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MGM Energy Corp.
Calgary, Alberta
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NEWS RELEASE: MGM ENERGY CORP.
Enters into Mackenzie Gas Project Capacity Request Agreement.

Calgary, Alberta – MGM Energy Corp. (“MGM Energy”) announced today that it has entered into a Capacity Request Agreement with the owners of the Mackenzie Gathering System (MGS) portion of the Mackenzie Gas Project.

The Capacity Request Agreement provides MGM Energy with 200 MMcf/d of capacity on the MGS, which will feed into the proposed Mackenzie Valley pipeline. In addition, the Capacity Request Agreement gives MGM Energy the option to own its share of the MGS.

In recognition of the magnitude of the volume commitment, MGM Energy obtains, with the signing of the Capacity Request Agreement, observer status at meetings of the MGS Management Committee, allowing it to provide input regarding system design and other issues.

The 200 MMcf/d of capacity acquired by MGM Energy will be used to transport MGM Energy owned and certain partner natural gas from the Mackenzie Delta region to the proposed Mackenzie Valley pipeline.

“We’re extremely pleased to have reached this agreement with the proponents of the Mackenzie Gas Project. This agreement enables the natural gas MGM Energy currently owns and for which it is exploring to be delivered to the Mackenzie Valley pipeline on start up, assuming the project proceeds. The execution of a Capacity Request Agreement by MGM Energy provides the project proponents, governments and others, tangible evidence that additional volumes of natural gas are committed to the Mackenzie Gas Project” said Henry Sykes, President of MGM Energy Corp.

MGM Energy is a Calgary-based Canadian oil and gas exploration and development company with operations in Northern Canada. MGM Energy’s common shares are listed on Toronto Stock Exchange under the symbol “MGX”.

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