



(TSX: MEL)
FOR IMMEDIATE RELEASE
June 16, 2010

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MIDWAY ENERGY LTD. ANNOUNCES \$15.0 MILLION BOUGHT DEAL FINANCING

CALGARY, ALBERTA — Midway Energy Ltd. ("Midway" or the "Company") (TSX: MEL) is pleased to announce that it has entered into an agreement with a syndicate of underwriters led by GMP Securities LP and including BMO Capital Markets, Wellington West Capital Markets and Macquarie Capital Markets Canada Ltd. (collectively, the "**Underwriters**") pursuant to which the underwriters have agreed to purchase 4,620,000 class A common shares ("**Common Shares**") of Midway at an issue price of \$3.25 per Common Share for gross proceeds to Midway of approximately \$15 million (the "**Offering**"). The Underwriters have also been granted an option to purchase up to an additional 10% of the Offering on the same terms to cover over-allotments, exercisable in whole or in part at any time on or within 30 days after the closing date.

The Offering is scheduled to close on or about July 6, 2010 and is subject to certain conditions including, but not limited to, the receipt of all necessary approvals, including the approval of the Toronto Stock Exchange.

Proceeds of the Offering will be used to fund an increase in Midway's capital program and other general corporate purposes. The Common Shares will be offered in certain provinces of Canada by way of a short form prospectus.

Forward Looking Statements

This press release contains forward-looking statements and forward-looking information within the meaning of applicable Canadian securities legislation (collectively, "forward-looking statements"). Specifically, this press release contains forward-looking statements relating to the use of proceeds of the Offering, the filing of the short form prospectus and the closing date of the Offering. The forward-looking statements are based on certain key expectations and assumptions made by Midway, including assumptions concerning the timing of obtaining regulatory approvals and the state of the economy and the exploration and production business, which expectations and assumptions management of Midway believes to be reasonable at this time. Although Midway believes that the expectations and assumptions

on which such forward-looking statements and information are based are reasonable at the date of this press release, undue reliance should not be placed on the forward-looking statements and information as Midway can give no assurance that they will prove to be correct. Since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties. The closing of the Offering could be delayed if Midway is not able to obtain the necessary regulatory and stock exchange approvals on the timelines it has planned. The Offering will not be completed at all if these approvals are not obtained or some other condition to the closing is not satisfied. Accordingly, there is a risk that the Offering will not be completed within the anticipated time or at all. Additionally, the intended use of the proceeds of the Offering by Midway may change if the board of directors of Midway determines that it would be in the best interests of Midway to deploy the proceeds for some other purpose. The forward-looking statements contained in this press release are made as of the date hereof and Midway undertakes no obligation to update publicly or revise any forward-looking statements, whether as a result of new information, future events or otherwise, unless so required by applicable securities laws.

For more information please contact:

Midway Energy Ltd.

M. Scott Ratushny
Chairman and C.E.O.

or

Ken E. Frankiw
President

(403) 216-2705