



MADALENA ANNOUNCES PRODUCTION TEST OF HORIZONTAL MULTI-FRAC WELL CAS.x-14 IN VACA MUERTA

Buenos Aires, Argentina, April 24, 2018 (Globe Newswire) - Madalena Energy Inc. ("Madalena" or the "Company") (TSXV: MVN and OTCQX: MDLNF) is pleased to announce that Pan American Energy LLC ("PAE") has successfully completed and tested the second horizontal multi-frac well CAS.x-14 in the Vaca Muerta Shale Formation at the Coiron Amargo Sur Este ("CASE") block in Neuquen, Argentina.

With a 55% stake, PAE is the operating partner of this area. The remaining 35% and 10% correspond to Madalena and GyP, respectively.

CAS.x-14 well reached a peak production of 880 barrels of oil per day through 3mm choke with 5235 psi and a 30 day average production of 600 barrels of oil per day; Cum Oil Production of 23,300 barrels.

Highlights

- PAE successfully re-entered the CAS.x-14 well and drilled horizontally for approximately 1,500 metres in the Vaca Muerta unconventional oil resource play at a vertical depth of approximately 3,100 metres;
- The well was completed rig-less in March with 25 hydraulic frac stages;
- The well tested an average of 600 barrels of oil per day; and
- The well CAS.x-14(ST) tested the Vaca Muerta shale unstructured concept, offering new insights into the play extension without a fracture trend.

Jose David Penafiel, CEO of Madalena Energy commented:

"The test results of CAS.x-14 are very positive and of enormous importance for the Company, as it has significantly derisked Madalena's acreage in the CASE block supporting our contingent resources estimates of 90 million net barrels of resources. The distance between the Vaca Muerta producers CAS.x-15 and CAS.x-14 is around 2 miles, which we believe shows that the Company's entire 19,704 net acres in the CASE block is likely to be of extremely high quality. We look forward to continuing to work with our partner Pan American Energy with the aim of initiating a larger development program."

About Madalena Energy

Madalena is an independent, Canadian upstream oil and gas company with operations in four provinces of Argentina where it is primarily focused on the delineation of unconventional oil and gas resources. The Company is implementing horizontal drilling and completions technology to develop both its conventional and resource plays.

Madalena trades on the TSX Venture Exchange under the symbol MVN and on the OTCQX under the symbol MDLNF.

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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, but not limited to, with respect to the characteristics of the properties held by the Company, production levels, the strategic value and opportunities available to Madalena, operational, business development and financial plans, and opportunities and the ability of Madalena to execute on such plans and opportunities and the Company's ability to meet its commitments and continue as a going concern. 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. There is specific risk that the CAS.x-14 well will not continue to produce at initial rates disclosed in this press release. 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.

Well Test Results

Well test results should be considered as preliminary and not necessarily indicative of long-term performance or of ultimate recovery. Neither a pressure transient analysis nor a well-test interpretation has been carried out on the well test data contained herein and therefore the data contained herein should be considered to be preliminary until such analysis or interpretation has been done.

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.