

Changfeng Adopts Dividend Policy

January 17, 2017

Toronto, Ontario, January 17, 2017 – Changfeng Energy Inc. (TSX-V: CFY) ("**Changfeng**" or the "**Company**"), announced today that its Board of Directors has approved the adoption of a dividend policy under which dividends will be paid to each holder of Changfeng's common shares (the "**Common Shares**"). A total of approximately RMB 6,000,000, which is approximately CAD \$1,143,000 based on the prevailing exchange rate between CAD and RMB, has been contemplated for payment annually under Changfeng's dividend policy, which will be paid in equal semi-annual instalments. The first semi-annual dividend is contemplated to be payable in July 2017. The specifics of the initial dividend will be announced after it is declared closer to the expected payment date. This is the first dividend to be paid to shareholders in Changfeng's history.

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 and 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, including, without limitation, statements with respect to the declaration and payment of dividends in the future. 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, as actual results and future events could differ materially from those anticipated in such statements. The forward-looking statements contained in this press release are based on certain assumptions, including, but not limited to the following: the Company has sufficient cash on hand to pay dividends, the Company would remain solvent following any dividend, the stability of general economic and market conditions, currency exchange rates and interest rates, and that the risk factors the Company is subject to, collectively, do not have a material adverse impact on the Company. Such forward-looking statements involve known and unknown risks, uncertainties, assumptions and other factors that may cause the actual results, performance or achievements to differ materially from the anticipated results, performance or achievements or developments expressed or implied by such forward-looking statements, including that the payment of dividends on the Common Shares is subject to the discretion of its Board of Directors and is dependent on, among other matters, the Company's financial position, results of operations, available cash, cash requirements and alternative uses of cash, and the risk factors set forth in the Company's securities filings with the Canadian securities regulators. 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.

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

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