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新特能源

XINTE ENERGY CO., LTD.

新特能源股份有限公司

(A joint stock company incorporated in the People's Republic of China with limited liability)

(Stock Code: 1799)

VOLUNTARY ANNOUNCEMENT

The board of directors (the “**Board**”) of Xinte Energy Co., Ltd. (the “**Company**”) is pleased to announce that, in order to strengthen the core competitiveness of the Company in PV industry, the Company implemented the strategy of transforming advantageous resources and improved the Company’s profitability. The Company invested and established the technological transformation project of silicon tetrachloride recycling 180,000 tons/year by advanced hydrochlorination and high purity crystalline silicon upgrading (the “**Project**”). The Project will add a new hydrochlorination production line. Meanwhile, it will optimize and supplement original hydrochlorination production line and bottleneck process to achieve the optimal allocation of production capability, and after which, the total production capacity of polysilicon will amount to 30,000 tons per year.

The investment amount of the Project is RMB658.34 million, of which construction investment amounted to RMB596.49 million, interest for the construction period amounted to RMB13.07 million, and RMB48.79 million as working capital. The investment funds for the Project is settled by the own funds of the Company, bank loans and other resources.

The Project has been filed with the Urumqi Development and Reform Commission, and has obtained the approval from the Xinjiang Department of Environmental Protection on the Environmental Impact Report.

The Project will not constitute a discloseable transaction and connected transaction in accordance with Chapter 14 and 14A under the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

The implementation of polysilicon technological transformation project has good economic benefits and will be beneficial for the Company to leverage the resources advantages. It will also help to realize the optimal allocation of industrial chain and achieve scale production, which will enhance the core competitiveness of the Company.

By order of the Board
Xinte Energy Co., Ltd.
Zhang Jianxin
Chairman

Xinjiang, the PRC, 17 August 2016

As at the date of this announcement, the Board of the Company consists of Mr. Zhang Jianxin, Mr. Ma Xuping and Mr. Yin Bo as executive directors; Mr. Wang Jian, Mr. Zhang Xin and Ms. Guo Junxiang as non-executive directors; and Mr. Qin Haiyan, Mr. Yang Deren and Mr. Wong, Yui Keung Marcellus as independent non-executive directors.