5,083	13,817	13,817	579,963	393,774	282,498	211,658	164,138
Exploration Area (Borly, NK, Yessen)											
Borly	0	0	0	0	0	0	0	0	0	0	0
North Kariman	0	0	0	0	0	0	0	0	0	0	0
Yessen	339	339	104	104	356	356	7,696	5,654	4,252	3,261	2,543
Total Proved Developed Non-Producing	**17,971**	**17,971**	**17,474**	**17,474**	**20,883**	**20,883**	**805,448**	**542,653**	**385,891**	**286,402**	**219,940**
Total Proved Developed	**25,606**	**25,606**	**27,061**	**27,061**	**30,116**	**30,116**	**1,046,545**	**727,153**	**533,960**	**409,514**	**325,080**
Proved Undeveloped											
Aksaz	571	571	3,583	3,583	1,168	1,168	16,663	10,597	6,775	4,294	2,647
Dolinnoe	2,212	2,212	3,832	3,832	2,851	2,851	81,423	47,102	28,668	18,156	11,839
Emir	678	678	131	131	700	700	17,701	10,502	6,283	3,755	2,212
Kariman	2,664	2,664	1,126	1,126	2,852	2,852	89,309	61,586	43,629	31,564	23,207
Exploration Area (Borly, NK, Yessen)											
Borly	0	0	0	0	0	0	0	0	0	0	0
North Kariman	671	671	241	241	711	711	10,411	5,016	1,881	12	(1,121)
Yessen	123	123	32	32	128	128	1,873	902	338	2	(202)
Total Proved Undeveloped	**6,919**	**6,919**	**8,946**	**8,946**	**8,410**	**8,410**	**217,383**	**135,706**	**87,575**	**57,784**	**38,582**
Total Proved	**32,525**	**32,525**	**36,006**	**36,006**	**38,526**	**38,526**	**1,263,929**	**862,859**	**621,535**	**467,299**	**363,662**
Probable											
Probable Developed Producing											
Akssz	480	480	4,515	4,515	1,232	1,232	11,844	8,607	6,408	4,855	3,722
Dolinnoe	529	529	1,189	1,189	727	727	11,226	5,167	1,852	(100)	(1,319)
Emir	174	174	19	19	177	177	2,663	2,014	1,552	1,213	959
Kariman	2,861	2,861	1,163	1,163	3,055	3,055	92,555	47,495	24,424	11,358	3,358
Exploration Area (Borly, NK, Yessen)											
Borly	0	0	0	0	0	0	0	0	0	0	0
North Kariman	970	970	359	359	1,030	1,030	31,801	14,023	6,390	2,555	372
Yessen	0	0	0	0	0	0	0	0	0	0	0
Total Probable Developed Producing	**5,014**	**5,014**	**7,245**	**7,245**	**6,221**	**6,221**	**150,089**	**77,306**	**40,626**	**19,880**	**7,092**
Total Proved Plus probable Developed Producing	**12,649**	**12,649**	**16,832**	**16,832**	**15,455**	**15,455**	**391,186**	**261,805**	**188,695**	**142,992**	**112,232**

Probable Developed Non-Producing											
Aksaz	640	640	5,779	5,779	1,603	1,603	27,298	19,189	13,871	10,263	7,746
Dolinnoe	1,463	1,463	3,334	3,334	2,019	2,019	86,724	29,461	14,040	7,138	3,818
Emir	4,359	4,359	639	639	4,465	4,465	237,649	123,300	68,825	40,665	25,140
Kariman	22,464	22,464	8,565	8,565	23,892	23,892	1,282,296	514,477	241,617	128,699	75,686
Exploration Area (Borly, NK, Yessen)	11,527	11,527	6,901	6,901	12,677	12,677	595,338	357,949	235,015	164,488	120,848
Borly	3,887	3,887	3,615	3,615	4,489	4,489	210,809	126,750	83,219	58,245	42,792
North Kariman	2,486	2,486	1,686	1,686	2,767	2,767	129,962	78,140	51,304	35,908	26,381
Yessen	5,154	5,154	1,600	1,600	5,421	5,421	254,567	153,059	100,493	70,335	51,675
Total Probable Developed Non-Producing	**40,454**	**40,454**	**25,218**	**25,218**	**44,657**	**44,657**	**2,209,305**	**1,044,376**	**573,369**	**351,253**	**233,237**
Probable Undeveloped											
Aksaz	1,228	1,228	9,179	9,179	2,758	2,758	33,458	20,755	13,009	8,172	5,093
Dolinnoe	4,715	4,715	8,169	8,169	6,076	6,076	205,515	90,101	43,033	21,955	11,779
Emir	379	379	76	76	392	392	15,909	7,166	3,338	1,586	756
Kariman	4,658	4,658	1,846	1,846	4,965	4,965	192,299	97,178	51,717	28,601	16,241
Exploration Area (Borly, NK, Yessen)											
Borly	3,887	3,887	3,615	3,615	4,490	4,490	199,288	103,203	58,261	35,083	22,198
North Kariman	1,650	1,650	592	592	1,749	1,749	77,619	40,195	22,691	13,664	8,646
Yessen	1,641	1,641	433	433	1,713	1,713	76,066	39,391	22,237	13,391	8,473
Total Probable Undeveloped	**18,157**	**18,157**	**23,911**	**23,911**	**22,143**	**22,143**	**800,153**	**397,989**	**214,286**	**122,452**	**73,186**
Total Probable	**63,625**	**63,625**	**56,374**	**56,374**	**73,021**	**73,021**	**3,159,547**	**1,519,671**	**828,281**	**493,585**	**313,515**
Total Proved Plus Probable	**96,150**	**96,150**	**92,381**	**92,381**	**111,547**	**111,547**	**4,423,475**	**2,382,530**	**1,449,815**	**960,884**	**677,177**
Possible											
Aksaz	488	488	4,074	4,074	1,167	1,167	23,089	14,971	10,022	6,896	4,860
Dolinnoe	5,987	5,987	10,883	10,883	7,801	7,801	366,470	135,921	55,111	23,899	10,882
Emir	5,986	5,986	787	787	6,117	6,117	363,171	133,602	54,592	24,226	11,493
Kariman	1,687	1,687	645	645	1,795	1,795	99,924	38,366	16,014	7,172	3,410
Exploration Area (Borly, NK, Yessen)											
Borly	11,661	11,661	10,845	10,845	13,469	13,469	570,532	271,075	142,459	80,694	48,388
North Kariman	357	357	128	128	378	378	16,032	7,617	4,003	2,267	1,360
Yessen	2,636	2,636	696	696	2,752	2,752	116,581	55,391	29,110	16,489	9,886
Total Possible	**28,802**	**28,802**	**28,058**	**28,058**	**33,479**	**33,479**	**1,555,799**	**656,943**	**311,310**	**161,643**	**90,281**
Total Proved Plus Probable Plus Possible	**124,952**	**124,952**	**120,439**	**120,439**	**145,025**	**145,025**	**5,979,274**	**3,039,473**	**1,761,125**	**1,122,527**	**767,459**

M$ means thousands of United State dollars

Gross reserves are the total of the Company's working and/or royalty interest share before deduction of royalties owned by others.

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 3T

Forecast Prices & Costs

Summary of Company Reserves and Economics

After CIT & EPT

January 1, 2016

MIE Holdings Corporation--Sensitivity high case-Price +20%

Net To Appraised Interest

Description	Oil MSTB Gross	Oil MSTB Net	Sales Gas MMscf Gross	Sales Gas MMscf Net	BOE Mbbls Gross	BOE Mbbls Net	Cumulative Cash Flow - M$ Discounted at: Undisc.	5%/year	10%/year	15%/year	20%/year
Proved Developed Producing											
Total Proved Developed Producing (Before CIT & EPT)	7,636	13,973	9,587	14,515	9,233	9,233	241,097	184,499	148,069	123,112	105,140
Corporate Income Tax	-	-	-	-	-	-	(27,938)	(20,087)	(15,576)	(12,520)	(10,346)
Excess profits Tax	-	-	-	-	-	-	(12,275)	(8,713)	(6,427)	(4,893)	(3,823)
Total Proved Developed Producing (After CIT & EPT)	7,636	13,973	9,587	14,515	9,233	9,233	200,885	155,698	126,066	105,699	90,971
Proved Developed Non-Producing											
Total Proved Developed Non-Producing (Before CIT & EPT)	17,971	11,722	17,474	19,650	20,883	20,883	805,448	542,653	385,891	286,402	219,940
Corporate Income Tax	-	-	-	-	-	-	(162,693)	(109,584)	(78,111)	(58,109)	(44,727)
Excess profits Tax	-	-	-	-	-	-	(358,117)	(241,469)	(171,918)	(127,793)	(98,319)
Total Proved Developed Non-Producing (After CIT & EPT)	17,971	11,722	17,474	19,650	20,883	20,883	284,638	191,601	135,862	100,500	76,894
Total Proved Developed (After CIT & EPT)	25,606	25,695	27,061	34,165	30,117	30,117	485,524	347,299	261,928	206,199	167,866
Proved Undeveloped											
Total Proved Undeveloped (Before CIT & EPT)	6,919	8,104	8,946	9,067	8,410	8,410	217,383	135,706	87,575	57,784	38,582
Corporate Income Tax	-	-	-	-	-	-	(45,984)	(30,880)	(21,674)	(15,772)	(11,827)
Excess profits Tax	-	-	-	-	-	-	(59,944)	(39,089)	(26,580)	(18,704)	(13,538)
Total Proved Undeveloped (After CIT & EPT)	6,919	8,104	8,946	9,067	8,410	8,410	111,455	65,737	39,321	23,309	13,217
Total Proved (After CIT & EPT)	32,525	33,799	36,006	43,232	38,527	38,527	596,979	413,036	301,249	229,508	181,083
Probable											
Total Probable (Before CIT & EPT)	63,625	64,065	56,374	51,879	73,021	73,021	3,159,547	1,519,671	828,281	493,585	313,515
Corporate Income Tax	-	-	-	-	-	-	(645,020)	(318,547)	(177,083)	(109,190)	(72,401)
Excess profits Tax	-	-	-	-	-	-	(1,386,677)	(659,032)	(356,634)	(212,432)	(136,007)
Total Probable (After CIT & EPT)	63,625	64,065	56,374	51,879	73,021	73,021	1,127,849	544,093	294,564	171,963	105,107
Total Proved Plus Probable (After CIT & EPT)	96,150	97,864	92,381	95,111	111,548	111,548	1,724,828	957,128	595,813	401,471	286,190
Possible											
Total Possible (Before CIT & EPT)	28,802	32,339	28,058	27,108	33,479	33,479	1,555,799	656,943	311,310	161,643	90,281
Corporate Income Tax	-	-	-	-	-	-	(318,174)	(135,531)	(64,944)	(34,141)	(19,294)
Excess profits Tax	-	-	-	-	-	-	(712,220)	(298,052)	(139,898)	(71,939)	(39,775)
Total Possible (After CIT & EPT)	28,802	32,339	28,058	27,108	33,479	33,479	525,405	223,360	106,467	55,563	31,212
Total Proved Plus Probable Plus Possible (After CIT & EPT)	124,952	130,203	120,439	122,219	145,026	145,026	2,250,233	1,180,488	702,281	457,034	317,402

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.

2016-03-03 Corp-Table 3a-PP.xlsx

Table 3a
Page 1

Forecast Prices & Costs

MIE Holdings Corporation

ADEK Block, Kazakhstan

Company Cost and Cash Flow Analysis

Total Proved Developed Producing Consolidation

Year	Well Count	oil Production MSTB	Gas Production MMscf	Oil + Gas Production MBOE	Net Revenue Before Opex & Capex M$/yr.	Opex Cost Schedule: Oil Fixed M$/yr.	Oil Variable M$/yr.	Gas Cost M$/yr.	Total Opex M$/yr.	Total Capital M$/yr.	Abandon-ment Cost M$/yr.	Escalculated Opex, Capex and ABN M$/yr.	Undiscounted Net Cash Flow (Profit) M$/yr.	Discounted @ 5% M$/yr.	10% M$/yr.	15% M$/yr.	20% M$/yr.	Undiscounted Net Cash Flow After CIT & EPT M$/yr.
2016	19	1,249	1,845	1,556	29,671	5,624	4,233	923	10,780	0	0	10,780	18,892	18,436	18,012	17,616	17,246	18,121
2017	19	1,034	1,501	1,284	38,144	5,624	3,504	751	9,878	0	0	10,076	28,068	26,087	24,329	22,759	21,352	25,253
2018	19	862	1,227	1,067	37,527	5,624	2,924	613	9,161	0	0	9,531	27,996	24,781	22,060	19,740	17,748	24,154
2019	18	725	1,003	892	35,795	5,328	2,456	502	8,286	0	0	8,793	27,002	22,763	19,343	16,556	14,265	22,035
2020	17	611	805	745	31,552	5,032	2,070	402	7,504	0	0	8,123	23,429	18,811	15,258	12,492	10,314	18,835
2021	16	513	665	624	27,742	4,736	1,739	332	6,807	0	0	7,516	20,227	15,466	11,975	9,377	7,420	16,026
2022	16	438	553	530	22,700	4,736	1,486	276	6,498	0	0	7,318	15,382	11,201	8,278	6,201	4,702	12,681
2023	16	376	462	453	21,512	4,736	1,275	231	6,241	0	0	7,169	14,343	9,948	7,018	5,028	3,654	11,226
2024	14	314	354	373	18,349	4,144	1,065	177	5,386	0	0	6,311	12,038	7,951	5,354	3,670	2,556	9,403
2025	13	270	292	319	16,139	3,848	917	146	4,911	0	0	5,869	10,270	6,461	4,153	2,722	1,817	8,049
2026	12	232	246	273	14,151	3,552	787	123	4,462	0	0	5,439	8,713	5,220	3,203	2,008	1,285	6,756
2027	11	198	198	231	12,150	3,256	671	99	4,026	0	0	5,006	7,144	4,076	2,388	1,432	878	5,584
2028	9	164	101	180	10,201	2,664	555	50	3,269	0	0	4,146	6,055	3,290	1,840	1,055	620	4,777
2029	8	139	78	152	8,868	2,368	472	39	2,879	0	0	3,724	5,144	2,662	1,421	780	439	4,134
2030	8	122	69	134	7,973	2,368	415	34	2,817	0	0	3,717	4,256	2,098	1,069	561	303	3,484
2031	7	101	58	111	6,743	2,072	343	29	2,444	0	0	3,290	3,453	1,621	788	396	205	2,906
2032	6	83	49	92	5,587	1,776	283	25	2,083	0	0	2,860	2,727	1,219	566	272	135	2,341
2033	5	67	27	71	4,564	1,480	226	13	1,720	0	0	2,408	2,156	918	407	187	89	1,843
2034	5	59	24	63	4,135	1,480	201	12	1,692	0	0	2,417	1,717	696	295	129	59	1,462
2035	4	47	19	50	3,340	1,184	159	9	1,352	0	0	1,969	1,371	529	214	90	39	1,162
2036	3	31	12	33	2,202	888	106	6	1,000	0	0	1,486	716	263	102	41	17	652
Total		**7,636**	**9,587**	**9,233**	**359,045**	**72,520**	**25,885**	**4,793**	**103,198**	**0**	**0**	**117,948**	**241,097**	**184,499**	**148,069**	**123,112**	**105,140**	**200,885**
						296.00 M$/yr/well	$3.39 $/STB	0.50 $/Mcf										

Table 3a
Page 2

Forecast Price & Costs

MIE Holdings Corporation

ADEK Block, Kazakhstan

Corporate Income Tax (CIT) and Excess Profit Tax (EPT)
December 31, 2015
(As of January 1, 2016)

