



Canext Energy Ltd.
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August 23, 2006 – Canext Energy Ltd. Announces Financing.

Calgary, Alberta - Canext Energy Ltd. (“Canext” or the “Company”) is pleased to announce that it has entered into an agreement to issue, on a “bought deal” private placement basis, 4,500,000 common shares at a price of \$1.35 per share and 1,770,000 flow-through common shares at a price of \$1.70 per share for gross proceeds of \$9,084,000. The private placement is being led by Tristone Capital Inc. and includes Acumen Capital Finance Partners Limited.

Concurrently, Canext plans to issue up to 590,000 flow-through common shares at a price of \$1.70 per share on a non-brokered basis to insiders and related parties for additional proceeds of \$1,003,000.

The net proceeds of the share offering will be used to fund a proposed acquisition (announced August 16, 2006), and expand the exploration and development of the Company's oil and natural gas properties which includes the planned winter drilling program.

Closing is subject to normal closing conditions including obtaining required regulatory approvals and is scheduled for September 14, 2006.

Canext Energy Ltd. is a Calgary-based, junior resource company engaged in the exploration, development and production of natural gas and oil.

This news release shall not constitute an offer to sell or the solicitation of an offer to buy the securities in any jurisdiction. The Common Shares will not be and have not been registered under the United States Securities Act of 1933 and may not be offered or sold in the United States absent registration or an applicable exemption from the registration requirements.

The TSX Venture Exchange has not reviewed and does not accept responsibility for the adequacy or accuracy of this release.

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