

CHANGFENG ANNOUNCES STOCK OPTION GRANT

August 26, 2013

Toronto, Ontario, August 26, 2013 – Changfeng Energy Inc. (TSXV: CFY) (“Changfeng” or the “Company”) announces that, pursuant to its Stock Option Plan, the Company has granted stock options (the “Options”) to certain officers, directors, employees and consultants to acquire up to an aggregate of 3,400,000 common shares of the Company after the close of business on August 23, 2013. All the Options are exercisable at a price of 35 cents per share which was the closing price of the Company’s shares on the TSX Venture exchange on August 23, 2013. The term of the Options is five years from the date of grant.

Mr. Yan Zhao, the newly hired CFO of the Company, was issued 300,000 options. 150,000 of the options granted to Mr. Zhao vested immediately on the grant date of August 23, 2013. One-third of the balance of the 3,250,000 Options granted vested immediately on the grant date of August 23, 2013 while the remaining two-thirds will vest equally on the next two anniversaries of the date of grant provided certain Company performance milestones are achieved.

The granting of the Options is intended to substantially replace previous grants of 3,150,000 options which expired unexercised earlier in 2013. 2,700,000 of the Options were granted to fifty-one (51) persons who were directors, officers, employees or consultants of the Company residing in China.

The terms and conditions of the Options are subject to the approval of the TSX Venture Exchange.

About Changfeng Energy Inc.

Changfeng Energy Inc. is a natural gas service provider with operations located throughout the People's Republic of China. The Company services 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 and 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

For further information please contact:

Mr. Yan Zhao CPA. CA

Chief Financial Officer

416.362.5032/647.528.0115

yan.zhao@changfengenergy.com

Ms Ann S.Y. Lin

VP, Corporate Development
and Corporate Secretary

416.362.5032

ann@changfengenergy.com

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 qualified in their entirety by this cautionary statement. The forward-looking statements included in this document are made as of the date of this document and the Company disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as expressly required by applicable securities legislation. Although Management believes that the expectations represented in such forward-looking statements are reasonable, there can be no assurance that such expectations will prove to be correct. This news release does not constitute an offer to sell or solicitation of an offer to buy any of the securities described herein and accordingly undue reliance should not be put on such.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSXV) accepts responsibility for the adequacy or accuracy of this release.

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