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**May 29, 2007 – Canext announces first quarter results and operational update.**

Calgary, Alberta - Canext Energy Ltd. (“Canext” or the “Company”) (TSXV – CXT) is pleased to announce its operating and financial results for the three months ended March 31, 2007 in which the Company posted strong growth in production and cash flow.

**Highlights:**

- Cash flow and cash flow per share increased 50% from the fourth quarter last year,
- Production increased 20% from the fourth quarter,
- Operating costs decreased 10% to \$9.05/boe,
- Operating netback increased 8% to \$27.22/boe,
- Undeveloped land increased to 34,900 acres, up 16% from the year end,
- Drilled five (2.8 net) exploratory wells of which four (2.4 net) were completed resulting in an 86% success rate,
- Ended the quarter with 200 boepd tested production waiting on tie-in and/or regulatory approval,
- Increased year end Proven and Probable reserves by 27% to 1,077 mboe,
- Shot 30 sq km of 3D and 15 km of 2D seismic over recent discoveries.

The following table summarizes some of the key financial results. Complete financial statements with accompanying notes along with management’s discussion and analysis have been filed on SEDAR ( [www.sedar.com](http://www.sedar.com) ).

	Three Months Ended		% Change
	March 31, 2007	December 31, 2006	
Production (boe/d)	332	276	20%
<b>Highlights (\$000's)</b>			
Revenue	1,442	1,142	26%
Cash flow	629	419	50%
Net income/(loss)	(249)	750	-133%
Capital spending	4,913	3,893	26%
<b>Per Diluted Common Share</b>			
Cash flow	0.02	0.02	50%
Earnings/(loss)	(0.01)	0.03	-133%
<b>Balance Sheet at period end (000's)</b>			
Property, plant and equipment	20,800	16,710	24%
Working capital surplus/(deficit)	(803)	3,506	-123%
Bank Debt	0	0	
Shareholders' equity	19,866	22,345	-11%

Wt average shares 000's	27,538	27,538	
Diluted shares 000's	27,538	27,538	
Revenue \$/boe	48.26	44.95	7%
Royalty \$/boe	(11.94)	(9.69)	23%
Opcost \$/boe	(9.05)	(10.09)	-10%
Transportation \$/boe	(0.05)	(0.04)	25%
Operating Netback \$/boe	27.22	25.13	8%
G&A \$/boe	(7.40)	(11.34)	-35%

### Key Subsequent Event

On May 17, 2007, Canext announced it entered into an arrangement agreement (the “Arrangement Agreement”) to complete the previously announced (April 19, 2007) business combination (the “Transaction”) with Trimox Energy Inc. (“Trimox”) (TSXV – TRM.A and TRM.B) and Tasman Exploration Ltd. (“Tasman”) to form a new company (“New Canext”). On May 28, 2007, the Company announced the mailing of an information circular with a special meeting set for June 21, 2007 to consider the Transaction. Assuming shareholder approval along with regulatory and court approvals, the Transaction is expected to close on June 22, 2007. New Canext will continue to operate as Canext Energy Ltd. and has applied for a new listing with the TSX Venture Exchange.

### Outlook

Canext plans on expanding its drilling and completion program immediately after closing the Transaction. The Company is forecasting capital spending for the balance of the year of 10-12 MM\$ up from 4.5 MM\$. The majority of the budget will be spent on development drilling and completion opportunities which have a higher probability of adding immediate production. The Company has placed an updated presentation on its website.

#### *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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