

NEWS RELEASE

SEPTEMBER 19, 2006

**NOT FOR DISTRIBUTION TO UNITED STATES NEWSWIRE SERVICES OR
FOR DISSEMINATION IN THE UNITED STATES**

**MADALENA VENTURES INC.
200, 441 – 5th Avenue S.W.
Calgary, Alberta T2P 2V1**

Telephone: (403) 233-8010 / Facsimile (403) 233-8013

**MADALENA VENTURES INC. ANNOUNCES PRIVATE PLACEMENT FINANCING OF UP
TO \$22,000,000**

September 19, 2006. Madalena Ventures Inc. ("Madalena" or the "Company") (CNQ: MAVI) is pleased to announce that it has entered into an agreement with Canaccord Capital Corporation (the "Agent") to offer, on a private placement "best efforts" agency basis, up to 27,500,000 units (each, a "Unit") at a price of \$0.80 per Unit for aggregate gross proceeds of up to \$22,000,000 (the "Offering"). In addition, Madalena has granted the Agent an option to offer an additional 2,750,000 Units, exercisable in whole or in part at any time prior to closing of the Offering. Each Unit will be comprised of one common share (each, a "Common Share") of Madalena and one-half of one Common Share purchase warrant (each, a "Warrant"), with each whole Warrant entitling the holder thereof to acquire one additional Common Share at a price of \$0.90 per Common Share for a period of 12 months following closing of the Offering. Proceeds of the Offering will be used to fund Madalena's ongoing international oil and gas acquisition, exploration and development ventures. The Common Shares and Warrants comprising the Units will be subject to a hold period of 4 months from closing of the Offering.

Closing of the offering is subject to customary conditions, including receipt of required regulatory approvals, and is expected to occur on or about October 12, 2006.

Madalena is a Calgary-based company focused on both domestic and international oil and gas exploration and development. Madalena has entered into formal agreements to earn interests in two Exploration Blocks in Tunisia and is evaluating additional high impact exploration opportunities in South America. Madalena owns producing oil and gas properties in Alberta with extensive development drilling projected for 2007.

The Common Shares and Warrants comprising the Units offered have not been and will not be registered under the United States Securities Act of 1933, as amended, and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirement. This press release shall not constitute an offer to sell or the solicitation of an offer to buy nor shall there be any sale of the securities in any jurisdiction in which such offer, solicitation or sale would be unlawful.

For Further Information, please contact: Ken Broadhurst, President and Chief Executive Officer at (403) 233-8010.

Forward Looking Statements

Certain information set forth in this press release, including a discussion of future plans and operations, contains forward-looking statements that involve substantial known and unknown risks and uncertainties. These forward-looking statements are subject to numerous risks and uncertainties, some of which are beyond management's control, including but not limited to, the impact of general economic conditions,

industry conditions, fluctuation of commodity prices, fluctuation of foreign exchange rates, environmental risks, industry competition, availability of qualified personnel and management, stock market volatility, timely and cost effective access to sufficient capital from internal and external sources, as well as risks inherent in operating in foreign jurisdictions, including varying judicial or administrative guidance on interpreting rules and regulations and a higher degree of discretion on the part of governmental authorities. Actual results, performance or achievement could differ materially from those expressed in or implied by these forward-looking statements.