Total Proved Developed Producing Consolidation

	Net Cash Flow (after Opex & Capex)	Total Capital	Non-deduct Sales Cost	Non-deduct Transp.	Escalculated Non-deduct Capital	Taxable Income Before Deductions	Capital Deductions	Taxable Income	Corporate Income Tax	Discounted @ 5%	Discounted @ 10%	Discounted @ 15%	Discounted @ 20%	Net Income	EPT Ratio	EPT Amount	Discounted @ 5%	Discounted @ 10%	Discounted @ 15%	Discounted @ 20%
Year	$M	$M	$M	$M	M$/yr.	$M	$M	$M	$M	$	$	$	$	$M		$M	$	$	$	$
2015																				
2016	18,892	0	78	1,434	1,511	20,403	16,553	3,850	770	752	734	718	703	3,080	0.59	0	0	0	0	0
2017	28,068	0	45	819	882	28,950	14,876	14,074	2,815	2,616	2,440	2,282	2,141	11,259	2.68	0	0	0	0	0
2018	27,996	0	35	683	751	28,746	12,645	16,102	3,220	2,851	2,538	2,271	2,042	12,881	3.46	621	550	490	438	394
2019	27,002	0	32	574	643	27,645	10,748	16,897	3,379	2,849	2,421	2,072	1,785	13,518	4.37	1,587	1,338	1,137	973	839
2020	23,429	0	27	484	553	23,982	9,136	14,847	2,969	2,384	1,934	1,583	1,307	11,877	4.46	1,625	1,305	1,058	866	715
2021	20,227	0	23	406	474	20,700	7,765	12,935	2,587	1,978	1,532	1,199	949	10,348	4.32	1,614	1,234	955	748	592
2022	15,382	0	20	347	413	15,795	6,601	9,194	1,839	1,339	990	741	562	7,355	3.25	862	628	464	347	263
2023	14,343	0	17	298	361	14,704	5,610	9,094	1,819	1,261	890	638	463	7,275	3.56	1,298	900	635	455	331
2024	12,038	0	14	249	308	12,346	4,665	7,680	1,536	1,015	683	468	326	6,144	3.56	1,096	725	489	335	233
2025	10,270	0	12	214	270	10,540	3,985	6,556	1,311	825	530	348	232	5,245	3.36	910	572	368	241	161
2026	8,713	0	10	184	237	8,949	3,211	5,739	1,148	688	422	265	169	4,591	3.31	809	485	297	187	119
2027	7,144	0	9	157	206	7,350	2,564	4,786	957	546	320	192	118	3,829	3.28	603	344	202	121	74
2028	6,055	0	7	130	174	6,229	2,157	4,072	814	443	247	142	83	3,257	3.31	463	252	141	81	47
2029	5,144	0	6	110	151	5,294	1,882	3,412	682	353	188	103	58	2,730	3.30	328	170	90	50	28
2030	4,256	0	5	97	135	4,391	1,578	2,814	563	277	141	74	40	2,251	3.25	209	103	53	28	15
2031	3,453	0	5	80	114	3,567	1,313	2,254	451	212	103	52	27	1,803	3.11	96	45	22	11	6
2032	2,727	0	4	66	96	2,823	1,075	1,748	350	156	73	35	17	1,398	2.89	36	16	8	4	2
2033	2,156	0	3	53	78	2,235	830	1,405	281	120	53	24	12	1,124	2.78	33	14	6	3	1
2034	1,717	0	3	47	71	1,788	705	1,083	217	88	37	16	7	866	2.59	39	16	7	3	1
2035	1,371	0	2	37	57	1,428	599	829	166	64	26	11	5	663	2.40	43	17	7	3	1
2036	716	0	1	25	39	755	435	320	64	24	9	4	2	256	1.21	0	0	0	0	0
Total	**241,097**	**0**	**362**	**6,493**	**7,523**	**248,621**	**108,931**	**139,689**	**27,938**	**20,087**	**15,576**	**12,520**	**10,346**	**111,751**		**12,275**	**8,713**	**6,427**	**4,893**	**3,823**
			0.07	1.29																
			0.05	0.89																

Chapman Petroleum Engineering Ltd.

2016-03-03

Corp-Table 3b-PD.xlsx

Table 3b
Page 1

Forecast Prices & Costs

MIE Holdings Corporation
ADEK Block, Kazakhstan
Company Cost and Cash Flow Analysis
Toatl Proved Developed Consolidation

Year	Well Count	oil Production	Gas Production	Oil + Gas Production	Net Revenue Before Opex & Capex	Opex Cost Schedule: Oil Fixed	Oil Variable	Gas Cost	Total Opex	Total Capital	Abandon-ment Cost	Escalculated Opex, Capex and ABN	Undiscounted Net Cash Flow (Profit)	Discounted @ 5%	10%	15%	20%	Undiscounted Net Cash Flow After CIT & EPT
		MSTB	MMscf	MBOE	M$/yr.	M$/yr.	M$/yr.	M$/yr.	M$/yr.	M$/yr.	M$/yr.	M$/yr.	M$/yr.	M$/yr.	M$/yr.	M$/yr.	M$/yr.	M$/yr.
2016	20	1,367	1,891	1,682	32,354	5,920	4,634	945	11,500	400	0	11,900	20,454	19,961	19,502	19,073	18,672	19,268
2017	20	1,157	1,547	1,415	41,019	5,920	3,922	774	10,615	5,200	0	16,132	24,887	23,131	21,571	20,180	18,932	21,956
2018	32	2,388	1,823	2,692	102,342	9,472	8,096	911	18,480	3,250	50	22,660	79,683	70,533	62,789	56,185	50,514	38,980
2019	37	2,627	3,146	3,151	129,310	10,952	8,906	1,573	21,431	400	50	23,220	106,090	89,436	75,997	65,047	56,045	51,664
2020	36	2,234	2,615	2,670	115,115	10,656	7,573	1,307	19,536	900	50	22,175	92,941	74,620	60,525	49,552	40,916	44,721
2021	35	2,046	2,309	2,431	110,344	10,360	6,937	1,154	18,451	1,300	0	21,807	88,537	67,700	52,416	41,048	32,481	41,015
2022	35	2,070	2,211	2,439	112,847	10,360	7,018	1,105	18,483	500	0	21,378	91,469	66,610	49,229	36,875	27,964	40,134
2023	35	1,844	2,037	2,184	105,342	10,360	6,253	1,019	17,631	400	150	20,885	84,457	58,576	41,323	29,608	21,517	36,274
2024	32	1,734	1,755	2,027	101,112	9,472	5,879	877	16,229	0	50	19,073	82,039	54,189	36,491	25,008	17,417	34,340
2025	31	1,474	1,478	1,720	87,872	9,176	4,996	739	14,911	0	50	17,880	69,992	44,030	28,302	18,553	12,383	29,149
2026	30	1,252	1,249	1,461	76,336	8,880	4,245	625	13,750	0	50	16,822	59,514	35,656	21,877	13,718	8,774	24,827
2027	29	1,063	1,036	1,236	65,228	8,584	3,603	518	12,705	0	100	15,922	49,306	28,134	16,477	9,883	6,058	20,704
2028	27	904	815	1,040	56,658	7,992	3,065	407	11,464	0	100	14,666	41,992	22,819	12,757	7,319	4,299	17,645
2029	25	768	685	882	49,170	7,400	2,602	342	10,345	0	50	13,446	35,724	18,488	9,866	5,414	3,048	15,017
2030	24	636	581	733	41,695	7,104	2,156	290	9,550	0	200	12,865	28,830	14,210	7,238	3,799	2,050	11,519
2031	20	524	490	606	35,075	5,920	1,776	245	7,941	0	50	10,755	24,320	11,416	5,551	2,787	1,441	10,057
2032	19	447	418	517	30,123	5,624	1,516	209	7,349	0	200	10,364	19,760	8,834	4,100	1,969	976	8,254
2033	15	360	335	416	24,778	4,440	1,220	167	5,827	0	0	8,160	16,618	7,076	3,135	1,440	684	6,977
2034	15	312	288	360	21,968	4,440	1,058	144	5,642	0	150	8,273	13,695	5,554	2,349	1,032	470	5,785
2035	12	253	240	293	18,184	3,552	857	120	4,529	0	150	6,816	11,368	4,390	1,772	745	325	4,759
2036	9	145	114	164	10,315	2,664	492	57	3,213	0	450	5,443	4,872	1,792	690	278	116	2,482
Total		**25,606**	**27,061**	**30,116**	**1,367,186**	**159,248**	**86,805**	**13,530**	**259,583**	**12,350**	**1,900**	**320,641**	**1,046,545**	**727,153**	**533,960**	**409,514**	**325,080**	**485,524**
						296.00	$3.39	0.50										
						M$/yr/well	$/STB	$/Mcf										

2016-03-03

Corp-Table 3b-PD.xlsx

Table 3b
Page 2

Forecast price &Costs

MIE Holdings Corporation

ADEK Block, Kazakhstan

Corporate Income Tax (CIT) and Excess Profit Tax (EPT)
January 1, 2016
(As of December 31, 2015)

Toatl Proved Developed Consolidation

										Discounted @							Discounted @			
Year	Net Cash Flow (after Opex & Capex) $M	Total Capital M$/yr.	Non-deduct Sales $M	Non-deduct Transp. $M	Escalculated Non-deduct Capital M$/yr.	Taxable Income Before Deductions $M	Capital Deductions $M	Taxable Income $M	**Corporate Income Tax** $M	5% $	10% $	15% $	20% $	Net Income $M	EPT Ratio	**EPT Amount** $M	5% $	10% $	15% $	20% $
2015																				
2016	20,454	400	35	1,570	2,055	22,509	16,580	5,928	1,186	1,157	1,130	1,106	1,082	4,743	0.29	0	0	0	0	0
2017	24,887	5,200	51	916	6,291	31,178	16,523	14,655	2,931	2,724	2,541	2,377	2,230	11,724	0.71	0	0	0	0	0
2018	79,683	3,250	106	1,892	5,460	85,143	14,092	71,051	14,210	12,578	11,197	10,020	9,008	56,841	4.03	26,492	23,450	20,876	18,680	16,795
2019	106,090	400	117	2,081	2,757	108,846	13,188	95,658	19,132	16,128	13,705	11,730	10,107	76,526	5.80	35,294	29,754	25,283	21,640	18,645
2020	92,941	900	99	1,769	2,997	95,938	11,439	84,499	16,900	13,568	11,006	9,010	7,440	67,599	5.91	31,320	25,146	20,397	16,699	13,788
2021	88,537	1,300	91	1,621	3,325	91,863	10,007	81,855	16,371	12,518	9,692	7,590	6,006	65,484	6.54	31,151	23,819	18,442	14,442	11,428
2022	91,469	500	92	1,640	2,513	93,982	8,460	85,522	17,104	12,456	9,206	6,896	5,229	68,418	8.09	34,231	24,928	18,423	13,800	10,465
2023	84,457	400	82	1,461	2,232	86,689	7,244	79,445	15,889	11,020	7,774	5,570	4,048	63,556	8.77	32,294	22,398	15,801	11,321	8,228
2024	82,039	0	77	1,374	1,700	83,739	6,089	77,650	15,530	10,258	6,908	4,734	3,297	62,120	10.20	32,169	21,248	14,309	9,806	6,830
2025	69,992	0	66	1,167	1,474	71,465	5,175	66,290	13,258	8,340	5,361	3,514	2,346	53,032	10.25	27,585	17,353	11,154	7,312	4,880
2026	59,514	0	56	992	1,277	60,791	4,399	56,392	11,278	6,757	4,146	2,600	1,663	45,114	10.26	23,409	14,025	8,605	5,396	3,451
2027	49,306	0	47	842	1,106	50,412	3,739	46,673	9,335	5,326	3,119	1,871	1,147	37,338	9.99	19,268	10,994	6,439	3,862	2,367
2028	41,992	0	40	716	959	42,951	3,178	39,773	7,955	4,323	2,417	1,386	814	31,818	10.01	16,392	8,908	4,980	2,857	1,678
2029	35,724	0	34	608	831	36,555	2,702	33,853	6,771	3,504	1,870	1,026	578	27,082	10.02	13,937	7,213	3,849	2,112	1,189
2030	28,830	0	28	504	702	29,532	2,045	28,013	5,603	2,762	1,407	738	398	22,411	10.96	11,709	5,771	2,940	1,543	832
2031	24,320	0	23	415	590	24,910	1,738	23,172	4,634	2,175	1,058	531	275	18,537	10.67	9,629	4,520	2,198	1,103	571
2032	19,760	0	20	354	514	20,273	1,477	18,796	3,759	1,681	780	375	186	15,037	10.18	7,747	3,463	1,607	772	382
2033	16,618	0	16	285	422	17,040	1,256	15,784	3,157	1,344	595	274	130	12,627	10.06	6,485	2,761	1,223	562	267
2034	13,695	0	14	247	373	14,068	1,067	13,001	2,600	1,054	446	196	89	10,401	9.75	5,311	2,154	911	400	182
2035	11,368	0	11	200	308	11,676	866	10,810	2,162	835	337	142	62	8,648	9.99	4,447	1,717	693	291	127
2036	4,872	0	6	115	180	5,052	720	4,332	866	319	123	49	21	3,466	4.81	1,524	560	216	87	36
Total	**1,046,545**	**12,350**	**1,164**	**20,769**	**38,066**	**1,084,611**	**131,985**	**953,152**	**190,630**	**129,671**	**93,687**	**70,629**	**55,072**	**762,522**		**370,391**	**250,182**	**178,345**	**132,686**	**102,142**
			0.07	1.29																
			0.05	0.89																

2016-03-03

Corp-Table 3c-TP.xlsx

Table 3c
Page 1

Forecast Prices & Costs

MIE Holdings Corporation

ADEK Block, Kazakhstan

Company Cost and Cash Flow Analysis

Total Proved Consolidation

Year	Well Count	oil Production	Gas Production	Oil + Gas Production	Net Revenue Before Opex & Capex	Opex Cost Schedule: Oil Fixed	Oil Variable	Gas Cost	Total Opex	Total Capital	Abandon-ment Cost	Escalculated Opex, Capex and ABN	Undiscounted Net Cash Flow (Profit)	Discounted @ 5%	10%	15%	20%	Undiscounted Net Cash Flow After CIT & EPT
		MSTB	MMscf	MBOE	M$/yr.	M$/yr.	M$/yr.	M$/yr.	M$/yr.	M$/yr.	M$/yr.	M$/yr.	M$/yr.	M$/yr.	M$/yr.	M$/yr.	M$/yr.	M$/yr.
2016	20	1,419	1,980	1,749	33,595	5,920	4,810	990	11,720	10,700	0	22,420	11,176	10,906	10,655	10,421	10,202	9,990
2017	21	1,265	1,709	1,549	46,545	6,216	4,287	854	11,358	11,700	0	23,519	23,026	21,401	19,959	18,671	17,517	19,797
2018	34	2,677	2,047	3,018	111,547	10,064	9,075	1,024	20,163	16,450	50	38,144	73,403	64,974	57,841	51,757	46,533	33,676
2019	42	3,086	3,612	3,688	148,411	12,432	10,460	1,806	24,698	11,300	50	38,255	110,156	92,864	78,910	67,541	58,194	53,145
2020	43	2,956	3,703	3,574	152,601	12,728	10,022	1,852	24,602	10,100	50	37,617	114,985	92,318	74,881	61,305	50,620	52,337
2021	45	2,790	3,221	3,326	150,505	13,320	9,457	1,610	24,387	16,800	0	45,474	105,031	80,311	62,181	48,695	38,532	48,061
2022	47	2,817	3,131	3,338	153,663	13,912	9,548	1,565	25,026	6,800	0	35,841	117,822	85,802	63,413	47,500	36,021	55,554
2023	48	2,560	2,970	3,055	146,375	14,208	8,680	1,485	24,373	800	200	29,145	117,229	81,305	57,358	41,096	29,866	54,957
2024	45	2,339	2,506	2,756	136,483	13,320	7,928	1,253	22,501	0	50	26,422	110,061	72,698	48,955	33,551	23,366	50,292
2025	44	1,977	2,111	2,329	118,012	13,024	6,703	1,055	20,782	0	50	24,896	93,116	58,577	37,653	24,683	16,474	42,433
2026	43	1,673	1,784	1,970	102,078	12,728	5,671	892	19,291	0	150	23,698	78,380	46,959	28,813	18,067	11,556	35,738
2027	40	1,403	1,484	1,650	86,187	11,840	4,755	742	17,337	0	100	21,680	64,507	36,807	21,557	12,930	7,925	29,622
2028	38	1,190	1,195	1,389	74,693	11,248	4,034	598	15,879	0	100	20,265	54,428	29,577	16,535	9,486	5,573	25,006
2029	36	1,009	1,008	1,177	64,722	10,656	3,420	504	14,580	0	100	18,990	45,732	23,668	12,630	6,931	3,902	21,003
2030	34	811	850	952	53,254	10,064	2,748	425	13,237	0	300	17,862	35,392	17,444	8,886	4,664	2,516	15,202
2031	28	666	719	786	44,701	8,288	2,259	360	10,906	0	100	14,813	29,888	14,030	6,822	3,425	1,771	13,429
2032	26	563	613	665	38,023	7,696	1,909	306	9,912	0	300	14,019	24,005	10,732	4,981	2,392	1,185	10,873
2033	20	447	460	524	30,855	5,920	1,517	230	7,667	0	0	10,736	20,119	8,566	3,795	1,743	828	9,111
2034	20	388	398	455	27,363	5,920	1,316	199	7,435	0	200	10,905	16,459	6,674	2,822	1,240	564	7,439
2035	16	313	335	369	22,549	4,736	1,060	168	5,964	0	200	8,980	13,569	5,240	2,115	889	388	6,111
2036	12	177	169	206	12,632	3,552	601	85	4,238	0	600	7,189	5,443	2,002	771	310	130	3,201
Total		**32,525**	**36,006**	**38,526**	**1,754,797**	**207,792**	**110,259**	**18,003**	**336,054**	**84,650**	**2,600**	**490,869**	**1,263,929**	**862,859**	**621,535**	**467,299**	**363,662**	**596,979**
						296.00 M$/yr/well	$3.39 $/STB	0.50 $/Mcf										

