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NEWS RELEASE

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200, 707 – 7th Avenue S.W.
Calgary, Alberta T2P 3H6
Telephone: (403) 262-1901
Facsimile (403) 262-1905

Madalena Announces Increase to Financings for Gross Proceeds of Up To \$7.75 Million

Madalena Ventures Inc. (the "Company" or "Madalena" (TSX VENTURE: MVN) is pleased to announce that, further to its earlier news release of June 19, 2013, it has increased the size of the announced financings by approximately \$1.75 million, such that, if the financings are fully subscribed Madalena will receive aggregate gross proceeds of up to \$7.75 million through the issuance of:

- (a) 11,765,000 common shares of the Company ("**Common Shares**") to be issued as "flow-through shares" ("**Brokered CEE Flow-Through Shares**") within the meaning of the *Income Tax Act* (Canada) at a price of \$0.34 per Brokered CEE Flow-Through Share for aggregate gross proceeds of \$4,000,100, pursuant to a revised agreement with Dundee Securities Ltd. ("**Dundee**") under which Dundee has agreed to purchase such Brokered CEE Flow-Through Shares by way of private placement on a "bought deal" basis (the "**Brokered Private Placement**"); and
- (b) up to: (i) 806,452 Common Shares at a price of \$0.31 per Common Share; (ii) 5,468,750 Common Shares to be issued as "flow-through shares" ("**CDE Flow-Through Shares**") within the meaning of the *Income Tax Act* (Canada) at a price of \$0.32 per CDE Flow-Through Share; and (iii) 5,147,059 Common Shares to be issued as "flow-through shares" ("**Non-Brokered CEE Flow-Through Shares**" and together with the Brokered CEE Flow-Through Shares, the "**CEE Flow-Through Shares**") within the meaning of the *Income Tax Act* (Canada) at a price of \$0.34 per Non-Brokered CEE Flow-Through Share, for aggregate gross proceeds of up to approximately \$3.75 million (the "**Non-Brokered Private Placement**" and together with the Brokered Private Placement, the "**Private Placement**").

Certain directors and officers of Madalena are expected to participate in the Non-Brokered Private Placement.

Upon the closing of the Private Placement, Madalena will covenant that purchasers of CDE Flow-Through Shares will be entitled to renunciations of Canadian development expenses in an amount equal to their subscription amount and purchasers of CEE Flow-Through Shares will be entitled to renunciations of Canadian exploration expenses in an amount equal to their subscription amount.

Closing of the Private Placement is expected to occur on or about July 11, 2013 and is subject to the receipt of applicable regulatory approvals, including approval of the TSX Venture Exchange.

About Madalena – Domestic and International Assets

Madalena is an independent, Canadian-based, domestic and international upstream oil and gas company whose main business activities include exploration, development and production of crude oil, natural gas liquids and natural gas.

Domestically, Madalena's core area of operations is located in the Greater Paddle River area of west-central Alberta where the Company holds approximately 200 gross (>150 net) sections of land (78% average W.I.)

encompassing light oil and liquids-rich gas resource plays. Madalena's domestic focus is to exploit its large inventory of horizontal development locations on its Ostracod oil, Notikewin/Wilrich liquids-rich gas, and emerging Nordegg oil & liquids-rich gas resource plays. Madalena also holds more than 100 net sections (100% W.I.) which are prospective for the Duvernay shale.

Internationally, Madalena holds three large blocks within the prolific Neuquén basin in Argentina where it is focused on the delineation of vast shale and unconventional resources in the Vaca Muerta and Lower Agrio shales, in addition to tight sand plays in the Mulichinco and Quintuco. The Company is also developing a conventional oil play in the Sierras Blancas formation. Madalena holds 135,000 net acres on the Coiron Amargo (35,027 net acres), Curamhuele (50,400 net acres) and Cortadera (49,600 net acres) blocks.

Madalena trades on the TSX Venture Exchange under the symbol MVN. Basic corporate information, recent news releases and regularly updated corporate presentations are available on the Company's website at www.madalena-ventures.com.

For further information please contact:

Kevin Shaw, P.Eng, MBA

President and Chief Executive Officer
Madalena Ventures Inc.
Phone: (403) 262-1901 (Ext. 230)
kdshaw@madalena-ventures.com

Thomas Love, CA

VP, Finance and Chief Financial Officer
Madalena Ventures Inc.
Phone: (403) 262-1901 (Ext. 227)
tlove@madalena-ventures.com

Reader Advisories

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 with respect to the closing of the Private Placement and the incurring and renunciation of expenditures with respect to the CDE Flow-Through Shares and the CEE Flow-Through Shares. 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. In particular, this news release contains forward-looking statements pertaining to operational activities to be conducted by the Company. 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.

This press release is not an offer of the securities for sale in the United States. The securities have not been registered under the U.S. Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an exemption from registration. This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any state in which such offer, solicitation or sale would be unlawful.

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.