

**Mainland Resources, Inc.**  
17314 SH 249, Suite 306  
Houston, Texas 77064  
[info@mainlandresources.com](mailto:info@mainlandresources.com)



## **NEWS RELEASE**

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### **MAINLAND RESOURCES, INC. AND AMERICAN EXPLORATION CORP. ANNOUNCE MERGER AGREEMENT**

Houston, Texas / PR Newswire – March 23, 2010. Mainland Resources, Inc. (OTCBB: MNLU, Frankfurt: 5MN) (“Mainland”) and American Exploration Corporation (OTCBB: AEXP, Frankfurt: EQO) (“American Exploration”) announced today that their respective boards of directors have approved a stock-for-stock merger to be effected under the laws of Nevada, and that the companies have signed a definitive Merger Agreement and Plan of Merger (the “Merger Agreement”). If the merger is completed, Mainland will be the surviving corporation, and will become vested with all of American Exploration’s assets and property.

Under the terms of the Merger Agreement, American Exploration’s stockholders will receive one share of Mainland common stock for every four shares of American Exploration common stock they own. Currently, there are approximately 59,718,000 shares of American Exploration common stock outstanding, with the result that approximately 14,929,500 shares of Mainland common stock are anticipated to be issued to former stockholders of American Exploration upon completion of the merger. Based on the closing market price of Mainland’s common stock of \$1.23 per share, as reported by the OTC Bulletin Board, on March 22, 2010, the total share consideration to be issued to American Exploration’s stockholders will be worth approximately \$18,363,285, and they will hold approximately 15.6% of the issued and outstanding common stock of Mainland, as the surviving corporation.

The merger will be subject to various conditions, including: the approval of the respective stockholders of each of Mainland and American Exploration; completion within 30 days by each party, to its satisfaction, of due diligence investigation of the other party’s business and affairs to determine the feasibility, economic or otherwise, of the merger; the number of holders of American Exploration common stock exercising dissent rights available to them under Nevada law shall not exceed 5% of the total issued and outstanding shares of American Exploration common stock; the number of holders of Mainland common stock exercising dissent rights available to them under Nevada law shall not exceed 5% of the total issued and outstanding shares of Mainland common stock; each party shall have received a draft fairness opinion (each, a “Fairness Opinion”) of its own independent financial advisor to the effect that, as of the date of the Merger Agreement, the merger is fair from a financial point of view to holders of such party’s stockholders (subject to the assumptions, qualifications and limitations relating to such opinion), and such party’s Board of Directors shall have approved of and accepted such draft Fairness Opinion; and other customary conditions. In addition, each party’s obligation to consummate the merger is subject to the accuracy of the representations and warranties of the other party and material compliance of the other party with its covenants.

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The ratio (the “Exchange Ratio”) which determines the number of shares of Mainland common stock that are to be issued on completion of the merger for all of the shares of American Exploration common stock is subject to reduction by the shares of American Exploration common stock held by those stockholders, if any, who elect to exercise dissent rights under Nevada law. The Exchange Ratio also may be adjusted by good faith negotiation between the parties if required, having regard to (a) the results of the due diligence investigation of a party’s business and affairs by the other party, or (b) the Fairness Opinions.

The Merger Agreement also contemplates that: (a) all outstanding common stock options of American Exploration (the “American Exploration Options”) will be disposed of by the holders thereof in consideration for the issue by Mainland of non-transferable stock options (the “Mainland Exchange Options”); and (b) all of the outstanding common stock purchase warrants of American Exploration (the “American Exploration Warrants”) will be disposed of by the holders thereof in consideration for the issue by Mainland of non-transferable common stock purchase warrants (the “Mainland Exchange Warrants”). The number of Mainland Exchange Options and Mainland Exchange Warrants issuable will be determined with reference to the Exchange Ratio. Currently, the Exchange Ratio is anticipated to be one Mainland Exchange Option or one Mainland Exchange Warrant for every four American Exploration Options or every four American Exploration Warrants, as the case may be. The Mainland Exchange Options will be exercisable at a price of \$1.50 per share; the exercise price of each Mainland Exchange Warrant is anticipated to be determined by multiplying the per share exercise price of the corresponding American Exploration Options or American Exploration Warrants by four, subject to adjustment if the Exchange Ratio is adjusted.