2016-03-03

Corp-Table 3c-TP.xlsx

Table 3c
Page 2

Forecast price &Costs

MIE Holdings Corporation

ADEK Block, Kazakhstan

Corporate Income Tax (CIT) and Excess Profit Tax (EPT)
January 1, 2016
(As of December 31, 2015)

Total Proved Consolidation

Year	Net Cash Flow (after Opex & Capex)	Total Capital	Non-deduct Sales	Non-deduct Transp.	Escalculated Non-deduct Capital	Taxable Income Before	Capital Deductions	Taxable Income	Corporate Income Tax	Discounted @ 5%	Discounted @ 10%	Discounted @ 15%	Discounted @ 20%	Net Income	EPT Ratio	EPT Amount	Discounted @ 5%	Discounted @ 10%	Discounted @ 15%	Discounted @ 20%
	$M	$M	$M	$M	M$/yr	$M	$M	$M	$M	$	$	$	$	$M		$M	$	$	$	$
2015																				
2016	11,176	10,700	88	1,629	12,417	23,593	17,665	5,928	1,186	1,157	1,130	1,106	1,082	4,743	0.27	0	0	0	0	0
2017	23,026	11,700	56	1,002	13,013	36,039	19,894	16,145	3,229	3,001	2,799	2,616	2,456	12,916	0.65	0	0	0	0	0
2018	73,403	16,450	119	2,120	19,445	92,848	18,336	74,512	14,902	13,191	11,743	10,508	9,447	59,610	3.25	24,825	21,974	19,562	17,504	15,738
2019	110,156	11,300	137	2,444	14,731	124,887	19,953	104,934	20,987	17,692	15,034	12,868	11,087	83,947	4.21	36,025	30,369	25,806	22,088	19,031
2020	114,985	10,100	132	2,342	13,610	128,594	18,441	110,153	22,031	17,688	14,347	11,746	9,699	88,123	4.78	40,617	32,610	26,451	21,655	17,881
2021	105,031	16,800	124	2,210	21,125	126,156	19,600	106,557	21,311	16,296	12,617	9,880	7,818	85,245	4.35	35,659	27,266	21,111	16,532	13,082
2022	117,822	6,800	125	2,231	10,312	128,134	16,175	111,959	22,392	16,306	12,051	9,027	6,846	89,567	5.54	39,876	29,039	21,462	16,076	12,191
2023	117,229	800	114	2,028	3,379	120,609	12,876	107,733	21,547	14,944	10,542	7,553	5,489	86,187	6.69	40,725	28,245	19,926	14,277	10,375
2024	110,061	0	104	1,852	2,292	112,354	10,806	101,547	20,309	13,415	9,034	6,191	4,312	81,238	7.52	39,460	26,064	17,552	12,029	8,377
2025	93,116	0	83	1,566	1,977	95,093	9,185	85,908	17,182	10,808	6,948	4,554	3,040	68,726	7.48	33,501	21,075	13,547	8,880	5,927
2026	78,380	0	74	1,325	1,706	80,086	7,808	72,279	14,456	8,661	5,314	3,332	2,131	57,823	7.41	28,186	16,887	10,361	6,497	4,156
2027	64,507	0	62	1,111	1,459	65,966	6,636	59,330	11,866	6,771	3,965	2,378	1,458	47,464	7.15	23,019	13,134	7,692	4,614	2,828
2028	54,428	0	53	942	1,262	55,690	5,641	50,049	10,010	5,440	3,041	1,745	1,025	40,040	7.10	19,412	10,549	5,897	3,383	1,987
2029	45,732	0	45	799	1,092	46,824	4,795	42,029	8,406	4,350	2,322	1,274	717	33,623	7.01	16,323	8,448	4,508	2,474	1,393
2030	35,392	0	36	642	895	36,286	3,523	33,737	6,747	3,326	1,694	889	480	26,990	7.66	13,442	6,626	3,375	1,772	956
2031	29,888	0	30	528	750	30,639	2,994	27,644	5,529	2,595	1,262	634	328	22,115	7.39	10,930	5,131	2,495	1,253	648
2032	24,005	0	25	446	647	24,652	2,545	22,107	4,421	1,977	917	441	218	17,685	6.95	8,711	3,894	1,807	868	430
2033	20,119	0	20	354	524	20,643	2,163	18,480	3,696	1,574	697	320	152	14,784	6.83	7,312	3,113	1,379	634	301
2034	16,459	0	17	308	464	16,922	1,839	15,084	3,017	1,223	517	227	103	12,067	6.56	6,003	2,434	1,029	452	206
2035	13,569	0	14	248	381	13,950	1,444	12,506	2,501	966	390	164	71	10,005	6.93	4,957	1,914	773	325	142
2036	5,443	0	8	140	220	5,664	1,211	4,453	891	328	126	51	21	3,562	2.94	1,352	497	192	77	32
Total	**1,263,929**	**84,650**	**1,473**	**26,268**	**121,702**	**1,385,631**	**203,531**	**1,183,073**	**236,615**	**160,551**	**115,360**	**86,401**	**66,899**	**946,459**		**430,335**	**289,272**	**204,925**	**151,390**	**115,680**
			0.07	1.29																
			0.05	0.89																

2016-03-03

Corp-Table 3d-RA.xlsx

Table 3d
Page 1

Forecast Prices & Costs

MIE Holdings Corporation

ADEK Block, Kazakhstan

Company Cost and Cash Flow Analysis

Proved Plus Probable Developed Producing Consolidation

						Opex Cost Schedule					Abandon-ment	Escalculated Opex, Capex	Undiscounted	Discounted @				Undiscounted
	Well Count	oil Production	Gas Production	Oil + Gas Production	Net Revenue Before Opex & Capex	Oil Fixed	Oil Variable	Gas Cost	Total Opex	Total Capital	Cost	and ABN	Net Cash Flow (Profit)	5%	10%	15%	20%	Net Cash Flow After CIT & EPT
Year		MSTB	MMscf	MBOE	M$/yr.	M$/yr.	M$/yr.	M$/yr.	M$/yr.	M$/yr.	M$/yr.	M$/yr.	M$/yr.	M$/yr.	M$/yr.	M$/yr.	M$/yr.	M$/yr.
2016	20	1,559	2,372	1,954	37,111	5,920	5,284	1,186	12,390	50,000	0	62,390	(25,279)	(24,670)	(24,103)	(23,573)	(23,077)	(25,360)
2017	20	1,334	2,055	1,677	49,366	5,920	4,523	1,028	11,471	0	0	11,700	37,666	35,008	32,648	30,542	28,653	34,103
2018	20	1,152	1,776	1,448	50,252	5,920	3,904	888	10,712	0	0	11,145	39,107	34,617	30,816	27,575	24,792	34,305
2019	20	1,004	1,542	1,261	49,767	5,920	3,404	771	10,095	0	0	10,713	39,054	32,923	27,976	23,945	20,631	32,206
2020	20	883	1,343	1,107	45,802	5,920	2,993	672	9,584	0	0	10,374	35,427	28,444	23,071	18,888	15,596	28,201
2021	20	781	1,174	977	42,407	5,920	2,648	587	9,155	0	0	10,108	32,300	24,698	19,122	14,975	11,850	24,839
2022	20	694	1,029	866	38,137	5,920	2,354	515	8,789	0	0	9,897	28,239	20,565	15,198	11,385	8,633	21,360
2023	20	620	905	771	35,616	5,920	2,101	452	8,474	0	50	9,791	25,825	17,911	12,635	9,053	6,579	18,909
2024	19	548	795	681	32,201	5,624	1,859	397	7,880	0	0	9,233	22,968	15,171	10,216	7,002	4,876	16,499
2025	19	494	703	611	29,650	5,624	1,674	351	7,650	0	0	9,142	20,508	12,901	8,293	5,436	3,628	14,464
2026	17	432	568	527	26,482	5,032	1,465	284	6,781	0	0	8,266	18,216	10,913	6,696	4,199	2,686	12,572
2027	16	387	499	471	23,896	4,736	1,314	250	6,299	0	0	7,822	16,064	9,166	5,368	3,220	1,974	10,866
2028	13	332	328	387	20,830	3,848	1,125	164	5,137	0	0	6,515	14,315	7,779	4,349	2,495	1,466	9,362
2029	13	300	292	349	19,256	3,848	1,018	146	5,012	0	0	6,483	12,773	6,611	3,528	1,936	1,090	8,097
2030	13	272	260	315	17,831	3,848	922	130	4,899	0	0	6,465	11,367	5,603	2,854	1,498	808	6,978
2031	13	239	228	277	16,048	3,848	811	114	4,774	0	0	6,425	9,624	4,518	2,197	1,103	570	5,840
2032	11	200	134	223	13,459	3,256	679	67	4,002	0	0	5,494	7,965	3,561	1,653	794	393	4,877
2033	9	179	114	198	12,291	2,664	607	57	3,328	0	0	4,660	7,631	3,249	1,439	661	314	4,475
2034	9	163	105	181	11,472	2,664	554	53	3,271	0	0	4,671	6,800	2,758	1,166	512	233	3,894
2035	9	149	97	165	10,710	2,664	506	48	3,218	0	0	4,689	6,021	2,325	939	395	172	3,373
2036	9	136	89	151	9,683	2,664	462	45	3,171	0	0	4,712	4,972	1,829	705	283	118	2,783
2037	9	125	82	138	8,850	2,664	423	41	3,127	0	0	4,740	4,110	1,440	529	204	82	2,292
2038	8	108	61	118	7,651	2,368	366	31	2,764	0	0	4,274	3,377	1,127	396	145	56	1,901
2039	8	99	56	108	6,988	2,368	334	28	2,730	0	0	4,305	2,683	852	286	101	37	1,534
2040	6	76	46	83	5,356	1,776	256	23	2,055	0	0	3,305	2,051	621	199	67	24	1,213
2041	6	69	42	76	4,911	1,776	235	21	2,032	0	0	3,333	1,578	455	139	45	15	945
2042	6	64	39	70	4,505	1,776	215	19	2,011	0	0	3,365	1,140	313	91	28	9	668
2043	4	52	21	55	3,670	1,184	176	10	1,370	0	0	2,339	1,331	348	97	29	9	736
2044	4	48	19	51	3,363	1,184	161	9	1,355	0	0	2,358	1,005	250	66	19	6	581
2045	3	37	14	39	2,584	888	124	7	1,019	0	0	1,810	774	184	47	13	4	467
2046	2	26	10	28	1,859	592	89	5	686	0	0	1,243	616	139	34	9	2	376
2047	2	24	9	26	1,721	592	83	5	679	0	0	1,255	466	100	23	6	1	284
2048	2	23	9	24	1,594	592	76	4	673	0	0	1,268	326	67	15	3	1	198
2049	2	21	8	22	1,476	592	71	4	667	0	0	1,282	194	38	8	2	0	115
2050	2	19	8	21	1,367	592	66	4	661	0	50	1,395	(28)	(5)	(1)	(0)	(0)	(28)
2051	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total		12,649	16,832	15,455	648,163	116,624	42,881	8,416	167,921	50,000	100	256,977	391,186	261,805	188,695	142,992	112,232	283,926
						296.00	$3.39	0.50										
						M$/yr/well	$/STB	$/Mcf										

Note: Production Contract of Kariman expires on September 09, 2036

Chapman Petroleum Engineering Ltd.

2016-03-03 Corp-Table 3d-RA.xlsx

Table 3d
Page 2

Forecast price &Costs

MIE Holdings Corporation

ADEK Block, Kazakhstan

Corporate Income Tax (CIT) and Excess Profit Tax (EPT)
December 31, 2015
(As of January 1, 2016)

