



For Immediate Release

December 21, 2009

### **Canadian Superior Energy Inc. Provides Operational and Financial Update**

CALGARY, ALBERTA--(Marketwire – December 21, 2009) – Canadian Superior Energy Inc. ("Canadian Superior" or the "Company") (TSX: SNG) (NYSE Amex LLC: SNG) today provided an update to its shareholders.

“Since the Company’s restructuring concluded in September, we have been increasing production levels and moving forward on a number of different fronts,” said Marvin Chronister, Canadian Superior’s Chairman of the Board, and “Today’s report on our activities demonstrates a renewed commitment to keeping Canadian Superior’s shareholders informed on the progress their company is making.”

#### **OPERATIONAL UPDATE**

##### **Western Canada**

- Daily average production for the week ending December 2, 2009 is approximately 3,112 boe/d, an increase of approximately 410 boe/d or 13% from the third quarter 2009 daily average production. Canadian Superior has been focused on spending its remaining flow-through expenditure commitments during the fourth quarter 2009. Subject to any operational disruptions, management expects that the entire flow-through expenditure commitment will be satisfied by year end. The Company currently has five rigs operating in Alberta, drilling exploration wells for both oil and natural gas targets.

##### **Trinidad and Tobago**

- Geophysical, petrophysical and geological work is being done to advance the appraisal strategy on Block 5c. Operator BG is considering the location and timing of the first appraisal well of the Bounty discovery. Commercial discussions with BG and the Ministry of Energy are ongoing in relation to monetization options for Block 5c’s natural gas discoveries.

##### **Libya/Tunisia**

- Canadian Superior is in discussion with potential rig operators and expects to commence drilling its first well on the 7th of November Block by August 2010. This appraisal well will seek to prove the extension of the Tunisia Zarat oil field into the 7th of November Block.

##### **Liberty Liquefied Natural Gas (LNG) Project**

- Canadian Superior is on track to file, by the third quarter 2010, US Federal and State permit applications required for construction of the Liberty LNG import project and natural gas pipeline. The Company believes market conditions for importing LNG into the New York metropolitan area

remain favourable and the Liberty LNG Project's choice of environmentally favourable technology continues to receive strong local support. The Liberty LNG Project anticipates first gas imports into the region by year-end 2013.

#### Nova Scotia

- In consideration of today's industry environment and market conditions, Canadian Superior has allowed the Mayflower and Marauder (Exploration Licenses 2406 and 2415) to lapse in favour of focusing on Trinidad and other areas of greater oil prospectivity. Canadian Superior has decided to extend the Mariner Block (Exploration License 2409) until at least December 31, 2010.

#### FINANCIAL UPDATE

##### Production Hedge

- In December 2009, the Company entered into a financial hedge whereby a Canadian chartered bank will buy 5500 GJ/day from Canadian Superior for the period January 1, 2010 to December 31, 2010 at \$5.50 CAD/GJ against the AECO monthly average index. In entering into the hedge, the Company seeks to limit and reduce the risk of cash flow uncertainty that it is exposed to during the course of normal operations.

##### Non-Brokered Financing

- On December 18, 2009 the Company announced that it intends to raise up to CDN\$50,000,000 through a non-brokered private placement issue (the "Private Placement") of up to 96,153,846 common shares at CDN\$0.52 per Common Share which is the Market Price as of December 16, 2009. (Market Price has the meaning ascribed thereto in the TSX Company Manual.) Treherne Resources Ltd., a private company controlled by Mr. Clay Riddell, has subscribed for CDN\$20,000,000 of the Private Placement. Closing of the Private Placement is expected to occur on or about January 14, 2010 and is subject to receipt of all necessary regulatory approvals and other customary conditions. Proceeds from the Private Placement will be used for the Company's exploration and development activities in its domestic and international operations and for general corporate purposes. For additional details, please refer to the full press release dated December 18, 2009 at [www.cansup.com](http://www.cansup.com).

Mr. Chronister continued "We anticipate that the financial flexibility provided by the \$50 million private placement combined with solid progress in developing our global portfolio of assets, positions Canadian Superior to turn the corner."

Canadian Superior Energy Inc. is a Calgary, Alberta, Canada based diversified global energy company engaged in the exploration and production of oil and natural gas and in the development of a liquefied natural gas ("LNG") project. Its operations are located offshore Trinidad and Tobago, Western Canada, North Africa, offshore Eastern Canada, and offshore Eastern United States. See Canadian Superior's website at [www.cansup.com](http://www.cansup.com) to review further detail on Canadian Superior's operations.

This news release contains forward-looking information, including the expectation of successful future results. Actual results could differ materially due to changes in project schedules, commercial negotiations, changes in energy pricing, unforeseen technical or the inability to raise additional capital, therefore there can be no assurance that any of the foregoing actions by the Company will be completed as contemplated. Forward-looking information contained in this news release is as of the date of this news release. The Company assumes no obligation to update and/or revise this forward-looking information except as required by law.

Statements contained in this news release relating to future results, events and expectations are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended and Section

21E of the Securities Exchange Act of 1934, as amended. These forward-looking statements involve known and unknown risks, uncertainties, scheduling, re-scheduling and other factors which may cause the actual results, performance, estimates, projections, resource potential and/or reserves, interpretations, prognoses, schedules or achievements of the Company, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such statements. Such factors include, among others, those described in the Company's annual reports on Form 40-F or Form 20-F on file with the U.S. Securities and Exchange Commission.

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