



Candax Announces Positive Listing Review

Toronto, Ontario, Canada – Candax Energy Inc. (“Candax” or the “Company”) [TSX: CAX] is pleased to announce that the TSX Continued Listing Committee has finalized its review of Candax and has determined that the Company continues to meet the requirements for listing of its shares on the TSX. Candax had undergone a listing review subsequent to its announcement on December 14, 2010 that a two-phase restructuring of the Company’s debt was being undertaken. On February 4, 2011, Candax closed this restructuring which resulted in Candax’s debt being reduced from US\$45 million to US\$23 million under significantly improved terms. These new terms have provided Candax with a much improved balance sheet as evidenced by the removal of the going concern notation in the Company’s audited consolidated year-end financial statements for the period ended December 31, 2010.

Richard Norris, CEO of Candax, commented:

“We are very pleased with the outcome of this review and we look to focusing efforts on Candax assets to maximize value to all shareholders.”

Candax Energy Inc. is an international energy company with its head office in Toronto and offices in Tunis and Madagascar. The Candax group is engaged in exploration and the production of oil and gas and power generation in Tunisia and holds an interest in an exploration permit in Madagascar.

For further information, please contact:

Charlotte May, Corporate Secretary, Candax at 416 364 3353 or cmay@candax.com

Cathy Hume, CEO, CHF Investor Relations at 416 868 1079 ext. 231 or cathy@chfir.com

Jeanny So, Director of Operations, CHF Investor Relations at 416 868 1079 ext. 225 or jeanny@chfir.com

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This press release includes “forward looking statements”, within the meaning of applicable securities legislation, which are based on the opinions and estimates of management and are subject to a variety of risks and uncertainties and other factors that could cause actual events or results to differ materially from those projected in the forward looking statements. Forward-looking statements are often, but not always, identified by the use of words such as “seek”, “anticipate”, “budget”, “plan”, “continue”, “estimate”, “expect”, “forecast”, “may”, “will”, “project”, “predict”, “potential”, “targeting”, “intend”, “could”, “might”, “should”, “believe” and similar words suggesting future outcomes or statements regarding an outlook. Such risks and uncertainties include, but are not limited to, risks associated with the oil and gas industry (including operational risks in exploration development and production at El Bibane; delays or changes in plans with respect to exploration or development projects or capital expenditures; the ability of Candax to continue to service its debt; the uncertainty of reserve estimates; the uncertainty of estimates and projections in relation to production, costs and expenses; the uncertainty surrounding the ability of Candax to obtain all permits, consents or authorizations required for its operations and activities; and health safety and environmental risks), the risk of commodity price and foreign exchange rate fluctuations, the ability of Candax to fund the capital and operating expenses necessary to achieve the business objectives of Candax, the uncertainty associated with commercial negotiations and negotiating with foreign governments and risks associated with international business activities, as well as those risks described in public disclosure documents filed by Candax. Due to the risks, uncertainties and assumptions inherent in forward-looking statements, prospective investors in securities of Candax Energy Inc. should not place undue reliance on these forward-looking statements.