

## Changfeng Announces Hong Kong IPO Update

TORONTO, July 13, 2018 -- Changfeng Energy Inc., (TSX-V:CFY) (“Changfeng” or the “Company”, together with its subsidiaries, the “Group”), an energy service provider in China, is pleased to provide the following update:

### HK IPO on the Hong Kong Stock Exchange

The Company has been pursuing its plans to undertake a public offering (the “HK IPO”) of common shares together with the listing of its common shares on The Stock Exchange of Hong Kong Limited (the “Hong Kong Stock Exchange”). Since late 2017, as previously disclosed, the Group has successfully procured several new projects that are currently either under development or at the initial stage of operation, whose contributions will only be reflected in the Company’s financial results as those projects become fully operational. Consequently, management of Changfeng has determined to reschedule its pursuit of the HK IPO for completion during the first half of 2019, which would permit it to advance these new projects and enable their results to be reflected in its financial statements for the year ending December 31, 2018, thereby providing the opportunity to incorporate those results in the HK IPO process and potentially enhance the Company’s valuation.

With GF Capital (Hong Kong) Limited (“GF Capital”), the sponsor previously appointed by the Company for the HK IPO, unable to allocate sufficient resources as sponsor to assist the Company under the new schedule for the HK IPO, the Company has appointed Altus Capital Limited (“Altus Capital”) as sponsor in place of GF Capital. Nevertheless, GF Capital will continue to support the HK IPO plan as financial adviser to the Company. In addition, the Company also plans to appoint GF Securities (Hong Kong) Brokerage Limited, an affiliated company of GF Capital, as the global coordinator, book runner and lead manager of the HK IPO.

Established in 2000, Altus Capital is the financial, corporate and compliance advisory arm of Altus Holdings Limited, a company listed on GEM of the Hong Kong Stock Exchange. Altus Capital is licensed under the Securities and Futures Ordinance in Hong Kong to carry out Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities and it has successfully sponsored companies with operations in various jurisdictions across different industries for listings on the Hong Kong Stock Exchange.

### Forward-Looking Statements

Certain statements contained in this news release, including statements relating to the advance of the Group’s projects, the contribution of such projects to the financial performance of the Group and the timing for the HK IPO and the prospect for its completion, constitute forward-looking statements and forward-looking information under applicable securities laws (collectively, “Forward-Looking Statements”).

Although management believes that the expectations reflected in the Forward-Looking Statements are reasonable, these statements relate to future events or the Company’s future financial performance, and involve known and unknown risks, uncertainties, assumptions and other factors that may cause actual results to be materially different from any future results expressed or implied by these Forward-Looking Statements. These assumptions, risks and uncertainties and include, without limitation, there being no significant and continuing adverse changes in general economic conditions, in the Company’s industry or conditions in the financial markets; the Company’s ability to successfully develop and operationalize its projects; the Company’s ability to generate revenue while controlling its costs and expenses; and the Company’s ability to maintain good business relationships with its and partners and customers; and other risks, uncertainties and factors detailed in the Corporation’s filings with applicable Canadian securities regulatory authorities, copies of which are available at [www.sedar.com](http://www.sedar.com). The Company urges readers to carefully consider these risks, uncertainties, assumptions and other factors. Readers are cautioned against placing undue reliance on the Forward-Looking Statements.

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.

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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