



Correction from Source: The last sentence of the second paragraph of yesterday's News release is amended for increased accuracy.

**Changfeng Enters into a Joint Venture Agreement
with Tangshan Caofeidian Development Investment Group Co., Ltd.
for Natural Gas Business in China**

July 21, 2015

Toronto, Ontario, July 21, 2015 – Changfeng Energy Inc. ("Changfeng" or the "Company") (TSX-V: CFY), is pleased to announce that Sanya Changfeng Offshore Natural Gas Distribution Co., Ltd., a wholly owned subsidiary of Changfeng has entered into a Joint Venture agreement with Tangshan Caofeidian Development Investment Group Co., Ltd. ("CFD Group") to jointly pursue liquefied natural gas ("LNG") trading, natural gas distribution, transportation, and related infrastructure construction.

The Joint Venture is named Caofeidian Evergrowth Energy Co., Ltd. ("Evergrowth" or the "Joint Venture") and is based in Tangshan City, Hebei province. The registered capital of the Joint Venture is RMB 200 million (approximately CAD \$41 million). Changfeng and CFD Group respectively own 50% each of the Joint Venture. RMB 40 million of funding for the registered capital is required within 30 days of incorporation; the remaining RMB 160 million is required within 10 years of incorporation. The registered capital is to be funded equally by Changfeng and CFD Group. Changfeng will fund its portion of RMB 20 million from its internal cash flows. Under the joint venture agreement, both parties of the Joint Venture agree to work with a third party to establish an entity to operate and manage an energy resource exchange in Northern China.

Tangshan Caofeidian Development Investment Group Co., Ltd ("CFD Group")

CFD Group is a state owned enterprise established in July 2007. The State Assets Management Office of Caofeidian Industrial Zone, which is responsible for the financing and investment of infrastructure and city operations, invested the initial capital for CFD Group. The current registered capital for CFD Group is RMB 4.139 Billion. CFD group owns 37 subsidiaries, which are involved in various industries such as real estate, tourism and hotels, logistic, road and railway, architecture, utilities, water treatment facilities, sea desalination, and telecommunication.

Caofeidian Industrial Zone ("CFD")

CFD is located in the center of the south coast area of Tangshan city, Bohai Bay, Heibei Province. The development and construction of CFD is a major strategic decision made by the State Council, and Provincial Government of Heibei in an effort to implement the national



development strategies for energy and transportation, to adjust the productivity layout and industrial structure of the heavy chemical industry of Northern China.

Changfeng Energy Inc.

Changfeng Energy Inc. is a natural gas service provider with operations located throughout the People's Republic of China. The Company services industrial, commercial and residential customers, providing them with natural gas for heating purposes and fuel for transportation. The Company has developed a significant natural gas pipeline network as well as urban gas delivery networks, stations, substations and gas pressure regulating stations in Sanya City & Haitang Bay. Through its network of pipelines, the Company provides safe and reliable delivery of natural gas to both homes and businesses. The Company is headquartered in Toronto, Ontario and its shares trade on the Toronto Venture Exchange under the trading symbol "CFY". For more information, please visit the Company website at www.changfengenergy.com.

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Forward-Looking Statements

Information set forth in this news release may involve forward-looking statements under applicable securities laws. The forward-looking statements contained herein are expressly qualified in their entirety by this cautionary statement. The forward-looking statements included in this document are made as of the date of this document and the Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as expressly required by applicable securities legislation. Although Management believes that the expectations represented in such forward-looking statements are reasonable, there can be no assurance that such expectations will prove to be correct. This news release does not constitute an offer to sell or solicitation of an offer to buy any of the securities described herein and accordingly undue reliance should not be put on such.

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