

NEWS RELEASE

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MADALENA CASES THE CAN X-1 EXPLORATION WELL AS POTENTIAL OIL DISCOVERY

Madalena Ventures Inc. and its wholly owned subsidiary Madalena Austral SA ("Madalena" or the "Corporation"), is pleased to announce that the Corporation's CAN X-1 exploratory well on the Coiron Amargo Block has been cased as a potential oil discovery. The well is situated on a defined 3D anomaly midway between the CAN X-3 well drilled in August 2010 and the CAN X-2 discovery well drilled in 2009.

The CAN X-1 well targeted the Sierras Blancas formation, which is a prolific oil producer in this part of the Neuquén Basin of Argentina. The CAN X-1 exploration well was drilled to total depth ("TD") of 10,930 feet and has been cased to TD.

The well encountered several zones with hydrocarbon potential. Based on electric logs, the Sierras Blancas formation encountered a gross hydrocarbon column of approximately 65 feet. The Vaca Muerta formation had a gross hydrocarbon column similar to that encountered at CAN X-3 of approximately 110 feet. Drilling and electric log data also indicate potential for hydrocarbons in the Lotena formation below the Sierras Blancas formation. A completion rig is being mobilized this week to test the Sierras Blancas formation encountered by the CAN X-3 well followed immediately by the CAN X-1 well.

As previously disclosed, the CAN X-1 exploration well is the second well of a two stage, multi-well drilling program ("Farmout") of the Coiron Amargo Block. Under the Farmout, the Farmee has 60 days from completion of the first stage of the drilling and completion program to elect to enter into the second stage of the program.

Madalena also announces that the drilling rig contracted to drill the Corporation's Curamhuele X-1001 exploratory well (truncation play) is expected to be onsite early October, 2010. The well location was selected based on 3D seismic and is situated up structure from an existing well located 2.4 kilometres away which tested varying light oil rates/cuts from two separate formations. The well is planned to be drilled to a drilling depth of approximately 8,850 feet in order to penetrate the Lower Troncoso and Avile formations. The Lower Troncoso and Avile formations are the main productive horizons from the El Trapial, Chihuido de la Sierra Negra and Lomita Sur fields located approximately 20-30 km east of Curamhuele where they have produced over 750 million barrels of oil to date. All references in this news release referring to oil and natural gas production from the El Trapial, Chihuido de la Sierra Negra and Lomita Sur fields have been obtained from the National Secretary of Energy of Argentina.

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 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.

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.