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TSX Symbol: CAX

## Candax Purchases Participation Rights in Tunisian Licences

November 2, 2011 - Toronto, Ontario, Canada – Candax Energy Inc. (“Candax”) [TSX: CAX] is pleased to report that it has entered into an agreement with Dana Gas PJSC (“Dana Gas”), whereby Dana Gas will relinquish its optional rights to participate in future wells targeting the Deep Triassic zone below the currently producing Cretaceous and Jurassic zones in the El Bibane and Ezzaouia concessions in Tunisia. Dana Gas had obtained these rights when Candax acquired the Ecumed companies from Centurion Energy International Inc., a predecessor of Dana Gas in 2005. As compensation for Dana Gas relinquishing its rights, Candax will forego its claim for the payment of certain taxes and will make a one off payment in the event that a commercial discovery is made in the Deep Triassic zone.

This agreement protects Candax’s current working interest in future wells targeting the Deep Triassic of 73.8% on the El Bibane concession and 69.7% on the Ezzaouia concession prior to back-in rights held by Entreprise Tunisienne d’Activités Pétrolières (ETAP).

Benoit Debray, Chairman of Candax, commented, "We are very pleased to have increased our interest in this play and we look forward to evaluating these Deep Triassic zones."

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.