



MIE HOLDINGS CORPORATION

MI 能源控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock code: 1555)

(the “Company”)

**TERMS OF REFERENCE AND MODUS OPERANDI
OF
REMUNERATION COMMITTEE
(the “Committee”)**

Membership

1. The Committee shall consist of three Directors appointed by the board of directors (“the Board”) from time to time, a majority of which shall be independent non-executive directors.
2. The Board shall nominate one of the independent non-executive directors as the chairman of the Committee.
3. The Company Secretary or a nominee shall act as the secretary of the Committee.

Frequency and proceedings of meetings

4. The Committee shall meet at least once every year. Additional meetings shall be held as the work of the Committee demands.
5. The chairman of the Committee may convene additional meetings at his discretion.
6. The quorum of a meeting shall be two members of the Committee.
7. The Committee may, from time to time, invite advisors to the meeting, including but not limited to external advisors or consultants to advise its members.
8. Proceedings of meetings of the Committee shall be governed by the provisions of Article 20 of the Articles of Association of the Company.

Duties, powers and functions

9. The Committee shall —
 - (a) formulate remuneration policy for approval by the Board, which shall take into consideration factors such as salaries paid by comparable companies, employment conditions, and responsibilities, and individual performance of the directors, senior management, and the general staff. Performance shall be measured against corporate goals and objectives resolved by the Board from time to time; and implement the remuneration policy laid down by the Board;
 - (b) without prejudice to the generality of the foregoing:
 - (i) establish guidelines for the recruitment of the Chief Executive Officer and senior management;
 - (ii) recommend to the Board the policy and structure for the remuneration of directors (including non-executive directors, and the Chief Executive Officer) and senior management and on the establishment of a formal and transparent procedure for developing policy on such remuneration, including ensuring no director or any of his associates is involved in deciding his own remuneration;

- (iii) determine the remuneration of individual executive directors (including the Chief Executive Officer) and senior management, including benefits in kind, pension right, compensation payment (including compensation for loss or termination of office or appointment etc) and make recommendations to the Board on the remuneration of non-executive directors. The Chairman and/or the Chief Executive Officer shall be consulted respectively about their proposals relating to the remuneration of the Chief Executive Officer and/or senior management, as the case may be;
- (iv) review and approve the compensation to executive directors and senior management for any loss or termination of office or appointment, which shall be consistent with contractual terms and shall be fair and not excessive;
- (v) review and approve the compensation arrangements relating to dismissal or removal of directors for misconduct, which shall be consistent with contractual terms and shall be reasonable and appropriate;
- (vi) determine the vesting schedule, exercise price and exercise period and any other terms and conditions pertaining to the Stock Incentive Plan and Share Option Scheme, and generally administer the Stock Incentive Plan and Share Option Scheme and grant awards thereunder;
- (vii) determine the number of shares to which a stock appreciation right pertains, the grant date and grant price and any other terms and conditions pertaining to the Stock Appreciation Rights Plan, and generally administer the Stock Appreciation Rights Plan and grant awards thereunder;
- (viii) review and approve the management's remuneration proposals with reference to the Board's corporate goods and objectives;
- (ix) determine the criteria for assessing employee performance, which should reflect the Company's business objectives and targets;
- (x) consider the annual performance bonus for executive directors, senior management, and the general staff, having regard to their achievements against the performance criteria and by reference to market norms, and make recommendation to the Board;
- (xi) manage and review the indemnification and insurance matters for executive directors and senior management;
- (xii) engage such external professional advisors to assist and/or advise the Committee on issues as it considers necessary;
- (xiii) do any such things to enable the Committee to discharge its powers and functions conferred on it by the Board; and
- (xiv) conform to any requirement, direction and regulation that may from time to time be prescribed by the Board or contained in the constitution of the Company or imposed by legislation.

10. The Committee should be provided with sufficient recourses for it to discharge its duties.

Reporting Procedures

11. The Committee shall report to the Board on a regular basis. At the next meeting of the Board following a meeting of the Committee, the chairman of the Committee shall report the findings and recommendations of the Committee to the Board.

Note:

Senior management shall include Executive Vice Presidents, Assistant to the Chairman, Senior Advisor to the Chairman, Senior Vice President, Financial Controller, General Counsel, Chief Geoscientist and Financial Manager.

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