The Merger Agreement provides that not more than 15,000,000 shares of Mainland common stock shall be issued in exchange for shares of American Exploration common stock pursuant to the merger (exclusive of any shares of Mainland common stocks issued in exchange for shares of American Exploration common stock which are issued upon exercise prior to closing of any outstanding American Exploration Options or American Exploration Warrants).

The foregoing description of the merger and the Merger Agreement is not complete and is qualified in its entirety by reference to the Merger Agreement.

For more information on Mainland, investors should review the Mainland's filings with the United States Securities Commission at [www.sec.gov](http://www.sec.gov).

For more information on American Exploration, investors should review American Exploration’s filings with the United States Securities Commission at [www.sec.gov](http://www.sec.gov).

### **About Mainland Resources, Inc.**

Mainland Resources is a junior company engaged in the exploration and development of oil and gas resources. The Company’s current initiatives are focused on the acquisition and development of leases in emerging gas regions with the potential for discoveries including the Haynesville shale.

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Symbol: MNLU – OTCBB, Symbol: 5MN; Frankfurt, WKN No.: A0ND6N  
Contact: Investor Relations (USA)  
Tel. 281-469-5990

Investor Relations (Europe)  
Tel. +49-69-7593-8408

**SAFE HARBOR STATEMENT** -THIS NEWS RELEASE CONTAINS “FORWARD-LOOKING STATEMENTS”, AS THAT TERM IS DEFINED IN SECTION 27A OF THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED, AND SECTION 21E OF THE UNITED STATES SECURITIES EXCHANGE ACT OF 1934, AS AMENDED. STATEMENTS IN THIS NEWS RELEASE, WHICH ARE NOT PURELY HISTORICAL, ARE FORWARD-LOOKING STATEMENTS AND INCLUDE ANY STATEMENTS REGARDING BELIEFS, PLANS, EXPECTATIONS OR INTENTIONS REGARDING THE FUTURE.

EXCEPT FOR THE HISTORICAL INFORMATION PRESENTED HEREIN, MATTERS DISCUSSED IN THIS NEWS RELEASE CONTAIN FORWARD-LOOKING STATEMENTS THAT ARE SUBJECT TO CERTAIN RISKS AND UNCERTAINTIES THAT COULD CAUSE ACTUAL RESULTS TO DIFFER MATERIALLY FROM ANY FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH STATEMENTS. STATEMENTS THAT ARE NOT HISTORICAL FACTS, INCLUDING STATEMENTS THAT ARE PRECEDED BY, FOLLOWED BY, OR THAT INCLUDE SUCH WORDS AS “ESTIMATE,” “ANTICIPATE,” “BELIEVE,” “PLAN” OR “EXPECT” OR SIMILAR STATEMENTS ARE FORWARD-LOOKING STATEMENTS. FORWARD-LOOKING STATEMENTS INCLUDED IN THIS NEWS RELEASE CONSIST OF STATEMENTS RELATING TO THE PROPOSED MERGER, INCLUDING THE EXCHANGE RATIO THAT WILL GOVERN THE NUMBER OF SHARES OF MAINLAND COMMON STOCK THAT ARE TO BE ISSUED ON COMPLETION OF THE MERGER FOR ALL OF THE SHARES OF AMERICAN EXPLORATION COMMON STOCK. THE COMPLETION OF THE MERGER IS SUBJECT TO VARIOUS CONDITIONS PRECEDENT, AS DETAILED ABOVE. OTHER RISKS AND UNCERTAINTIES FOR THE COMPANY INCLUDE, BUT ARE NOT LIMITED TO, THE RISKS ASSOCIATED WITH PROPERTY DEVELOPMENT AND FUNDING AS WELL AS THE RISKS SHOWN IN THE COMPANY’S MOST RECENT ANNUAL REPORT ON FORM 10-K AND ON FORM 10-Q AND FROM TIME-TO-TIME IN OTHER PUBLICLY AVAILABLE INFORMATION REGARDING THE COMPANY. SUCH RISKS INCLUDE RISKS ASSOCIATED WITH THE REGULATORY APPROVAL PROCESS, COMPETITIVE COMPANIES, FUTURE CAPITAL REQUIREMENTS AND THE COMPANY’S ABILITY AND LEVEL OF SUPPORT FOR ITS EXPLORATION AND DEVELOPMENT ACTIVITIES. THERE CAN BE NO ASSURANCE THAT THE COMPANY’S DEVELOPMENT EFFORTS WILL SUCCEED AND THE COMPANY WILL ULTIMATELY ACHIEVE COMMERCIAL SUCCESS. THESE FORWARD-LOOKING STATEMENTS ARE MADE AS OF THE DATE OF THIS NEWS RELEASE, AND THE COMPANY ASSUMES NO OBLIGATION TO UPDATE THE FORWARD-LOOKING STATEMENTS, OR TO UPDATE THE REASONS WHY ACTUAL RESULTS COULD DIFFER FROM THOSE PROJECTED IN THE FORWARD-LOOKING STATEMENTS. ALTHOUGH THE COMPANY BELIEVES THAT THE BELIEFS, PLANS, EXPECTATIONS AND INTENTIONS CONTAINED IN THIS NEWS RELEASE ARE REASONABLE, THERE CAN BE NO ASSURANCE THOSE BELIEFS, PLANS, EXPECTATIONS OR INTENTIONS WILL PROVE TO BE ACCURATE. INVESTORS SHOULD CONSIDER ALL OF THE INFORMATION SET FORTH HEREIN AND SHOULD ALSO REFER TO THE RISK FACTORS DISCLOSED IN THE COMPANY’S PERIODIC REPORTS FILED FROM TIME-TO-TIME WITH THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION.