Proved Plus Probable Developed Producing Consolidation

	Net Cash Flow (after Opex & Capex)	Total Capital	Non-deduct Sales	Non-deduct Transp.	Escalculated Non-deduct Capital	Taxable Income Before	Capital Deductions	Taxable Income	**Corporate Income Tax**	Discounted @ 5%	Discounted @ 10%	Discounted @ 15%	Discounted @ 20%	Net Income	EPT Ratio	**EPT Amount**	Discounted @ 5%	Discounted @ 10%	Discounted @ 15%	Discounted @ 20%
Year	$M	$M	$M	$M	M$/yr.	$M	$M	$M	$M	$	$	$	$	$M		$M	$	$	$	$
2015																				
2016	(24,079)	50,000	97	1,790	51,887	27,808	27,404	404	81	79	77	75	74	323	0.01	0	0	0	0	0
2017	37,252	0	59	1,057	1,139	38,391	20,875	17,515	3,503	3,256	3,036	2,841	2,665	14,012	0.67	59	55	51	48	45
2018	38,645	0	51	912	1,002	39,647	17,745	21,902	4,380	3,877	3,452	3,089	2,777	17,522	0.99	422	373	332	297	267
2019	38,575	0	45	795	892	39,466	15,084	24,382	4,876	4,111	3,493	2,990	2,576	19,505	1.29	1,971	1,662	1,412	1,209	1,041
2020	35,003	0	39	699	799	35,802	12,823	22,979	4,596	3,690	2,993	2,450	2,023	18,383	1.43	2,630	2,112	1,713	1,402	1,158
2021	31,927	0	35	619	721	32,549	10,900	21,749	4,350	3,326	2,575	2,017	1,596	17,399	1.60	3,111	2,379	1,842	1,442	1,141
2022	27,940	0	31	550	654	28,595	9,266	19,329	3,866	2,815	2,081	1,558	1,182	15,463	1.67	3,014	2,195	1,622	1,215	921
2023	25,571	0	28	491	596	26,167	7,877	18,290	3,658	2,537	1,790	1,282	932	14,632	1.86	3,258	2,259	1,594	1,142	830
2024	22,773	0	24	434	537	23,310	6,696	16,614	3,323	2,195	1,478	1,013	705	13,292	1.99	3,146	2,078	1,399	959	668
2025	20,366	0	22	391	494	20,860	5,692	15,168	3,034	1,908	1,227	804	537	12,134	2.13	3,010	1,894	1,217	798	533
2026	18,123	0	19	342	441	18,564	4,839	13,725	2,745	1,645	1,009	633	405	10,980	2.27	2,899	1,737	1,066	668	427
2027	16,024	0	17	307	403	16,427	4,114	12,314	2,463	1,405	823	494	303	9,851	2.39	2,735	1,561	914	548	336
2028	14,315	0	15	263	352	14,667	3,490	11,177	2,235	1,215	679	390	229	8,941	2.56	2,717	1,477	826	474	278
2029	12,773	0	13	238	325	13,098	2,967	10,131	2,026	1,049	560	307	173	8,105	2.73	2,650	1,372	732	402	226
2030	11,367	0	12	215	300	11,667	2,499	9,168	1,834	904	460	242	130	7,335	2.94	2,555	1,259	641	337	182
2031	9,624	0	11	190	269	9,893	2,064	7,830	1,566	735	357	179	93	6,264	3.04	2,217	1,041	506	254	131
2032	7,965	0	9	159	230	8,195	1,710	6,485	1,297	580	269	129	64	5,188	3.03	1,790	800	372	178	88
2033	7,631	0	8	142	210	7,840	1,453	6,387	1,277	544	241	111	53	5,110	3.52	1,878	800	354	163	77
2034	6,800	0	7	129	195	6,996	1,235	5,760	1,152	467	198	87	40	4,608	3.73	1,754	711	301	132	60
2035	6,021	0	7	118	182	6,203	1,050	5,153	1,031	398	161	68	29	4,123	3.93	1,617	625	252	106	46
2036	4,972	0	6	108	170	5,141	893	4,249	850	313	120	48	20	3,399	3.81	1,339	493	190	76	32
2037	4,110	0	6	99	158	4,268	759	3,509	702	246	90	35	14	2,807	3.70	1,116	391	144	55	22
2038	3,377	0	5	85	140	3,517	645	2,872	574	192	67	25	9	2,297	3.56	902	301	106	39	15
2039	2,683	0	4	78	130	2,813	548	2,265	453	144	48	17	6	1,812	3.31	696	221	74	26	10
2040	2,051	0	3	60	102	2,153	435	1,718	344	104	33	11	4	1,375	3.16	495	150	48	16	6
2041	1,578	0	3	55	95	1,673	329	1,344	269	77	24	8	3	1,075	3.27	365	105	32	10	3
2042	1,140	0	3	50	89	1,229	273	994	199	55	16	5	2	796	2.92	273	75	22	7	2
2043	1,331	0	2	41	74	1,405	232	1,174	235	61	17	5	2	939	4.05	361	94	26	8	2
2044	1,005	0	2	38	69	1,074	197	877	175	44	12	3	1	702	3.56	249	62	16	5	1
2045	774	0	2	29	54	829	167	661	132	31	8	2	1	529	3.16	175	41	11	3	1
2046	616	0	1	21	40	656	142	514	103	23	6	1	0	411	2.69	137	31	8	2	1
2047	466	0	1	19	38	504	121	383	77	16	4	1	0	307	2.54	106	23	5	1	0
2048	326	0	1	18	36	362	103	259	52	11	2	1	0	207	2.01	76	16	3	1	0
2049	194	0	1	17	34	228	70	157	31	6	1	0	0	126	1.79	47	9	2	0	0
2050	(28)	0	1	15	32	4	20	0	0	0	0	0	0	0	0.00	0	0	0	0	0
2051	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0	0	0	0	0
Total	**389,212**	**50,000**	**591**	**10,574**	**62,887**	**452,100**	**164,715**	**287,439**	**57,488**	**37,979**	**27,330**	**20,845**	**16,573**	**229,951**		**49,772**	**28,400**	**17,833**	**12,024**	**8,554**
			0.07	1.29																
			0.05	0.89																

Note: Production Contract of Kariman expires on September 09, 2036

Non-Taxable deduction of Sale Cost (US$0.07/Bbl in 2016 and US$0.05/Bbl in 2017 and after) and of transportation discount (US$1.29/Bbl in 2016 and US$0.89/BBL in 2017 and after) are for export oil.

Chapman Petroleum Engineering Ltd.

2016-03-03 Corp-Table 3e-PR.xlsx

Table 3e
Page 1

Forecast price &Costs

MIE Holdings Corporation
ADEK Block, Kazakhstan
Company Cost and Cash Flow Analysis
Total Proved Plus Probable Consolidation

Year	Well Count	oil Production MSTB	Gas Production MMscf	Oil + Gas Production MBOE	Net Revenue Before Opex & Capex M$/yr.	Opex Cost Schedule: Oil Fixed M$/yr.	Oil Variable M$/yr.	Gas Cost M$/yr.	Total Opex M$/yr.	Total Capital M$/yr.	Abandon-ment Cost M$/yr.	Escalculated Opex, Capex and ABN M$/yr.	Undiscounted Net Cash Flow (Profit) M$/yr.	Discounted @ 5% M$/yr.	10% M$/yr.	15% M$/yr.	20% M$/yr.	Undiscounted Net Cash Flow After CIT & EPT M$/yr.
2016	22	1,876	2,592	2,308	44,407	6,512	6,361	1,296	14,169	61,400	0	75,569	(31,162)	(30,411)	(29,712)	(29,059)	(28,447)	(31,243)
2017	23	1,810	2,336	2,200	66,527	6,808	6,137	1,168	14,113	12,100	0	26,738	39,789	36,981	34,489	32,264	30,269	33,641
2018	36	3,373	2,728	3,828	141,015	10,656	11,434	1,364	23,454	22,550	0	47,862	93,153	82,456	73,403	65,683	59,053	46,413
2019	48	4,460	5,103	5,311	215,414	14,208	15,120	2,551	31,880	15,600	0	48,263	167,151	140,911	119,738	102,486	88,303	79,787
2020	51	4,315	6,396	5,381	219,988	15,096	14,628	3,198	32,922	45,900	0	85,320	134,668	108,122	87,699	71,800	59,286	57,535
2021	61	4,793	7,998	6,126	257,454	18,056	16,250	3,999	38,305	25,500	0	70,446	187,008	142,995	110,714	86,701	68,606	84,008
2022	65	4,988	7,156	6,181	269,711	19,240	16,911	3,578	39,729	20,900	0	68,278	201,433	146,690	108,412	81,207	61,582	89,129
2023	69	5,623	6,652	6,732	316,805	20,424	19,063	3,326	42,813	21,200	100	73,645	243,160	168,644	118,972	85,243	61,949	100,738
2024	70	6,016	6,311	7,068	345,886	20,720	20,394	3,156	44,270	14,800	50	69,269	276,618	182,714	123,039	84,324	58,727	111,812
2025	71	5,649	5,819	6,618	332,430	21,016	19,149	2,909	43,074	3,100	100	55,302	277,128	174,334	112,060	73,460	49,030	113,237
2026	69	5,361	4,973	6,190	321,999	20,424	18,173	2,486	41,084	900	50	51,239	270,760	162,217	99,532	62,411	39,919	108,105
2027	68	4,691	4,166	5,385	287,521	20,128	15,902	2,083	38,114	3,200	200	51,617	235,904	134,604	78,835	47,284	28,984	93,103
2028	64	4,354	3,511	4,939	272,538	18,944	14,761	1,756	35,460	1,600	0	47,001	225,536	122,560	68,518	39,309	23,091	87,760
2029	64	4,080	3,410	4,649	261,195	18,944	13,832	1,705	34,481	400	50	45,187	216,007	111,793	59,658	32,738	18,430	82,611
2030	63	3,558	2,899	4,041	232,982	18,648	12,063	1,450	32,160	1,200	250	44,348	188,634	92,977	47,362	24,860	13,412	71,315
2031	58	3,293	2,478	3,706	219,858	17,168	11,163	1,239	29,570	1,200	200	41,682	178,176	83,640	40,669	20,419	10,557	66,071
2032	54	2,946	2,104	3,297	197,800	15,984	9,988	1,052	27,024	2,400	50	40,461	157,339	70,342	32,648	15,679	7,769	57,588
2033	53	2,900	2,035	3,239	199,048	15,688	9,832	1,017	26,538	400	250	38,069	160,979	68,542	30,367	13,949	6,624	58,116
2034	48	2,529	1,751	2,821	177,380	14,208	8,572	876	23,656	800	100	35,072	142,309	57,707	24,404	10,723	4,880	50,909
2035	46	2,323	1,662	2,600	166,633	13,616	7,875	831	22,322	0	150	32,738	133,895	51,710	20,874	8,773	3,826	47,540
2036	43	1,986	1,389	2,217	140,910	12,728	6,731	695	20,154	400	50	30,616	110,294	40,567	15,632	6,284	2,626	39,077
2037	42	1,961	1,294	2,177	139,085	12,432	6,647	647	19,727	800	150	31,339	107,746	37,742	13,882	5,338	2,138	37,326
2038	39	2,017	1,230	2,222	142,960	11,544	6,837	615	18,996	0	250	29,754	113,205	37,767	13,260	4,877	1,872	38,759
2039	34	1,709	1,050	1,878	120,689	10,064	5,772	525	16,361	800	200	27,376	93,313	29,648	9,936	3,496	1,286	31,638
2040	30	1,671	973	1,833	118,419	8,880	5,666	486	15,032	0	150	24,420	93,999	28,444	9,099	3,062	1,079	31,838
2041	27	1,405	809	1,540	99,547	7,992	4,763	405	13,160	0	200	21,918	77,629	22,372	6,831	2,199	743	26,324
2042	23	1,156	653	1,265	81,903	6,808	3,920	326	11,054	0	200	18,833	63,071	17,311	5,046	1,554	503	21,457
2043	19	965	541	1,056	68,382	5,624	3,273	271	9,167	0	0	15,648	52,734	13,784	3,835	1,130	350	17,956
2044	19	825	466	903	58,470	5,624	2,798	233	8,655	0	250	15,505	42,965	10,696	2,841	800	238	14,647
2045	14	670	362	730	47,451	4,144	2,272	181	6,597	0	50	11,803	35,648	8,452	2,143	577	165	12,189
2046	13	563	309	614	39,845	3,848	1,907	154	5,910	0	0	10,705	29,141	6,580	1,592	410	112	9,985
2047	13	482	267	527	34,155	3,848	1,635	134	5,617	0	0	10,377	23,778	5,113	1,181	291	76	8,156
2048	13	415	233	453	29,364	3,848	1,405	117	5,370	0	50	10,214	19,150	3,922	865	204	51	6,447
2049	12	341	198	374	24,176	3,552	1,157	99	4,808	0	50	9,358	14,818	2,894	609	137	33	5,009
2050	11	277	166	305	19,650	3,256	940	83	4,279	0	300	8,978	10,672	1,983	398	86	20	3,407
2051	5	173	97	189	12,229	1,480	585	49	2,114	0	150	4,527	7,702	1,363	261	54	12	2,397
2052	2	123	56	132	8,678	592	416	28	1,036	0	0	2,113	6,565	1,106	202	40	8	2,275
2053	2	106	49	114	7,501	592	360	24	976	0	0	2,031	5,471	878	153	29	6	1,894
2054	2	92	43	99	6,489	592	311	21	924	0	0	1,962	4,527	692	115	21	4	1,567
2055	2	79	37	86	5,616	592	269	19	880	0	50	2,013	3,604	525	84	14	3	1,250
2056	1	57	21	60	3,997	296	192	11	498	0	0	1,101	2,896	401	61	10	2	978
2057	1	48	18	52	3,424	296	164	9	469	0	0	1,057	2,367	312	45	7	1	799
2058	1	42	16	44	2,934	296	141	8	445	0	0	1,021	1,912	240	33	5	1	646
2059	1	36	13	38	2,514	296	121	7	423	0	0	992	1,522	182	24	3	1	515
2060	1	17	6	18	1,215	296	58	3	358	0	50	974	241	27	3	0	0	117
2061	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total		96,150	92,381	111,547	5,766,196	436,008	325,948	46,191	808,147	255,150	3,700	1,342,720	4,423,475	2,382,530	1,449,815	960,884	677,177	1,724,828
						296.00 M$/yr/well	$3.39 $/STB	0.50 $/Mcf										

Note: Production Contract of Kariman expires on September 09, 2036

Chapman Petroleum Engineering Ltd.

Table 3e
Page 2

Forecast price &Costs

MIE Holdings Corporation

ADEK Block, Kazakhstan

Corporate Income Tax (CIT) and Excess Profit Tax (EPT)
January 1, 2016
(As of December 31, 2015)

