

Changfeng Announces New Director, Formal Appointment of KPMG as Auditors of the Company and Options Grant

July 5, 2011. Changfeng Energy Inc. ("Changfeng" or the "Company") (TSX-V: CFY), a natural gas distribution utility operating in China, announces the appointment of Richard Ling as a new director of the Company as proposed in the Company's Management Proxy Circular and approved at the Annual General Meeting held on June 29, 2011 (the "AGM").

Mr. Ling is a senior lawyer (Counsel) at Borden Ladner Gervais LLP with areas of expertise including Corporate Law, Government Relations and Real Estate Law. He has served on the boards of many organizations including Powerstream Inc. Liquor Control Board of Ontario and the Ontario Realty Corporation.

Peter Cheung, who served as a Director of the Company since June 16, 2009, was not included in the slate of directors to be nominated to the Board. Mr. Lin, Chairman and CEO stated that, "we thank Peter Cheung, for his contribution to the Company and welcome Richard Ling to our Board."

At the AGM, the Company also formally appointed KPMG LLP as auditors of the Company. KPMG was previously engaged by the Company in January 2011 to perform an audit of the Company's accounts for the financial year ended December 31, 2011.

The Company granted 1,000,000 options (the "Options") exercisable at a price of \$0.23, being an exercise price equal to the market price of the common shares of the Company on the day immediately prior to the date of the grant, for five years from the date of grant, to Larry Jeremias, Executive Vice President, Corporate Development. This grant was made in accordance with the Company's approved stock option plan and pursuant to an employment contract entered into with Mr. Jeremias. The Options vest monthly over a 24 month period dating from March 1, 2011. The terms and conditions of the Options are subject to the approval of the TSX Venture Exchange.

About Changfeng Energy Inc.

The Company is a natural gas distribution utility in the People's Republic of China ("China"). The Company is engaged in the design, construction, ownership and operation of natural gas pipelines and related gas distribution activities including a CNG refueling station. 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 under the symbol "CFY".

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 management discussion and analysis, filed with the securities regulatory authorities in Canada. All amounts are stated in Canadian dollars except for noted otherwise.

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