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TSX Symbol: CAX

Candax Announces Management Appointments and IFC Investment Update

December 21, 2011 - Toronto, Ontario, Canada – Candax Energy Inc. (“Candax”) [TSX: CAX] is pleased to announce that Benoit Debray, Chairman of Candax has been appointed Chief Executive Officer effective January 1, 2012 and Pierre-Henri Boutant has been appointed Chief Financial Officer effective February 1, 2012. John Younger remains interim President however effective March 1, 2012 he will become the permanent President. Benoit Debray joined the Candax board in June 2010 and this appointment reflects his increased involvement in Candax day to day operations. Pierre-Henri Boutant has 15 years of experience primarily in the oil and gas industry. His most recent position was Corporate Finance Manager of Geoservices, an upstream oilfield service company operating in 50 countries worldwide with a team of more than 5,000 employees that was acquired by Schlumberger Limited in early 2010, a position he was promoted to after holding the positions of District Controller for Operations in Africa and Area Controller for North and South America. Prior to joining Geoservices, Pierre-Henri Boutant spent four years with Elf Aquitaine in France and Gabon and four other years as manager for Bearing Point, a business consulting firm. Pierre-Henri Boutant holds a Certificate in Accounting and Financial Studies and a Masters Degree in Management from the Institut Supérieur du Commerce de Paris, France.

Candax also announces that due to the timing of internal approval procedures at International Finance Corporation (IFC) execution of binding agreements for the previously announced agreement in principle with IFC for the investment in Candax of \$9,790,000 (with an additional \$14,000,000 to be invested if all warrants are exercised) has been delayed until mid January at the earliest and a meeting of Candax shareholders to consider the IFC transaction will likely occur early February. If approved, the transaction could then complete by the end of February or in March of next year.

Benoit Debray, Chairman of Candax, commented, "I am pleased to take on management responsibilities as 2012 will be a busy operations year for Candax post the asset evaluation that has been undertaken and the potential investment by IFC. I would also like to express how pleased we are to have Pierre-Henri join the Candax team. His oil and gas industry experience and in particular the experience he gained working in the field will be very valuable to Candax."

Candax 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 in Tunisia and holds an interest in an exploration permit in Madagascar.

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This news 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; 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 should not place undue reliance on these forward-looking statements.