Total Proved Plus Probable Consolidation

Year	Net Cash Flow (after Opex & Capex) $M	Total Capital $M	Non-deduct Sales $M	Non-deduct Transp. $M	Escalcullated Non-deduct Capital M$/yr.	Taxable Income Before $M	Capital Deductions $M	Taxable Income $M	**Corporate Income Tax $M**	Discounted @ 5% $	Discounted @ 10% $	Discounted @ 15% $	Discounted @ 20% $	Net Income $M	EPT Ratio	**EPT Amount $M**	Discounted @ 5% $	Discounted @ 10% $	Discounted @ 15% $	Discounted @ 20% $
2015																				
2016	(31,152)	61,400	117	2,154	63,671	32,509	32,105	404	81	79	77	75	74	323	0.01	0	0	0	0	0
2017	39,789	12,100	81	1,434	13,687	53,676	25,816	27,860	5,572	5,179	4,830	4,518	4,239	22,288	0.86	576	536	500	467	439
2018	93,153	22,550	150	2,672	26,397	119,550	26,962	92,587	18,517	16,391	14,591	13,057	11,739	74,070	2.75	28,222	24,982	22,239	19,900	17,891
2019	167,151	13,600	198	3,533	18,392	185,543	24,955	160,588	32,118	27,076	23,007	19,692	16,967	128,470	5.15	55,246	46,574	39,576	33,874	29,186
2020	134,668	45,900	192	3,418	53,591	188,259	33,952	154,307	30,861	24,778	20,098	16,454	13,586	123,446	3.64	46,272	37,150	30,133	24,670	20,370
2021	187,008	25,500	213	3,797	32,582	219,590	29,853	189,737	37,947	29,016	22,466	17,593	13,921	151,790	5.08	65,053	49,743	38,513	30,160	23,866
2022	201,433	20,900	222	3,951	28,237	229,669	28,213	201,456	40,291	29,341	21,685	16,243	12,318	161,165	5.71	72,013	52,442	38,758	29,032	22,016
2023	243,160	21,200	250	4,454	29,756	272,916	27,756	245,159	49,032	34,006	23,990	17,189	12,492	196,128	7.07	93,390	64,771	45,694	32,739	23,793
2024	276,618	14,800	258	4,765	23,238	299,855	25,142	274,713	54,943	36,291	24,438	16,749	11,665	219,771	8.74	109,863	72,568	48,867	33,490	23,324
2025	277,128	3,100	251	4,474	9,352	286,481	19,881	266,599	53,320	33,542	21,560	14,134	9,433	213,280	10.73	110,572	69,558	44,711	29,310	19,562
2026	270,760	900	239	4,246	6,564	277,325	16,672	260,652	52,130	31,232	19,163	12,016	7,686	208,522	12.51	110,525	66,217	40,629	25,476	16,295
2027	235,904	3,200	209	3,716	8,858	244,763	15,201	229,562	45,912	26,197	15,343	9,202	5,641	183,650	12.08	96,889	55,284	32,379	19,420	11,904
2028	225,536	1,600	194	3,449	6,649	232,185	12,932	219,253	43,851	23,829	13,322	7,643	4,490	175,402	13.56	93,925	51,041	28,535	16,370	9,617
2029	216,007	400	162	3,232	4,933	220,941	10,843	210,097	42,019	21,747	11,605	6,366	3,585	168,078	15.50	91,376	47,291	25,237	13,849	7,796
2030	188,634	1,200	158	2,819	5,511	194,145	9,614	184,531	36,906	18,191	9,266	4,864	2,624	147,625	15.35	80,413	39,635	20,190	10,598	5,717
2031	178,176	1,200	147	2,608	5,323	183,499	8,419	175,080	35,016	16,437	7,992	4,013	2,075	140,064	16.64	77,090	36,188	17,596	8,834	4,568
2032	157,339	2,400	131	2,334	6,678	164,017	7,883	156,134	31,227	13,961	6,480	3,112	1,542	124,907	15.85	68,524	30,635	14,219	6,829	3,383
2033	160,979	400	129	2,297	3,958	164,937	6,182	158,755	31,751	13,519	5,989	2,751	1,306	127,004	20.54	71,112	30,278	13,414	6,162	2,926
2034	142,309	800	113	2,003	4,164	146,473	5,386	141,087	28,217	11,442	4,839	2,126	968	112,869	20.95	63,183	25,621	10,835	4,761	2,166
2035	133,895	0	103	1,840	2,831	136,726	4,267	132,460	26,492	10,231	4,130	1,736	757	105,968	24.83	59,864	23,119	9,333	3,922	1,711
2036	110,294	400	88	1,573	3,063	113,357	3,772	109,585	21,917	8,061	3,105	1,249	522	87,668	23.24	49,300	18,133	6,987	2,809	1,174
2037	107,746	800	87	1,553	3,699	111,445	3,449	107,996	21,599	7,566	2,783	1,070	429	86,397	25.05	48,821	17,101	6,290	2,419	969
2038	113,205	0	90	1,598	2,609	115,814	2,770	113,044	22,609	7,543	2,648	974	374	90,435	32.65	51,838	17,294	6,072	2,233	857
2039	93,313	800	76	1,349	3,506	96,821	2,677	94,143	18,829	5,982	2,005	705	259	75,315	28.13	42,846	13,613	4,562	1,605	590
2040	93,999	0	74	1,324	2,249	96,248	2,114	94,134	18,827	5,697	1,822	613	216	75,307	35.62	43,334	13,113	4,195	1,412	498
2041	77,629	0	63	1,113	1,929	79,558	1,797	77,760	15,552	4,482	1,369	441	149	62,208	34.62	35,753	10,303	3,146	1,013	342
2042	63,071	0	51	916	1,619	64,689	1,528	63,162	12,632	3,467	1,011	311	101	50,529	33.08	28,981	7,954	2,319	714	231
2043	52,734	0	43	765	1,379	54,113	1,298	52,814	10,563	2,761	768	226	70	42,251	32.54	24,215	6,330	1,761	519	161
2044	42,965	0	37	654	1,202	44,167	1,104	43,064	8,613	2,144	569	160	48	34,451	31.22	19,705	4,905	1,303	367	109
2045	35,648	0	30	531	996	36,644	938	35,705	7,141	1,693	429	116	33	28,564	30.45	16,316	3,869	981	264	75
2046	29,141	0	25	446	853	29,993	797	29,196	5,839	1,318	319	82	22	23,357	29.29	13,316	3,007	728	188	51
2047	23,778	0	21	382	745	24,523	678	23,846	4,769	1,026	237	58	15	19,077	28.15	10,853	2,334	539	133	35
2048	19,150	0	18	328	654	19,803	537	19,371	3,874	793	175	41	10	15,497	28.86	8,828	1,808	399	94	24
2049	14,838	0	15	270	549	15,387	456	14,930	2,986	582	123	28	7	11,944	26.17	6,843	1,335	281	63	15
2050	10,672	0	12	220	455	11,127	282	11,048	2,210	410	82	18	4	8,838	31.36	5,056	939	189	41	9
2051	7,702	0	8	137	289	7,991	240	8,109	1,622	287	55	11	3	6,487	27.08	3,683	652	125	26	6
2052	6,565	0	5	97	209	6,774	204	6,571	1,314	221	41	8	2	5,257	25.82	2,976	501	92	18	4
2053	5,471	0	5	84	185	5,655	173	5,482	1,096	176	31	6	1	4,386	25.34	2,480	398	70	13	3
2054	4,527	0	4	73	163	4,690	147	4,543	909	139	23	4	1	3,634	24.71	2,052	314	52	9	2
2055	3,604	0	4	63	144	3,747	125	3,622	724	105	17	3	1	2,898	23.18	1,629	237	38	7	1
2056	2,896	0	3	45	105	3,001	79	2,922	584	81	12	2	0	2,338	29.73	1,334	185	26	5	1
2057	2,367	0	2	38	91	2,458	67	2,391	478	63	9	1	0	1,913	28.62	1,089	144	21	3	1
2058	1,912	0	2	33	80	1,992	57	1,935	387	49	7	1	0	1,548	27.25	879	111	15	2	0
2059	1,522	0	2	28	70	1,592	48	1,543	309	37	5	1	0	1,235	25.57	699	84	11	2	0
2060	241	0	1	14	34	275	41	234	47	5	1	0	0	187	4.56	76	9	1	0	0
2061	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0	0	0	0	0
Total	**4,423,475**	**255,150**	**3,635**	**64,769**	**381,448**	**4,804,923**	**397,414**	**4,408,174**	**881,535**	**477,098**	**292,443**	**195,591**	**139,300**	**3,526,539**		**1,817,012**	**948,304**	**561,559**	**363,822**	**251,687**
			0.07	1.29																
			0.05	0.89																

Note: Production Contract of Kariman expires on September 09, 2036
Non-Taxable deduction of Sale Cost (US$0.07/Bbl in 2016 and US$0.05/Bbl in 2017 and after) and of transportation discount (US$1.29/Bbl in 2016 and US$0.89/BBL in 2017 and after) are for export oil.

2016-03-03

Corp-Table 3f-PPP.xlsx

Table 3f
Page 1

Forecast Prices & Costs

MIE Holdings Corporation
ADEK Block, Kazakhstan
Company Cost and Cash Flow Analysis
Total Proved Plus Probable Plus Possible Consolidation

Year	Well Count	Oil Production MSTB	Gas Production MMscf	Oil + Gas Production MBOE	Net Revenue Before Opex & Capex M$/yr.	Opex Cost Schedule: Oil Fixed M$/yr.	Oil Variable M$/yr.	Gas Cost M$/yr.	Total Opex M$/yr.	Total Capital M$/yr.	Abandonment Cost M$/yr.	Escalated Opex, Capex and ABN M$/yr.	Undiscounted Net Cash Flow (Profit) M$/yr.	Discounted @ 5% M$/yr.	10% M$/yr.	15% M$/yr.	20% M$/yr.	Undiscounted Net Cash Flow After CIT & EPT M$/yr.
2016	22	1,797	2,455	2,206	42,505	6,512	6,092	1,227	13,832	55,100	0	68,932	(26,427)	(25,790)	(25,197)	(24,643)	(24,124)	(26,508)
2017	23	1,722	2,183	2,086	63,245	6,808	5,838	1,092	13,738	12,100	0	26,355	36,891	34,287	31,976	29,914	28,064	31,198
2018	36	3,297	2,596	3,729	137,673	10,656	11,175	1,298	23,130	22,550	0	47,525	90,148	79,797	71,036	63,564	57,149	43,800
2019	46	4,406	5,045	5,247	212,739	13,616	14,936	2,523	31,074	14,500	0	48,364	164,375	138,571	117,750	100,784	86,836	78,068
2020	49	4,284	6,534	5,373	218,557	14,504	14,522	3,267	32,293	52,600	0	91,891	126,665	101,697	82,488	67,533	55,763	53,261
2021	59	4,889	8,387	6,287	262,881	17,464	16,573	4,193	38,230	38,400	0	84,606	178,275	136,317	105,544	82,652	65,403	78,953
2022	66	5,666	8,532	7,088	307,298	19,536	19,206	4,266	43,008	32,900	0	85,485	221,812	161,531	119,380	89,423	67,812	95,371
2023	73	6,753	8,305	8,137	377,045	21,608	22,893	4,153	48,654	21,200	100	80,355	296,690	205,771	145,164	104,009	75,586	121,919
2024	74	7,044	7,750	8,336	401,488	21,904	23,880	3,875	49,659	18,800	50	80,269	321,219	212,174	142,877	97,920	68,196	128,470
2025	77	6,676	7,102	7,859	389,192	22,792	22,631	3,551	48,974	7,500	100	67,611	321,581	202,298	130,035	85,243	56,894	129,867
2026	76	6,404	6,180	7,434	381,099	22,496	21,710	3,090	47,296	1,400	50	59,421	321,679	192,724	118,249	74,147	47,426	127,996
2027	75	5,701	5,186	6,565	344,967	22,200	19,327	2,593	44,119	4,900	200	61,198	283,769	161,915	94,831	56,877	34,864	111,136
2028	71	5,521	4,483	6,268	337,085	21,016	18,717	2,241	41,975	2,900	0	56,912	280,174	152,251	85,117	48,833	28,685	107,696
2029	71	5,477	4,342	6,200	350,361	21,016	18,566	2,171	41,753	2,300	0	56,987	293,374	151,833	81,025	44,463	25,031	109,202
2030	71	5,127	4,263	5,837	335,794	21,016	17,380	2,132	40,528	3,600	150	58,424	277,371	136,715	69,641	36,555	19,721	101,369
2031	68	5,069	4,304	5,786	338,989	20,128	17,183	2,152	39,463	2,200	200	56,343	282,647	132,681	64,515	32,291	16,747	101,306
2032	64	4,691	3,697	5,308	315,398	18,944	15,904	1,849	36,696	3,400	200	55,318	260,080	116,274	53,967	25,917	12,842	91,696
2033	60	4,530	3,307	5,082	311,133	17,760	15,358	1,653	34,771	1,200	250	50,719	260,414	110,880	49,124	22,566	10,715	91,116
2034	56	4,158	3,099	4,675	291,978	16,576	14,096	1,550	32,221	2,400	100	49,590	242,388	98,290	41,567	18,264	8,511	83,565
2035	54	3,907	3,040	4,414	280,577	15,984	13,246	1,520	30,750	0	150	45,015	235,562	90,973	36,724	15,456	6,751	81,240
2036	51	3,367	2,580	3,797	239,262	15,096	11,415	1,290	27,802	400	50	41,980	197,282	72,562	27,960	11,240	4,698	67,853
2037	50	3,174	2,328	3,562	225,433	14,800	10,761	1,164	26,725	800	150	41,945	183,488	64,274	23,641	9,091	3,641	62,309
2038	47	3,078	2,125	3,433	218,483	13,912	10,435	1,063	25,410	0	250	39,670	178,813	59,654	20,944	7,704	2,957	60,343
2039	42	2,633	1,826	2,937	186,855	12,432	8,924	913	22,269	1,200	200	37,324	149,530	47,510	15,922	5,602	2,069	49,910
2040	38	2,511	1,705	2,795	178,206	11,248	8,513	853	20,614	400	50	33,880	144,326	43,672	13,971	4,702	1,657	48,176
2041	37	2,187	1,517	2,440	155,248	10,952	7,415	759	19,126	400	100	32,198	123,051	35,461	10,829	3,486	1,178	41,032
2042	35	1,887	1,346	2,111	133,986	10,360	6,398	673	17,431	0	200	29,503	104,483	28,677	8,359	2,574	833	35,034
2043	31	1,575	1,135	1,764	111,803	9,176	5,338	568	15,081	0	0	25,742	86,061	22,496	6,259	1,843	572	28,897
2044	31	1,360	982	1,524	96,580	9,176	4,611	491	14,278	0	250	25,294	71,286	17,746	4,713	1,328	395	23,918
2045	26	1,134	809	1,269	80,524	7,696	3,845	404	11,945	0	100	21,391	59,133	14,020	3,554	958	273	19,863
2046	24	965	697	1,081	68,516	7,104	3,271	348	10,723	0	50	19,515	49,002	11,065	2,678	690	188	16,459
2047	23	824	601	924	58,499	6,808	2,793	300	9,901	0	0	18,293	40,206	8,646	1,997	492	129	13,507
2048	23	704	503	788	50,014	6,808	2,588	251	9,447	0	100	17,992	32,022	6,558	1,446	341	86	10,773
2049	21	572	386	636	39,724	6,216	1,939	193	8,348	0	150	16,335	23,388	4,562	960	217	52	7,948
2050	18	469	307	520	32,498	5,328	1,590	154	7,071	0	250	14,355	18,143	3,370	677	146	34	6,208
2051	13	350	234	389	24,181	3,848	1,188	117	5,153	0	50	10,405	13,776	2,437	467	96	21	4,796
2052	12	290	201	323	20,041	3,552	983	100	4,636	0	150	9,762	10,279	1,732	317	63	13	3,621
2053	9	221	145	246	15,221	2,664	751	73	3,487	0	200	7,672	7,549	1,211	212	40	8	2,624
2054	5	141	81	155	9,693	1,480	479	40	1,999	0	50	4,349	5,344	817	136	25	5	1,808
2055	4	110	56	119	7,553	1,184	373	28	1,585	0	100	3,647	3,906	569	91	16	3	1,263
2056	2	76	24	80	5,154	592	257	12	861	0	0	1,902	3,252	451	69	11	2	1,109
2057	2	66	21	69	4,464	592	223	10	826	0	0	1,859	2,605	344	50	8	1	888
2058	2	57	18	60	3,869	592	194	9	795	0	0	1,826	2,043	257	36	5	1	697
2059	2	50	15	52	3,354	592	168	8	768	0	0	1,799	1,555	186	25	4	1	532
2060	2	30	8	31	1,970	592	101	4	697	0	100	1,905	65	7	1	0	0	(53)
2061	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total		**124,952**	**120,439**	**145,025**	**7,671,138**	**515,336**	**423,587**	**60,220**	**999,142**	**303,150**	**4,100**	**1,691,864**	**5,979,274**	**3,039,473**	**1,761,125**	**1,122,527**	**767,459**	**2,250,233**
						296.00 M$/yr/well	$3.39 $/STB	0.50 $/Mcf										

Note: Production Contract of Kariman expires on September 09, 2036

2016-03-03

Table 3f
Page 2

Corp-Table 3f-PPP.xlsx

Forecast price &Costs

MIE Holdings Corporation

ADEK Block, Kazakhstan

Corporate Income Tax (CIT) and Excess Profit Tax (EPT)
January 1, 2016
(As of December 31, 2015)
Total Proved Plus Probable Plus Possible Consolidation

