

Changfeng Entered into an Agreement to Supply LNG to Two Manufacturers in Wenchang City, Hainan Province, PRC

TORONTO, Aug. 22, 2018 -- Changfeng Energy Inc., (TSXV: CFY) (“Changfeng” or the “Company”) an energy provider in China, is pleased to announce that Sanya Changfeng Clean Energy Co. Ltd. (“Sanya Changfeng Clean Energy”), a wholly owned subsidiary of Changfeng has entered into a liquefied natural gas (“LNG”) supply agreement with a brick manufacturer in Wenchang City, Hainan Province, People’s Republic of China (“PRC”), marking Changfeng’s first step into business outside of Sanya City on Hainan island. The agreement outlines the supply of LNG to the manufacturer for a duration of 10 years beginning from October 1, 2018 to September 30, 2028 at a price of RMB3.30/Nm³ (according to the agreement, an increase of LNG prices from the upstream supplier will warrant a price adjustment). The brick manufacturer is estimated to consume 1,270,000 Nm³ of natural gas per annum.

Sanya Changfeng Clean Energy has also entered into an LNG supply agreement with a rubber manufacturer in Wenchang City, Hainan, PRC. The agreement outlines the supply of LNG to the manufacturer for a duration of 10 years beginning from August 8, 2018 to August 7, 2028 at a price of RMB3.20/Nm³ (according to the agreement, an increase of LNG prices from the upstream supplier will warrant a price adjustment). The rubber manufacturer is expected to consume 500,000 Nm³ of LNG per annum.

With the government’s policy to turn Hainan island into a free trade port and a role model to low carbon economy, the Company is hoping the development will increase the opportunity for natural gas consumption.

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 PRC. 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.

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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.

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