

NEWS RELEASE

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**MADALENA VENTURES INC.**

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**TSXV Trading Symbol: MVN**

**MADALENA ANNOUNCES INCREASE IN EQUITY FINANCING TO \$25 MILLION**

**Madalena Ventures Inc.** (“Madalena” or the “Corporation”) is pleased to announce that the Company has reached an agreement with a syndicate of underwriters led by Wellington West Capital Markets Inc., and including Byron Securities Limited (the “Underwriters”) to increase its previously announced Offering to a total of 38,465,000 Common Shares for total gross proceeds of \$25,002,250. All other terms and conditions of the Offering, including the over-allotment option granted to the Underwriters, remain the same as previously announced.

The Common Shares are being offered in the provinces of Ontario, Manitoba, Saskatchewan, Alberta and British Columbia by way of a short form prospectus, and in other jurisdictions pursuant to applicable exemptions from registration and prospectus requirements. The Offering is scheduled to close on or about November 10, 2010 and is subject to the completion of formal documentation and regulatory approval, including the approval of the TSX Venture Exchange.

The net proceeds of the Offering will be used to fund the Corporation’s ongoing capital program in the Neuquén Basin of Argentina and for general corporate purposes.

Madalena is a publicly traded international junior Canadian oil and gas exploration company trading on the TSX Venture Exchange under the symbol “MVN”. The Corporation is actively evaluating international oil and gas opportunities with a primary focus on South America.

***This press release shall not constitute an offer to sell, or the solicitation of an offer to buy, securities in any jurisdiction in which such offer, solicitation or sale would be unlawful. The Common Shares have not been and will not be registered under the United States Securities Act of 1933, as amended, and may not be offered or sold within the United States or to or for the account or benefit of a U.S. Person absent registration or an applicable exemption from the registrations requirements of such Act or laws.***

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## Forward Looking Statements

The information in this news release contains certain forward-looking statements. These statements relate to future events or our future performance including completion of the Offering and the associated use of proceeds. 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 Corporation’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 Corporation’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 that the Corporation 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 Corporation’s forward-looking statements are expressly qualified in their entirety by this cautionary statement. Except as required by law, the Corporation 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 Corporation’s Annual Information Form which is available on SEDAR at [www.sedar.com](http://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.