

NEWS RELEASE

Canadian Quantum Closes \$499,996 Private Placement

Calgary, Alberta, August 20, 2008: Canadian Quantum Energy Corp. – “**CQM.H**” listed for trading on the NEX board of the TSX Venture Exchange (“**Canadian Quantum**” or “**the Corporation**”) is pleased to announce that further to its press release dated August 7, 2008, the Corporation has closed the non-brokered private placement whereby it issued 71,428 common shares in the capital of the Corporation at a price of \$7.00 per common share, raising aggregate proceeds of \$499,996. Finders acting in connection with the private placement received a finders fee of up to 7% of the gross proceeds of the funds placed. The securities issued pursuant to the private placement are subject to a four month trading restriction. The proceeds will be used to satisfy the Corporation’s 2008 working obligations on its Quebec properties and general working capital. The private placement is subject to final regulatory approval and forms part of the Corporation’s reactivation plan to graduate back on to the TSX Venture Exchange.

About Canadian Quantum

Canadian Quantum is active in the Quebec Lowlands Utica Shale Play holding various interests in approximately 170,000 acres. Re-completion work continues on the Gentilly No. 1 well by the operator, Talisman Energy Canada. The Corporation continues to work with Junex Inc. regarding finalization of a formal agreement detailing the terms agreed to in the May 20, 2008, "Letter Of Intent" designed to settle the lawsuit on the Nicholet Property.

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Certain information regarding the Corporation contained herein may constitute forward-looking statements. These statements may include estimates, plans, expectations, opinions, forecasts, projections, guidance or other statements that are not statements of fact. Although the Corporation believes that the expectations reflected in such forward-looking statements are reasonable, it can give no assurance that such expectations will prove to have been correct. These statements are subject to certain risks and uncertainties and may be based on assumptions that could cause actual results to differ materially from those anticipated or implied. The Corporation is under no obligation to update or alter any forward-looking statement. These risks include operational and geological risks, the ability of the Corporation to raise necessary funds for exploration and the fact that the Corporation does not operate all its properties. Canadian Quantum’s forward-looking statements are expressly qualified in their entirety by this cautionary statement.