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**Madalena Ventures Inc. and Online Energy Inc. Announce Successful Completion of
Takeover Bid for the Common Shares of Online Energy Inc.**

Madalena Ventures Inc. ("**Madalena**") (TSX-V: MVN), an international upstream oil and gas company and Online Energy Inc. ("**Online**") (TSX-V: ONL), a domestic oil and gas company with operations in Alberta, are pleased to jointly announce that 42,992,196 common shares ("**Online Shares**") of Online, representing approximately 93.5% of the issued and outstanding Online Shares, have been tendered pursuant to Madalena's offer to purchase (the "**Offer**") all of the issued and outstanding Online Shares. Madalena has directed the depositary, Alliance Trust Company (the "**Depositary**"), to take up and pay for the Online Shares deposited under the Offer and not withdrawn as at 10:00 a.m. (Calgary time) on November 1, 2012. Under the Offer, holders of Online Shares are entitled to receive \$0.35 in cash for each Online Share tendered to the Offer.

As the Offer was accepted by holders of greater than 90% of the outstanding Online Shares, Madalena will take steps to acquire the remainder of the Online Shares pursuant to the compulsory acquisition provisions contained in the *Business Corporations Act* (Alberta). Online Shares have been halted from trading on the TSX Venture Exchange and will remain halted pending Online's application to delist the Online Shares from such exchange.

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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.