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MADALENA PROVIDES DOMESTIC & INTERNATIONAL OPERATIONAL UPDATE

Madalena Energy Inc. (TSX-V: MVN) (the “Company” or “Madalena”) is pleased to provide the following update:

Domestic Update: West-Central Alberta

The Company is pleased to report that its most recent 100% working interest (“W.I.”) horizontal Ostracod oil well located at 1-32-55-7W5M in the Paddle River area of west-central Alberta commenced production in early November 2013. During its initial nine operating days of production the well flowed at an average rate of 658 bbls/d of 30° API oil and 871 mscf/d of raw natural gas for a total of 803 barrels of oil equivalent (“boe”) per day (“boe/d”) (82% oil). After accounting for shrinkage and NGLs recovery at the local production facility, the average rate over the initial nine operating days would equate to approximately 793 boe/d (87% oil & NGLs). This well was drilled to a total depth of 3,250 metres with a horizontal length of 1,380 metres and was completed with a 16 stage multi-frac program.

International Update: Neuquén Basin

Coiron Amargo Block – Southern Extension Approved and Drilling Update

The Coiron Amargo block (35% W.I.) held by Madalena is divided into two regions called Coiron Amargo Norte (northern portion of the block) and Coiron Amargo Sur (southern portion of the block). Coiron Amargo Norte is currently under a 25 year exploitation (development) concession which was approved by the Province of Neuquén in 2012. Following an application and approval process by Madalena and its partners over the past several months, the exploration period for Coiron Amargo Sur has now been extended by way of an official decree signed by the Province of Neuquén in Argentina. This one year extension until November 8, 2014 provides Madalena with the financial flexibility to satisfy the remaining work commitments on the block, versus the previous deadline of November 7, 2013. The remaining work commitments in Coiron Amargo Sur are estimated at approximately USD\$ 3.8 million plus VAT (net to Madalena) as of June 30, 2013. After satisfying these remaining work commitments, Madalena has the ability to extend Coiron Amargo Sur through further exploration, evaluation and/or exploitation (development) phases.

The CAN.XR-2(H) well was recently re-entered and is currently being drilled horizontally in the Sierras Blancas light oil reservoir. This well represents the first horizontal well drilled into one of the six Sierras Blancas conventional light oil pools discovered on the block to date. Subsequent to this well, the Company plans to drill an additional Vaca Muerta shale delineation well (CAS.x-15) in the southern portion of the block.

Curamhuele Block Update

The Company continues to work towards a joint venture to accelerate exploration and development activities on its 90% W.I. Curamhuele block. RBC Capital Markets (“RBC”), Madalena’s exclusive advisor related to its Neuquen basin assets, is in communication with a broad spectrum of parties to solicit interest in a joint venture or other transaction with the Company. The Company cautions that there are no assurances that an acceptable joint venture arrangement or other transaction will be reached.

The key zones across the block are the unconventional Vaca Muerta shale, Lower Agrio shale, and Mulichinco, as well as other conventional formations of interest.

About Madalena – International and Domestic 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.

Internationally, Madalena holds three large blocks within the Neuquén basin in Argentina where it is focused on the delineation of large petroleum in-place 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.

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 primary domestic focus is to exploit its large inventory of horizontal drilling locations on its Ostracod oil and emerging Nordegg oil & liquids-rich gas resource plays.

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.madalenaenergy.com.

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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 with respect to the Company's reserves and production from its properties. 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 planned operational activities to be conducted by the Company. In addition, statements relating to "reserves" or "resources" are deemed to be forward-looking statements as they involve the implied assessment, based on certain estimates and assumptions, that the reserves and resources described exist in the quantities predicted or estimated and can be profitably produced in the future. 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.

Oil and Gas Disclosure

Any references in this news release to test rates, flow rates, initial and/or final raw test or production rates, early production, test volumes behind pipe and/or "flush" production rates are useful in confirming the presence of hydrocarbons, however, such rates are not necessarily indicative of long-term performance or of ultimate recovery. In addition, the Company's Ostracod project is a resource project, like many other projects where operators deploy similar operational approaches to those utilized by the Company, and may be subject to high initial decline rates of production and pressure. Such production rates may also include recovered "load" fluids used in well completion stimulation. Readers are cautioned: (a) not to place reliance on such rates in calculating the aggregate production for Madalena; and (b) test or early production results are not necessarily indicative of long-term performance or of ultimate recovery.

All calculations converting natural gas to barrels of oil equivalent ("boe") have been made using a conversion ratio of six thousand cubic feet (six "Mcf") of natural gas to one barrel of oil, unless otherwise stated. The use of boe may be misleading, particularly if used in isolation, as the conversion ratio of six Mcf of natural gas to one barrel of oil is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. Given that the value ratio based on the current price of crude oil as compared to natural gas is significantly different from the energy equivalency of 6:1, utilizing a conversion on a 6:1 basis may be misleading as an indication of value.

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.