
Changfeng Reports Q1 Profit, Revenues Up 30%

June 2, 2008. Changfeng Energy Inc. (“Changfeng” TSXV: CFY) has reported financial results for the three months ended on March 31, 2008. All amounts are in Canadian dollars.

During the quarter Changfeng generated total revenues of \$2,966,091 compared to \$2,277,140 for the same period in 2007 representing a 30% increase. The gross profit margin for the period was 59.5%.

Net income for the first quarter was \$242,715 or \$0.005 per share compared to a net loss of \$35,219 or \$0.001 per share for the same period in 2007.

Cash flow for the quarter was \$522,181 or \$0.011 per share compared with \$284,784 or \$0.012 per share in 2007.

During the quarter, the Company added 70% more residential customers and 42% more commercial customers respectively than in the same period in 2007. This increase is a result of pent up demand and has been partially facilitated by the increase in connection crews from four to six shifts since the end of 2007.

In Q1 of 2008 natural gas sale volumes to our residential customers increased 83% while commercial customers’ purchases rose 37% compared to the same quarter in 2007.

While these results highlight the tremendous growth potential for your Company we would caution that gains of this magnitude may not be sustainable on a regular quarterly basis.

Our Yalong Bay extension pipeline project is on schedule for completion by the end of the second quarter. The Company has sufficient working capital to complete the project and connect the customers in that region which should begin to have a significant impact on our results towards the end of the year.

About Changfeng Energy Inc.

Changfeng is engaged in the design and construction of natural gas distribution networks and the distribution of natural gas to commercial and residential customers in the greater Sanya City region of Hainan Province, China. The Company is headquartered in Toronto, Ontario and its shares trade on the TSX Venture Exchange.

This press release contains forward-looking statements based on current expectations. These forward-looking statements entail various risks and uncertainties that could cause actual results to differ materially from those reflected in these forward-looking statements. Risks and uncertainties about Changfeng’s business are more fully discussed in the Company’s disclosure materials, including its information circular and MD&A, filed with the securities regulatory authorities in Canada. All amounts are stated in Canadian dollars except for noted otherwise.

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The TSX Venture Exchange has not reviewed this release and it does not accept responsibility for its adequacy or accuracy.