



**IN THE GRAND COURT OF THE CAYMAN ISLANDS  
FINANCIAL SERVICES DIVISION**

**CAUSE NO. FSD OF 2021 ( )**

**IN THE MATTER OF THE COMPANIES ACT (2021 REVISION)**

**AND IN THE MATTER OF MIDWAY RESOURCES INTERNATIONAL**

**WINDING UP PETITION**

**TO THE GRAND COURT**

1. The humble petition of **MIDWAY RESOURCES INTERNATIONAL** of Maples Corporate Services Limited, PO Box 309, Ugland House, South Church Street, George Town, Grand Cayman, KY1-1104, Cayman Islands (the "**Petitioner**" and the "**Company**"), shows that:

**Preamble**

2. The Company was incorporated in the Cayman Islands on 17 June 2005 as an exempted limited company incorporated under the Companies Act (as amended) (the "**Companies Act**") with company registration number 201867. The Company's registered office is at Maples Corporate Services Limited, PO Box 309, Ugland House, South Church Street, George Town, Grand Cayman, KY1-1104, Cayman Islands.
3. The Petitioner presents this petition pursuant to sections 92(a), 92(d) and 94(1) of the Companies Act, pursuant to a special resolution passed on 3 March 2021

and on the basis that, as at the date of the petition, the company is insolvent within the meaning of section 93 of the Companies Act.

### **Background to the Company**

4. The Company is presently constituted pursuant to its amended and restated memorandum and articles of association adopted on 9 May 2013.
5. It has an authorised share capital is USD 20,000,000 divided into 2,000,000,000 shares of nominal or par value of USD 0.01 each. Its issued share capital is USD 18,680,594.88 divided into 1,868,059,488 shares, with a par value of USD 0.01 each.
6. The Company is a pan-Africa focused upstream oil and gas venture with existing projects in Kenya (including onshore/transition zone gas), and some business development in pursuit of opportunities in Nigeria and, in previous years, Sierra Leone. The Kenyan project has been the Company's main focus. The Company is part of a group of entities incorporated in various jurisdictions, including but not limited to, the Cayman Islands, Nigeria, Sierra Leone and Mauritius (the "**Group**").
7. On 3 March 2021, a majority of 85.424% of the Company's shareholders executed written resolutions pursuant to section 92(a) and 94(1) of the Companies Act, which provides that a company may be wound up by the Court if the company has passed a special resolution requiring the Company to be wound up. The Company is also insolvent and unable to pay its debts as they fall due.

**Particulars of debts**

8. Since 1 January 2020 the Company has been unable to pay any fees to its management contractor, MRI Management Company LLP ("**MRI Management**"). The unpaid debt amounts to US\$259,992 and is currently due and owing. MRI Management has also made various working capital loans to the Company on an interest free basis repayable on demand, aggregating US\$174,000 and GBP78,542 which are also currently due and owing ("**MRI Management Debt**"). On 2 March 2021 the Company received a demand letter from MRI Management Company demanding the immediate repayment of the MRI Management Debt. As at the date of this petition, the full amount owing under the Management Debt is outstanding and the Company is unable to meet the demand.
9. The Company does not have the funds to pay the MRI Management Debt.
10. A shareholder of the Company, Emerald Holdings Limited, holding 28.5% of the issued shares in the Company has made significant loans to the Company on an interest free basis repayable on demand. The loans to the Company enabled it to provide emergency funding to its principal operating company, Zarara Oil & Gas Limited via MRI Kenya Limited. On 25 February 2021 Emerald Holdings Limited wrote to the Company and demanded immediate repayment of the US\$2,556,201 which it had loaned to the Company. As at the date of this petition, the full US\$2,556,201 demanded by Emerald Holding Limited remains outstanding (the "**Emerald Holdings Debt**").
11. The Company does not have the funds to pay the Emerald Holdings Debt.

