

Changfeng Energy Announces Joint Venture Agreement with EDF China in Sanya, Hainan, China

TORONTO, ONTARIO--(Marketwired - Nov. 8, 2017) - Changfeng Energy Inc., (TSX VENTURE:CFY) ("Changfeng"), an energy provider in China, is pleased to announce that a joint venture agreement ("Agreement") has been signed between Sanya Changfeng New Energy Investment Co., Ltd. ("the Company"), a wholly owned subsidiary of Changfeng Energy Inc., and EDF (China) Holding Ltd., a wholly owned subsidiary of the EDF Group.

According to the Agreement, both parties will set up a joint venture company named EDF Changfeng (Sanya) Energy Co., Ltd. with 50 percent ownership respectively. The new joint venture company will invest, construct and operate four energy-processing stations to supply cooling, hot water to the hotels, shopping centers, and residential households in Haitang Bay.

The Company and EDF (China) Holding Ltd. won the tender of the Haitang Bay District Energy Distribution project on 8th August, 2017. It is a 30 years exclusive operational contract starting from the date the concession right agreement is signed with the Sanya municipal government.

After the establishment of the joint venture company, the construction of the facilities will begin at the end of 2017. Phase one of the first station will be completed by mid 2018. The station will be in operational after the completion of phase one. The Company will use its internal cash flow to invest into the joint venture. The Company is currently working with the local government to acquire the land necessary for the energy station.

On August 2nd, 2016, the Company entered into a Statement of Intent for Cooperation (the "Statement") with Sanya municipal government and EDF (China) Holding Ltd. to jointly pursue the integrated energy system program in Sanya City, Hainan Province.

According to the Statement, all three parties, Sanya Municipal Government, EDF Group and Changfeng, will cooperatively develop the integrated energy system project to promote a low carbon and energy intelligent urban city. Sanya municipal government is in full support of the integrated energy project.

Huajun Lin, the Company's CEO and Chairman of the Board states that "The Haitang Bay integrated energy project is the first step in Changfeng's strategic shift in becoming an integrated energy utilization and smart energy systems provider. In combining the exclusive concession right operating model with innovations in clean technology, Changfeng hopes to increase value for the society and shareholders."

About Haitang Bay

Haitang Bay is a popular tourism destination in Sanya, Hainan, China with a local population of 250, 000 people. It covers 96 square kilometers and 24 kilometers long beach. Due to the tropical climate and an abundance of resorts and hotels, Haitang Bay has a high year round energy demand.

About EDF (China) Holding Ltd.

EDF (China) Holding Ltd. is the wholly owned subsidiary of EDF Group, one of the world's largest power producers, achieved revenues of 35.2 billion Euros in 2016. In recent years, the international development of EDF has been accelerated, allowing EDF to play a big role in today's global electricity market, especially in Europe, Latin America and Asia. EDF (China) Holding Ltd. has been operating in China for nearly 30 years. Since 1997, it has become an investor in China's electricity production.

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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