



**MD AMERICA ENERGY, LLC
ANNOUNCES SECONDARY OFFERING OF
SECURITIES OF PARENT COMPANY MEIDU
ENERGY CORPORATION**

FORT WORTH, TEXAS, December 18, 2014 – MD America Energy, LLC (“**MDAE**”) announces a secondary and fully-subscribed offering of the sale of securities of MeiDu Energy Corporation, the ultimate parent of MDAE and a publicly-traded company on the Shanghai stock exchange (“**MeiDu Energy**”).

MeiDu Energy has entered into agreements to sell 1,423,423,423 of its shares to seven investors at a price of ¥ 5.55 CNY (equivalent to \$ 0.898 USD) for a total raise of ¥ 7,900,000,000 CNY (equivalent to \$1,291,862,899 USD). In addition to six institutional investors, the investor group includes WEN, Zhanghua, the Chairman of MeiDu Energy, who has subscribed to acquire 29.57% of the shares in this secondary offering. Pursuant to the terms of the offering, it is contemplated that the proceeds will be used as follows:

- \$425,170,068 USD will be used for funding the drilling of new wells on MDAE’s oil and gas leases;
- \$523,286,237 USD will be used to reduce debt obligations of MDAE; and
- \$343,406,593 USD will be used to reduce debt obligations of MeiDu Energy.

Prior to the closing of the subscribed shares, the shareholders of MeiDu Energy and the China Securities Regulatory Commission must approve the transaction.

Forward-Looking Statements

This release may contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. When words such as “will,” “expect” or similar expressions are used in statements, those statements are forward-looking statements. Forward-looking statements are not guarantees of future performance and involve risks and uncertainties. Expected results may not be achieved, and actual results may differ materially from expectations.

Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this release. MDAE undertakes no obligation to release the result of any revisions to these forward-looking statements that may be made to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events.