

CANADIAN QUANTUM ANNOUNCES LIGHT OIL PROJECT & UPDATE ON PRIVATE PLACEMENT

CALGARY, Alberta, Canada – May 18, 2011 - Douglas Brett, President and CEO of Canadian Quantum Energy Corporation (“**Canadian Quantum**” or the “**Company**”) (TSXV - “CQM”) is pleased to announce that, subject to approval of the TSX Venture Exchange, Canadian Quantum has purchased, from an arms length private oil and gas company (“PrivateCo”), a 22.5% working interest and a 45% working interest in a total of two contiguous sections of mineral rights located in Southern Alberta. The total consideration paid by the Company for the interests was a cash payment of \$25,000. Prior to divesting the above interests to Canadian Quantum the PrivateCo acquired a 45% working interest and a 90% working interest in the lands from a company controlled by Douglas Brett, the President and CEO of Canadian Quantum, for a total of \$50,000 which was the same cost that Mr. Brett’s company acquired the interests from a third party. In exchange for entering into the transaction and becoming the operator of the oil project, PrivateCo agreed to sell half of its acquired interest to Canadian Quantum, at the same cost that it acquired the interests from Mr. Brett’s company. Geophysical analysis is currently underway with drilling operations of an 1,175 meter light oil test well scheduled to commence in July, 2011.

Douglas Brett, the President and CEO of the Company stated, “This is a great opportunity for Canadian Quantum to add a second Alberta project to its portfolio. Should the initial test well prove commercial, development would likely take place on 40 acre spacing within the 1,280 acre land base.”

The Company also announced that, further to the news release dated April 28, 2011, it has amended and re-priced its \$1,000,000 private placement. Canadian Quantum intends to complete a non-brokered private placement of units at a price of \$0.20 per unit and common shares issued on a “flow-through” basis at a price of \$0.25 per flow-through share for aggregate gross proceeds of up to \$1,000,000. Each unit will consist of one common share and one-half of one common share purchase warrant. Each whole warrant will entitle the holder thereof to acquire one common share at a price of \$0.40 per share for a period of one year after the closing. If, at any time after the expiry of the 4 month hold period, the closing price of the common shares on the TSX Venture Exchange is at least \$0.60, for a period of 5 consecutive trading days, the Company may, at its option, accelerate the expiry date of the warrants by giving written notice thereof to all holders of the warrants, and, in such case, the warrants will expire on the date which is the earlier of: (i) the 21st day after the date on which such written notice is given by the Company; and (ii) the original expiry date.

A finder’s fee of up to 8.0% of the gross proceeds of the private placement may be paid on all or any portion of this private placement. In addition, finders will receive finders warrants equal to up to 8% of the number of shares issued in connection with the private placement. Each finders warrant will entitle the holder to purchase one common share at a price equal to the subscription price for the shares for a period of one year after the closing. The net proceeds of the private placement will be used for the Company’s drilling obligations and for general working capital. The completion of the private placement is subject to regulatory approval including approval of the TSX Venture Exchange. The securities issued in connection with the private placement will be subject to a four month hold period.



About Canadian Quantum

Canadian Quantum is active in Western Canada and in the St. Lawrence Lowlands, Quebec Utica Shale Play where the Company holds various interests in approximately 174,000 gross acres covered by four permits.

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Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

This news release may contain certain forward-looking information. All statements included herein, other than statements of historical fact, is forward-looking information and such information involves various risks and uncertainties. There can be no assurance that such information will prove to be accurate, and actual results and future events could differ materially from those anticipated in such information. A description of assumptions used to develop such forward-looking information and a description of risk factors that may cause actual results to differ materially from forward-looking information can be found in the company's disclosure documents on the SEDAR website at www.sedar.com. The company does not undertake to update any forward-looking information except in accordance with applicable securities laws.