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TSXV Trading Symbol: MVN

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**MADALENA ANNOUNCES CLOSING OF BOUGHT DEAL OFFERING,
INCLUDING FULL EXERCISE OF OVER-ALLOTMENT OPTION, FOR GROSS PROCEEDS OF \$9.2 MILLION**

Madalena Energy Inc. ("Madalena" or the "Company") is pleased to announce that it has completed its previously announced bought deal short form prospectus offering (the "Offering") through Mackie Research Capital Corporation and RBC Capital Markets, as co-lead underwriters and joint book-runners (the "Co-Lead Underwriters"), on their behalf and on behalf of Haywood Securities Inc., National Bank Financial Inc., Dundee Securities Ltd., Beacon Securities Limited and Cormark Securities Inc. (collectively with the Co-Lead Underwriters, the "Underwriters"). Pursuant to the Offering, Madalena issued an aggregate of 19,575,300 common shares of the Company ("Common Shares") at an issue price of \$0.47 per Common Share, including 2,553,300 Common Shares issued pursuant to the exercise of the over-allotment option in full by the Underwriters, for aggregate gross proceeds of \$9.2 million.

On November 21, 2013, Madalena closed a private placement offering of CDE "flow through shares" for gross proceeds of \$3.0 million, which combined with the Offering provides Madalena with aggregate combined gross proceeds of \$12.2 million.

The net proceeds from the Offering will be used by the Company for further development of the Company's Ostracod oil assets in the Paddle River area of West-Central Alberta and for general corporate and working capital purposes.

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 blocks within the Neuquén basin in Argentina comprised of approximately 135,000 net acres on the Coiron Amargo (approximately 35,000 net acres), Curamhuele (approximately 50,500 net acres) and Cortadera (approximately 49,500 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 (155 net) sections of land (78% average working interest).

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 expected use of proceeds from the Offering. 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 operational activities to be conducted by the Company. 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.

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.