THIS NEWS RELEASE HAS BEEN PREPARED BY MANAGEMENT OF THE COMPANY WHO TAKES FULL RESPONSIBILITY FOR ITS CONTENTS. EACH OF FINRA, THE SEC AND THE BRITISH COLUMBIA SECURITIES COMMISSION NEITHER APPROVES NOR DISAPPROVES OF THE CONTENTS OF THIS NEWS RELEASE. THIS NEWS RELEASE SHALL NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY NOR SHALL THERE BE ANY SALE OF THESE SECURITIES IN ANY JURISDICTION IN WHICH SUCH OFFER, SOLICITATION OR SALE WOULD BE UNLAWFUL PRIOR TO REGISTRATION OR QUALIFICATION UNDER THE SECURITIES LAWS OF ANY SUCH JURISDICTION.

### **IMPORTANT ADDITIONAL INFORMATION WILL BE FILED WITH THE SEC**

In connection with the proposed transaction, Mainland intends to file relevant materials with the United States Securities and Exchange Commission (the “SEC”), including a Registration Statement on Form S-4 (the “Registration Statement”), which will include a preliminary prospectus and related materials to register the securities of Mainland to be issued in exchange for securities of American Exploration. The Registration Statement will incorporate a joint proxy statement/ prospectus (the “Proxy Statement/Prospectus”) that Mainland and American Exploration plan to file with the SEC and mail to their respective stockholders in connection with obtaining stockholder approval of the

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proposed merger. The Registration Statement and the Proxy Statement/Prospectus will contain important information about Mainland, American Exploration, the merger and related matters. Investors and security holders are urged to read the Registration Statement and the Proxy Statement/Prospectus carefully when they are available. Investors and security holders will be able to obtain free copies of the Registration Statement and the Proxy Statement/Prospectus when they become available, and other documents filed with the SEC by Mainland and American Exploration, through the web site maintained by the SEC at [www.sec.gov](http://www.sec.gov). Mainland's security holders will also receive information at an appropriate time on how to obtain these documents free of charge from the Mainland. In any event, documents filed by Mainland with the SEC may be obtained free of charge by contacting the Company at: Mainland Resources, Inc.; Attention: Mr. William Thomas, Director; 20333 State Highway 249, Suite 200, Houston, TE 77070; Facsimile: (731) 583-1162.

Each of Mainland and American Exploration, and their respective directors and executive officers, also may be deemed to be participants in the solicitation of proxies from their respective stockholders in connection with the transaction described herein. Information regarding the special interests of these directors and executive officers in the transaction described herein will be included in the Proxy Statement/Prospectus described above.