



October 19, 2012

### **3MV Energy Announces First Closing Non-Brokered Private Placement**

**Calgary, AB** – 3MV Energy Corp. (“**3MV**” or the “**Company**”) (TSXV: TMV) is pleased to announce the initial closing of a non-brokered private placement of 20,000,000 units (the “**Units**”) at a price of \$0.25 per Unit for gross proceeds of \$5,000,000 (the “**Offering**”). Each Unit will be comprised of one common share and one common share purchase warrant (a “**Warrant**”). Each Warrant will entitle the holder to purchase one additional common share of the Company at an exercise price of \$0.50 per common share for a period of 18 months following the date of issuance. Dallas Duce, a director of the Company, will be the sole subscriber to the Offering and will become a new “Control Person” as defined in the TSX Venture Exchange (“**TSXV**”) Corporate Finance Manual.

The Company is continuing to offer up to an additional 20,000,000 Units for sale at a price of \$0.25 per Unit for gross proceeds of up to an additional \$5,000,000.

#### *Use of Funds and Repayment of Secured Credit Facilities*

Mr. Duce subscribed to the Offering in order to substantially improve the financial condition of the Company by providing it with funds to partially repay its secured creditors. As previously announced on September 23, 2012 and September 30, 2012, the Company’s lenders under its secured credit facility (the “**Senior Facility**”) and secured subordinated credit facility (the “**Subordinated Facility**”) have each made a demand on the Company to repay all of its indebtedness in the aggregate amount of \$5.97 million under such facilities by October 19, 2012. 3MV will use the gross proceeds from the Offering to repay \$5,000,000 in aggregate of the combined debt under the Subordinated Facility and the Senior Facility.

#### *TSX Venture Exchange Conditional Approval*

The Offering has been conditionally approved by the TSXV. According to TSXV rules and applicable securities legislation, the securities issued pursuant to the Offering are subject to a four-month and one day hold period, commencing on the closing date and ending on February 20, 2013.

#### *Deposit and Voting Trust Agreement*

Following to the closing of the Offering, Mr. Duce will enter into a deposit and voting trust agreement limiting the exercise of voting of the number of 3MV Shares held by Mr. Duce to no greater than 15% of the post Offering number of outstanding 3MV Shares until the earlier of: (a) disinterested shareholder approval has been obtained or (b) prior written consent of the TSXV.

#### *Special Meeting of Shareholders*

The TSXV requires that 3MV obtain disinterested shareholder approval for the creation of a new “Control Person.” A special meeting of shareholders of 3MV has been scheduled for December 5, 2012 for the purpose of obtaining disinterested shareholder approval.

### *Related Party Transaction*

Since Mr. Duce is a director of 3MV, the Offering is considered a related party transaction for the purposes of Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* (“**MI 61-101**”). Following the closing of the Offering, Mr. Duce will, directly or indirectly, beneficially own or control 20,259,996 common shares (59.61%) of the Company on a non-diluted basis and 40,259,996 common shares of the Company (74.57%) on a fully diluted basis.

According to MI 61-101, a related party transaction requires formal valuation and minority shareholder approval unless exempt. The Offering is exempt from the formal valuation and minority approval requirements due to the financial hardship exemption set out in section 5.5(g) and section 5.7(1)(e) of MI 61-101. A committee of independent directors reviewed the Offering and determined that as 3MV is in serious financial difficulty and the Offering is designed to improve the financial position of 3MV, the terms of the Offering are reasonable in the circumstances of 3MV. Accordingly, the Offering is exempt from minority shareholder approval and formal valuation requirements of MI 61-101.

The Offering is closing in less than 21 days due to the Company's immediate need to repay its secured lenders, which shorter period is both reasonable and necessary in the circumstances. MI 61-101 requires if a material change report is filed less than 21 days before the expected date of the closing of the transaction, an explanation is to be provided why the shorter period is reasonable or necessary in the circumstances.

### **About 3MV**

3MV is an oil and gas exploration and development company with assets throughout west central Saskatchewan's Viking oil play.

### **For Further Information Please Contact:**

Curtis Schoenfeld	OR	Billy Abbey
President & CEO		CFO, VP Finance
(403) 234-8998		(403) 234-8998

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### **Forward-Looking Statements**

*Certain statements in this news release constitute forward-looking statements. The forward-looking statements contained in this document are based on certain key expectations and assumptions made by 3MV. Although 3MV believes that the expectations and assumptions on which the forward-looking statements are based are reasonable, undue reliance should not be placed on the forward-looking statements because 3MV 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. Actual results could differ materially from those currently anticipated due to a number of factors and risks. These include, but are not limited to, the failure to obtain necessary regulatory approvals, risks associated with the oil and gas industry in general (e.g., operational risks in development, exploration and production; delays or changes in plans with respect to exploration or development projects or capital expenditures; the uncertainty of reserve estimates; the uncertainty of estimates and projections relating to production, costs and expenses, and health, safety and environmental risks), commodity price and exchange rate fluctuations and uncertainties resulting from potential delays or changes in plans with respect to exploration or development projects or capital expenditures. Readers are cautioned that the foregoing list of factors is not exhaustive. Additional information on these and other factors that could affect 3MV's operations and financial results are included in reports on file with Canadian securities regulatory authorities and may be accessed through the SEDAR website ([www.sedar.com](http://www.sedar.com)).*

*The forward-looking statements contained in this document are made as of the date hereof and 3MV 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.*

#### ***Oil and Gas Disclosure***

*For the purpose of calculating unit costs, natural gas volumes have been converted to a barrel of oil equivalent (“**BOE**”) using six thousand cubic feet equal to one barrel unless otherwise stated. A BOE conversion ratio of 6:1 is based upon an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. BOEs may be misleading, particularly if used in isolation.*

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