

**NEWS RELEASE**

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**TSXV Trading Symbol: MVN**

**MADALENA DRILLING UPDATE**

Madalena Ventures Inc. and its wholly owned subsidiary Madalena Austral SA ("Madalena" or the "Company"), is pleased to provide an update of drilling activity in the Neuquén basin, Argentina.

On the Curamhuele Block, the Company has completed drilling the Yapai X-1001 well to a total measured depth ("MD") of 10,743 feet (10,478 true vertical depth or "TVD") penetrating the Lower Troncoso and Avile formations. Based on electric logs, the well encountered a potential gross hydrocarbon column of 23 feet in the Lower Troncoso formation at 4,640 feet MD (4,394 feet TVD) and as programmed the well also encountered multiple stacked Avile formations from 6,800 feet MD (6,530 feet TVD) to 10,620 feet MD (10,360 feet TVD). The Company has elected to case the well to total depth with 7" casing and plans to test the well in several of the Avile sands and the Lower Troncoso formation in the third quarter of 2011. Two previous wells drilled on the block, Curamhuele X-1 and Yapai X-1, have been drilled into the Mulichinco formation and will be reviewed for potential re-entry to test the Vaca Muerta shale formation.

On the Coiron Amargo Block, testing of the CAS X-1 well was delayed due to poor cement across the Sierras Blancas formation. After the completion of several remedial cement jobs, the well has tested oil up to 150 barrels per day from the Sierras Blancas formation unstimulated. A fracture stimulation treatment of the formation will now be undertaken prior to perforation and testing of the Vaca Muerta formation at the CAS X-1 well. Testing of the CAN X-4 well in the northern portion of the block will commence following testing at CAS X-1. Tests of the cement at the CAN X-4 well location indicate that a good cement bond was obtained.

On the Cortadera Block, the CorS x-1 well targeting the Quintuco, Mulichinco, Vaca Muerta shale and Tordillo formations is currently drilling ahead at approximately 4,500 feet. The Company anticipates that the well will reach TD in late July, early August 2011.

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

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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. 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 that 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 Company’s forward-looking statements 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](http://www.sedar.com).

Any references in this news release to test rates, flow rates, initial and/or final raw test or production rates, early production and/or "flush" production rates are useful in confirming the presence of hydrocarbons, however, such rates are not determinative of the rates at which such wells will commence production and decline thereafter. Additionally, such rates may also include recovered "load" fluids used in well completion stimulation. Readers are cautioned not to place reliance on such rates in calculating the aggregate production for the Company.

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.