



## **MIDWAY ENERGY LTD. (FORMERLY, TRAFALGAR ENERGY LTD.) ANNOUNCES CLOSING OF PLAN OF ARRANGEMENT AND APPOINTMENT OF NEW MANAGEMENT TEAM**

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**CALGARY, ALBERTA (July 31, 2009)** – Midway Energy Ltd., formerly Trafalgar Energy Ltd. ("**Midway**" or the "**Company**") (TSX: "TFL") is pleased to announce that it has closed its previously announced plan of arrangement with EET Management Corp. ("**EET**") and Energy Investment Limited Partnership (the "**Partnership**").

On July 30, 2009, at a special meeting (the "**Meeting**") of holders of common shares and non-voting shares of Midway (the "**Midway Securityholders**"), Midway Securityholders voted overwhelmingly in favour of the plan of arrangement (the "**Arrangement**") and the transactions contemplated therein, pursuant to which, among other things, Midway acquired all of the common shares of EET and the partnership units of the Partnership.

In accordance with the terms of the Arrangement, former holder of common shares and non-voting shares (collectively, the "**Midway Securities**") received one class A common share of Midway (the "**New Midway Shares**") for each Midway Security held and one series A arrangement warrant of Midway ("**Series A Arrangement Warrant**") for every three Midway Securities held, with each whole Series A Arrangement Warrant entitling the holder to acquire one New Midway Share at a price of \$0.70 per share until 4:30 p.m. (Calgary time) on August 31, 2009. Former shareholders of EET received Midway Shares on the basis of 0.545454 of a Midway Share for each common share of EET held. One-third of the Midway Shares issued to the EET shareholders (other than shareholders who were not directors, officers or employees of EET) are subject to a twelve-month contractual hold period and an additional one-third of these Midway Shares issued are subject to a twenty-four month hold period. Former holders of limited partnership units of the Partnership received Midway Shares on a one for one basis.

Management of Midway was replaced with Scott Ratushny, as Chief Executive Officer, and includes Ken Frankiw (P.Eng.), Todd Lemieux (P.Eng.), Barry Larson (B.Sc. Geol.) and Douglas Smith (C.A.). The board of directors of Midway was also reconstituted and now consists of Scott Ratushny, Ken Frankiw, John Brussa, Robert Wollmann, Shannon Gangl and Bob Shaunessy.

It is anticipated that the Midway Shares will commence trading on the Toronto Stock Exchange under the new trading symbol "MEL" on or about August 7, 2009. Midway currently has approximately 27.4 million Midway Shares, 4.47 million Series A Arrangement Warrants and 3 million incentive warrants issued and outstanding. In addition, Midway has granted 2,074,500 stock options to various directors, officers and employees at an exercise price of \$0.87 per share.

## **Forward Looking Statements**

*This news release contains forward-looking statements and forward-looking information within the meaning of applicable securities laws. The use of any of the words "expect", "anticipate", "continue", "estimate", "objective", "ongoing", "may", "will", "project", "should", "believe", "plans", "intends" and similar expressions are intended to identify forward-looking information or statements. More particularly, and without limitation, this news release contains forward-looking statements and information concerning the timing of listing of the Midway Shares on the Toronto Stock Exchange under their new trading symbol.*

*These forward-looking statements and information are based on certain key expectations and assumptions made by the Company regarding the timing of receipt of Toronto Stock Exchange approvals. Although the Company believes that the expectations and assumptions on which such forward-looking statements and information are based are reasonable, undue reliance should not be placed on the forward-looking statements and information because the Company can give no assurance that they will prove to be correct.*

*Since forward-looking statements and information address future events, by their nature, such statements and information involve inherent risks and uncertainties. Actual results could differ materially from those currently anticipated due to a number of factors and risks, including the risk that the Toronto Stock Exchange does not provide its final approval. The Company has provided anticipated timing of trading under the new symbol on the Toronto Stock Exchange in reliance on certain assumptions that they believe are reasonable at this time. These dates may change for a number of reasons, including the need for additional time to satisfy the conditions of final Toronto Stock Exchange approvals. Accordingly, readers should not place undue reliance on the forward-looking statements and information contained in this news release concerning these times.*

*Readers are cautioned that the foregoing list of factors is not exhaustive. Additional information on these and other factors that could affect the operations or financial results of the Company are included in reports on file with the applicable securities regulatory authorities and may be accessed through the SEDAR website ([www.sedar.com](http://www.sedar.com)). The forward-looking statements and information contained in this news release are made as of the date hereof and the Company 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.*

## **Information Regarding Midway**

Midway Energy Ltd. is a public oil and gas exploration and development company, located in Calgary, Alberta and carrying out operations in Alberta and British Columbia. Midway currently trades on the Toronto Stock Exchange (TSX) under the symbol "TFL".

Additional information regarding Midway including its annual information form is available under the Company's profile at [www.sedar.com](http://www.sedar.com) or on its website at [www.midwayenergy.com](http://www.midwayenergy.com).

### **For more information, please contact:**

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