

**NEWS RELEASE**

**DECEMBER 14, 2010**

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**TSXV Trading Symbol: MVN**

**MADALENA PROVIDES OPERATIONS UPDATE**

Madalena Ventures Inc. and its wholly owned subsidiary Madalena Austral SA ("Madalena" or the "Corporation"), announces that the Curamhuele X-1001 exploration well located on the Curamhuele Block in the Province of Neuquén, Argentina has been temporarily suspended with intermediate casing set at 4,000 feet due to operational issues associated with drilling through the lower portion of the Neuquen group formation. Madalena will re-enter the well and continue to the objective formations early in the new year utilizing specialized equipment that is not available at this time. Plans to re-enter the well will be combined with ongoing preparations to drill the Yapai X-1001 (previously named Yapai X-2) thrust play well in the first quarter of 2011.

Madalena anticipates that it will be active on all three of its exploration blocks in the first quarter of 2011. On the Coiron Amargo Block, Apco Oil & Gas International Inc. has elected to enter into the second stage of the previously announced multi-well drilling program and farm-out on the block. Drilling of the third well under the farm-out agreement, CAS X-1, is expected to commence in January 2011 in the southern portion of the block. The well is scheduled to be drilled to approximately 11,500 feet depth to penetrate not only the primary objective horizon in the Sierras Blancas formation, but will also allow examination of the prospective Quintuco and Vaca Muerta horizons above, and the Lotena formation below. The joint venture has agreed on two further exploitation locations for which an environmental impact assessment will be submitted to regulatory authorities once completed. In addition, the joint venture anticipates further exploration activity on the block associated with the Vaca Muerta shale formation.

Both the CAN X-1 and CAN X-3 exploration wells drilled in the northern portion of the block are on production. It is anticipated that the joint venture will return to the CAN X-3 location in the first quarter of 2011 to conduct further testing operations.

On the Cortadera Block, a well location has been identified and an environmental impact assessment has been submitted to regulatory authorities. Madalena anticipates that an exploration well targeting gas in the Mulichinco tight sand and Vaca Muerta shale formations will be drilled on the block in the first quarter of 2011.

The Corporation would like to remind holders of common share purchase warrants (the "Warrants") that the Warrants will expire on December 30, 2010 at 5:00 p.m. (Calgary time) (the "Expiry Time").

Madalena is a publicly traded international junior Canadian oil and gas exploration company trading on the TSXV under the symbol "MVN". The Corporation 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 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).

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 Corporation.

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.

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.