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TSX Symbol: CAX

## Candax Purchases Additional Interests in El Bibane and Ezzaouia Fields

January 2, 2012 - Toronto, Ontario, Canada – Candax Energy Inc. ("Candax") [TSX: CAX] is pleased to announce that it has entered into an agreement with PA Resources AB ("PA Resources") to purchase PA Resources' 23.9% working interest in the El Bibane field and its 13.6% interest in the Ezzaouia field for a cash consideration of US\$4 million. The purchase of these additional working interests will increase Candax's ownership of the El Bibane field to approximately 98% and 45% for the Ezzaouia field and will add approximately 100 bopd of production to Candax. The transaction has an effective date of January 1, 2012 and is subject to partner and government approval.

Benoit Debray, Chairman of Candax, commented, "We are very pleased to have increased our interest in these two important producing fields for Candax. PA Resources considers these assets non-core in their oil and gas portfolio, however an increase in ownership in these fields will benefit Candax significantly, not only with increased cash flow but increased operating flexibility going forward."

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.