



## **Changfeng Announces an Increase in Natural Gas Selling Price to Non-residential Customers in Sanya City**

**November 23, 2012**

**Toronto, Ontario, November 23, 2012** – Changfeng Energy Inc. ("Changfeng" or the "Company") (TSX-V: CFY), a natural gas utility in China, announced today that the Company has received regulatory approval to increase natural gas sale price to its non-residential customers in Sanya City, Hainan province, China, effective on November 24, 2012. With the approval, the selling price to its non-residential customers will be increased to RMB 4.70 M<sup>3</sup> from currently RMB 3.8 M<sup>3</sup>, representing an increase of approximately 24% over current price. The selling price to its residential customers will remain unchanged. The Company's non-residential customers include both its commercial and industrial customers, mainly comprising of the hotels, resorts and restaurants in Sanya City. Currently, approximately 80 percent of the total annual volume of gas in Sanya City is sold to these non-residential customers.

The approval of the sales price increase relates to the implementation of the long term Budget Process ("the Budget Process") as previously announced on June 27, 2012 that was approved by Sanya Municipal government as part of the solution to address the ongoing gas shortage issue in the Sanya Region.

### **About Changfeng Energy Inc.**

Changfeng Energy Inc., is a local natural gas distribution company ("LDC" or natural gas utility) with operations located throughout the southern part of People's Republic of China. The Company serves industrial, commercial and residential customers, providing them with natural gas for heating purposes and fuel for transportation. The Company has developed a significant natural gas pipeline network as well as urban gas delivery networks, stations, substations and gas pressure regulating stations in Sanya City & Haitang Bay. Through its network of pipelines, the Company provides safe and reliable delivery of natural gas to both homes and businesses. The Company is headquartered in Toronto, Ontario and its shares trade on the Toronto Venture Exchange under the trading symbol "CFY". For more information, please visit the Company website at [www.changfengenergy.com](http://www.changfengenergy.com)

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### **Forward-Looking Statements**

Information set forth in this news release may involve forward-looking statements under applicable securities laws. The forward-looking statements contained herein are expressly



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