

**Changfeng announces an increase in natural gas selling prices and provides an update on its Compressed Natural Gas vehicle filling stations (“CNG retail stations”)**

TORONTO, ONTARIO--(July 6, 2010) - Changfeng Energy Inc. ("Changfeng")(TSX-V:CFY), a China based natural gas distributor, is pleased to announce that the Company has received regulatory approval to increase natural gas sale prices in both Sanya City, Hainan province, and the CNG retail station in Changsha City, Hunan province, effective July 1 and June 30, 2010, respectively.

With the approval, the selling price will increase to 2.60 RMB per cubic meter to residential customers and 3.80 RMB per cubic meter to commercial customers in Sanya City, and to 3.75 RMB per cubic meter at Changsha CNG retail stations, representing an increase of 8%, 22% and 14%, respectively.

The National Development and Reform Commission (“NDRC”), China’s top economic policy planning agency, raised the wholesale gas price of domestic onshore natural gas in June 2010, the first increase in two years. NDRC allows the gas distributors to pass on the higher cost and maintain an attractive gross margin, as its preferential policy is to encourage the development of the urban natural gas distribution industry and curb wasteful consumption.

The price increase reflects overall cost increases related to raw materials, payroll and transportation. As a regulated utility, natural gas prices are set in an integrated provincial marketplace where the price of natural gas is provincially regulated by government on cost plus profit basis.

During the second quarter of 2010, the Company commenced full operations of its first CNG filling station and received government construction permits for its second and third CNG retail stations, in Changsha City, Hunan province. Construction is scheduled to begin this quarter and be completed in the fourth quarter of 2010.

“We are very pleased with the government approval to increase the gas selling price” stated Mr. Huajun Lin, CEO and Chairman of Changfeng Energy Inc. “Natural gas demand in China is expected to increase about 20% in 2010. Changfeng, by leveraging our competitive edge, continues to penetrate gas markets in mainland China”.

**About Changfeng Energy Inc.**

Changfeng is engaged in the 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 and Compressed Natural Gas (CNG) stations 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.

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