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January 20, 2009 – Canext announces commissioning of Sweeney facility and additional drilling success.

Calgary, Alberta - Canext Energy Ltd. (“Canext” or the “Company”) (TSXV – CXZ) is pleased to announce its Sweeney oil battery and expanded gathering system has been commissioned. The facility adds 4,000 bbls of storage and solution gas conservation to Canext’s operated producing wells in the area. The Company is also operating a satellite facility which provides an additional 1,200 bbls of storage.

As a result of commissioning the facility, the Company has started to slowly increase production on its first horizontal well (60% working interest) which was drilled in August 2009. Oil production from the well has increased from 100 bbls/d to 290 bbls/d with a 25% watercut. The Company will monitor production and the watercut and may increase or decrease production as required.

Canext has drilled two (1.2 net) additional wells at Sweeney. The first well (60% working interest) at 9-32 was drilled as a short (250 m) horizontal. The horizontal was completed open hole and, without stimulation, swab tested 100 bbls of oil in 4.5 hours with high inflow pressures. Equipping and tie-in operations have been completed and the well should be on-stream this week adding production of 150 – 200 boe/d (90 – 120 boe/d net). The Company will monitor production and may increase or decrease the production based on the performance of the well. The pumping equipment has been sized to lift 400 bbls/d in a pumped-off scenario. Gross costs to drill, complete, equip and tie-in the well are estimated at \$1,400,000 or \$1,080,000 net of the \$200/m drilling credit.

The second well at Sweeney (60% working interest) was a vertical step out. The well encountered an estimated 5 m of net oil pay with porosities of 18 – 24%. The well was plugged-back as planned and is currently being drilled as another short length open hole horizontal with a trajectory towards the best wells in the pool. Completion and testing operations are expected to commence shortly. If successful, equipping and tie-in operations would target a mid February on-stream date.

The offsetting vertical well (60% working interest) to both these horizontals has recovered approximately 80,000 bbls of oil to date and continues to produce at rates of 250 bbls/d with a low watercut and no decline.

Exploration Drilling

Canext has commenced drilling operations on its Clear Prairie North prospect. The Company has a 60% interest in the well which is targeting multiple Triassic sands on a 3D seismically defined feature which extends over several sections. Following the Clear Prairie North prospect, the Company intends to move the drilling rig to Sweeney to drill a 100% working interest step-out well. The well is approximately two miles from the Sweeney discovery well and is targeting an extension to the pool or potentially a new pool. If successful, based on the 3D seismic and well control, the Company believes there could be multiple follow-up locations.

Canext has a 15% carried working interest in a Pembina Cardium horizontal well that has recently been drilled and cased. The operator is proceeding with completion operations and results are expected soon.

Strategic Alternatives

The Company is continuing with its review of strategic alternatives. These alternatives may include a sale, merger, major asset disposition, major financing, or any other alternative to assist in unlocking additional value for the benefit for all shareholders.

Outlook and Guidance

Production averaged approximately 870 boepd for the fourth quarter of 2009 based on field estimates. Production was down slightly from the third quarter due to some freeze-offs and natural declines. The Company estimates current production is 1,000 – 1,100 boepd of which 425 – 475 boepd is from Sweeney. Further production increases are expected from the two recently drilled horizontals at Sweeney. The percentage of oil and NGL production increased to 30% of total daily boe production in the fourth quarter, is currently 40 - 45% and is expected to exceed 50% with additional oil production from Sweeney.

Production at Sweeney will be curtailed for six to eight weeks in the second quarter due to spring breakup. Options to upgrade the main access road to allow for a higher on-stream efficiency are being evaluated. The Company is also reviewing opportunities to drill additional horizontal wells at Sweeney during the 2010 summer and fall drilling season.

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 Company’s forward looking statements are expressly qualified in their entirety by this cautionary statement. Except as required by law, the Company undertakes no obligation to publicly update or revise any forward-looking statements.

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