

Changfeng Commences Commercial Gas Sales to Two Hotels in Haitang Bay

December 13, 2010. Changfeng Energy Inc. ("Changfeng" TSXV: CFY), a natural gas utility operating in China, today announced it commenced natural gas sales to a newly constructed Hilton hotel, the Doubletree Resort by Hilton Sanya Haitang Bay and the adjacent, newly constructed Conrad Hotel, the Conrad Sanya, after a 14 day testing period. The hotels are expected to open in late December 2010 and will use natural gas for hot water heating, laundry and cooking. This was made possible by the recent completion of our natural gas network extension from Sanya City to Haitang Bay.

The Doubletree Resort by Hilton Sanya Haitang Bay is a family style resort with 473 rooms and suites together with 6 restaurants and bars. The hotel also has several venues capable of providing for catering for up to 1,000 people. The Conrad Sanya is a luxurious resort with 101 suites and villas together with 5 restaurants and bars.

The total connection fee received from both hotels to connect to our natural gas pipeline network was RMB 3.5 million (\$530,000). Connection fees are received in installments beginning on signing of the connection contract and ending prior to initiation of natural gas sales.

Mr. Huajun Lin, Chairman and CEO of Changfeng stated, "There are four significant milestones we are announcing today. The first is the completion of our natural gas network extension from Sanya City to Haitang Bay. The second is that our first commercial customers have been connected to our natural gas pipeline network in Haitang Bay. Thirdly, gas sales have begun. And lastly, with the imminent opening of these two hotels, the Haitang Bay tourist destination has become a reality. With the continued development of Hainan province as an international tourist destination, we expect further growth from the connection of new hotels, both planned and currently under construction, and from other customers in Haitang Bay."

About Changfeng Energy Inc.

The Company is a natural gas utility in the People's Republic of China ("China"). It is engaged in the design, construction, ownership and operation of natural gas pipelines and related gas distribution activities such as CNG (compressed natural gas) refueling stations. The Company markets and distributes natural gas to residential, commercial and industrial users as well as vehicle users.

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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