

NEWS RELEASE

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**MADALENA ANNOUNCES 70% JOINT VENTURE PARTICIPATION IN THE NEUQUEN PROVINCE
OF ARGENTINA**

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Madalena Ventures Inc. ("Madalena" or the "Company") is pleased to announce it has executed a Letter of Intent with Hidrocarburos del Neuquén Sociedad Anónima, ("HIDENESA"), the Neuquén Provincial Hydrocarbon Company, and received approval for a work commitment program from HIDENESA to pursue exploration activities on the Cortadera exploration block ("Block") in the Province of Neuquen, Argentina.

The joint venture participants in the Block are Madalena Ventures Inc. (Sucursal Argentina) 70%, HIDENESA 10%, and Estrella Servicios Petroleros SA (Estrella) 20%. Final approval to the joint venture is subject to the execution of a formal operating agreement among the parties.

The joint venture carries an initial three year exploration term with a work commitment of \$US 2.5 million in exploration expenditures on the Block, including seismic and the drilling of at least one exploration well. Madalena and Estrella are proportionately responsible for the costs during the initial exploration term. Upon encountering commercial production on the Block, a development plan would be implemented with a 12% royalty payable to the Province of Neuquen and a concession term of 25 years, with an option to request an additional 10 year extension. During the development phase, HIDENESA is responsible for its share of operating and development costs which are recovered from 80% of their 10% share of production proceeds.

The Neuquen Basin is the most prolific oil and gas producing basin in Argentina and contains a number of fields with oil and natural gas reserves ranging as high as 25 trillion cubic feet of gas and 800 million barrels of oil. The Cortadera Block is situated along the western thrust belt area of the Neuquen Basin and is approximately 500 km² (123,500 acres) in size. Madalena has access to 400 km of existing seismic data located on the Block which has identified several exciting features with multi-zone potential. The Company plans to conduct additional 2D seismic programs on the Block to further delineate these existing leads with the view to drilling an exploration well on the optimal location on the Block. Two wells drilled on the Block during the seventies had gas shows indicating the presence of hydrocarbon potential on the Block.

Dwayne Warkentin, Senior Vice President and COO of the Company remarks, "This is an excellent opportunity for Madalena to establish its initial presence in Argentina in a prolific oil and gas producing basin. There is a growing demand for energy supply in Argentina and we believe Madalena is well positioned with this significant new block of acreage in the Neuquen Basin."

The Company also wishes to announce that the offshore seismic program conducted over the Hammamet Block in Tunisia has indicated the presence of a number of high quality features that the Company is evaluating for potential drilling during 2008. Madalena is actively evaluating additional exploration and production opportunities in South America and North Africa.

MADALENA VENTURES INC.

On behalf of the Board

"Ken Broadhurst"

Ken Broadhurst, President

Forward Looking Statements

Certain information set forth in this press release, including a discussion of future plans and operations, contains forward looking statements that involve substantial known and unknown risks and uncertainties. These forward-looking statements are subject to numerous risks and uncertainties, some of which are beyond management's control, including but not limited to, the impact of general economic conditions, industry conditions, fluctuation of commodity prices, fluctuation of foreign exchange rates, environmental risks industry competition, availability of qualified personnel and management, stock market volatility, timely and cost effective access to sufficient capital from internal and external sources, as well as risks inherent in operating in foreign jurisdictions, including varying judicial or administrative guidance on interpreting rules and regulations and a higher degree of discretion on the part of governmental authorities. Actual results, performance or achievement could differ materially from those expressed in or implied by these forward-looking statements.