Year	Net Cash Flow (after Opex & $M	Total Capital M$/yr.	Non-deduct Sales $M	Non-deduct Transp. $M	Escalculated Non-deduct Capital M$/yr.	Taxable Income Before $M	Capital Deductions $M	Taxable Income $M	Corporate Income Tax $M	Discounted @ 5% $	Discounted @ 10% $	Discounted @ 15% $	Discounted @ 20% $	Net Income $M	EPT Ratio	EPT Amount $M	Discounted @ 5% $	Discounted @ 10% $	Discounted @ 15% $	Discounted @ 20% $
2015																				
2016	(26,427)	55,100	112	2,063	57,275	30,848	30,444	404	81	79	77	75	74	323	0.01	0	0	0	0	0
2017	36,891	12,100	77	1,364	13,812	50,702	25,120	25,582	5,116	4,755	4,435	4,149	3,892	20,465	0.81	576	536	500	467	439
2018	90,148	22,550	147	2,611	26,330	116,479	25,846	90,633	18,127	16,045	14,283	12,781	11,491	72,506	2.81	28,222	24,982	22,239	19,990	17,891
2019	164,375	14,500	196	3,490	19,299	183,674	24,818	158,856	31,771	26,784	22,759	19,480	16,784	127,085	5.12	54,536	45,975	39,067	33,438	28,810
2020	126,665	52,600	191	3,393	60,815	187,481	35,868	151,613	30,323	24,345	19,747	16,167	13,349	121,291	3.38	43,081	34,589	28,056	22,969	18,966
2021	178,275	38,400	218	3,872	46,912	225,188	34,666	190,522	38,104	29,136	22,559	17,666	13,979	152,417	4.40	61,218	46,810	36,243	28,382	22,459
2022	221,812	32,900	252	4,488	42,389	264,201	34,222	229,979	45,996	33,496	24,755	18,543	14,062	183,983	5.38	80,446	58,583	43,296	32,432	24,594
2023	296,690	21,200	301	5,349	30,842	327,532	30,837	296,695	59,339	41,155	29,033	20,802	15,118	237,356	7.70	115,432	80,058	56,478	40,466	29,408
2024	321,219	18,800	313	5,580	28,932	350,151	29,166	320,985	64,197	42,404	28,555	19,570	13,629	256,788	8.80	128,552	84,912	57,180	39,187	27,292
2025	321,581	7,500	297	5,288	15,638	337,218	24,176	313,042	62,608	39,385	25,316	16,596	11,077	250,434	10.36	129,106	81,217	52,205	34,223	22,641
2026	321,679	1,400	285	5,073	8,237	329,916	19,717	310,199	62,040	37,169	22,806	14,300	9,147	248,159	12.59	131,643	78,870	48,392	30,344	19,409
2027	283,769	4,900	254	4,516	12,023	295,791	18,332	277,460	55,492	31,663	18,544	11,123	6,818	221,968	12.11	117,141	66,839	39,146	23,479	14,392
2028	280,174	2,900	246	4,373	9,536	289,710	15,771	273,938	54,788	29,773	16,645	9,549	5,609	219,151	13.90	117,691	63,955	35,755	20,512	12,050
2029	293,374	2,300	244	4,338	8,902	302,277	13,747	288,530	57,706	29,865	15,937	8,746	4,924	230,824	16.79	126,466	65,451	34,928	19,167	10,790
2030	277,371	3,600	228	4,061	10,410	287,780	12,663	275,117	55,023	27,121	13,815	7,252	3,912	220,094	17.38	120,978	59,629	30,375	15,944	8,602
2031	282,647	2,200	226	4,015	8,668	291,315	10,940	280,375	56,075	26,323	12,799	6,426	3,322	224,300	20.50	125,265	58,803	28,592	14,355	7,422
2032	260,080	3,400	239	3,716	10,055	270,136	10,227	259,908	51,982	23,239	10,786	5,180	2,567	207,927	20.33	116,403	52,040	24,154	11,600	5,747
2033	260,414	1,200	232	3,589	6,987	267,402	8,266	259,136	51,827	22,067	9,777	4,491	2,132	207,309	25.08	117,471	50,017	22,159	10,179	4,833
2034	242,388	2,400	135	3,294	8,396	250,784	7,642	243,142	48,628	19,719	8,339	3,664	1,667	194,513	25.45	110,195	44,685	18,897	8,303	3,778
2035	235,562	0	174	3,095	4,762	240,324	5,862	234,462	46,892	18,110	7,310	3,073	1,340	187,570	32.00	107,430	41,469	16,748	7,039	3,070
2036	197,282	400	150	2,667	4,780	202,062	5,128	196,935	39,387	14,487	5,582	2,244	938	157,548	30.73	90,042	33,118	12,761	5,130	2,144
2037	183,488	800	141	2,514	5,238	188,725	4,601	184,125	36,825	12,899	4,745	1,824	731	147,300	32.02	84,354	29,549	10,868	4,179	1,674
2038	178,613	0	137	2,438	3,981	182,794	3,749	179,045	35,809	11,946	4,194	1,543	592	143,236	38.21	82,661	27,577	9,682	3,561	1,367
2039	149,530	1,200	117	2,085	5,365	154,896	3,671	151,224	30,245	9,610	3,221	1,133	417	120,980	32.95	69,375	22,042	7,387	2,599	956
2040	144,326	400	112	1,989	4,023	148,348	3,040	145,309	29,062	8,794	2,813	947	334	116,247	38.24	67,088	20,301	6,494	2,185	770
2041	123,051	400	97	1,733	3,658	126,709	2,665	124,044	24,809	7,150	2,183	703	237	99,236	37.24	57,210	16,487	5,035	1,621	547
2042	104,483	0	64	1,495	2,642	107,125	2,184	104,941	20,988	5,760	1,679	517	167	83,953	38.44	48,460	13,301	3,877	1,194	386
2043	86,061	0	70	1,247	2,249	88,309	1,857	86,453	17,291	4,520	1,258	370	115	69,162	37.25	39,873	10,423	2,900	854	265
2044	71,286	0	61	1,077	1,961	73,266	1,578	71,690	14,338	3,569	948	267	79	57,352	36.34	33,030	8,223	2,184	615	183
2045	59,133	0	50	898	1,685	60,818	1,341	59,477	11,895	2,820	715	193	55	47,581	35.47	27,375	6,490	1,645	443	126
2046	49,002	0	43	764	1,462	50,464	1,140	49,324	9,865	2,227	539	139	38	39,459	34.61	22,678	5,121	1,239	319	87
2047	40,206	0	37	653	1,273	41,479	969	40,510	8,102	1,742	402	99	26	32,408	33.44	18,597	3,999	924	228	60
2048	32,022	0	31	558	1,111	33,132	824	32,309	6,462	1,323	292	69	17	25,847	31.38	14,787	3,029	668	157	39
2049	23,388	0	25	453	920	24,308	700	23,608	4,722	921	194	44	11	18,887	26.97	10,719	2,091	440	99	24
2050	18,143	0	21	371	769	18,912	595	18,317	3,663	681	137	29	7	14,654	24.62	8,272	1,537	309	67	15
2051	13,776	0	16	278	586	14,362	506	13,857	2,771	490	94	19	4	11,085	21.91	6,208	1,096	211	43	10
2052	10,279	0	13	230	495	10,774	430	10,344	2,069	349	64	13	3	8,275	19.24	4,589	773	142	28	6
2053	7,549	0	10	175	385	7,934	366	7,569	1,514	243	42	8	2	6,055	16.57	3,411	547	96	18	4
2054	5,344	0	6	112	251	5,595	215	5,478	1,095	167	28	5	1	4,381	20.41	2,441	373	62	11	2
2055	3,906	0	5	87	199	4,105	182	4,089	818	119	19	3	1	3,271	17.93	1,828	266	42	7	1
2056	3,252	0	3	60	140	3,392	105	3,287	657	91	14	2	0	2,629	24.99	1,486	206	31	5	1
2057	2,605	0	3	52	124	2,729	89	2,639	528	70	10	2	0	2,111	23.61	1,169	157	23	4	1
2058	2,043	0	3	45	110	2,153	76	2,077	415	52	7	1	0	1,662	21.85	930	117	16	2	0
2059	1,555	0	2	39	97	1,652	65	1,588	318	38	5	1	0	1,270	19.66	706	84	11	2	0
2060	65	0	1	24	60	124	44	231	46	5	1	0	0	185		72	8	1	0	0
2061	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0.00	0	0	0	0	0
Total	**5,979,274**	**303,150**	**4,504**	**80,235**	**473,807**	**6,453,081**	**454,450**	**5,999,043**	**1,199,809**	**612,629**	**357,387**	**229,732**	**158,594**	**4,799,234**		**2,529,232**	**1,246,356**	**701,457**	**435,761**	**291,453**
			0.07	1.29																
			0.05	0.89																

Note: Production Contract of Kariman expires on September 09, 2036
Non-Taxable deduction of Sale Cost (US$0.07/Bbl in 2016 and US$0.05/Bbl in 2017 and after) and of transportation discount (US$1.29/Bbl in 2016 and US$0.89/BBL in 2017 and after) are for export oil.

Chapman Petroleum Engineering Ltd.

Attachment 1

CHAPMAN PETROLEUM ENGINEERING LTD.
CRUDE OIL & NATURAL GAS
HISTORICAL AND CONSTANT PRICES
January 1, 2016

	Brent	B-20%	B+20%	Kazakhstan	D-20	D+20%	Kaz-Gas	G-20%	G+20%
	Brent [1]	Low Case	Hign Case	Dom. Oil [2]	Low Case	Hign Case	Gas price [3]	Low Case	Hign Case
Year	$US/STB	$US/STB	$US/STB	$US/STB	$US/STB	$US/STB	$US/Mscf	$US/STB	$US/STB
HISTORICAL PRICES									
2008	96.94			N/A			N/A		
2009	61.74			N/A			0.82		
2010	79.61			N/A			1.40		
2011	111.26			N/A			1.16		
2012	111.63			51.16			1.17		
2013	108.56			41.24			1.35		
2014	99.43			40.86			1.13		
2015	53.32			11.80			0.85		
FORECAST PRICES									
2016	46.25	37.00	55.50	9.39	7.51	11.27	0.85	0.68	1.02
2017	58.10	46.48	69.72	15.79	12.63	18.94	0.85	0.68	1.02
2018	67.50	54.00	81.00	20.86	16.69	25.03	0.85	0.68	1.02
2019	75.85	60.68	91.02	25.37	20.30	30.44	0.85	0.68	1.02
2020	78.50	62.80	94.20	26.80	21.44	32.16	0.85	0.68	1.02
2021	81.26	65.01	97.51	28.29	22.63	33.95	0.85	0.68	1.02
2022	84.03	67.22	100.83	29.78	23.83	35.74	0.85	0.68	1.02
2023	87.01	69.60	104.41	31.39	25.11	37.67	0.85	0.68	1.02
2024	88.49	70.79	106.19	32.19	25.75	38.63	0.85	0.68	1.02
2025	90.04	72.03	108.05	33.03	26.42	39.64	0.85	0.68	1.02
2026	91.60	73.28	109.91	33.87	27.10	40.64	0.85	0.68	1.02
2027	93.26	74.61	111.91	34.77	27.81	41.72	0.85	0.68	1.02
2028	94.89	75.91	113.86	35.65	28.52	42.78	0.85	0.68	1.02
2029	96.52	77.22	115.83	36.53	29.22	43.84	0.85	0.68	1.02
2030	98.27	78.62	117.92	37.47	29.98	44.97	0.85	0.68	1.02
2031	100.00	80.00	120.00	38.41	30.72	46.09	0.85	0.68	1.02
2032	101.76	81.41	122.11	39.36	31.49	47.23	0.85	0.68	1.02
2033	103.55	82.84	124.26	40.32	32.26	48.39	0.85	0.68	1.02
2034	105.38	84.30	126.45	41.31	33.05	49.57	0.85	0.68	1.02
2035	107.23	85.79	128.68	42.31	33.85	50.77	0.85	0.68	1.02
2036	109.13	87.30	130.95	43.33	34.67	52.00	0.85	0.68	1.02

Notes: [1] Brent price forecast is based on historical data (Source: Sproule and McDaniel)

[2] Kazakhstan domestic oil price forecast is based on actually domestic sales price per relationship with Brent and trend related year 2014 and 2015.

[3] Kazakhstan domestic Gas price is based on actually sales prices net of VAT in 2015 provided by clients.

GLOSSARY OF TERMS
(Abbreviations & Definitions)

General

BIT	-	Before Income Tax
AIT	-	After Income Tax
M$	-	Thousands of Dollars
Effective Date	-	The date for which the Present Value of the future cash flows and reserve categories are established
$US	-	United States Dollars
WTI	-	West Texas Intermediate – the common reference for crude oil used for oil price comparisons
ARTC	-	Alberta Royalty Tax Credit
GRP	-	Gas Reference Price

Interests and Royalties

BPO	-	Before Payout
APO	-	After Payout
APPO	-	After Project Payout
Payout	-	The point at which a participant's original capital investment is recovered from its net revenue
GORR	-	Gross Overriding Royalty – percentage of revenue on gross revenue earned (can be an interest or a burden)
NC	-	New Crown – crown royalty on petroleum and natural gas discovered after April 30, 1974
SS 1/150 (5%-15%) Oil	-	Sliding Scale Royalty – a varying gross overriding royalty based on monthly production. Percentage is calculated as 1-150th of monthly production with a minimum percentage of 5% and a maximum of 15%
FH	-	Freehold Royalty
P&NG	-	Petroleum and Natural Gas
Twp	-	Township
Rge	-	Range
Sec	-	Section

Technical Data

psia	-	Pounds per square inch absolute
MSTB	-	Thousands of Stock Tank Barrels of oil (oil volume at 60 F and 14.65 psia)
MMscf	-	Millions of standard cubic feet of gas (gas volume at 60 F and 14.65 psia)
Bbls	-	Barrels
Mbbls	-	Thousands of barrels
MMBTU	-	Millions of British Thermal Units – heating value of natural gas
STB/d	-	Stock Tank Barrels of oil per day – oil production rate
Mscf/d	-	Thousands of standard cubic feet of gas per day – gas production rate
GOR (scf/STB)	-	Gas-Oil Ratio (standard cubic feet of solution gas per stock tank barrel of oil)
mKB	-	Metres Kelly Bushing – depth of well in relation to the Kelly Bushing which is located on the floor of the drilling rig. The Kelly Bushing is the usual reference for all depth measurements during drilling operations.
EOR	-	Enhanced Oil Recovery
GJ	-	Gigajoules
Marketable or Sales Natural Gas	-	Natural gas that meets specifications for its sale, whether it occurs naturally or results from the processing of raw natural gas. Field and plant fuel and losses to the point of the sale must be excluded from the marketable quantity. The heating value of marketable natural gas may vary considerably, depending on its composition; therefore, quantities are usually expressed not only in volumes but also in terms of energy content. Reserves are always reported as marketable quantities.
NGLs	-	Natural Gas Liquids – Those hydrocarbon components that can be recovered from natural gas as liquids, including but not limited to ethane, propane, butanes, pentanes plus, condensate, and small quantities of non-hydrocarbons.
Raw Gas	-	Natural gas as it is produced from the reservoir prior to processing. It is gaseous at the conditions under which its Volume is measured or estimated and may include varying amounts of heavier hydrocarbons (that may liquefy at atmospheric conditions) and water vapour; may also contain sulphur and other non-hydrocarbon compounds. Raw natural gas is generally not suitable for end use.
EUR	-	Estimated Ultimate Recovery

MIE Holdings Corporation
a value added oil & gas partner

Feb 25, 2016

Chapman Petroleum Engineering Ltd.
445, 708 - 11 Avenue SW
Calgary, AB
T2R 0E4

Dear Sir:

Re: Company Representation Letter

Regarding the evaluation of our Company's oil and gas reserves and independent appraisal of the economic value of these reserves for the year ended December 31, 2015, (the effective date), we herein confirm to the best of our knowledge and belief as of the effective date of the reserves evaluation, and as applicable, as of today, the following representations and information made available to you during the conduct of the evaluation:

1. We, MIE Holdings Corporation, (the Client) have made available to you, Chapman Petroleum Engineering Ltd. (the Evaluator) certain records, information, and data relating to the evaluated properties that we confirm is, with the exception of immaterial items, complete and accurate as of the effective date of the reserves evaluation, including the following:
   - Accounting, financial, tax and contractual data
   - Asset ownership and related encumbrance information;
   - Details concerning product marketing, transportation and processing arrangements;
   - All technical information including geological, engineering and production and test data;
   - Estimates of future abandonment and reclamation costs.

Hong Kong
Room 521-526, 5/F
Sun Hung Kai Centre, 30 Harbour Road,
Wan Chai, Hong Kong
Phone (852) 2511 0628 • Fax (852) 2511 1983

CHINA
Suite 1501, Block C, Grand Place
5 Hui Zhong Road, Chaoyang District
Beijing 100101 P.R. China
Phone 86 (10) 5123 8111 • Fax 86 (10) 5123 8223

MIE Holdings Corporation
a value added oil & gas partner

2. We confirm that all financial and accounting information provided to you is, to the best of our knowledge, both on an individual entity basis and in total, entirely consistent with that reported by our Company for public disclosure and audit purposes.

