

March 7, 2007 – Canext announces year end reserves and provides operational update.

Calgary, Alberta - Canext Energy Ltd. (“Canext” or “the Company”) (TSXV – CXT) is pleased to announce the results of its independent reserve report completed by Trimble Engineering Associates Ltd. (“Trimble Report”) as at December 31, 2006.

Highlights:

- A 206% increase in NPV 10% (forecasted price before income taxes) Proven plus Probable (P+P) to \$15,289,000
- Proven reserves have increased 299% to 456,000 boe
- P + P reserves have increased 377% to 847,000 boe
- P + P reserve replacement was 877%
- Finding and Development costs (F&D) including revisions and changes to future capital was \$24.27/boe Proven and \$15.56/boe P + P (\$20.89 and \$10.61/boe without future capital) based on un-audited capital spending of 7.4 MM\$
- F&D including acquisitions and changes to future capital was \$31.00/boe Proven and \$19.90/boe P + P on un-audited capital spending of 10.8 MM\$
- Undeveloped land increased 43% to 30,050 net acres valued at \$5,250,000 based on \$175/acre.
- The Company had approximately \$3,700,000 (un-audited) of positive working capital (mostly cash) at December 31, 2006.

These results have been achieved over the Company’s first seven months of operations from its initial limited reserve base after the Company’s creation as an exploration spin out through the sale of Canex Energy Inc. There are no reserves assigned to the Company’s exploration properties at Clear Hills and Clear Prairie, which tested hydrocarbons at economic rates subsequent to year end.

The Company incurred higher than expected F&D costs as a result of higher overall service costs in 2006. In addition, a 3.4 MM\$ acquisition resulted in higher reserve replacement costs as it included significant value for a large and strategic undeveloped land block. Canext intends to commence exploration and development activities on this block over the next few months.

Reserves Summary – Company working interest before royalties using Trimble Report forecasted prices as at December 31, 2006

	Light Oil mstb	Heavy Oil mstb	NGL's mstb	Gas mmscf	BOE 6:1 mstboe
Proven Developed Producing	54	-	11	1,594	331
Proven Developed Non Producing	-	-	3	543	94
Total Proven Developed	54	-	15	2,137	425
Proven Undeveloped	-	-	-	185	31
Total Proved	54	-	15	2,322	456
Probable	18	-	13	2,165	391
Total Proved + Prob	72	-	27	4,487	847

(Tables may not add due to rounding.)

Summary of Net Present Values of Future Net Revenue
Forecasted Prices and Costs
Before Income Taxes, Discounted at (%/year)

	As at December 31, 2006		
	0%	5%	10%
	M\$	M\$	M\$
Developed Producing	11,515	9,403	8,024
Developed Non Producing	3,007	2,411	2,020
Total Developed	14,522	11,814	10,044
Undeveloped	237	131	50
Total Proved	14,759	11,945	10,094
Probable	12,405	7,598	5,194
Total Proved + Prob	27,164	19,543	15,289

Trimble Report forecasted price assumptions as at December 31, 2006.

YEAR	Exchange Rate US\$/CDN\$	WTI @ Cushing US\$/bbl	Edmonton Light CDN\$/bbl	AECO Spot \$/MMbtu
2007 Forecast	0.87	63.25	72.00	7.50
2008 Forecast	0.87	61.50	70.00	8.00
2009 Forecast	0.87	59.75	68.00	8.00
2010 Forecast	0.87	58.00	66.00	8.00
2011 Forecast	0.87	56.25	64.00	8.00

Prices escalating at 2.5 percent annually thereafter.

The Proven Non Producing and Proven Undeveloped reserves are mostly at Pouce Coupe. The Company anticipates the majority of these reserves will be on-stream by year end.

All reserves information has been prepared in accordance with National Instrument “NI” 51-101. The Trimble Report contains several cautionary statements that are required by NI 51-101. Additional information on the Company’s reserves as required by NI 51-101 will be filed prior to April 30, 2007 and can be viewed on Sedar (www.sedar.com).

Operations Update:

Canext, as operator, drilled five (2.8 net) exploration wells in the first quarter of 2007. One well (0.4 net) was abandoned and the other 4 (2.4 net) were cased. To date the Company has tested un-stimulated net production of 1,400 mscf/d (230 boepd). The winter drilling program has been completed with certain wells deferred to next year. Ongoing completion and testing operations have potential to further increase overall production capabilities prior to spring break-up. The Company is presently shooting 15 km of high resolution 2D and 30 sq km of 3D seismic following up on recent discoveries. Canext holds 60-100% interests in lands directly offsetting these discoveries and has identified a number of development locations.

These new discoveries are in predominately winter only operational areas. The Company is attempting to obtain regulatory approval to tie-in approximately 100 boepd of the production in March. If approval is not granted shortly, then tie-in operations will be deferred until next winter.

Outlook

For the balance of the year, the Company intends to focus its efforts on lower risk development and exploitation projects which have a higher probability of adding immediate production. The Company has high graded its large inventory of drilling and completion opportunities and selected projects designed to maximize returns for minimal capital. These projects include installation of field booster compression, re-completions to increase production and add new reserves, and drilling 2 - 4 (1.0 – 1.5 net) development wells. A modest capital program of \$4,500,000 for the balance of the year will be funded from cash flow, cash on hand, and anticipated increased credit facilities. Depending on the level of success and available funds, the Company can quickly expand its drilling and re-completion program.

Canext anticipates first quarter production to average approximately 320 boepd assuming no new production is brought on-stream. Based on its planned capital spending, the Company is targeting a 2007 exit rate of 600 boepd with additional behind pipe production to be added in the first quarter of 2008.

Reader advisory:

The term “BOE” may be misleading, particularly if used in isolation. In accordance with NI 51-101, a BOE conversion ratio for natural gas of 6 mscf: 1 bbl has been used which is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead.

Investors are cautioned that the preceding statement of the Company may include certain estimates, assumptions and other forward-looking information. The actual future performance, developments and/or results of the Company may differ materially from any or all of the forward-looking statements, which include current expectations, estimates and projections, in all or part attributable to general economic conditions and other risks, uncertainties and circumstances partly or totally outside the control of the Company, including natural gas/oil prices, reserve estimates, drilling risks, future production of gas and oil, rates of inflation, changes in future costs and expenses related to the activities involving the exploration, development and production of gas and oil hedging, financing availability and other risks related to financial activities.

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

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