
Changfeng Establishes New Subsidiary in Jiangxi Province, China

TORONTO, ONTARIO--(May 26, 2010) - Changfeng Energy Inc. ("Changfeng", TSX VENTURE: CFY), a China based natural gas distributor, is pleased to announce that the Company and the Company's subsidiary, Hunan CNPC New Energy Investment Co., Ltd. established a wholly owned subsidiary of Ping Xiang Changfeng Gas Co., Ltd., which will be mainly engaged in the construction and distribution of pipeline natural gas in XiangDong District, PingXiang, City, Jiangxi Province, China.

Xiangdong District is one of the three administrative districts in Pingxiang City, Jiangxi province. Adjacent to Changsha, Zhuzhou and Xiangtan Economic Zone with developed transportation system, Xiangdong District is one of four ceramic manufacturing centers and the biggest industrial ceramic production base in China. Its annual production accounts for 70% of the national production in China.

The Xiangdong District Government initially consented to grant a 50-year concession right to Changfeng to operate the natural gas construction and distribution business (including LNG, LPG, pipeline gas, and gas refueling stations) in the existing administrative region and Pingxiang Industrial Ceramic Park in Xiangdong District.

“The establishment of the new subsidiary is a milestone for the Company to push forward our business growth in Mainland China. With the completion of the second west-to-east pipeline, the company continues to seek business opportunities on the selected cities along with extension of the stated own pipeline.” Stated Mr. Huajun Lin, CEO and the Chairman of Changfeng Energy Inc. “By leveraging the relationship with CNPC, gas source is secured for our upcoming operation in Xiangdong District once the second west-to-east pipeline to be connected to Jiangxi Province and put into operation in first half of 2011.”

About Changfeng Energy Inc.

Changfeng is engaged in the design and construction of natural gas distribution networks and distribution of natural gas to commercial and residential customers in the greater Sanya City region of Hainan Province, China. During the first quarter of 2010, the Company has completed trial operations of its first CNG filling station in Changsha, Hunan Province. The Company is headquartered in Toronto, Ontario and its shares trade on the TSX Venture Exchange.

This press release contains forward looking statements based on current expectations. These forward looking statements entail various risks and uncertainties that could cause actual results to differ materially from those reflected in these forward looking statements. Risks and uncertainties about Changfeng's business are more fully discussed in the Company's disclosure materials, including its information circular

and MD&A, filed with the securities regulatory authorities in Canada. All amounts are stated in Canadian dollars except for noted otherwise.

For more information please contact:

Changfeng Energy Inc.

Ann Siyin Lin
Corporate Secretary
ann@changfengenergy.com
Tel: 416-362-0694

Keith Attoe
VP Corporate Development
keith@changfengenergy.com
Tel: 416-303-7148

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.