

MOONCOR

Oil & Gas

MOO: TSX Venture Exchange

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MOONCOR PROVIDES UPDATE ON ITS HAMBURG LIQUIDS RICH MUSKWA/DUVERNAY SHALE GAS PROJECT

Calgary, Alberta – Mooncor Oil & Gas Corp. (“Mooncor”) (MOO:TSXV) is pleased to provide an update on the progress of its corporate development activities.

HAMBURG MUSKWA/DUVERNAY LIQUIDS RICH SHALE GAS PROJECT FLOW TESTED 75 BBLs/MMSCF OF WHICH APPROXIMATELY 34% WAS 56° API CONDENSATE

Mooncor conducted a pilot test of the Muskwa shale from its pilot well at 06-34-94-12W6 in February and March 2009. Test results showed the Muskwa zone to be overpressured and containing liquids rich gas. Flow test results showed low CO₂ concentrations (<0.2%) with a natural gas liquids content of approximately 75 bbls/mmscf of which approximately 34% was 56° API condensate. The raw gas production also had an ethane content in excess of 10%. The liquids rich characteristics of the Muskwa/Duvernay shale at Hamburg are similar to results recently published by other industry groups.

As technology advances the liquids and condensate in high liquids content shale gas projects have been economically recovered in other liquids rich shale gas plays in North America, thus enhancing the potential value of Mooncor’s Hamburg project.

On May 27, 2010 the Alberta Provincial government implemented the Emerging Resources and Technologies Initiative. Under the Initiative, wells that produce exclusively from shale formations (as defined by the Energy Resource Conservation Board) will qualify for a 5% royalty rate for 36 producing months with no volume limit. Mooncor’s Muskwa/Duvernay shale formation would qualify for this Initiative.

The combination of lower shale gas royalty rates applied to the rich liquids content (75+ bbls/mmscf), and high heat value of the residual gas has had a very significant impact on overall project economics. Recent industry activity, in both the Duvernay and Muskwa portions of the basin, has increased due to the attractive values seen in the liquids-rich gas potential of Mooncor’s Hamburg project.

Further, Mooncor is revamping its website (www.mooncor.com) and expects it to be operational in the next several weeks.

Business of Mooncor Oil & Gas Corp.

Mooncor Oil & Gas Corp. is a junior oil and gas exploration and development company. Mooncor is focusing on its shale gas opportunities with a current emphasis on negotiations for a joint venture partner on its high impact proven Muskwa/Duvernay shale gas play at Hamburg, Alberta as well as structuring a spinoff of its southwest Ontario assets into a new entity.

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