



Changfeng Announces Natural Gas Subsidiary Established in Hebei Province

Toronto, Ontario, January 22, 2018 – Changfeng Energy Inc., (TSXV: CFY) (“Changfeng” or the “Company”), an energy provider in China, is pleased to announce that a controlled subsidiary, Hebei Riheng Clean Energy Ltd. (“Riheng Energy”), has been established in Shijiazhuang, Hebei, China to pursue the gas distribution and clean energy related projects in Hebei Province.

Due to the Central Chinese Government’s energy reform policies that endeavor to phase out coal gas usage and transform China into a natural gas driven economy, the Hebei based factories and industry parks were forced to replace coal with natural gas. Moreover, some of the Hebei based factories were forced to move out of the cities to remote areas where pipeline gas is not accessible. A new market opportunity therefore presented itself for energy firms to supply liquefied natural gas (‘LNG’) to the Hebei factories and industrial parks. The province has experienced a severe shortage of natural gas in the latter half of 2017 and this natural gas shortage trend is expected to continue in the future.

Hebei Province

Hebei Province is situated in the north China Plain, north of the lower reaches of the Huanghe (Yellow) River. Bounded by the Bohai Sea to the east, it has a coastline of some 500 kilometres. The whole province is 190,000 square kilometres and is inhabited by approximately 74.7 million people. Shijiazhuang is the provincial capital.

About Changfeng Energy Inc.

Changfeng Energy Inc. is a Canadian public company currently traded on the Toronto Venture Exchange (“TSX-V”) under the stock symbol “CFY”. It is an integrated energy provider and natural gas distribution company (or natural gas utility) in the People’s Republic of China. Changfeng strives to combine leading clean energy technology with natural gas usage to provide sustainable energy to its customer base in the PRC. In 2009, Changfeng was recognized as being one of China’s the Top Ten Most Influential Brands in the Natural Gas Industry.

CONTACT INFORMATION

Corporate Investment Relations
Investor.relations@changfengenergy.cn

Ann Siyin Lin
VP, Corporate Development
ann.lin@changfengenergy.cn

Forward-Looking Statements

Certain statements contained in this news release constitute forward-looking statements and forward-looking information (collectively, “**Forward-Looking Statements**”). All statements, other than statements of historical fact, included or incorporated by reference in this document are Forward-Looking Statements, including statements regarding activities, events or developments that the Company expects or anticipates may occur in the future. These Forward-Looking statements can be identified by the use of forward-looking words such as “will”, “expect”, “intend”, “plan”, “estimate”, “anticipate”, “believe” or “continue” or similar words or the negative thereof. No assurance can be given that the plans, intentions or expectations or assumptions upon which these Forward-Looking Statements are based will prove to be correct and such Forward-Looking Statements included in this news release should not be unduly relied upon.

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. Such Forward-Looking Statements are not a guarantee of performance and 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. These factors include, without limitation, no significant and continuing adverse changes in general economic conditions or conditions in the financial markets. Readers are cautioned that all Forward-Looking Statements involve risks and uncertainties, including those risks and uncertainties detailed in the Corporation’s filings with applicable Canadian securities regulatory authorities, copies of which are available at www.sedar.com. The Company urges readers to carefully consider those factors.

The Forward-Looking Statements included in this news release 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. 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 TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.