



**(TSX: MEL)
FOR IMMEDIATE RELEASE
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Midway Energy Ltd. Announces Acquisitions and Equity Financing

CALGARY, ALBERTA — Midway Energy Ltd. ("Midway" or the "Company") (TSX: MEL) is pleased to announce that it has entered into various agreements to acquire certain assets in the Garrington area of Alberta. The acquisitions are consistent with Midway's strategy of acquiring long life oil assets with repeatable, low risk drilling opportunities. These acquisitions will provide Midway with an additional 16 net sections of Cardium rights (93% average working interest). Of this, the Company has identified 6.5 net sections as drillable for the Cardium "A" sand adding a total of 26 horizontal locations. On a combined basis, the acquisitions will result in an additional 150 barrels of oil equivalent per day ("boepd") of light oil and natural gas production.

The total purchase price for the acquisitions is expected to be \$10,650,000, subject to closing adjustments, and will be paid for through the issuance of approximately \$500,000 of Midway common shares (at a price based on the 10 day weighted average price prior to closing) and \$10,150,000 in cash.

Upon closing of the acquisitions, which are expected to occur in mid-November and early December, Midway will significantly increase its undeveloped land position and drilling inventory in the Garrington Cardium trend. Highlights include:

- 74% increase from 24 to 40 net sections of Cardium land;
- 32% increase from 20.5 to 27 net sections of drillable Cardium "A" sand;
- 32% increase from 82 to 108 net horizontal drilling locations for the Cardium "A" sand;
- Increase in current production from 1,150 to 1,300 boepd.

In addition, Midway has entered into an agreement to acquire a 100% working interest in a strategically located oil battery and truck terminal in Garrington with a current capacity of approximately 1,000 boepd. Management expects that this facility will have the capability of being doubled in size with minimal additional capital expenditure. The Company views the addition of this facility as an important part of its development plans in the Garrington area. The purchase price for this facility is expected to be

approximately \$2,500,000, payable by the issuance of \$1,500,000 of Midway common shares (at a price based on the 10 day weighted average price prior to closing) and \$1,000,000 in cash.

Closing of the acquisitions is subject to various closing conditions, including, in certain circumstances, execution of definitive agreements and receipt of all regulatory and other approvals.

Financing

Midway has also entered into an agreement to sell, on a bought deal basis, 6,320,000 Midway common shares ("Common Shares") at a price of \$1.90 per Common Share for gross proceeds of \$12,008,000 (the "Offering") to a syndicate of underwriters led by GMP Securities LP and including Wellington West Capital Markets Inc., FirstEnergy Capital Corp. and Acumen Capital Partners Limited (the "Underwriters"). Midway has also granted the Underwriters an over-allotment option (the "Over-Allotment Option") to purchase an additional 632,000 Common Shares at a price of \$1.90 per Common Share, which if exercised in full, will provide additional gross proceeds of \$1,200,800. The Over-Allotment Option is exercisable in whole or in part 72 hours prior to closing of the Offering. Closing of the Offering will not be conditional on the closing of the acquisitions. The Company intends to use the proceeds of the Offering in part to fund the cash purchase price of the acquisitions.

Completion of the Offering is also subject to certain conditions including normal regulatory and stock exchange approvals. The Common Shares issued under the Offering will be offered in certain provinces of Canada and in certain other jurisdictions by way of private placement and will be subject to a customary 4 month hold period. The closing of the Offering is expected to occur on or about November 24, 2009.

Investor Information

Midway 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 "MEL".

Additional information regarding Midway is available under the Company's profile at www.sedar.com and its website at www.midwayenergy.com.

Forward Looking Statements

This news release contains forward-looking statements relating to the Company's plans and other aspects of the Company's anticipated future operations, strategies, financial and operating results and business opportunities. Forward-looking statements typically use words such as "anticipate", "believe", "project", "expect", "plan", "intend" or similar words suggesting future outcomes, statements that actions, events or conditions "may", "would", "could" or "will" be taken or occur in the future. Specifically, this press release contains forward-looking statements relating to Midway's drilling plans including anticipated horizontal drilling locations; the potential for significant development on the properties to be acquired pursuant to the acquisitions and Midway's other assets; the completion of the acquisitions and the Offering and the timing of closing; the anticipated purchase prices of the acquisitions; amount of capital expenditures to double the size of the facility to be acquired; the satisfaction of closing conditions of the acquisitions and the Offering; the use of proceeds of the Offering; anticipated additional efficiencies in Midway's operations as well as expected improved access to capital markets; anticipated increased cost savings and efficiencies in Midway's Cardium drilling program; and Midway's future growth and consolidation plans. These forward-looking statements are based on various assumptions including expectations regarding the acquired properties; the outlook for petroleum and natural gas prices; estimated amounts and timing of capital expenditures; the timing, location and extent of future drilling operations; anticipated timing and results of capital expenditures; estimates of future production;

assumptions concerning the timing of obtaining regulatory approvals and the satisfaction of other closing conditions of the Offering and the acquisitions; the state of the economy and the exploration and production business; results of operations; performance; business prospects and opportunities; future exchange and interest rates, Midway's ability to obtain equipment in a timely manner to carry out development activities, impact of increasing competition, ability to market oil and natural gas successfully and the ability of Midway to access capital. While Midway considers these assumptions to be reasonable based on information currently available to it, they may prove to be incorrect.

By their nature, forward-looking statements involve numerous assumptions, known and unknown risks and uncertainties and other factors that contribute to the possibility that the predicted outcome will not occur, including, without limitation: risks associated with oil and gas exploration, development, exploitation, production, marketing and transportation; loss of markets; volatility of commodity prices; currency fluctuations; imprecision of reserve estimates; environmental risks; competition from other producers; inability to retain drilling rigs and other services; incorrect assessment of the value of acquisitions; failure to realize the anticipated benefits of acquisitions; general economic conditions in Canada, the U.S. and globally; delays resulting from or inability to obtain required regulatory approvals and to satisfy various closing conditions; and ability to access sufficient capital from internal and external sources. Readers are cautioned that the foregoing list of factors is not exhaustive.

Although Midway believes that the expectations represented in such forward-looking statements are reasonable, there can be no assurance that such expectations will prove to be correct. As a consequence, actual results may differ materially from those anticipated in the forward-looking statements and you should not unduly rely on forward-looking statements. The forward-looking statements contained in this news release are made as the date of this news release and the company does not undertake any obligation to update publicly or to revise any of the included forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by applicable securities laws.

Cautionary Statement

The term barrels of oil equivalent ("boe") may be misleading, particularly if used in isolation. A conversion ratio for gas of 6 mcf:1 boe is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.

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