



## ***ENVIRONMENTAL STEWARDSHIP POLICY***

Environmental stewardship is a key component of MGM Energy Corp's. ("MGM") values and business strategy. Environmental Stewardship means being responsible for the exploration and development of natural resources to ensure they are sustainably managed for current and future generations. MGM will strive to manage and minimize the impact of its operations on the environment and will:

- Make environmental stewardship a significant component of the corporate decision making process.
- Provide leadership and resources to allow employees and contractors to meet MGM's commitment to environmental stewardship.
- Develop and implement HSE Management Systems with supporting programs and practices that are built on the concept of sustainable development.
- Work cooperatively and in consultation with all stakeholders to develop plans and operations that reflect our commitment to environmental stewardship.
- Apply economically viable, best proven technology and management practices to advance environmental stewardship in our work.
- Design, construct, operate, decommission and reclaim projects and facilities in compliance with applicable legislation and in a manner consistent with our commitment to environmental stewardship.
- Respond promptly and effectively to emergencies to minimize adverse impacts.
- Measure, audit and report annually to MGM senior management on the company's environmental performance.

MGM believes that our interests, and those of the communities in which we operate, will best be served by effective stewardship of our shared environment.

**ORIGINAL SIGNED**

Henry W. Sykes  
President

**ORIGINAL SIGNED**

Gary L. Bunio  
Vice-President, Chief Operating Officer

August 15, 2007