

## Changfeng Announces the Meishan Integrated District Energy Distribution Project

TORONTO, Nov. 01, 2018 -- Changfeng Energy Inc. (TSXV: CFY) (“Changfeng” or the “Company”), an energy provider in the People’s Republic of China (the “PRC”), is pleased to announce that in October 2018, Sanya Changfeng New Energy Investment Co. Limited (“Sanya Changfeng”), a wholly owned subsidiary of the Company, Hunan Changfeng Energy Co. Limited (“Hunan Changfeng”), a 55% indirectly owned subsidiary of the Company, and Sichuan Tianzhiyuan Energy Technology Limited. (“Tianzhiyuan Energy”), an independent Sichuan-based energy company, entered into an agreement (the “Meishan Agreement”) to jointly invest, construct and operate an integrated district energy distribution project in the New Economic Development Zone of Meishan City, Sichuan Province, the PRC (the “Meishan New Economic Development Zone”) (the “Meishan Project”). In accordance with the Meishan Agreement, the Meishan Project will be operated by Meishan Hengtai Tianzhiyuan Energy Limited (the “Project Company”), with a registered capital of RMB 10 million and owned as to 60% by Sanya Changfeng, 20% by Hunan Changfeng and 20% by Tianzhiyuan Energy.

Prior to the entering into of the Meishan Agreement, Tianzhiyuan Energy and the People’s Government of Meishan Dongpo District, Sichuan Province, the PRC, entered into a district distributed natural gas combined cooling, heating and power (CCHP) project investment agreement (the “CCHP Investment Agreement”) which provided for Tianzhiyuan Energy to invest RMB 180 million in the development, investment, construction, and operation of the Meishan Project to provide heat and power to the Meishan New Economic Development Zone. As a result of the Meishan Agreement, the Project Company is expected to assume the CCHP Investment Agreement from Tianzhiyuan Energy pursuant to the CCHP Investment Agreement. In addition, under the Meishan Agreement, Sanya Changfeng has undertaken to (i) finance Tianzhiyuan Energy for its 20% equity contribution (RMB 2 million) to the Project Company (the “Equity Financing”); and (ii) in the event that debt financing is required for the Meishan Project but such funds from financial institutions are not yet in place, provide initial debt financing (“Project Financing”) to the Project Company. Both the Equity Financing and Project Financing are subject to interest. Tianzhiyuan Energy is to pledge its shares in the Project Company to Sanya Changfeng as a condition of both the Equity Financing and Project Financing, and Hunan Changfeng is to pledge its shares in the Project Company to Sanya Changfeng as a condition of the Project Financing.

### The Meishan Project

The Meishan Project is in the Meishan New Economic Development Zone, an economic zone situated next to central urban area of Meishan City, Sichuan province, the PRC, with a planned development area of 50.5 square kilometres. The Meishan New Economic Development Zone will be a hub for manufacturers of drugs, supplements, medical equipment, and other medical related supplies. The year-round constant demand of steam necessary to produce drugs makes the Meishan New Economic Development Zone an ideal platform for integrated district energy distribution. The Meishan Project is planned to be developed in two or three phases.

### 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, including the expectation that the Project Company will assume the CCHP Investment Agreement and the development of the Meishan Project. 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](http://www.sedar.com). The Company urges readers to carefully consider those factors.

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