



MADALENA ANNOUNCES APPOINTMENT OF PERMANENT CHIEF FINANCIAL OFFICER

Madalena Energy Inc. ("Madalena" or the "Company") (TSXV: MVN and OTCQX: MDLNF) is pleased to announce the appointment of Mr. Ezequiel Martinez Ariet as permanent Chief Financial Officer of the Company, effective as of July 1, 2017. Mr. Martinez replaces Madalena Director Alejandro Augusto Penafiel, who assumed an Interim CFO role on May 31, 2017, following the transfer of executive management functions from Canada to Argentina. The Madalena board of directors would like to thank Mr. Alejandro Augusto Penafiel for his diligent work and assistance in facilitating the transition between management regimes.

Mr. Martinez, who will leave his position as Administrative and Financial Manager at AESA in Argentina, will bring 15 years of financial, strategic and operational experience to Madalena. He will be based in Buenos Aires and will report directly to Madalena Chief Executive Officer, Jose David Penafiel. Mr. Penafiel commented, "Having had the privilege of working with Mr. Martinez on projects in the past, I am fully confident that his knowledge, expertise and experience will greatly enhance the management team at Madalena and offer invaluable leadership, both during this current period of reorganization and beyond. His precise insight into the E&P market in Argentina makes him the perfect candidate for the position of CFO of Madalena."

An Accountancy graduate from Salvador University with post-graduate diplomas from the Professional Council of Economic Sciences CABA (IFRS and ISAs), the IAE Business School (Business Management) and the Catholic University of Argentina (Finance), Mr. Martinez combines vast proficiency in Accounting, Administration, Tax and Finance with abundant experience in the geographical region. After acting as Head of Accounting at Argentinian energy giant YPF, he moved on to the position of CFO at Petrolera San Jose before leading the financial team as Administrative and Financial Manager at AESA – a subsidiary of YPF – with some 5,000 employees and a net income of around \$460 million (USD).

About Madalena Energy

Madalena is an independent, Canadian upstream oil and gas company with operations in four provinces of Argentina where it is primarily focused on the delineation of unconventional oil and gas resources. The Company is implementing horizontal drilling and completions technology to develop both its conventional and resource plays.

Madalena trades on the TSX Venture Exchange under the symbol MVN and on the OTCQX under the symbol MDLNF.

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Forward Looking Information

The information in this news release contains certain forward-looking statements. These statements relate to future events or our future performance, in particular, but not limited to, with respect to matters related to the Company's future plans and the timing of certain matters. All statements other than statements of historical fact may be forward-looking statements. Forward-looking statements are often, but not always, identified by the use of words such as "seek", "anticipate", "plan", "continue", "estimate", "approximate", "expect", "may",

"will", "project", "predict", "potential", "targeting", "intend", "could", "might", "should", "believe", "would" and similar expressions. These statements involve substantial known and unknown risks and uncertainties, certain of which are beyond the Company's control, including: the impact of general economic conditions; industry conditions; changes in laws and regulations including the adoption of new environmental laws and regulations and changes in how they are interpreted and enforced; fluctuations in commodity prices and foreign exchange and interest rates; stock market volatility and market valuations; volatility in market prices for oil and natural gas; liabilities inherent in oil and natural gas operations; uncertainties associated with estimating oil and natural gas reserves; competition for, among other things, capital, acquisitions, of reserves, undeveloped lands and skilled personnel; incorrect assessments of the value of acquisitions; changes in income tax laws or changes in tax laws and incentive programs relating to the oil and gas industry; geological, technical, drilling and processing problems and other difficulties in producing petroleum reserves; and obtaining required approvals of regulatory authorities. The Company's actual results, performance or achievement could differ materially from those expressed in, or implied by, such forward-looking statements and, accordingly, no assurances can be given that any of the events anticipated by the forward-looking statements will transpire or occur or, if any of them do, what benefits the Company will derive from them. These statements are subject to certain risks and uncertainties and may be based on assumptions that could cause actual results to differ materially from those anticipated or implied in the forward-looking statements. The forward-looking statements in this news release are expressly qualified in their entirety by this cautionary statement. Except as required by law, the Company undertakes no obligation to publicly update or revise any forward-looking statements. Investors are encouraged to review and consider the additional risk factors set forth in the Company's Annual Information Form, which is available on SEDAR at www.sedar.com.

Neither the TSX Venture Exchange nor its Regulation Service Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.