**Grounds for winding up**

12. Section 92(a) of the Companies Act provides that the Company may be wound up by the Court if the Company has passed a special resolution requiring it to be wound up.
13. The Company is also insolvent and unable to pay its debts, and therefore also petitions to be wound up under section 92(d).
14. As regards section 92(a), the Company's shareholders have passed a special resolution requiring it to be wound up. As regards section 92(d), the Company is insolvent and unable to pay its debts as they fall due. In the circumstances, the Company should be wound up pursuant to sections 92(a) and 92(d) of the Companies Act.
15. The Company seeks an order from this Honourable Court that Cosimo Borrelli and Mitchell Mansfield of Borrelli Walsh, of Level 17, Tower 1, Admiralty Centre, 18 Harcourt Road, Hong Kong and Strathvale House 3rd Floor, 90 North Church Street, Grand Cayman KY1-1204, Cayman Islands respectively be appointed as joint official liquidators of the Company.
16. Further or in the alternative, in all the premises it is just and equitable that the Company should be wound up pursuant to section 92(e) of the Companies Act.

**YOUR PETITIONER THEREFORE HUMBLY PRAYS:**

1. That the Company be wound up in accordance with sections 92(a) and/or 92(d) and/or 92(e) of the Companies Act.
2. That Cosimo Borrelli and Mitchell Mansfield of Borrelli Walsh, of Level 17, Tower 1, Admiralty Centre, 18 Harcourt Road, Hong Kong and Strathvale

House 3rd Floor, 90 North Church Street, Grand Cayman KY1-1204, Cayman Islands respectively be appointed as Joint Official Liquidators of the Company (the "**JOLs**") with the power to act jointly or severally.

3. That the JOLs shall not be required to give security for their appointment.
4. That the JOLs shall be authorised to do any act or things considered by them to be necessary or desirable in connection with the liquidation of the Company and the winding up of its affairs, and for that purpose may exercise any of the powers specified in Part I and Part II of the Third Schedule of the Companies Act without further sanction of the Court or otherwise as the Court may direct.
5. Pursuant to section 97(1) of the Companies Act, no suit, action or other proceeding shall be proceeded with or commenced against the Company, except with the leave of the Court, and subject to such terms as the Court may impose.
6. Pursuant to section 99 of the Companies Act, no disposition of the Company's property by or with the authority of the JOLs in either case in the carrying out of their duties and functions and the exercise of their powers shall be avoided and any payments made into or out of the bank accounts(s) of the Company in the ordinary course of business of the Company between the date of the presentation of the Petition herein and the date of the appointments of the JOLs shall not be avoided by virtue of the provisions of section 99 of the Companies Act in the event of an order for the winding up of the Company being made on the Petition.
7. Subject to section 109(2) of the Companies Act and the Insolvency Practitioner's Regulations (as amended), the JOLs be authorised to render and pay invoices out of the assets of the Company for their own remuneration.

8. The JOLs be at liberty to appoint attorneys and other professional advisors (whether in the Cayman Islands or elsewhere) as the JOLs may consider necessary to assist them in the performance of their duties for the purpose of the proceedings herein, on such terms as the JOLs may think fit, and to remunerate them out of the assets of the Company as an expense of the liquidation.
9. The JOLs be authorised to take such action as may be necessary or desirable to obtain recognition of the JOLs and/or their appointment in any other relevant jurisdiction and to make applications to the courts of such jurisdictions for that purpose.
10. The JOLs be at liberty to apply generally.
11. The costs of and incidental to the Petition be paid forthwith out of the assets of the Company.
12. Such further or other relief be granted as this Court deems appropriate.

**AND** your Petitioner will ever pray etc.

**DATED** the 4<sup>th</sup> day of March 2021.

*Walkers*

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**WALKERS**

Attorneys at Law for the Company

**NOTE:** This Petition is intended to be served on all known creditors of the Company.

This **PETITION** is presented by Walkers of 190 Elgin Avenue, George Town, Grand Cayman KY1-9001, Cayman Islands, Attorneys at Law for the Petitioner whose address for service is care of its said Attorneys at Law.

**NOTICE OF HEARING**

TAKE NOTICE THAT the hearing of this Petition will take place at the Law Courts,  
George Town, Grand Cayman on \_\_\_\_\_ at \_\_\_\_\_ am/pm.

Any correspondence or communication with the Court relating to the hearing of this  
Petition should be addressed to the Registrar of the Financial Services Division of the  
Grand Court at PO Box 495, Grand Cayman, KY1-1106, Telephone 345 949 4296.