3. We confirm that our Company has satisfactory title to all of the assets, whether tangible, intangible, or otherwise, for which accurate and current ownership information has been provided.

4. With respect to all information provided to you regarding product marketing, transportation, and processing arrangements, we confirm that we have disclosed to you all anticipated changes, terminations, and additions to these arrangements that could reasonably be expected to have a material effect on the evaluation of our Company's reserves and future net revenues.

5. With the possible exception of items of an immaterial nature, we confirm the following as of the effective date of the evaluation:
   - For all operated properties that you have evaluated, no changes have occurred or are reasonably expected to occur to the operating conditions or methods that have been used by our Company over the past twelve (12) months, except as disclosed to you. In the case of non-operated properties, we have advised you of any such changes of which we have been made aware.
   - All regulatory, permits, and licenses required to allow continuity of future operations and production from the evaluated properties are in place and, except as disclosed to you, there are no directives, orders, penalties, or regulatory rulings in effect or expected to come into effect relating to the evaluated properties.
   - Except as disclosed to you, the producing trend and status of each evaluated well or entity in effect throughout the three-month period preceding the effective date of the

Hong Kong
Room 521-526, 5/F
Sun Hung Kai Centre, 30 Harbour Road,
Wan Chai, Hong Kong
Phone (852) 2511 0628 • Fax (852) 2511 1983

CHINA
Suite 1501, Block C, Grand Place
5 Hui Zhong Road, Chaoyang District
Beijing 100101 P.R. China
Phone 86 (10) 5123 8111 • Fax 86 (10) 5123 8223

MIE Holdings Corporation
a value added oil & gas partner

evaluation are consistent with those that existed for the same well or entity immediately prior to this three-month period.

- Except as disclosed to you, we have no plans or intentions related to the ownership, development or operation of the evaluated properties that could reasonably be expected to materially affect the production levels or recovery of reserves from the evaluated properties.
- If material changes of an adverse nature occur in the Company's operating performance subsequent to the effective date and prior to the report date, we will inform you of such material changes prior to requesting your approval for any public disclosure of reserves information.

6. We hereby confirm that our Company is in material compliance with all Environmental Laws and does not have any Environmental Claims pending.

Between the effective date of the report and the date of this letter, nothing has come to our attention that has materially affected or could affect our reserves and economic value of these reserves that has not been disclosed to you.

Yours very truly,

Deputy Director of Technology Department

Hong Kong
Room 521-526, 5/F
Sun Hung Kai Centre, 30 Harbour Road,
Wan Chai, Hong Kong
Phone (852) 2511 0628 • Fax (852) 2511 1983

CHINA
Suite 1501, Block C, Grand Place
5 Hui Zhong Road, Chaoyang District
Beijing 100101 P.R. China
Phone 86 (10) 5123 8111 • Fax 86 (10) 5123 8223

1. STATEMENT OF INDEBTEDNESS

At the close of March 31, 2016, the Group had outstanding borrowings of approximately RMB4,964.1 million, comprising secured bank loans of approximately RMB552.6 million and interest bearing notes carrying at a book value of RMB4,411.5 million.

The bank loans totalling RMB121.0 million are secured by the Group's right to receive revenue allocated to the Group under Daan Production Sharing Contract ("PSC") in the Daan oilfield located in Northeast region in the PRC during respective loan agreement periods. The Group's remaining bank loans totalling RMB431.6 million were secured by the Group's bank deposits of approximately RMB463.0 million.

As at March 31, 2016, the Group had no material contingent liabilities or guarantees.

Save as aforesaid or otherwise disclosed herein, and apart from intra-group liabilities and normal trade payables in the normal course of business, at the close of business on March 31, 2016, the Group did not have any other loan capital issued and outstanding or agreed to be issued, bank overdrafts, loans or other similar indebtedness, liabilities under acceptances or acceptable credits, debentures, mortgages, charges, finance lease commitments, guarantees or other contingent liabilities.

2. WORKING CAPITAL STATEMENT

The Directors are of the opinion that, after taking into account the available financial resources, including internally generally funds, the available loan facilities and the estimated net proceeds from the Disposal, the Group will have sufficient working capital for its business for the next twelve months from the date of this circular in the absence of unforeseen circumstances.

3. FINANCIAL AND TRADING PROSPECTS OF THE GROUP

A race to pump by OPEC crude producers, US shale and Non-OPEC suppliers created an unprecedented global glut that drove oil prices to a second year of steep declines since 2014. While producers have been responding to the low price environment with various measures, the macro fundamentals appear to have carried forward into 2016 and crude oil prices are likely to remain volatile in the near term. When operating under such challenging macro environment, the Group focuses on the ability to react promptly to these drastic changes with flexibility. In 2015, the Group continued to adapt and rebalance in response to the lower commodity prices by way of managing and lowering our operating and administrative costs, while maintaining safe and reliable operations. Capital investments were significantly lowered and we expect further reductions in 2016 as we place liquidity as our top priority.

Accordingly, while the Group continue to closely monitor the development of global oil & gas market and keep abreast of attractive assets that would fit well with the Group's long term development and growth, for 2016 we shall maintain a strategy of reduced Capex, minimal drilling and work programs, as well as focusing on operational efficiency and cost reduction. We plan to drill 23 gross wells, with total budgeted Capex and cash-call approximating US$55 million. The expected net oil production is 9,240 to 10,540 barrels/day and the expected net gas production is 11,100 to 12,100 MSCF/day.

1. RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

2. DISCLOSURE OF INTERESTS

(a) Directors' and Chief Executive's Interests in Shares and Underlying Shares

As at the Latest Practicable Date, the interests or short positions of the Directors and chief executive of the Company in the Shares, underlying shares and debentures (if any) of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which they were taken or deemed to have under such provisions of the SFO), as recorded in the register maintained by the Company pursuant to section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (the "Model Code") were as follows:

Interests and short positions in the shares, underlying shares and debentures of the Company or its associated corporations

Name of Director	Capacity/ Nature of interest	Number of shares/ underlying shares interested	Approximate percentage of interest in the corporation
Mr. Zhang Ruilin	Beneficial interest	5,087,000 (L)*Note 1*	0.17%
	Family interest/interest of controlled corporation	1,626,455,234 (L)*Notes 3 and 5*	55.35%
	Parties acting in concert	7,287,000 (L)*Notes 3 and 5*	0.25%
		211,855,234 (S)*Notes 4 and 5*	7.21%
Mr. Zhao Jiangwei	Beneficial interest	7,287,000 (L)*Note 2*	0.25%
	Family interest/interest of controlled corporation	1,626,455,234 (L)*Notes 3 and 5*	55.35%
	Parties acting in concert	5,087,000 (L)*Notes 3 and 5*	0.17%
		211,855,234 (S)*Notes 4 and 5*	7.21%
Mr. Mei Jianping	Beneficial interest	1,267,933 (L)*Note 6*	0.04%
Mr. Jeffrey Willard Miller	Beneficial interest	1,811,333 (L)*Note 7*	0.06%
Mr. Andrew Sherwood Harper	Beneficial interest	3,441,000 (L)*Note 8*	0.12%

Name of Director	Capacity/ Nature of interest	Number of shares/ underlying shares interested	Approximate percentage of interest in the corporation
Mr. Tian Hongtao	Beneficial interest	5,400,000 (L)*Note 9*	0.18%
Mr. Tao Tak Yin Dexter	Beneficial interest	4,800,000 (L)*Note 10*	0.16%

Notes:

1. Mr. Zhang Ruilin beneficially owns 100,000 Shares and is interested in 4,987,000 Shares underlying the share options of the Company granted to him on September 20, 2011 and March 21, 2014, respectively.

2. Mr. Zhao Jiangwei beneficially owns 1,150,000 Shares and is interested in 6,137,000 Shares underlying the share options and awarded shares of the Company granted to him on September 20, 2011, March 21, 2014 and November 20, 2015, respectively;

3. Each of Champion International Energy Limited, Orient International Energy Limited, Power International Energy Limited and New Sun International Energy Limited is a wholly-owned subsidiary of Sunrise Glory Holdings Limited, which is in turn wholly-owned by Far East Energy Limited, the ultimate holding company of the Company. Far East Energy Limited owns through each of Champion International Energy Limited, Orient International Energy Limited, Power International Energy Limited and New Sun International Energy Limited, an aggregate of 1,414,600,000 Shares. Far East Energy Limited is held as to 9.99%, 80% and 10% by Mr. Zhang Ruilin, Ms. Zhao Jiangbo and Mr. Zhao Jiangwei, respectively.

4. As at the Latest Practicable Date, Celestial Energy Limited beneficially holds 211,855,234 Shares. Pursuant to the put and call option agreement dated November 8, 2014 and entered into among Far East Energy Limited, Mr. Zhang Ruilin, Mr. Zhao Jiangwei, Ms. Zhang Jiangbo and Celestial Energy Limited (the "2014 Option Agreement"), (i) a put option was granted by Far East Energy Limited to Celestial Energy Limited to sell up to 211,855,234 Shares; and (ii) a call option was granted by Celestial Energy Limited to Far East Energy Limited to purchase up to 84,742,094 Shares, on and subject to the terms and conditions therein. Far East Energy Limited is interested in a long position of 211,855,234 Shares pursuant to the 2014 Option Agreement. Pursuant to its obligation to deliver 211,855,234 Shares under the 2014 Option Agreement, Celestial Energy Limited has a short position of 211,855,234 Shares. As Far East Energy Limited is a party acting in concert with Celestial Energy Limited, it is deemed interested in such short position.

5. On May 24, 2013, Mr. Zhang Ruilin, Ms. Zhao Jiangbo and Mr. Zhao Jiangwei have entered into an agreement pursuant to which each of them has agreed to act in concert in relation to all matters that require the decisions of the shareholders of Far East Energy Limited ("Acting in Concert Agreement"). Therefore, by virtue of being party to the Acting In Concert Agreement, Mr. Zhao Jiangwei is deemed to be interested in (a) through the controlling interest of Ms. Zhao Jiangbo in Far East Energy Limited, in the 1,414,600,000 Shares held by Far East Energy Limited through its subsidiaries and the 211,855,234 Shares which Far East Energy Limited is interested pursuant to the 2014 Option Agreement; and (b) the 100,000 Shares beneficially owned by Mr. Zhang Ruilin and the 4,987,000 Shares underlying the share options of the Company granted to Mr. Zhang Ruilin. By virtue of being spouse to Ms. Zhao Jiangbo and party to the Acting in Concert Agreement, Mr. Zhang Ruilin is deemed interested in (a) through the controlling interest of Ms. Zhao Jiangbo in Far East Energy Limited, in the 1,414,600,000 Shares held by Far East Energy Limited through its subsidiaries and the 211,855,234 Shares which Far East Energy Limited is interested pursuant to the 2014 Option Agreement; and (b) the 1,150,000 Shares beneficially owned by Mr. Zhao Jiangwei and the 6,137,000 Shares underlying the share options and awarded shares of the Company granted to Mr. Zhao Jiangwei.

6. Mr. Mei Jianping is interested in 1,267,933 underlying Shares by virtue of the share option of the Company granted to him on November 23, 2010.

7. Mr. Jeffrey Willard Miller is interested in 1,811,333 underlying Shares by virtue of the share option of the Company granted to him on November 23, 2010.

8. Mr. Andrew Sherwood Harper is interested in 3,441,000 underlying Shares by virtue of the share option of the Company granted to him on September 20, 2011 and March 21, 2014, respectively.

9. Mr. Tian Hongtao is interested in 5,400,000 underlying Shares by virtue of the share option and awarded shares of the Company granted to him on March 21, 2014 and November 20, 2015, respectively.

10. Mr. Tao Tak Yin Dexter beneficially owns 2,400,000 Shares and is interested in 2,400,000 underlying Shares by virtue of the awarded shares of the Company granted to him on November 20, 2015.

11. "L" denotes long position in the Shares; and "S" denotes short position in the Shares.

(b) Persons who have interests or short positions which are discloseable under Divisions 2 and 3 of Part XV of the SFO

As at the Latest Practicable Date, the following persons, not being a Director or chief executive of the Company, had an interest in the shares and underlying shares of the Company as recorded in the register required to be kept under section 336 of the SFO or as required to be disclosed to the Company and the Stock Exchange under Divisions 2 and 3 of Part XV of the SFO, the details of which are set out below:

Interests and short positions in the shares and underlying shares of the Company

Name of shareholder	Nature of interest	Number of Shares held	Approximately percentage of interest in the Company
Ms. Zhao Jiangbo	Interest of controlled corporation	1,626,455,234 (L)*Notes 1 and 2*	55.35%
	Family interest	5,087,000 (L)*Note 3*	0.17%
	Parties acting in concert	7,287,000 (L)*Note 3*	0.25%
		211,855,234 (S)*Note 2*	7.21%
Champion International Energy Limited	Beneficial interest	399,070,000 (L)*Note 1*	13.58%
Orient International Energy Limited	Beneficial interest	399,070,000 (L)*Note 1*	13.58%
Power International Energy Limited	Beneficial interest	141,460,000 (L)*Note 1*	4.81%
New Sun International Energy Limited	Beneficial interest	475,000,000 (L)*Note 1*	16.16%
Sunrise Glory Holdings Limited	Interest of controlled corporation	1,414,600,000 (L)*Note 1*	48.14%

Name of shareholder	Nature of interest	Number of Shares held	Approximately percentage of interest in the Company
Far East Energy Limited	Beneficial interest	211,855,234 (L)[Note 2]	7.21%
	Interest of controlled corporation	1,414,600,000 (L)[Note 1]	48.14%
	Parties acting in concert	12,374,000 (L)[Note 4]	0.42%
		211,855,234 (S)[Note 2]	7.21%
Celestial Energy Limited	Beneficial interest	211,855,234 (L)[Note 5]	7.21%
		211,855,234 (S)[Note 2]	7.21%
	Parties acting in concert	1,426,974,000 (L)[Note 6]	48.56%
Mr. Ho Chi Sing	Interest of controlled corporation	211,855,234 (L)[Note 5]	7.21%
		211,855,234 (S)[Note 2]	7.21%
	Parties acting in concert	1,426,974,000 (L)[Note 6]	48.56%
Citigroup Inc.	Beneficial interest	176,978,724 (L)	6.02%
		50,199,827 (P)	1.71%

Notes:

1. Each of Champion International Energy Limited, Orient International Energy Limited, Power International Energy Limited and New Sun International Energy Limited is a wholly-owned subsidiary of Sunrise Glory Holdings Limited, which is in turn wholly-owned by Far East Energy Limited, the ultimate holding company of the Company. Far East Energy Limited owns, through each of Champion International Energy Limited, Orient International Energy Limited, Power International Energy Limited and New Sun International Energy Limited, an aggregate of 1,414,600,000 Shares. Far East Energy Limited is held as to 9.99%, 80% and 10% by Mr. Zhang Ruilin, Ms. Zhao Jiangbo and Mr. Zhao Jiangwei, respectively. Ms. Zhao Jiangbo, through her controlling interest in Far East Energy Limited, is deemed to be interested in the 1,414,600,000 Shares held by Far East Energy Limited through its subsidiaries.

2. Pursuant to the 2014 Option Agreement, (i) a put option was granted by Far East Energy Limited to Celestial Energy Limited to sell up to 211,855,234 Shares; and (ii) a call option was granted by Celestial Energy Limited to Far East Energy Limited to purchase up to 84,742,094 Shares, on and subject to the terms and conditions therein. Far East Energy Limited is interested in a long position of 211,855,234 Shares underlying such options granted under the 2014 Option Agreement. Pursuant to its obligation to deliver 211,855,234 Shares under the 2014 Option Agreement, Celestial Energy Limited has a short position of 211,855,234 Shares. As Far East Energy Limited is a party acting in concert with Celestial Energy Limited, it is deemed interested in such short position of Celestial Energy Limited. By virtue of her controlling interest in Far East Energy Limited, Ms. Zhao Jiangbo is therefore, deemed interested in (a) such long position of 211,855,234 Shares as well as the short position of 211,855,234 Shares of Celestial Energy Limited, in both of which Far East Energy Limited is interested.

