

News Release

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Large-Block Holders of Mirant Stock and Bonds Prevented from Selling, Trading Until Notice Procedure Established

Court Order Protects Mirant's Tax Position

ATLANTA – Mirant announced today that the U.S. Bankruptcy Court has entered an emergency relief order preventing the sale or trading of certain shares of, and claims of creditors in, the company's Chapter 11 case.

Creditors holding claims against Mirant or its debtor subsidiaries (the "Debtors") in excess of \$250 million, and shareholders owning or seeking to acquire 4.75 percent of Mirant's stock, are prohibited from selling or trading such shares or claims. This order is in effect until the Court can consider Mirant's request to establish a notice procedure regarding the trading of shares and claims.

The emergency relief is necessary to prevent potential trades of claims or stock that could negatively impact the Debtors' net operating loss tax attributes. The emergency relief preserves these tax attributes until parties in interest can appear and be heard regarding the notice procedure requested by Mirant.

Mirant's tax loss attributes are approximately \$1 billion and could reach \$2.5 billion by the end of 2003. These attributes may result in potential future tax savings of as much as \$200 to \$400 million.

The Court has scheduled a hearing for 9 a.m. CDT on July 23 to consider a proposed notice procedure requiring holders of claims, preferred securities, and common stock to provide at least ten days advance notice of their intent to buy or sell claims against the Debtors, or shares in Mirant. Mirant also requests that the Bankruptcy Court establish a procedure for the imposition of sanctions for violations of the notification requirements.

The court order, the motion filed by the Debtors, and the supporting notices and papers are available at www.bsillc.com. In addition, copies may be obtained by contacting Craig H. Averch at (310) 620-7704 or caverch@whitecase.com.

Mirant is a competitive energy company that produces and sells electricity in North America, the Caribbean, and the Philippines. Mirant owns or controls more than 22,000 megawatts of electric generating capacity globally. We operate an integrated asset management and energy marketing organization from our headquarters in Atlanta. For more information, please visit www.mirant.com.