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MGM ENERGY CORP.
Calgary, Alberta
September 14, 2009



NEWS RELEASE: MGM ENERGY CORP.
MGM Energy Provides Operational Update
and Announces Private Placement of Shares

MGM Energy Corp. (“MGM Energy” or the “Company”) announced today that it will not drill on its Inuvialuit concession lands during the 2009/10 winter drilling season. The Company has determined that given the uncertainty regarding the Mackenzie Valley Pipeline, the appropriate decision is to forego any drilling activity this winter. As a result, the Company will be obligated to make a \$10 million payment to the Inuvialuit Regional Corporation in August 2010.

The Company also announced that it is considering a seismic program in the Central Mackenzie Valley in the upcoming winter to further delineate potential oil prospects. This program would cost MGM Energy approximately \$1 million. Apart from this potential seismic program, MGM Energy currently has no other planned capital program for the winter of 2009/10.

The Company also announced that certain insiders have agreed to subscribe for 26.3 million common shares by way of private placement at \$0.125 per share, generating proceeds of approximately \$3.3 million. The private placement is currently expected to close by mid October 2009 and is subject to TSX approval.

Should the Company decide prior to closing the private placement to proceed with the seismic program in the Central Mackenzie Valley, the investors under the private placement will have the option to purchase flow-through shares for an amount up to the estimated cost to MGM Energy of the program at a price of \$0.15 per flow-through share, with the combined number of common shares and flow-through shares to equal 26.3 million shares.

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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Certain statements or information included in this press release constitute forward-looking statements under applicable securities legislation. Forward-looking statements or information in this press release include but are not limited to exploration and drilling plans and the timing thereof, and future plans and operations. Such forward-looking statements or information are based on a number of assumptions which may prove to be incorrect. Although MGM Energy believes that the expectations reflected in such forward-looking statements or information are reasonable, undue reliance should not be placed on forward-looking statements because MGM Energy can give no assurance that such expectations will prove to be correct. Forward-looking statements or information are based on current expectations, estimates and projections that involve a number of risks and uncertainties which could cause actual results to differ materially from those anticipated by MGM Energy and described in the forward-looking statements or information. The forward-looking statements or information contained in this press release are made as of the date hereof and MGM Energy undertakes no obligation to update publicly or revise any forward-looking statements or information, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.