3. As spouse of Mr. Zhang Ruilin, Ms. Zhao Jiangbo is deemed interested in the 100,000 Shares held by Mr. Zhang Ruilin and the 4,987,000 underlying Shares in which Mr. Zhang Ruilin is interested by virtue of the share options of the Company granted to him on September 20, 2011 and March 21, 2014, respectively. As party to the Acting in Concert Agreement with Mr. Zhao Jiangwei, Ms. Zhao Jiangbo is also deemed interested in the 1,150,000 Shares held by Mr. Zhao Jiangwei and the 6,137,000 underlying Shares in which Mr. Zhao Jiangwei is interested by virtue of the share option and awarded shares of the Company granted to him on September 20, 2011, March 21, 2014, and November 20, 2015, respectively.

4. By virtue of being parties acting in concert with Mr. Zhang Ruilin and Mr. Zhao Jiangwei, Far East Energy Limited is deemed interested in (a) the 100,000 Shares and (by virtue of the share options of the Company granted to Mr. Zhang Ruilin on September 20, 2011 and March 21, 2014, respectively) the 4,987,000 underlying Shares; and (b) the 1,150,000 Shares and (by virtue of the share options and awarded shares of the Company granted to Mr. Zhao Jiangwei on September 20, 2011, March 21, 2014, and November 20, 2015 respectively) the 6,137,000 underlying Shares.

5. Celestial Energy Limited beneficially owns 211,855,234 Shares. Mr. Ho Chi Sing is the sole shareholder of Celestial Energy Limited and is therefore deemed interested in such Shares held by Celestial Energy Limited.

6. As party acting in concert with Far East Energy Limited, Celestial Energy Limited is therefore deemed interested a long position of an aggregate of 1,638,829,234 Shares and underlying Shares in which Far East Energy Limited is interested and deemed interested.

7. "L" denotes long position in the Shares; "S" denotes short position in the Shares; and "P" denotes lending pool in the Shares.

Saved as disclosed above, as at the Latest Practicable Date, the Company had not been notified of any other persons (other than the Directors or chief executive of the Company) who had any interest or short position in the shares and underlying shares of the Company as recorded in the register required to be kept under Section 336 of the SFO or as required to be disclosed to the Company and the Stock Exchange under Divisions 2 and 3 of Part XV of the SFO.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors was a director or an employee of a company which had an interest or short position in the shares and underlying shares of the Company would fall to be disclosed to the Company under provisions of Divisions 2 and 3 of Part XV of the SFO.

3. COMPETING INTERESTS

As at the Latest Practicable Date, none of the Directors and their respective associates had any interest in a business, apart from the business of the Company, which competes or may compete with the business of the Company or has any other conflict of interest with the Company which would be required to be disclosed under Rule 8.10 of the Listing Rules.

4. INTEREST IN CONTRACT OR ARRANGEMENT

As at the Latest Practicable Date, none of the Directors and supervisors of the Company had any direct or indirect interest in any contract, transaction or assets which have been acquired or disposed of by, or leased to, or which are proposed to be acquired or disposed of by, or leased to, any member of the Group since December 31, 2015, being the date to which the latest published audited accounts of the Group were made up.

As at the Latest Practicable Date, so far is known to the Directors, none of the Directors and supervisors of the Company was materially interested in any contract or arrangement entered into by the Company or any of its subsidiaries which was subsisting and significant in relation to the business of the Group taken as a whole.

5. SERVICE CONTRACTS OF THE DIRECTORS

On November 20, 2009, Zhang Ruilin and Zhao Jiangwei, each an executive Director, each entered into a service contract with each of the Company and MI Energy Corporation, a wholly-owned subsidiary of the Company (''MIE''), which is renewable yearly unless terminated (i) with twelve month's notice by either party, or (ii) by the Company or MIE (as applicable) upon certain events such as the Director having committed serious or persistent breaches of the service contract. Should the Company or MIE (as applicable) terminate the service contract, Zhang Ruilin and Zhao Jiangwei will be entitled to receive a severance payment equivalent to one year's basic pay under the service contract, save for circumstances described in item (ii) above.

Save as disclosed above, as at the Latest Practicable Date, none of the Directors had any existing service contract or proposed service contract with the Group which is not determinable by the Group within one year without payment of compensation other than statutory compensation.

6. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors were not aware of any material adverse change in the financial or trading position of the Group since December 31, 2015, the date to which the latest published audited accounts of the Company were made up.

7. EXPERT AND CONSENT

The following is the qualification of the expert who has been named in this circular or have given opinion or advice contained in this circular:

Name	Qualification
Chapman Petroleum Engineering Ltd.	Competent Person

Chapman Petroleum Engineering Ltd. is referred to as the ''**Expert**'' hereinafter.

As at the Latest Practicable Date, the Expert had no shareholding in any member of the Group, nor had any right, whether legally enforceable or not, to subscribe for or to nominate persons to subscribe for securities in any member of the Group, nor had any direct or indirect interest in any assets which have been acquired or disposed of by, or leased to, any member of the Group or are proposed to be acquired or disposed of by, or leased to, any member of the Group since December 31, 2015, the date to which the latest published audited accounts of the Group was made up.

The Expert has given and has not withdrawn its written consent to the issue of this circular with the inclusion of its letter(s) or report(s) and reference to its name in the form and context in which it is included.

8. LITIGATION

As at the Latest Practicable Date, no members of the Group were engaged in any litigation, arbitration or claim of material importance and no litigation, arbitration or claim of material importance is known to the Directors to be pending or threatened against the Group as at the Latest Practicable Date.

9. MATERIAL CONTRACTS

The following contracts (not being contracts entered into in the ordinary course of business) have been entered into by the members of the Group within two years immediately preceding the issue of this circular and are material:

(a) the Sale and Purchase Agreement;

(b) supplemental indentures dated March 20, 2014, May 29, 2014, November 12, 2014, June 16, 2015 and July 16, 2015 and entered into among Citicorp International Limited (as the trustee), the Company (as the issuer), MI Energy Corporation, MIE New Ventures Corporation, Palaeontol Coperatief U.A., Palaeontol B.V., Emir-Oil, LLP., MIE Jurassic Energy Corporation, Asia Dynamic Energy Corporation, Pan-China Resources Ltd., Miao Three Energy Limited, Gobi Energy Limited, Riyadh Energy Limited, Asia Oil & Gas (Cayman) Limited, and/or Asia Dynamic Energy Trading Corporation (each a subsidiary of the Company and as a guarantor) in relation to the amendment to an indenture dated February 6, 2013 and entered into among Citicorp International Limited (as the trustee), the Company (as the issuer), MI Energy Corporation, MIE New Ventures Corporation, Palaeontol Coperatief U.A., Palaeontol B.V., Emir-Oil, LLP., MIE Jurassic Energy Corporation, Asia Dynamic Energy Corporation, Pan-China Resources Ltd., Asia Power Energy Corporation, Gobi Energy Limited and Riyadh Energy Limited (each a subsidiary of the Company and as a guarantor) setting out the terms of the US$200,000,000 6.875% senior notes due 2018 issued by the Company;

(c) a sale and purchase agreement dated August 20, 2014 and an amendment agreement dated November 28, 2014, both entered into between the Company and Hong Kong Huihua Global Technology Limited in relation to the acquisition by Hong Kong Huihua Global Technology Limited from the Company of all of the issued share capital of Pan-China Resources Ltd at a consideration of US$83.1 million payable to the Company;

(d) a termination agreement dated September 16, 2014 and entered into between the Company and the Acap Limited in relation to the termination of the right granted by the Company to Acap Limited to co-invest with the Company or its associates for up to 9.9% of the assets acquired in the acquisition by Palaeontol B.V. of all the issued and outstanding participation interests of, and loans granted to, Emir-Oil, LLP pursuant to the participation interest purchase agreement dated February 14, 2011 and entered into between BMB Munai, Inc., Palaeontol B.V. and the Company and held by the Company or its associate as at the exercise of such right, at the consideration of US$11.9 million payable by the Company;

(e) a termination agreement dated September 22, 2014 and an amendment agreement dated November 20, 2014, both entered into between the Company and the Essentia Investments Limited in relation to the termination of the right granted by the Company to Essentia Investments Limited to co-invest with the Company or its associates for up to 9.9% of the assets acquired in the acquisition by the Company of all the issued and outstanding shares of Pan-China Resources Ltd. pursuant to the consultancy agreement dated September 17, 2012 and entered into between Essentia Investments Limited and the Company and held by the Company or its associate as at the exercise of such right, at a consideration of US$3.7 million payable by the Company;

(f) a sale and purchase agreement dated September 26, 2014, an amendment agreement dated October 14, 2014, a supplementary agreement dated December 17, 2014 and a second amendment agreement dated December 31, 2014, all entered into between the Company and Pacific Energy Development (Asia) Co. Corp. in relation to the acquisition by Pacific Energy Development (Asia) Co. Corp. from the Company of all of the issued share capital of Miao Three Energy Limited at a consideration of US$21.2 million payable to the Company;

(g) a cooperation framework agreement dated December 16, 2014 and entered into between the Company and China Oil and Gas Group Limited in relation to the cooperation in the development of Shanxi Linxing block coalbed methane integrated utilization project;

(h) a placing and subscription agreement dated October 16, 2015, and entered into among New Sun International Energy Limited (''New Sun''), the Company and six institutional and individual investors, pursuant to which (a) New Sun sell to the investors in aggregate 276,300,000 Shares at the price of HK$0.90 per Share; and (b) New Sun subscribe, and the Company issue and allot 276,300,000 Shares at the price of HK$0.90 per Share;

(i) a settle agreement dated December 11, 2015 and entered into between the Company and the Acap Limited in relation to an outstanding termination fee payable by the Company to Acap Limited amounted to approximately US$6,830,000 is settled by the allotment and issue of 55,718,000 Shares to Acap Limited at the issue price of HK$0.95 per Share; and

(j) a sale and purchase agreement dated 26 April 2016 between the Company and China New Energy Mining Limited relating to the disposal of the entire issued share capital of Asia Gas & Energy Ltd. and the shareholder's loan owed by Asia Gas & Energy Ltd. to the Company in consideration of US$220 million (approximately HK$1,716 million) (subject to adjustment).

10. MISCELLANEOUS

(a) The registered office of the Company is at P.O. Box 309, Ugland House, Grand Cayman KY1-1104, Cayman Islands. The head office of the Company is at Sutie 1501, Block C, Grand Place, 5 Hui Zhong Road, Chaoyang District, Beijing 100101, the People's Republic of China and the principal place of business in Hong Kong is at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong.

(b) The branch share registrar and transfer office of the Company in Hong Kong is Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong.

(c) The company secretary of the Company is Ms. Wong Sau Mei. Ms. Wong is an Associate of both The Hong Kong Institute of Chartered Secretaries and The Institute of Chartered Secretaries and Administrators.

(d) This circular is prepared in both English and Chinese. In the event of inconsistency, the English version shall prevail.

11. DOCUMENTS FOR INSPECTION

Copies of the following documents will be available for inspection at the Company's principal place of business in Hong Kong at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong during normal business hours on any weekday (except public holidays) for a period of 14 days from the date of this circular:

(a) the memorandum and articles of association of the Company;

(b) the audited consolidated accounts of the Group for each of the two financial years ended December 31, 2014 and 2015;

(c) the Sale and Purchase Agreement;

(d) the contracts referred to in the paragraph headed "Service Contracts of the Directors" in this Appendix;

(e) the contracts referred to in the paragraph headed "Material Contracts" in this Appendix;

(f) the Competent Person's Report prepared by the Competent Person, the text of which are set out in Appendix I to this circular;

(g) the written consent from Chapman Petroleum Engineering Ltd. referred to in the paragraph headed "Expert and Consent" in this Appendix;

(h) the circular of the Company dated May 26, 2016 in relation to the disposal of the entire issued share capital of Asia Gas & Energy Ltd.; and

(i) this circular.

MIE HOLDINGS CORPORATION
MI 能源控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 1555)

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the extraordinary general meeting (the "**EGM**") of MIE Holdings Corporation (the "**Company**") will be held at Room 3, United Conference Centre, 10/F, United Centre, 95 Queensway, Admiralty, Hong Kong on Monday, June 20, 2016 immediately after the conclusion or adjournment of the annual general meeting of the Company for the year 2016, for the purpose of considering and, if thought fit, passing with or without modification or amendment the following resolution:

ORDINARY RESOLUTION

"**THAT**:

(a) the agreement dated March 5, 2016 (the "**Sale and Purchase Agreement**") entered into between the Company, Palaeontol Cooperatief U.A. and Reach Energy Berhad (a copy of which is produced to the EGM marked "A" and initialed by the chairman of the EGM for the purpose of identification), and the terms and conditions thereof and the transactions contemplated thereunder and the implementation thereof be and are hereby approved and confirmed; and

(b) the authorisation to any one of the Directors, or any other person authorised by the Board from time to time, for and on behalf of the Company, among other matters, to sign, seal, execute, perfect, perform and deliver all such agreements, instruments, documents and deeds, and to do all such acts, matters and things and take all such steps as he or she or they may in his or her or their absolute discretion consider to be necessary, expedient, desirable or appropriate to give effect to and implement the Sale and Purchase Agreement and the transactions contemplated thereunder and all matters incidental to, ancillary to or in connection thereto, including agreeing and making any modifications, amendments, waivers, variations or extensions of the Sale and Purchase Agreement or the transactions contemplated thereunder be and are hereby approved, ratified and confirmed."

By order of the Board
MIE Holdings Corporation
Zhang Ruilin
Chairman

Hong Kong, May 26, 2016

Notes:

1. All resolutions at the meeting will be taken by poll pursuant to the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "**Listing Rules**") and the results of the poll will be published on the websites of Hong Kong Exchanges and Clearing Limited and the Company in accordance with the Listing Rules.

2. Any shareholder of the Company entitled to attend and vote at the above meeting is entitled to appoint more than one proxy to attend and on a poll, vote instead of him. A proxy need not be a shareholder of the Company.

3. In order to be valid, the form of proxy together with the power of attorney or other authority, if any, under which it is signed or a certified copy of that power of attorney or authority, must be deposited at the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong not less than 48 hours before the time appointed for the holding of the meeting or any adjournment thereof. Delivery of the form of proxy shall not preclude a shareholder of the Company from attending and voting in person at the meeting and, in such event, the instrument appointing a proxy shall be deemed to be revoked.

4. Where there are joint holders of any share of the Company, any one of such holders may vote at the meeting, either personally or by proxy, in respect of such share as if he was solely entitled thereto, but if more than one of such holders be present at the meeting personally or by proxy, that one of such holders so present whose name stands first on the register of members of the Company in respect of such share shall alone be entitled to vote in respect thereof.

5. For determining the entitlement to attend and vote at the meeting, the register of members of the Company will be closed from Thursday, June 16, 2016 to Monday, June 20, 2016, both days inclusive, during which period no transfer of shares will be registered. In order to be eligible to attend and vote at the meeting, all transfer documents accompanied by the relevant share certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited, at Level 22, Hopewell Centre, 183 Queen's Road East, Hong Kong, for registration not later than 4:30 p.m. on Wednesday, 15 June, 2016.

As at the date of this notice, the Board comprises (1) the executive Directors namely Mr. Zhang Ruilin, Mr. Zhao Jiangwei, Mr. Andrew Sherwood Harper, Mr. Tao Tak Yin Dexter and Mr. Tian Hongtao; (2) the non-executive Director namely Ms. Xie Na; and (3) the independent non-executive Directors namely Mr. Mei Jianping, Mr. Jeffrey W. Miller and Mr. Guo Yanjun.